



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

October 16, 2014

WELL WORK PERMIT

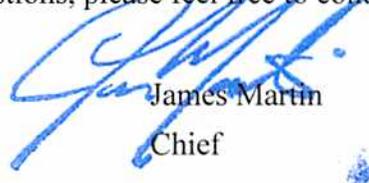
Vertical Well

This permit, API Well Number: 47-3305839, issued to HG ENERGY, LLC, 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: HIRAM LYNCH NO. 55
Farm Name: JOHNSON, WILLIAM R. ET UX
API Well Number: 47-3305839
Permit Type: Vertical Well
Date Issued: 10/16/2014

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 with 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.
8. Operator shall provide the Office of Oil & Gas notification of the date that drilling commenced on this well. Such notice shall be provided by sending an email to DEPOOGNotify@wv.gov within 30 days of commencement of drilling.

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

9 692

1) Well Operator: HG Energy, LLC 494497948 Harrison Ten Mile Wolf Summit 7.5'
Operator ID County District Quadrangle

2) Operator's Well Number: Hiram Lynch 55 3) Elevation: 1176'

4) Well Type: (a) Oil or Gas _____
(b) If Gas: Production / Underground Storage _____
Deep _____ / Shallow

5) Proposed Target Formation(s): Fifth Sand Proposed Target Depth: TVD 2900'

6) Proposed Total Depth: TMD 3100' Feet Formation at Proposed Total Depth: Fifth Sand

7) Approximate fresh water strata depths: 375'

8) Approximate salt water depths: 1150'

9) Approximate coal seam depths: 450'

10) Approximate void depths,(coal, Karst, other): NA

11) Does land contain coal seams tributary to active mine? No

12) Describe proposed well work and fracturing methods in detail (attach additional sheets if needed)
Drill and stimulate production well in the Fifth Sand

13) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor						
Fresh Water	7"	LS	17#	500'	500'	CTS
Coal						
Intermediate						
Production	4 1/2"	J-55	10.5#	3100'	3100'	150 sks
Tubing						
Liners						

SDW
9/15/2014

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Office of Oil and Gas
SEP 24 2014

WV Department of
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Packers: Kind: _____
Sizes: _____
Depths Set _____

WW-2A
(Rev. 6-14)

1.) Date: August 28, 2014
2.) Operator's Well Number Hiram Lynch 55
State County Permit
3.) API Well No.: 47- 33 - 05839

**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 William & Pamela Johnson Address RR 4, Box 1000
Salem, WV 26426 ✓
(b) Name _____ Address _____
(c) Name _____ Address _____
5) (a) Coal Operator Name American Mountaineer Energy Address Rt. 2, Box 406
Clarksburg, WV 26301 ✓
(b) Coal Owner(s) with Declaration Name _____ Address _____
(c) Coal Lessee with Declaration Name _____ Address _____
6) Inspector Sam Ward Address P. O. Box 2327
Buckhannon, WV 26201 Telephone _____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

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

OR

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:

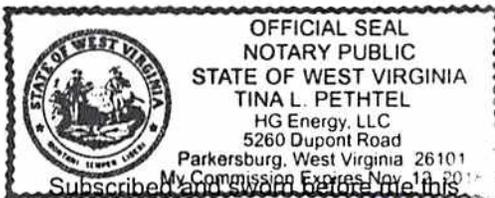
- Personal Service (Affidavit attached)
- Certified Mail (Postmarked postal receipt attached)
- Publication (Notice of Publication attached)

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 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 HG Energy, LLC
By: Diane White *Diane White*
Its: Agent
Address: 5260 Dupont Road
Parkersburg, WV 26101
Telephone: 304-420-1119
Email: dwhite@haenergyllc.com



Subscribed and sworn before me this 28 day of August

Tina Pethel
Notary Public

RECEIVED
Office of Oil and Gas
SEP 24 2014
2014 Department of Environmental Protection

My Commission Expires Nov. 12, 2016

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

3305839

7013 1090 0002 3242 9887

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 1.61
Certified Fee	3.30
Return Receipt Fee (Endorsement Required)	2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 7.61

