



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Earl Ray Tomblin, Governor
Randy C. Huffman, Cabinet Secretary
www.dep.wv.gov

May 05, 2014

WELL WORK PERMIT

Vertical Well

This permit, API Well Number: 47-7302554, issued to BATTLES ENERGY CORPORATION, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days completion of permitted well work, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: NICKOLES #1
Farm Name: NICKOLES, THOMAS W. & JOYC
API Well Number: 47-7302554
Permit Type: Vertical Well
Date Issued: 05/05/2014

Promoting a healthy environment.

PERMIT CONDITIONS

West Virginia Code § 22-6-11 allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. Failure to adhere to the specified permit conditions may result in enforcement action.

CONDITIONS

1. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code § 22-6-20, which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
2. Pursuant to 35 CSR § 4-19.1.a, at the request of the surface owner all water wells or springs within 1000 feet of the proposed well that are actually utilized for human consumption, domestic animals or other general use shall be sampled and analyzed.
3. Pursuant to 35 CSR § 4-19.1.c, if the operator is unable to sample and analyze any water well or spring within one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.
4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
5. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours.
7. Well work activities shall not constitute a hazard to the safety of persons.

4707302554
CK 25510
650

WW-2A
(Rev. 6-07)

1.) Date: _____
2.) Operator's Well Number Nickoles #1
State 47- County _____ Permit _____
3.) API Well No.: _____

**STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:
(a) Name Thomas Nickoles W
Address 86 Swetland Rd
Gettysburg, Pa 17325-8645
(b) Name _____
Address _____
(c) Name _____
Address _____
6) Inspector Joe Taylor
Address 1478 Claylick Rd JT
Ripley, WV 25271
Telephone 304-380-7469

5) (a) Coal Operator
Name None
Address _____
(b) Coal Owner(s) with Declaration
Name None
Address _____
(c) Coal Lessee with Declaration
Name None
Address _____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

OR Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through _____ on the above named parties by:

- _____ Personal Service (Affidavit attached)
- Certified Mail (Postmarked postal receipt attached)
- _____ Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

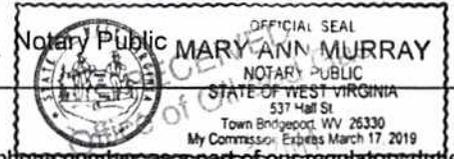
I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator Battles Energy Corp
By: Peter Battles [Signature]
Its: President
Address 1785 Corbin Branch Rd
Bridgeport, WV 26339
Telephone 304-64107868

Subscribed and sworn before me this 15 day of April, 2014

Mary Ann Murray
My Commission Expires March 17, 2019



Oil and Gas Privacy Notice

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov

WV Department of Environmental Protection

SURFACE OWNER WAIVER

County Pleasants

Operator
Operator well number

Battles Energy Corp
Nickoles #1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, WV 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure a adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

* Thomas Nickoles
Signature

Date 4/5/14

Company Name _____
By _____
Its _____

THOMAS NICKOLES

Print Name

Date

Signature _____ Date _____

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Office of Oil and Gas
APR 16 2014
WV Department of
Environmental Protection

WW-2A1
(Rev. 1/11)

Operator's Well Number _____

**INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)**

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page
Thomas & Joyce Nickoles	Rockford Energy LLC	15 %	286/619
Rockford Energy LLC	D&J Investments LLC		Copy Included (1)
D&J Investments LLC	Pleasants Energy Development 2013 Program		Copy Included (2)
Pleasants Energy Development 2013 Program	Battles Energy Corp		Copy Included (3)

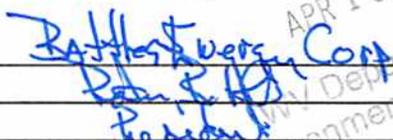
**Acknowledgement of Possible Permitting/Approval
In Addition to the Office of Oil and Gas**

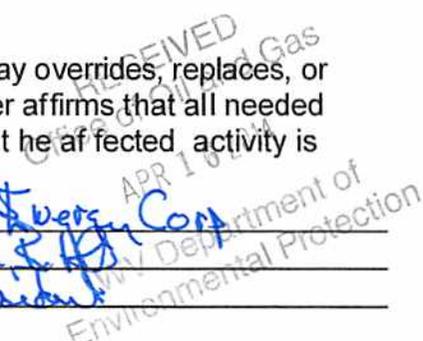
The permit applicant for the proposed well work addressed in this application hereby acknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

- WV Division of Water and Waste Management
- WV Division of Natural Resources
- WV Division of Highways
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overrides, replaces, or nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be acquired from the appropriate authority before the affected activity is initiated.

Well Operator: _____
By:Its: _____





WW-2B1

Well No. Nickoles #1

West Virginia Department of Environmental Protection
Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<input checked="" type="checkbox"/>	Contractor Name	<u>Reliance Lab</u>
<input type="checkbox"/>	Well operator's private laboratory	
	Well Operator	<u>Battles Energy Corp</u>
	Address	<u>1785 Corbin Branch Rd</u>
		<u>Bridgeport WV 26330</u>
	Telephone	<u>304-641-7868</u>

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underlining which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

* Thomas Nickoles 86 Sweetland Rd. Gettysburg Pa. 17325-8646

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MAY 5 2014

WV Department of
Environmental Protection

Nickoles Tract to D&J

ASSIGNMENT

THIS ASSIGNMENT, made and entered into this the 3rd day of September, 2013 by and between Rockford Energy, LLC, a West Virginia Limited Liability Company, whose address is P.O. Box 457 Lost Creek WV 26385 (hereinafter Assignor), and D&J Investments LLC, a West Virginia Limited Liability Company, whose address is PO Box 457, Lost Creek, WV 26385 (hereinafter Assignee).

WITNESSETH

Assignor, in consideration of the sum of \$1.00 and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant unto Assignee all of Assignor's rights, title, and interests in and to the oil and gas and the constituents of either, subject to the limitations and the reservations herein contained, in and under the lands (Premises) shown on Exhibit A and situate in Union District, Pleasants County, West Virginia together with such rights to use the surface of the land as are possessed by the Assignor and as are reasonably necessary to carry on such operations to drill for, produce and market oil and gas and their constituents pursuant to the mineral rights subleased hereunder.

Said property is shown upon the Tax Maps of the Assessor for Pleasants County, WV upon Union District Map 12 Parcels 18 containing 115.5 acres surface.

