



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

August 29, 2014

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-5100748, issued to CONSOLIDATION COAL COMPANY, 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.

Upon completion of the plugging well work, the above named operator will reclaim the site according to the provisions of WV Code 22-6-30. The above named operator will also file, as required in WV Code 22-6-23, an affidavit on form WR-38 by two experienced persons in the operator's employment and the Oil and Gas inspector that the work authorized under this permit was performed and a description given. Failure to abide by all statutory and regulatory provisions governing all duties and operations here under may result in suspensions or revocation of this permit and in addition may result in civil and/or criminal penalties being imposed upon the operator.

This permit will expire in two (2) years from date of issue. If there are any questions, please free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: M-1330 (FERRELL 1787)
Farm Name: HIGHLAND CEMETARY ASSOC.
API Well Number: 47-5100748
Permit Type: Plugging
Date Issued: 08/29/2014

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. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
2. 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.
3. Well work activities shall not constitute a hazard to the safety of persons.
4. This well is under a consent order and must be plugged under the terms of that agreement.

5100748 P

FORM WW-4(B)
Rev. 2/01

1.) Date: June 17, 2014
2.) Operator's Well No. M-1330
3.) API Well No. 47 - 51 - 00748
State County Permit

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL & GAS
APPLICATION FOR A PERMIT TO PLUG & ABANDON

4.) WELL TYPE: Oil _____ / Gas X / Liquid injection _____ / Waste disposal _____ /
(IF "Gas", Production _____ / Underground storage _____ / Deep _____ / Shallow X)

5.) LOCATION: Elevation: 1309.32' Watershed: Middle Grave Creek-Grave Creek
District: Cameron v\ County: Marshall 51 Quadrangle: Cameron, WV-PA 7.5' 27B

6.) WELL OPERATOR Consolidation Coal Company 7.) DESIGNATED AGENT Christian Warfield
Address 6126 Energy Road Address 6126 Energy Road
Moundsville, WV 26041 Moundsville, WV 26041

8.) OIL & GAS INSPECTOR TO BE NOTIFIED 9.) PLUGGING CONTRACTOR
Name James Nicholson Name _____
Address PO BOX 44 Address _____
Moundsville, WV 26041 _____

10.) WORK ORDER: The work order for the manner of plugging this well is as follows:

SEE EXHIBIT NO. 1
101C

Notification must be given to the district oil and gas inspector 24 hours before permitted work can commence.

OK
Work order approved by inspector J. W. M. Date _____

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Office of Oil and Gas
AUG 11 2014
WV Department of
Environmental Protection

101 C

EXHIBIT NO. 1

From the experience and technology developed since 1970 in plugging oil and gas wells for mining through, Consolidation Coal's Northern West Virginia Operations will utilize one of the following two methods to plug all future wells.

4½ VENT PIPE METHOD

- (a) If active well: clean out to total depth and plug back according to state regulations to a minimum of 200 feet below lowest minable coal seam.
- (b) If abandoned well: clean out to first plug 200 feet below lowest minable seam.
- (c) Run 4½ casing from surface to minimum 200 feet below lowest minable seam and circulate 50/50 poz mix cement followed by expanding cement to surface. The expanding cement shall extend from minimum 200 feet below minable coal seam to a point 100 feet above.

The 4½ will remain open from surface to a minimum of 80 feet below that minable coal seam.

SOLID PLUG METHOD

- (a) If active well: clean out to total depth and plug back according to state regulations to a minimum of 200 feet below lowest minable coal seam.
- (b) If an abandoned well: clean out to first plug 200 feet below lowest minable coal seam.
- (c) Circulate through tubing or drill steel an expanding cement plug from a minimum of 200 feet below minable coal seam to a point 100 feet above minable coal.

Circulate through tubing or drill steel 50/50 poz mix from 100 feet above coal seam to surface.

A monument will be installed with API No. and stating "solid plug".