Postmark Here SEP 1 2014

HL 55

Sent To William & Pamela Johnson
 Street, Apt. No.; or PO Box No. RR 4, Box 1000 ✓
 City, State, ZIP+4 Salem WV 26426

PS Form 3800, August 2006 See Reverse for Instructions

7012 3460 0002 6850 6101

U.S. Postal Service™
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OFFICIAL USE

Postage	\$ 1.61
Certified Fee	3.30
Return Receipt Fee (Endorsement Required)	2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 7.61

Postmark Here SEP - 1 2014

HL 55

Sent To American Mountaineer Energy
 Street, Apt. No.; or PO Box No. Rt 2, Box 406 ✓
 City, State, ZIP+4 Clarksburg WV 26301

PS Form 3800, August 2006 See Reverse for Instructions

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 SEP 24 2014
 WV Department of
 Environmental Protection

WW-2A1
(Rev. 1/11)

Operator's Well Number Hiram Lynch 55

**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
Hiram J Lynch et ux	South Penn Oil Company	1/8	105/143
Merger and Conveyance dated July 3, 1963, from South Penn Oil Company to Penzoil Company, 153/35			
Assignment, Conveyance and Bill of Sale dated 12/28/98, from Penzoil to Pennz Energy, Wetzel, 12/177			
Certificate of Merger, 12/31/99, to Penzoil Co., merged with Devon Energy, Wetzel County, 12/278			
Deed, Assignment, Bill of Sale 6/1/2000, from Devon to East Resources, Wetzel County, 370/580			
Assignment, Conveyance, Bill of Sale 1/1/2011, East Resources to HG Energy, LLC, Wetzel, 118A/253			
Upon information and belief, Operator's lease and/or other real property rights permit to conduct drilling operations for the subject well in the location shown on the plat, including the use of access roads, pipelines and utilities.			

**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:

Diane White
HG Energy, LLC
Diane White, Agent

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WW-2B1
(5-12)

Well No. Hiram Lynch 55

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.

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

Listed below is the laboratory chosen by operator to perform analysis, and contactor chosen to collect sample.

Certified Laboratory Name Sturm Environmental Lab
Sampling Contractor Sturm Environmental Lab

Well Operator HG Energy, LLC
Address 5260 Dupont Road
Parkersburg, WV 26101
Telephone 304-420-1119

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 underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

William & Pamela Johnson
RR 4, Box 1000
Salem, WV
26426

S/O of well

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WV Department of
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Form WW-9

Operator's Well No. Hiram Lynch 55

Proposed Revegetation Treatment: Acres Disturbed 1.0 Prevegetation pH _____

Lime 2 Tons/acre or to correct to pH 6.5

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

Mulch Straw 2 Tons/acre

Seed Mixtures

Area I		Area II	
Seed Type	lbs/acre	Seed Type	lbs/acre
Tall Fescue	40	Tall Fescue	40
Ladino Clover	5	Ladino Clover	5

Attach:

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

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: S J O'Ward II

Comments: Pre-seed/mulch all disturbed areas as soon as reasonably possible + upgrade ETS as necessary.