RESERVATIONS, ROYALTIES, FEES

There is expressly excepted and reserved from this Assignment in favor of the Assignor a Two and one-half percent (2.5%) overriding royalty interest and all other royalty payments made under each individual lease assigned of 8/8ths interest of all oil, gas, and related products produced, saved, and sold from the Premises and the existing burdens on production. There is further expressly excepted and reserved from this Assignment in favor of David E. Bowyer of 12088 Middle Island Road, Alma, WV the Assignor a Two and one-half percent (2.5%) overriding royalty interest and all other royalty payments made under each individual lease assigned of 8/8ths interest of all oil, gas, and related products produced, saved, and sold from the Premises and the existing burdens on production. Such payments shall be based on the gross amounts received by the Assignee, its heirs and assigns, prior to deduction of any costs and expenses. Said overriding royalty shall be calculated free from all costs and expenses.

It is agreed between the Assignor and Assignee that, notwithstanding any language herein to the contrary, all oil, gas, or other proceeds accruing to the Assignor under this Assignment or by State law shall be without deduction, directly or indirectly, excepting a gathering rate equal to the posted Dominion gathering rate. However Assignor does agree to allow any such costs which result in enhancing the value of the marketable oil, gas, or other products to receive a better price may be deducted from the Assignor's share of production so long as they are based on Assignee's actual cost of such enhancements and result in a higher royalty payment to the Assignor from the Assignee.

In the event that any well on the Premises which has been completed is shut-in for more than a period of six (6) months or otherwise not producing because of any reason within the control of the Assignee, Assignee shall pay to Assignor as a shut-in royalty the sum of \$100.00 per well per month and so long as payments are made, said well shall be deemed to be paying in producing quantities. Provided that this Assignment shall not be continued by payment of shut-in rentals for more than one year when that shut-in could reasonably have been terminated by Assignee and production begun again. Upon the commencement of any shut-in period (which shall be deemed to be nonproduction lasting more than Ninety days) Assignee shall give Assignor written notice setting forth the date of shut-in and the reason and the expected duration of the shut-in, and Assignee shall notice Assignor when production is resumed.

DEVELOPMENT

Assignee shall comply with, observe, and perform all the terms, covenants, conditions and agreements contained in the assigned lease, and other unrecorded agreements that may be executed by all parties in connection with the Premises.

It is expressly understood and agreed that the purpose of this Assignment is to obtain the maximum efficient development of the Premises for oil and gas purposes. Following spudding of any well, Assignee shall use its best efforts to cause said well to be drilled, completed and put in-line as soon as possible.

Nickoles Tract to D&J

INDEMNIFICATION

Assignee shall indemnify and save Assignor harmless from any and all loss, liability, damage or claim for injury, death, loss or damage of whatever nature to whatever person, property of business interest caused by or resulting from any event or occurrence in, on or about the Premises resulting from Assignee's employees, customers, licensees, invitees, contractors, heirs, or assigns actions and operations.

EXCEPTIONS

This Assignment is made subject to all exceptions, reservations, and conditions contained in the instruments of record pertaining to the lands covered herein (Premises). The Assignor is aware of the following exceptions:

- a. Assignment to JB Exploration I, LLC, a West Virginia Limited Liability Company on September 13, 2013 for a primary term of five years from the 3rd day of September, 2013 covering all depths from 300 feet above the Marcellus Shale to the Granite formation.

WARRANTIES

Assignor warrants title to the Leases unto Assignee, only as to those title failures caused by Assignor's own actions, against every person or entity whomsoever lawfully claiming, or to claim the same or any part thereof by, through or under Assignor or its affiliates, but not otherwise. Assignor represents and warrants that it is organized and authorized to transact business in the State of West Virginia, and that there is no pending or threatened litigation, or liens affecting the Leasehold Rights.

FURTHER ASSIGNMENT OF THIS DOCUMENT

Assignee's rights and obligations under this Assignment may be assigned, subleased, farmed out or encumbered in whole or in part without obtaining Assignor's consent. Subject to the foregoing this Assignment will extend to, inure to the benefit of and be binding upon the Parties and each of their successors and permitted assigns. Within thirty days after any assignment of this Assignment, Assignee shall notify the Assignor and David E. Bowyer by mail of the name of new Assignee and Assignee's current address and phone number.

MISCELLANEOUS

It is agreed that Assignor has paid all rentals in full due to the Lessor(s) for the full term of said Lease(s) hereby assigned to Assignee. If held by production (HBP) Assignor states all royalties have been paid to Lessor's thereby holding said acreage in Leases assigned Assignee as HBP.

The interest in the Leases assigned to Assignee hereunder shall be subject to the royalty interest as provided for in the Leases and to the terms, covenant, conditions, and provisions set forth therein and any intervening assignment(s) affecting the Leases, and shall also be subject to all overriding royalties, production payments, contracts and other payments and agreements of record as of September 3, 2013. Assignee is obligated to Assignor and shall be liable for the payment of royalties to the royalty owners hereunder.

Assignor may, during normal business hours, have access to and examine, audit, and make copies of the production and sales records and other pertinent data of Assignee for the purpose of verifying what amount is due Assignor from Assignee. Assignee agrees to keep full, true, and accurate records, accounts, and books of all matters pertaining to the Assignment and necessary to complete royalties and other payments due Assignor, all of which records, accounts, and books shall be kept by the Assignee at its principal place of business for its accounting department, which is located in Assignee's Union, New Jersey Office, for a period of 3 years following the end of the calendar year to which the same relate.

Upon request, Assignee shall furnish free of cost to Assignor a copy of log(s) of the well(s) drilled on this Leased Premises by Assignor or its assigns, which logs shall be furnished to the Assignor within thirty (30) days after logging completion. Assignee shall further provide copies of any surveys and/or title opinions regarding the leased premises within thirty (30) days of the document(s) preparation to the Assignor upon request of the Assignor. Said surveys and title opinions are only to be used for informational purposes only.

All information given to the Assignors, in the above paragraphs, shall be confidential and used only for the purpose of the audit. The information shall not be given out or used by anyone other than the Assignors. If any confidential information is determined to be given out to anyone besides the Assignors, then the right to audit provision shall become null and void.