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Office of Oil and Gas
AUG 11 2014
WV Department of
Environmental Protection

51 007489

FORM WW-4(A)
Revised 6-07

1) Date: August 4, 2014
2) Operator's Well No. M-1330
3) API Well No. 47-51-00748
State County Permit

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE OF APPLICATION TO PLUG AND ABANDON A WELL

4) SURFACE OWNER(S) TO BE SERVED
(a) Name James Wood *wv*
Address 106 Hilltop LN
Cameron WV 26033

(b) Name _____
Address _____

(c) Name _____
Address _____

(6) INSPECTOR _____
Address _____

Telephone _____

5)a) COAL OPERATOR
Name CONSOLIDATION COAL CO.
Address 6126 Energy Road
Moundsville, WV 26041

(b) COAL OWNER(S) WITH DECLARATION:
Name _____
Address _____

(c) COAL LESSEE WITH DECLARATION:
Name _____
Address _____

TO THE PERSON(S) NAMED ABOVE: You should have received this Form and the following documents:

- (1) The Application to Plug and Abandon a Well on form WW-4B, which sets out the parties involved in the work, and describes the well and its location and the plugging work order; and
- (2) The Plat (surveyor's map) showing the well location on Form WW-6.

THE REASON YOU RECEIVED THESE DOCUMENTS IS THAT YOU HAVE RIGHTS REGARDING THE APPLICATION WHICH ARE SUMMARIZED IN THE "INSTRUCTIONS" ON THE REVERSE SIDE OF THE COPY OF THE APPLICATION (FORM WW-4(B) DESIGNATED FOR YOU. HOWEVER, YOU ARE NOT REQUIRED TO TAKE ANY ACTION AT ALL.

Take notice under Chapter 22-6 of the West Virginia Code, the undersigned well operator proposes to file or has filed this Notice and Application and accompanying documents for a permit to plug and abandon a well with the Chief of the Office of Oil and Gas, West Virginia Department of Environmental Protection, with respect to the well at the location described on the attached Application and depicted on the attached Form WW-6. Copies of this Notice, the Application, and the plat have been mailed by registered or certified mail or delivery by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of mailing or delivery by the Chief.

WELL OPERATOR Consolidation Coal Company
By Christian Warfield *Christian Warfield*
Its Project Engineer / Agent
Address 6126 Energy Road
Moundsville, WV 26041
Telephone 304-843-3535

Subscribed and sworn before me this 6 day of August, 20 14
Joseph E Williams Notary Public
Marshall County, State of West Virginia
My commission expires June 5th, 20 24



WV Department of Environmental Protection

Oil and Gas Privacy Notice
The Office of Oil and Gas processes your personal information, such as name, address and phone number, as 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.

SURFACE OWNER WAIVER

Operator's Well
Number

M-1330

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW4-A

The well operator named on page WW-4A is applying for a permit from the State to plug and abandon a well. (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 **FIVE (5) 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 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.

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 Permit To Plug And Abandon on Forms WW-4A and WW-4B, and a survey plat.

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
ETC.

RECEIVED
Office of Oil and Gas
FOR EXECUTION BY A CORPORATION,
AUG 11 2014

James P Wood
Signature

Date 7/29/14 Name _____
By _____
Its _____

Signature

Date

Date

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 Consolidation Coal Company OP Code _____

Watershed Middle Grave Creek – Grave Creek Quadrangle Cameron WV-PA, 7.5'

Elevation 1309.32' County Marshall District Cameron

Description of anticipated Pit Waste: N/A

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? N/A. If so, what mil.? _____

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)
- X Other (Explain Tanks, see attached letter)

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

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

Additives to be used? Bentonite, Bicarbonate of Soda

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. Reused or Disposed (see attached letter)

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

-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 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 Christian Warfield

Company Official (Typed Name) Christian Warfield

Company Official Title Project Engineer

Subscribed and sworn before me this 6th day of August, 2014

Joseph E Williams
Notary Public

My commission expires June 5th, 2024



**MURRAY AMERICAN ENERGY, INC.
& CONSOLIDATION COAL COMPANY**

**MURRAY AMERICAN ENERGY,
INC. & CONSOLIDATION COAL
COMPANY**

46226 National Road
St. Clairsville, OH 43950

phone: 304.843.3535

fax: 304.843.3546

e-mail: ChristianWarfield@coalsource.com

CHRISTIAN WARFIELD

Project Engineer

August 4, 2014

Department of Environmental Protection
Office of Oil and Gas
601-57th Street
Charleston, WV 25320

To Whom It May Concern,

As per the Division of Environmental Protection, Office of Oil and Gas request, Consolidation Coal Company submits the following procedures utilizing pit waste.