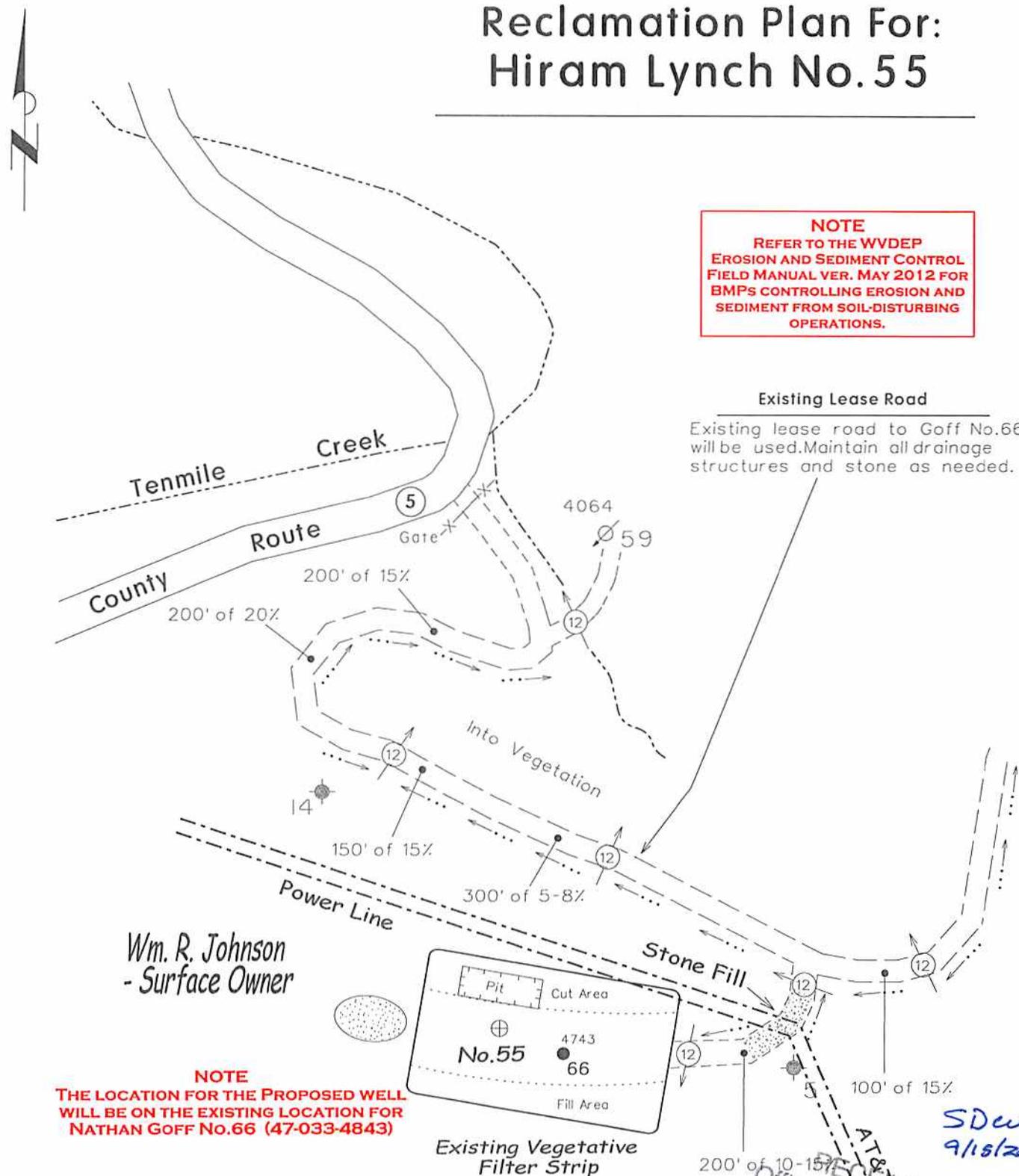
Title: Oil & Gas Inspector

Date: 9/15/2014

Field Reviewed? Yes No

Reclamation Plan For: Hiram Lynch No.55

NOTE
REFER TO THE WVDEP
EROSION AND SEDIMENT CONTROL
FIELD MANUAL VER. MAY 2012 FOR
BMPs CONTROLLING EROSION AND
SEDIMENT FROM SOIL-DISTURBING
OPERATIONS.



*Wm. R. Johnson
- Surface Owner*

NOTE
THE LOCATION FOR THE PROPOSED WELL
WILL BE ON THE EXISTING LOCATION FOR
NATHAN GOFF No.66 (47-033-4843)

Existing Lease Road
Existing lease road to Goff No.66
will be used. Maintain all drainage
structures and stone as needed.