At such time as Assignee intends to plug and/or abandon any well located upon the Premises, Assignee shall give Assignor written notice of said intent and Assignor may, within 45 days of receipt of said notice, elect to purchase said well and all equipment located thereon or used in connection therewith for an amount equal to the salvage value of said equipment less the cost of plugging and abandoning said well and restoring the well site.

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APR 16 2014
WV Department of
Environmental Protection

Nickoles Tract to D&J

All payments provided for herein shall be made to Assignor by check delivered to said Assignor or mailed to such Assignor at the address set forth herein or to such person or entity at whatever address as the Assignee may be notified from time to time as provided in this Assignment.

NOTICES

All notices herein provided or otherwise shall be in writing and shall be given by U.S. Certified Mail, return receipt requested, and it shall take effect from the time of such mailing. Notices shall be addressed to the Assignor and Assignee at the addresses set forth above, provided that any party may change its address for notices by giving notice to the other parties as herein provided. Until such written notice of change is received by the other parties, service upon a previously designated party at his previously designated address shall be deemed to have been adequate for purposes of this Assignment.

SUCCESSORS IN INTEREST

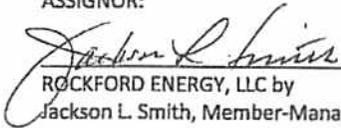
All provisions of this Assignment shall be binding upon, inure to the benefit of, and be enforceable by and against the respective successor and assigns of the Assignor and Assignee.

As part of the consideration for the execution and delivery of this instrument by Assignor, Assignee agrees to all of the terms and provisions hereof and joins in the execution of this instrument to evidence this agreement.

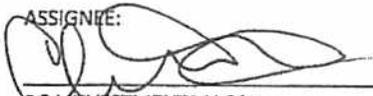
TO HAVE AND TO HOLD the interest in the Leases hereby assigned, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Assignee and Assignee's successors and assigns, subject to the matters set forth herein.

IN WITNESS WHEREOF, the undersigned have executed this Assignment as of the date set forth above.

ASSIGNOR:


ROCKFORD ENERGY, LLC by
Jackson L. Smith, Member-Manager

ASSIGNEE:

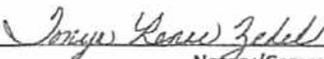

D&J INVESTMENTS LLC by
Christopher A. Davis, Manager

Acknowledgement

State of West Virginia
County of Harrison, to-wit:

I, Tonya Renae Zedek, a Notary/Commissioner of the aforesaid County and State do certify that Jackson L. Smith, as Member-Manager for and on behalf of Rockford Energy, LLC did sign the foregoing document dated the 3rd day of September, 2013, and has this day acknowledged the same before me in my said County and State.

Given under my hand this the 3rd day of September, 2013.
My Commission Expires: September 11, 2018


Notary/Commissioner

{ Seal }



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Office of Oil and Gas
APR 16 2014
WV Department of
Environmental Protection

Nickoles Tract to D&J

State of West Virginia
County of Harrison, to-wit:

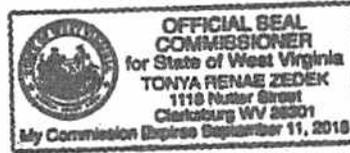
I, Tonya Renae Zedek, a Notary/Commissioner of the aforesaid County and State do certify that Christopher A. Davis, as Manager for and on behalf of D&J Investments LLC did sign the foregoing document dated the ____ day of September, 2013, and has this day acknowledged the same before me in my said County and State.

Given under my hand this the 3rd day of September, 2013.
My Commission Expires: September 11, 2018

Tonya Renae Zedek
Notary/Commissioner

{ Seal }

This Instrument was prepared by and return to:
D&J Investments, LLC
PO Box 457
Lost Creek WV 26385



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Office of Oil and Gas
APR 16 2014
WV Department of
Environmental Protection

Nickoles Tract to D&J

ROCKFORD ENERGY, LLC PARTIAL ASSIGNMENT TO D&J INVESTMENTS LLC
EXHIBIT "A"

Property covered by those certain Oil and Gas Leases and Assignments described below and further described by the foregoing Assignment for interest in property located in Union District in Pleasants County, West Virginia and recorded in the records of the Clerk of the Pleasants County, WV Commission as noted:

Name(s) of Lessors	Date of Lease	Union Dist. Map/Parcel	Acreage	Book/Page
Thomas W. Nickoles and Joyce A. Nickoles, husband and wife	June 5, 2012	12-18	115.5 +/-	DB 286/619

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APR 16 2014
WV Department of
Environmental Protection

PARTIAL ASSIGNMENT OF OIL AND GAS INTEREST

KNOW ALL MEN BY THESE PRESENTS, that this assignment is made and entered into as of the 31ST Day of December, 2013, by and between D&J Investments LLC, a West Virginia Limited Liability Company, party of the first part, hereinafter referred to as "Assignor" and Pleasants Energy Development 2013 Drilling Program LP, a West Virginia Limited Liability Partnership, party of the second part, hereinafter referred to as "Assignee".

WHEREAS, Assignor represents that it is the present owner of certain oil and gas development rights and leasehold estates pursuant to a certain oil and gas lease dated June 5, 2012 from Thomas W. Nickoles and Joyce A. Nickoles, husband and wife, consisting of +/- One Hundred Fifteen (115) acres more or less, situated in Union District, Pleasants County, described in a Memorandum of Lease of record in the Office of the Clerk for the County Commission of Pleasants County, West Virginia in Deed Book 286 at Page 619.

WHEREAS, Assignee represents it is being formed to drill oil and/or gas wells in Pleasants County, West Virginia.

WITNESSETH, that for good and valuable consideration, the receipt of which hereby is acknowledged, and in consideration of the covenants and conditions hereinafter to be kept and performed, Assignor does hereby transfer, sells, grant, convey and assigns to Assignee borehole rights only to drill one (1) well upon said lease in a mutually agreed located to the deepest completed formation no deeper than 300 feet above the Marcellus Shale.

This assignment is made subject to the following reservations and exceptions:

- (a) Assignor reserves all rights and titles to the lease and only assigns to Assignee the borehole rights to drill one well to a depth of the deepest completed formation no deeper than 300 feet above the Marcellus Shale formation.
- (b) If Assignee does not complete a producing oil and/or gas well by 12/31/2014 then this Assignment shall be null and void and of no effect.

This assignment is made subject to all matters of record in the office of the Clerk of Pleasants County Commission..