Upon submitting a well work application (without a general permit for Oil & Gas Pit Waste Discharge Application), Consolidation Coal Company will construct no pits, but instead will use mud tanks to contain all drilling muds.

Once the well is completed, that material (minus the cave material) will be trucked to the next well to be plugged or to DEP facilities number U-0033-83, O-1001-00, U-1035-91U-46-84, U-78-83, O-1044-9, or U-100-83.

Sincerely,

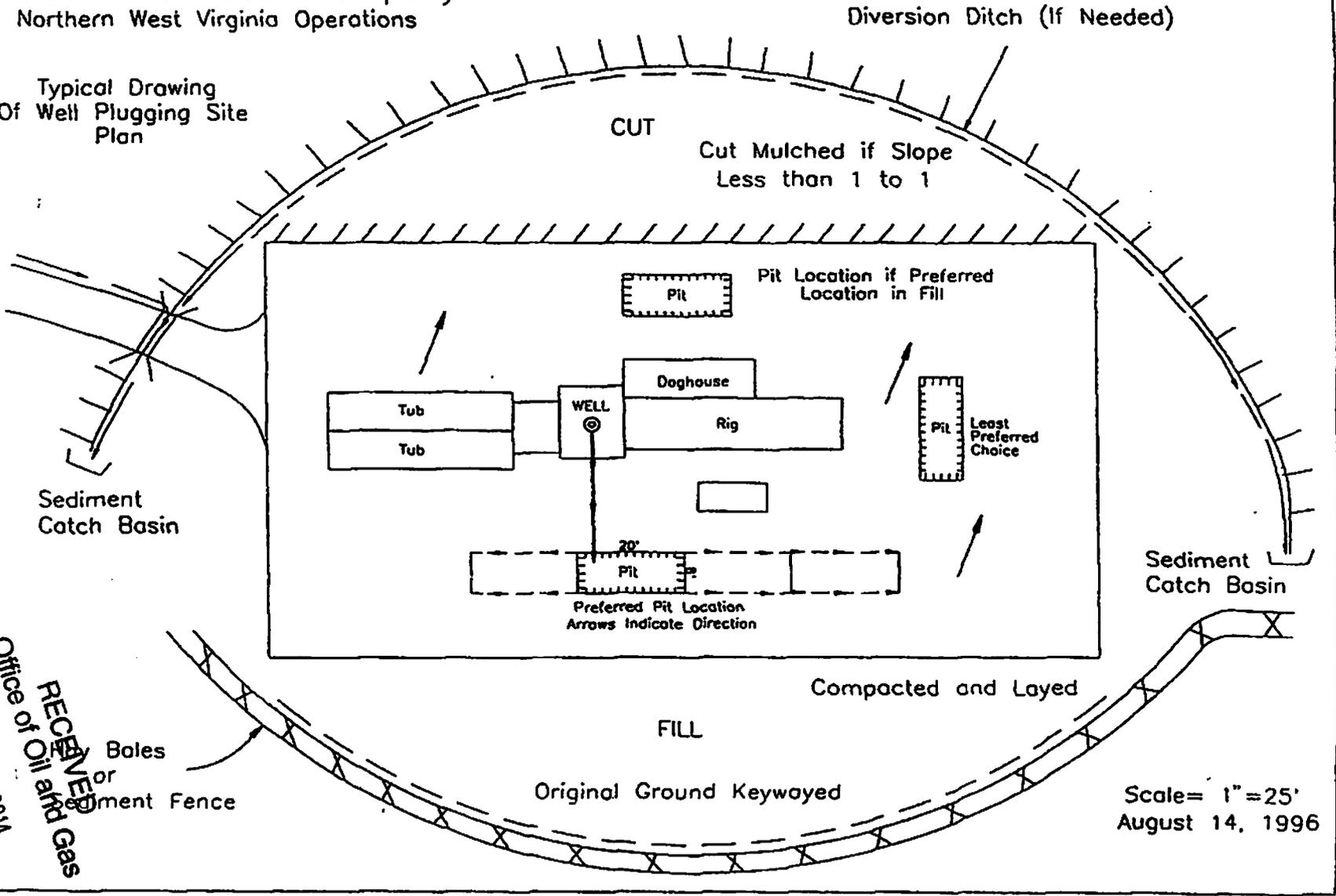


Christian Warfield
Project Engineer

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AUG 11 2014
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Consolidation Coal Company
Northern West Virginia Operations