Existing Vegetative
Filter Strip

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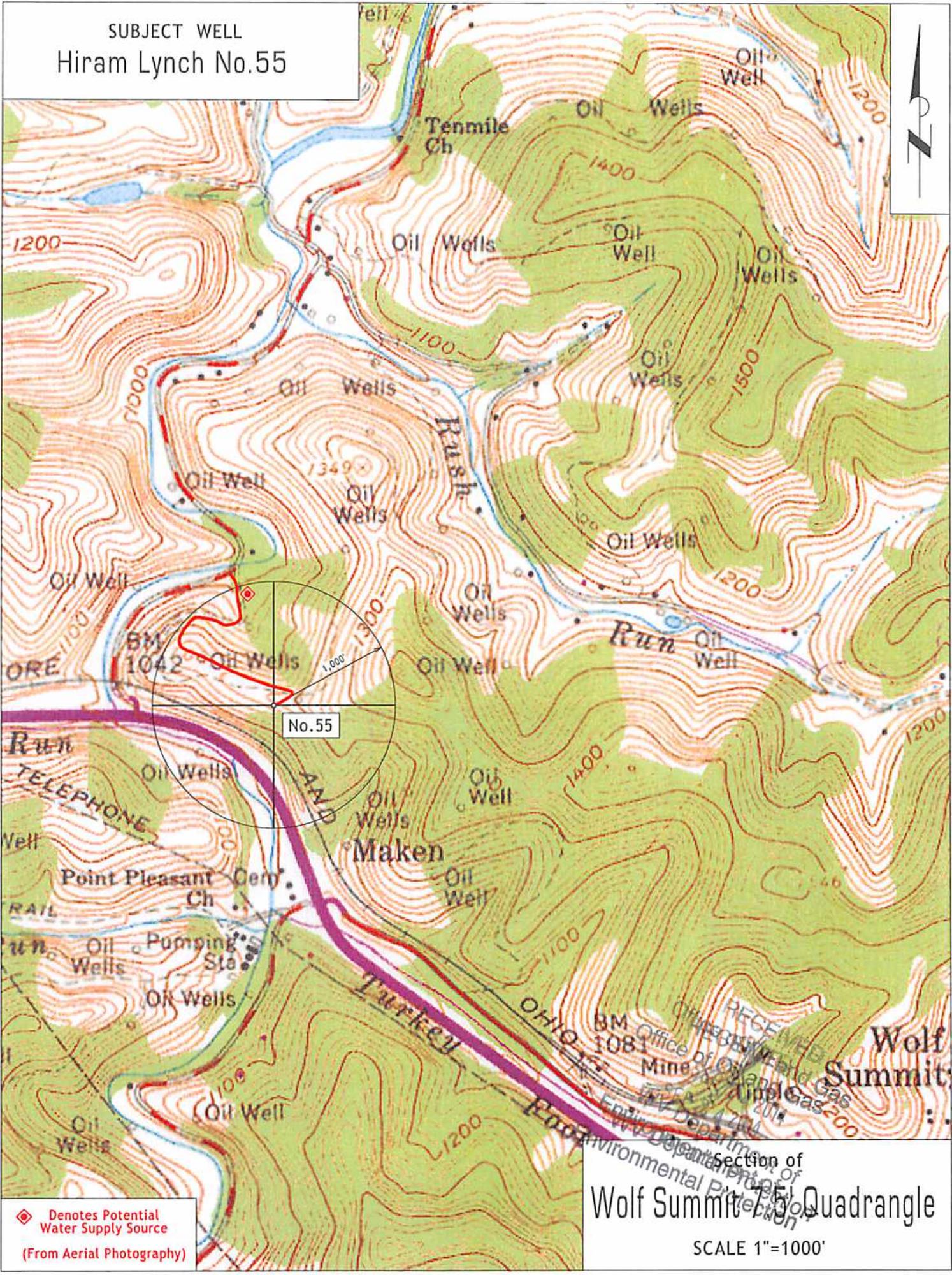
*SDW
9/15/2014*

Notes:

- Requested permit is for drilling of new well.
- Access road from Co. Rd. 5 to Nathan Goff No.66 is existing. (Maintain road in current condition) No additional new road will be constructed.
- All disturbed areas will be re-vegetated as outlined on Form WW-9.
- Maintain sediment barriers and drainage structures.
- All road grades <5% except as noted.
- Location of drill pit may be changed based on as-built considerations.