Assignor warrants that it has full power and authority to enter into this assignment and that the execution, delivery and consummation of this assignment has been duly and validly authorized by all necessary corporate action.

This assignment shall be binding upon, and inure to the benefit of Assignor, Assignee, and their respective heirs, personal representatives, devisees, successors and assigns.

WITNESSETH the following signature:



D&J Investments LLC

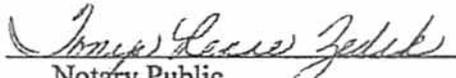
By Christopher A. Davis, Manager

STATE OF West Virginia
County of Harrison, TO-WIT

The foregoing instrument was acknowledged before me this 3rd day of December, 2013
by Christopher A. Davis, Manager of D&J Investments LLC.

My commission expires September 11, 2018

(seal)



Notary Public

This Instrument was prepared by and return to:
D&J Investments, LLC
PO Box 457
Lost Creek WV 26385



RECEIVED
Office of Oil and Gas
APR 16 2014
WV Department of
Environmental Protection

(2)

PARTIAL ASSIGNMENT OF OIL AND GAS INTEREST

KNOW ALL MEN BY THESE PRESENTS, that this assignment is made and entered into as of the 1ST day of March, 2014, by and between Pleasants Energy Development 2013 Drilling Program LP, a West Virginia Limited Liability Partnership, party of the first part, hereinafter referred to as "Assignor" and between Battles Energy Corp., a West Virginia, Corporation, party of the second part, hereinafter referred to as "Assignee".

WHEREAS, Assignor represents that it is the present owner of certain oil and gas development rights and leasehold estates pursuant to a certain oil and gas lease dated June 5, 2012 from Thomas W. Nickoles and Joyce A. Nickoles, husband and wife, consisting of +/- One Hundred Fifteen (115) acres more or less, situated in Union District, Pleasants County, described in a Memorandum of Lease of record in the Office of the Clerk for the County Commission of Pleasants County, West Virginia in Deed Book 286 at Page 619.

WHEREAS, Battles Energy Corp has agreed to drill one well on said parcel under the terms and conditions of a Drilling and Completion Agreement with D&J Investments LLC, general partner of Pleasants Energy Development 2013 Drilling Program LP.

WITNESSETH, that for good and valuable consideration, the receipt of which hereby is acknowledged, and in consideration of the covenants and conditions hereinafter to be kept and performed, Assignor does hereby transfer, sells, grant, convey and assigns to Assignee borehole rights only to drill one well to a depth of the deepest completed formation no deeper than 300 feet above the Marcellus Shale formation.

This assignment is made subject to the following reservations and excepts:

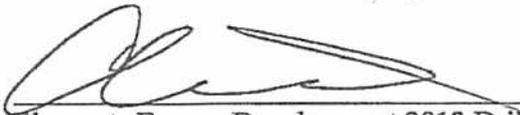
- (a) Assignor reserves all rights and titles to the lease and only assigns to Assignee one well to a depth of the deepest completed formation no deeper than 300 feet above the Marcellus Shale formation.
- (b) Assignor covenants with Assignee, its heirs, successors, assigns, that the Assignor is the lawful owner of and has good title to the interest and properties, both real and personal, herein assigned, free and clear from any liens or encumbrance.
- (c) Once the well has been completed the Assignee shall execute an assignment returning all interest herein conveyed unto the Assignor.
- (d) If Assignee does not complete a producing oil and/or gas well by 6/01/14 then this Assignment shall be null and void and of no effect.

This assignment is made subject to all matters of record in the office of the Clerk of Pleasants County Commission.

Assignor warrants that it has full power and authority to enter into this assignment and the execution, delivery and consummation of this assignment has been duly and validly authorized by all necessary corporate action.

This assignment shall be binding upon, and inure to the benefit of Assignor, Assignee, and their respective heirs, personal representatives, devisees, successors and assigns.

WITNESSETH the following signature:



Pleasants Energy Development 2013 Drilling Program LP by
D&J Investments LLC, its General Partner

By Christopher A. Davis, Manager

STATE OF West Virginia
County of Harrison, TO-WIT

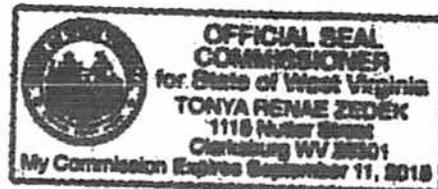
The foregoing instrument was acknowledged before me this 1st day of March, 2014 by Christopher A. Davis, Manager of D&J Investments LLC as General Partner of Pleasants Energy Development 2013 Drilling Program LP.

My commission expires September 11, 2018

(seal)


Notary Public

This Instrument was prepared by and return to:
D&J Investments, LLC
PO Box 457
Lost Creek WV 26385



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Office of Oil and Gas
APR 16 2014
WV Department of
Environmental Protection

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Battles Energy Corp OP Code 309182

Watershed Big Run Quadrangle Bens Run

Elevation 1055 County Pleasants District Union

Description of anticipated Pit Waste: Drill cuttings ; Cement ; Formation Fluids ; Frac Fluids

Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes _____ No X

Will a synthetic liner be used in the pit? yes. If so, what mil.? 30

Proposed Disposal Method For Treated Pit Wastes:

- Land Application
- Underground Injection (UIC Permit Number _____)
- Reuse (at API Number _____)
- Off Site Disposal (Supply form WW-9 for disposal location)
- Other (Explain _____)

Drilling medium anticipated for this well? Air, freshwater, oil based, etc. Air

-If oil based, what type? Synthetic, petroleum, etc. _____

Additives to be used? _____

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. Leave in pit

-If left in pit and plan to solidify what medium will be used? Cement, lime, sawdust Lime

-Landfill or offsite name/permit number? _____

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature [Signature]

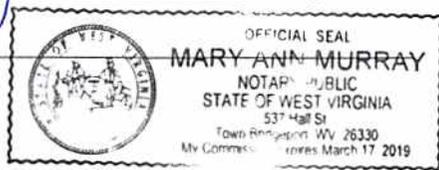
Company Official (Typed Name) Peter Battles