Typical Drawing
Of Well Plugging Site
Plan

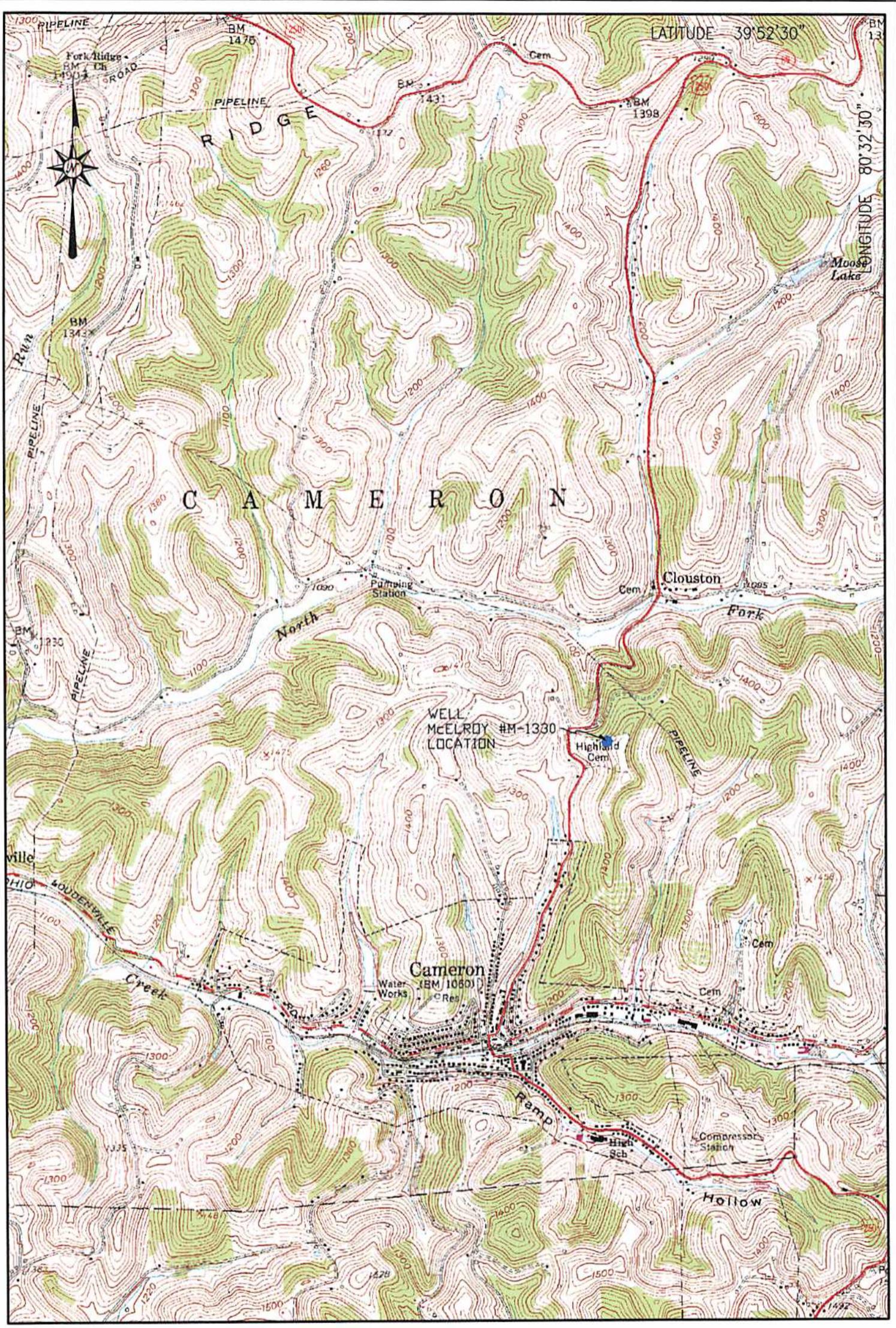


Scale = 1" = 25'
August 14, 1996

Office of Oil and Gas
August 11, 2014
West Virginia Department of Environmental Protection