Company Official Title President

Subscribed and sworn before me this 15 day of April, 2014

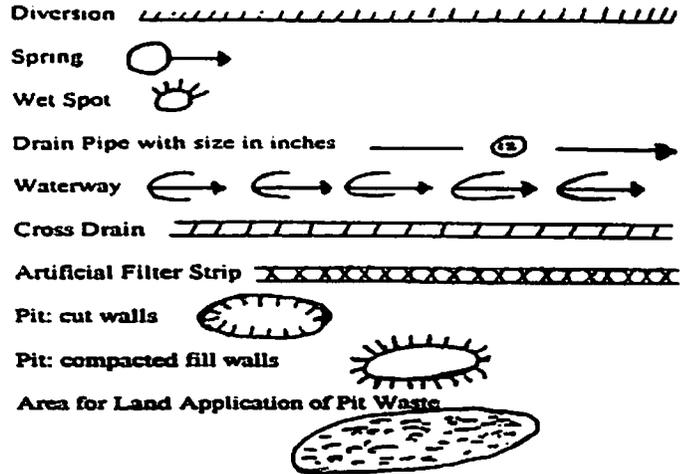
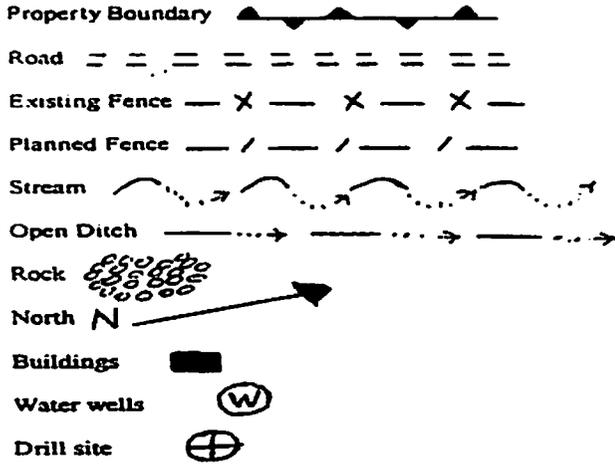
Mary Ann Murray Notary Public

My commission expires March 17, 2019
Form WW-9



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APR 16 2014
WV Department of Environmental Protection
[Signature]
4-14-14

LEGEND



Proposed Revegetation Treatment: Acres Disturbed 1 Ac Prevegetation pH _____

Lime _____ Tons/acre or to correct to pH 6.5

Fertilizer (10-20-20 or equivalent) 500 lbs/acre (500 lbs minimum)

Mulch 2.5 Hay Tons/acre

Seed Mixtures

Seed Type	Area I		Seed Type	Area II	
		lbs/acre			lbs/acre
Annual Rye		40	Tall Fescue		30
			Birdsfoot Trefoil		10

Attach:
Drawing(s) of road, location, pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by:

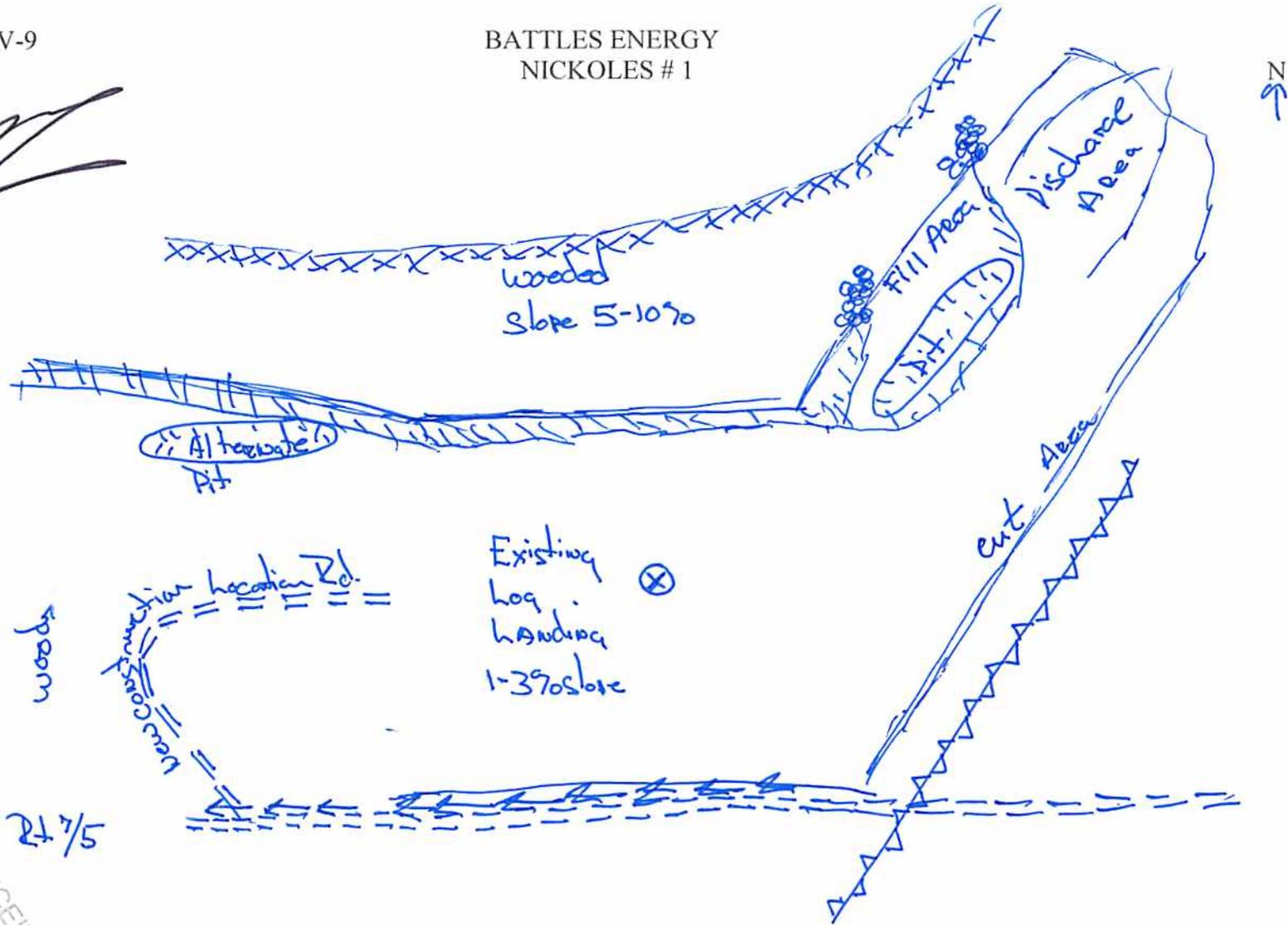
Comments: _____

Title: 006 Inspector Date: 4-4-11

Field Reviewed? Yes No

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Office of Oil and Gas
APR 16 2011
WV Department of
Environmental Protection

[Signature]
4-14-14

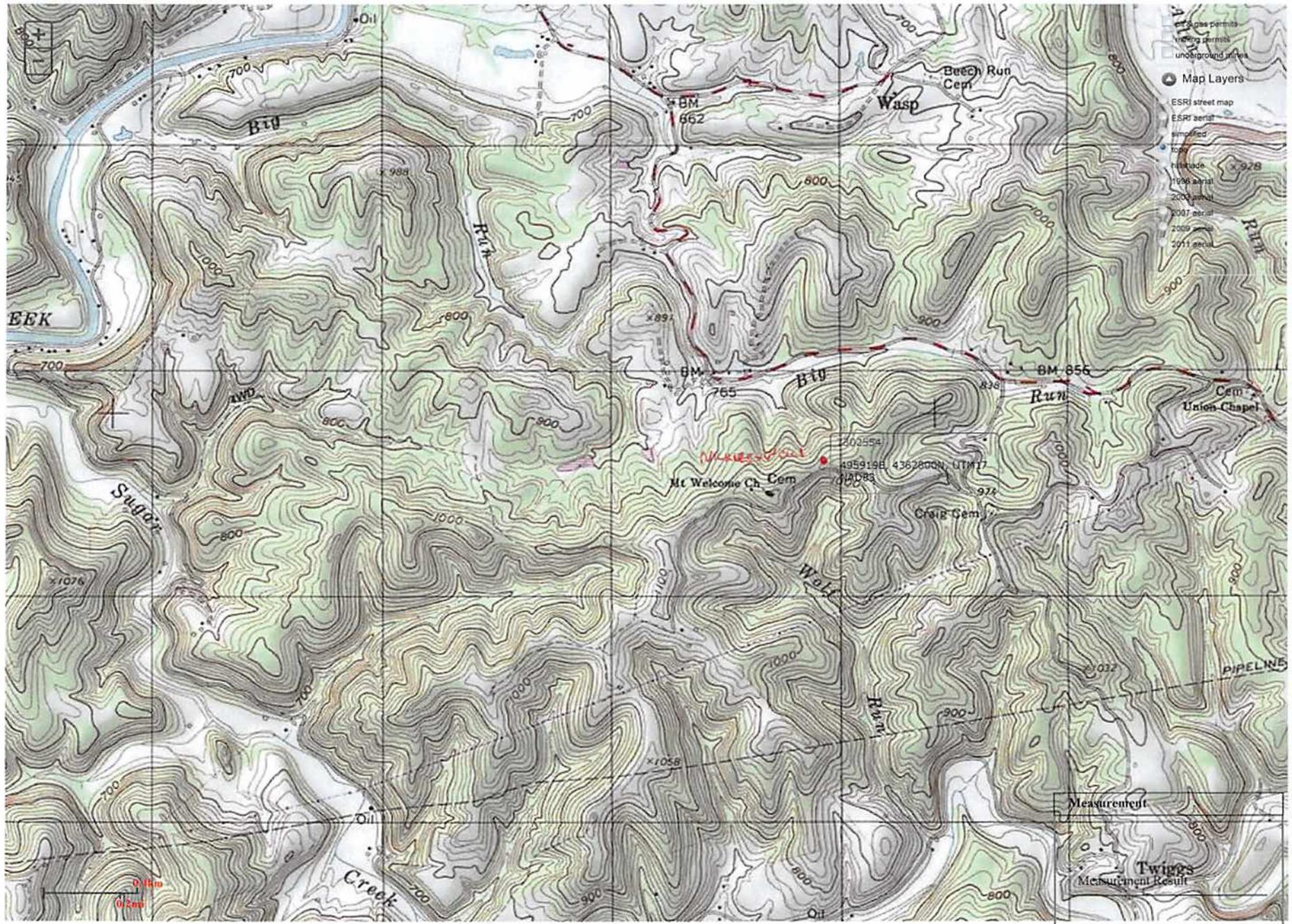


LOCATION AND ROAD WILL USE AN EXISTING LOG LANDING WITH 1-3% GRADE. BOTH ENDS OF THE LOCATION WILL BE WIDENED WHICH WILL REQUIRE SOME TIMBERING, CUT AND FILL.

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APR 1 2014
WV Department of
Environmental Protection