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51007488



LOCATION MAP
AUGUST 1, 2014

Blue Mountain Inc.
11023 MASON DIXON HIGHWAY
BURTON, WV 26562
PHONE: (304) 662-6486

McELROY WELL # M-1330
CAMERON QUADRANGLE
WEST VIRGINIA

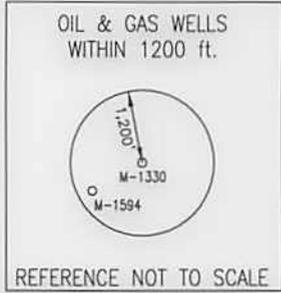
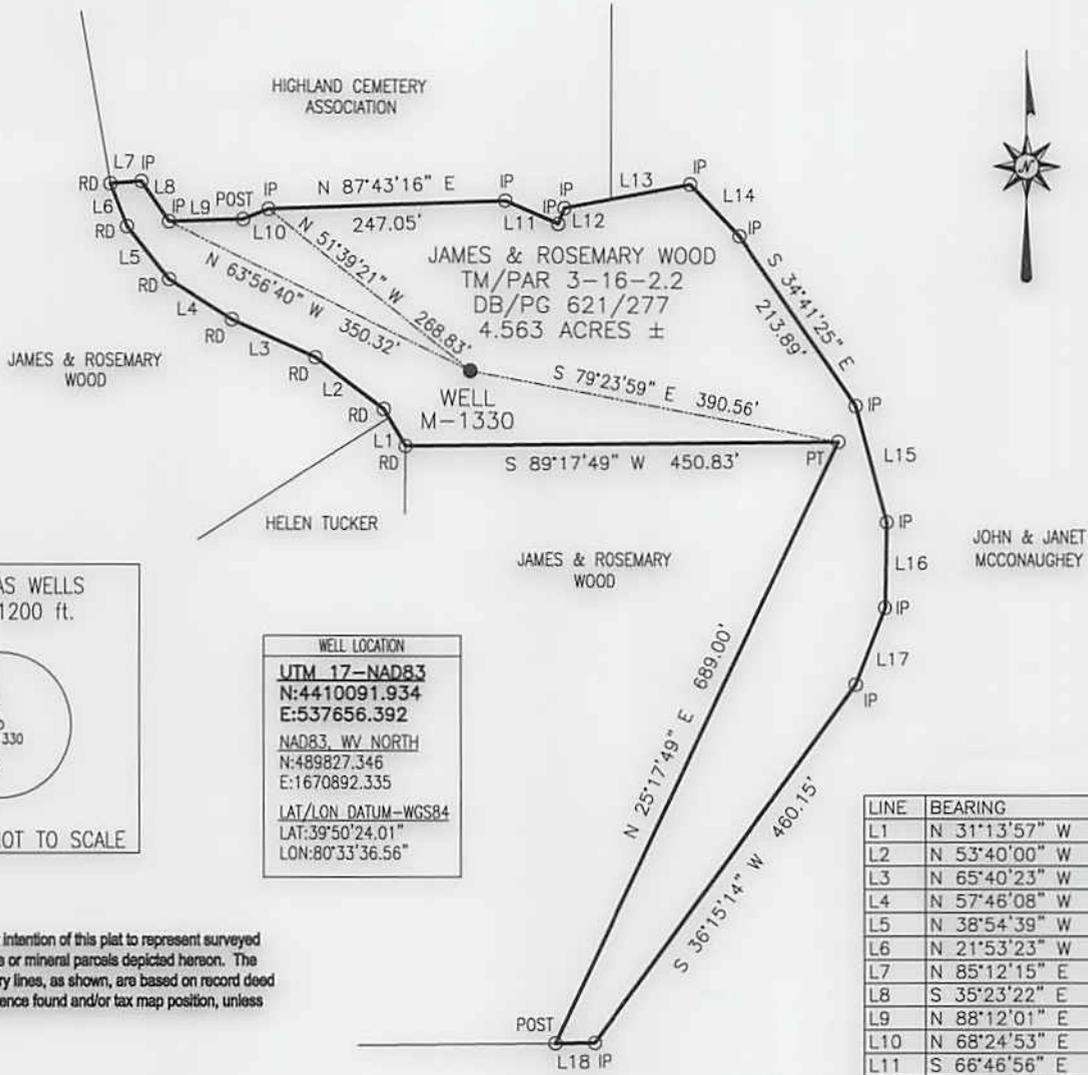
SCALE 1" = 2000'
0' 2000' 4000' 6000'



BLUE MOUNTAIN INC.

Well is located on topo map 12,748 feet south of Latitude: 39° 52' 30"

Well is located on topo map 5,114 feet west of Longitude: 80° 32' 30"



WELL LOCATION	
UTM 17-NAD83	
N:4410091.934	
E:537656.392	
NAD83, WV NORTH	
N:489827.346	
E:1670892.335	
LAT/LON DATUM=WGS84	
LAT:39°50'24.01"	
LON:80°33'36.56"	

LINE	BEARING	DISTANCE
L1	N 31°13'57" W	44.31'
L2	N 53°40'00" W	89.19'
L3	N 65°40'23" W	95.55'
L4	N 57°46'08" W	77.66'
L5	N 38°54'39" W	69.89'
L6	N 21°53'23" W	46.95'
L7	N 85°12'15" E	32.23'
L8	S 35°23'22" E	50.17'
L9	N 88°12'01" E	77.46'
L10	N 68°24'53" E	28.45'
L11	S 66°46'56" E	59.97'
L12	N 21°27'16" E	17.34'
L13	N 79°08'30" E	133.35'
L14	S 44°07'21" E	74.06'
L15	S 15°21'14" E	124.39'
L16	S 01°02'35" W	88.26'
L17	S 20°46'22" W	85.91'
L18	S 89°29'01" W	40.99'

NOTE:
It is not the purpose or intention of this plat to represent surveyed locations of the surface or mineral parcels depicted hereon. The location of the boundary lines, as shown, are based on record deed descriptions, field evidence found and/or tax map position, unless otherwise noted.

Blue Mountain Inc.
11023 MASON DIXON HIGHWAY
BURTON, WV 26562
PHONE: (304) 662-6486

FILE #: M-1330
DRAWING #: M-1330
SCALE: 1" = 200'
MINIMUM DEGREE OF ACCURACY: 1/2500
PROVEN SOURCE OF ELEVATION: U.S.G.S. MONUMENT THOMAS 1498.81'

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 PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

Signed: [Signature]
R.P.E.: _____ L.L.S.: P.S. No. 2000



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS WVDEP
OFFICE OF OIL & GAS
601 57TH STREET
CHARLESTON, WV 25304



DATE: AUGUST 1, 2014
OPERATOR'S WELL #: M-1330
API WELL #: 47 51 00748
STATE COUNTY PERMIT

Well Type: Oil Waste Disposal Production Deep
 Gas Liquid Injection Storage Shallow

WATERSHED: MIDDLE GRAVE CREEK-GRAVE CREEK ELEVATION: 1309.32'
COUNTY/DISTRICT: MARSHALL/CAMERON QUADRANGLE: CAMERON, WV-PA 7.5'
SURFACE OWNER: JAMES P. & ROSEMARY WOOD ACREAGE: 4.563±
OIL & GAS ROYALTY OWNER: _____ ACREAGE: _____

DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE
PLUG OFF OLD FORMATION PERFORATE NEW FORMATION PLUG & ABANDON
CLEAN OUT & REPLUG OTHER CHANGE (SPECIFY): _____

TARGET FORMATION: NONE ESTIMATED DEPTH: _____
WELL OPERATOR CONSOLIDATION COAL COMPANY DESIGNATED AGENT CHRISTIAN WARFIELD
Address 6126 ENERGY DRIVE Address 6126 ENERGY DRIVE
City MOUNDSVILLE State WV Zip Code 26041 City MOUNDSVILLE State WV Zip Code 26041