4707302554

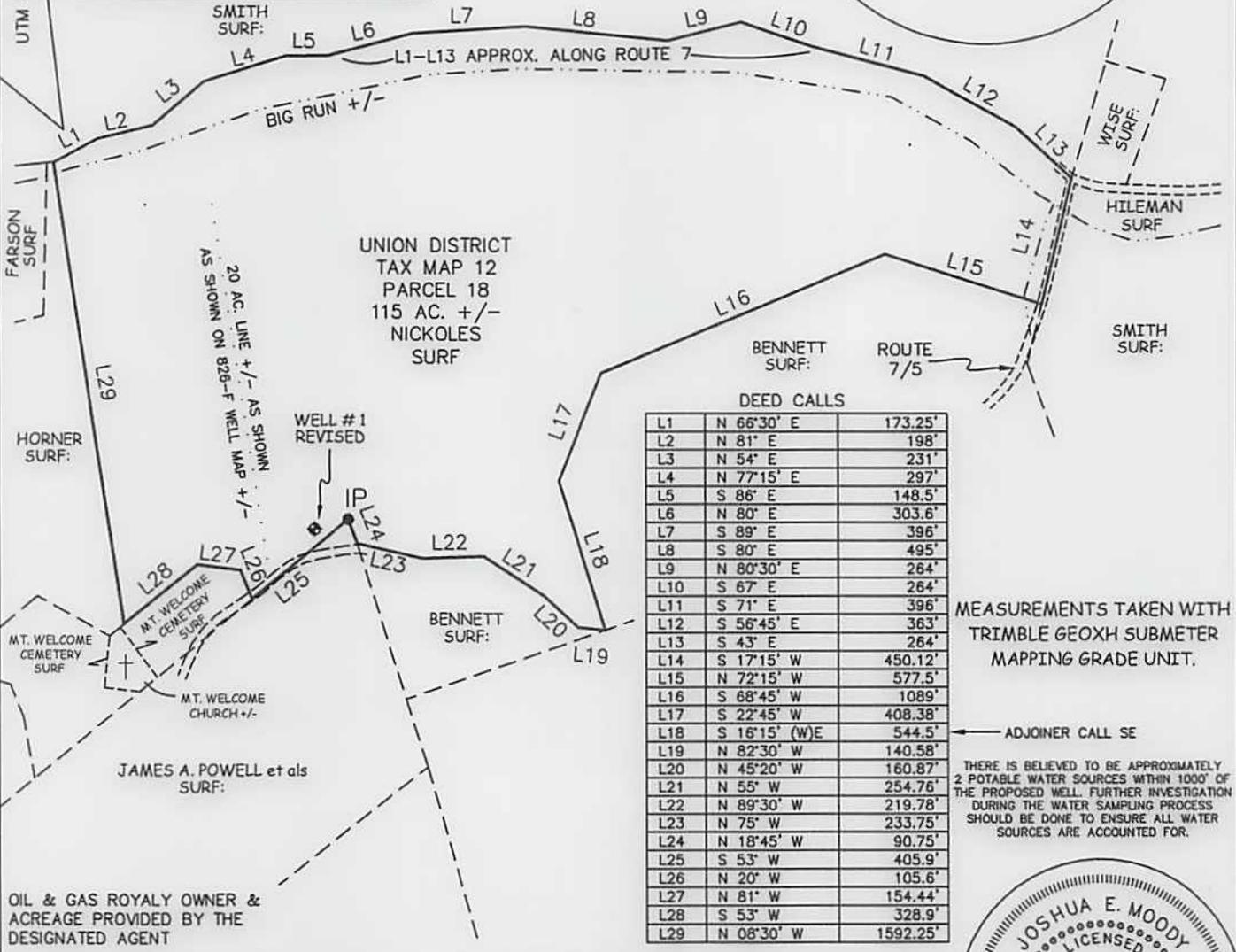
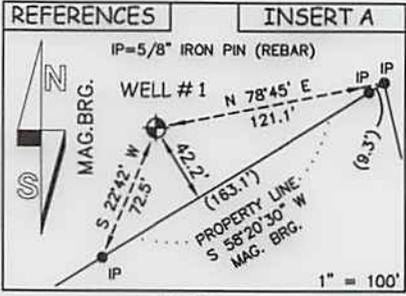
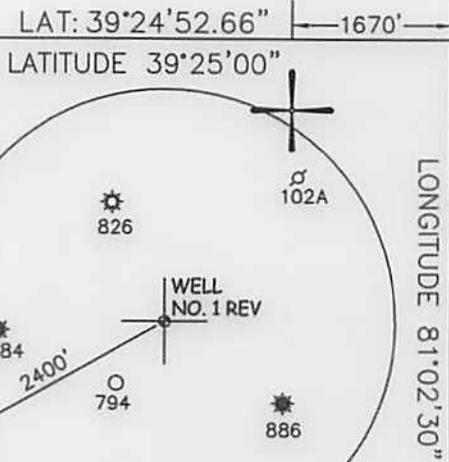
4707302554



**PROPOSED WELL
UTM 83 METERS
COORDINATES**
N: 4,362,800
E: 495,919

- 1 - Well ties and Latitude and Longitude were measured by DGPS (Sub-meter Mapping Grade).
- 2 - Surface owners and adjoiners information obtained from the Pleasants County Assessor's tax records.
- 3 - No Title Opinion was provided to the Surveyor during this survey. This survey is subject to a complete title Opinion.

NICKOLES WELL # 1 REVISED



DEED CALLS

L1	N 66°30' E	173.25'
L2	N 81° E	198'
L3	N 54° E	231'
L4	N 77°15' E	297'
L5	S 86° E	148.5'
L6	N 80° E	303.6'
L7	S 89° E	396'
L8	S 80° E	495'
L9	N 80°30' E	264'
L10	S 67° E	264'
L11	S 71° E	396'
L12	S 56°45' E	363'
L13	S 43° E	264'
L14	S 17°15' W	450.12'
L15	N 72°15' W	577.5'
L16	S 68°45' W	1089'
L17	S 22°45' W	408.38'
L18	S 16°15' (W)E	544.5'
L19	N 82°30' W	140.58'
L20	N 45°20' W	160.87'
L21	N 55° W	254.76'
L22	N 89°30' W	219.78'
L23	N 75° W	233.75'
L24	N 18°45' W	90.75'
L25	S 53° W	405.9'
L26	N 20° W	105.6'
L27	N 81° W	154.44'
L28	S 53° W	328.9'
L29	N 08°30' W	1592.25'

MEASUREMENTS TAKEN WITH TRIMBLE GEOXH SUBMETER MAPPING GRADE UNIT.

ADJOINER CALL SE

THERE IS BELIEVED TO BE APPROXIMATELY 2 POTABLE WATER SOURCES WITHIN 1000' OF THE PROPOSED WELL. FURTHER INVESTIGATION DURING THE WATER SAMPLING PROCESS SHOULD BE DONE TO ENSURE ALL WATER SOURCES ARE ACCOUNTED FOR.



JOB # 14-002
DRAWING # 14BATTLES324
SCALE 1" = 600'
MINIMUM DEGREE OF ACCURACY 1/200'
PROVEN SOURCE OF ELEV. SUBMETER MAPPING GRADE GPS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PERSCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.



STATE OF WEST VIRGINIA, DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

MOODY LAND SURVEYING, LLC
25 MOODY LANE ST. MARYS WEST VIRGINIA 26170

JOSHUA E. MOODY, P.S. 2020

DATE 3/26/14
OPERATOR'S WELL # NO.1 REV
API WELL # 47 - 073 - 02554
STATE COUNTY PERMIT

STATE OF WEST VIRGINIA DEPARTMENT OF ENERGY DIVISION OF OIL AND GAS

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL
(IF "GAS") PRODUCTION STORAGE DEEP SHALLOW
LOCATION: ELEVATION 1055' WATERSHED BIG RUN
DISTRICT UNION COUNTY PLEASANTS
QUADRANGLE BENS RUN 7.5'

SURFACE OWNER THOMAS W. & JOYCE A. NICKOLES ACREAGE 115 ACRES +/-
OIL & GAS ROYALTY OWNER THOMAS W. & JOYCE A. NICKOLES LEASE ACREAGE 115 AC. +/-
PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION
OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____
PLUG & ABANDON CLEAN OUT & REPLUG
TARGET FORMATION DEVONIAN SHALE ESTIMATED DEPTH 5000'
WELL OPERATOR BATTLES ENERGY CORP. DESIGNATED AGENT PETER BATTLES
ADDRESS RT. 3 BOX 252B ADDRESS RT. 3 BOX 252B
BRIDGEPORT, WV 26330 BRIDGEPORT, WV 26330

COUNTY NAME PERMIT

LAT: 39°24'52.66" 1670'

LATITUDE 39°25'00"

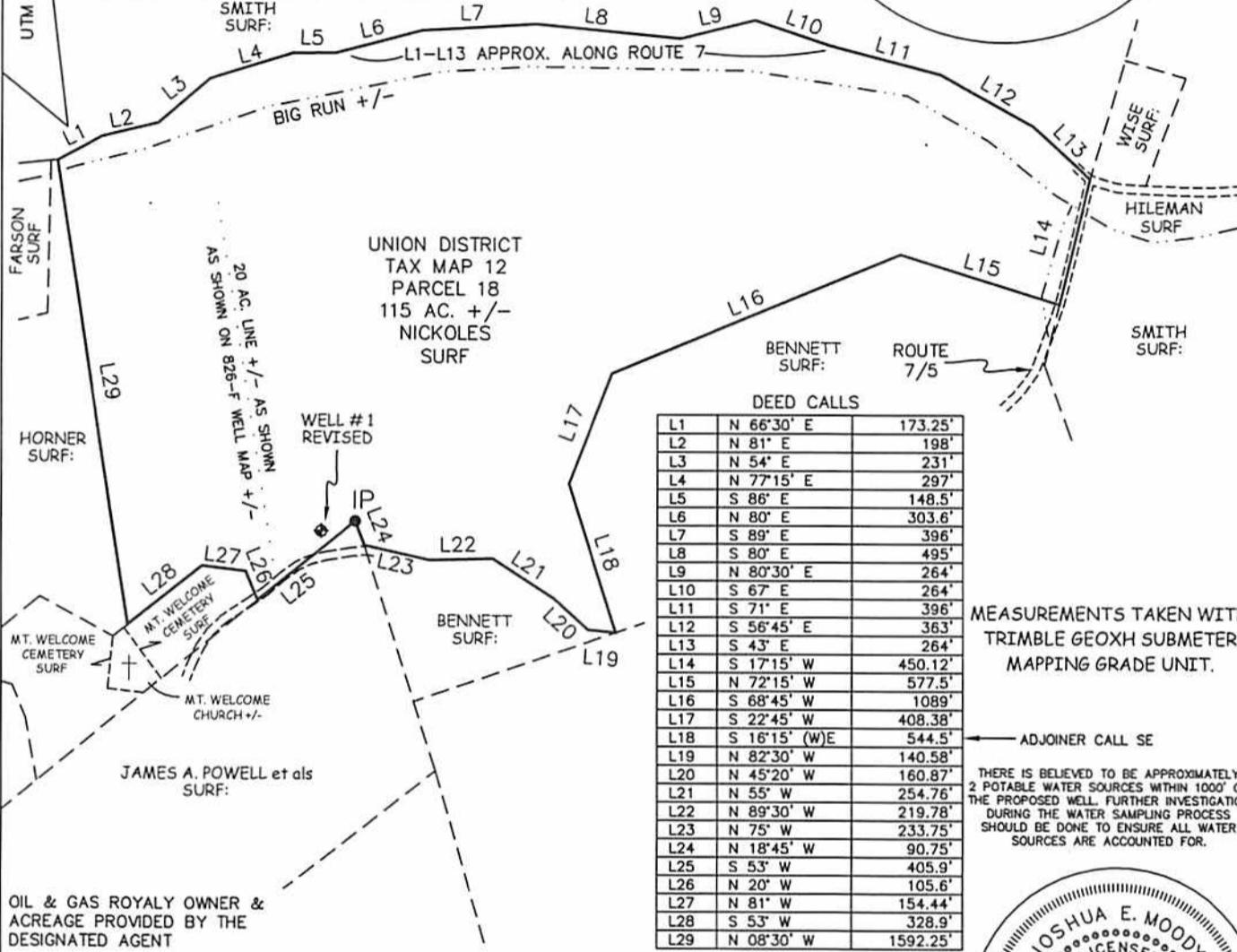
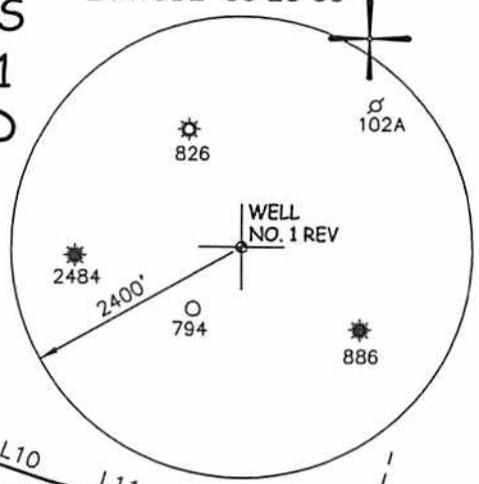
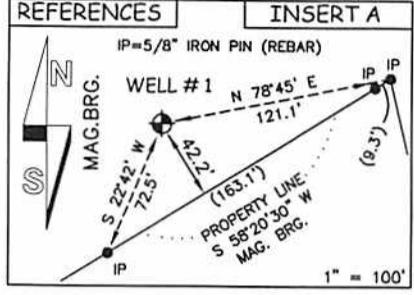
740'
LON: -81°02'51.26"

LONGITUDE 81°02'30"

PROPOSED WELL UTM 83 METERS COORDINATES
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E: 495,919

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MOODY LAND SURVEYING, LLC
25 MOODY LANE ST. MARYS WEST VIRGINIA 26170

JOSHUA E. MOODY, P.S. 2020

DATE 3/26/14
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API WELL # 47 - 073 - 02554
STATE COUNTY PERMIT

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WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL
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ESTIMATED DEPTH 5000'
DESIGNATED AGENT PETER BATTLES
ADDRESS RT. 3 BOX 252B BRIDGEPORT, WV 26330

COUNTY NAME PERMIT