Note: Drawing not to Scale

SUBJECT WELL
Hiram Lynch No.55



◆ Denotes Potential Water Supply Source
(From Aerial Photography)

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Section of
Wolf Summit 7.5 Quadrangle
SCALE 1"=1000'

(Bottom Hole = 80° 29' 08.9") Longitude = 80° 29' 09.1"

7,790'

39° 17' 30"

LATITUDE 38° 15' 00"

LONGITUDE 81° 55' 00"

Latitude = 39° 17' 17.1"

(Bottom Hole = 39° 17' 17.1")

CALL TABLE

A	S48°E	1386'	G	S7°15'E	404'
B	S4°30'E	347'	H	S55°03'W	1212'
C	S23°E	326'	I	S60°E	220'
D	S21°30'E	307'	J	S47°30'E	97'
E	S10°30'W	26'	K	S38°E	965'
F	S16°18'W	264'			

Tie Lines

Location References

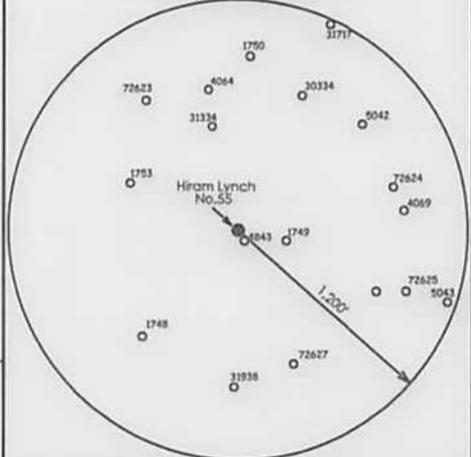
- ① S48°55'W 1,431' (Magnetic Bearing - Slope Dist.)
 - ② S74°53'W 1,100'
 - ③ S7°45'E 696'
- (Magnetic Bearing - Slope Dist.)
S 59° E 50' Well N.Goff No.66 (47-033-4843)
S 79° W 77' Power Pole

No.55
UTM Coordinates (NAD83) - Meters
Surface: N - 4,349,039
E - 544,354
Bottom Hole: N - 4,348,882
E - 544,359



NOTE
This well will be drilled directionally
S 2° E 51'

SECTION OF WVDEP
GIS Dataviewer
Accuracy, completeness and precision
of this data is not guaranteed.
Use at your own risk.



- ◆ - DENOTES A POSSIBLE WATER SUPPLY SOURCE LOCATED FROM CIRCA 2003 AERIAL PHOTOGRAPHY - NOT BY SURVEY. OTHER SOURCES MAY BE PRESENT.
- ⊕ - DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

FILE NO. _____
MAP NO. N S E W
SCALE 1" = 1000'
MINIMUM DEGREE OF ACCURACY Sub-Meter
PROVEN SOURCE OF ELEVATION DGPS Survey
(Sub-Meter Mapping Grade)

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 MINES.
(SIGNED)
TIMOTHY P. ROUSH PS 793



WEST VIRGINIA
Division of Environmental Protection
Office of Oil and Gas
601 57th Street
Charleston, West Virginia 25301



DATE August 12, 2014
FARM Hiram Lynch No.55
API WELL NO.
 47-033-05839

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL
(IF "GAS") PRODUCTION STORAGE DEEP SHALLOW

LOCATION: ELEVATION 1,176' WATERSHED Tenmile Creek
DISTRICT Tenmile COUNTY Harrison
QUADRANGLE Wolf Summit 7.5'

SURFACE OWNER Wm. R. Johnson et ux. ACREAGE 91.19 Ac.
OIL & GAS ROYALTY OWNER HG Energy, LLC., et al LEASE ACREAGE 924 Ac.
LEASE NO. 74512-50

PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR
STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW
FORMATION OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____

PLUG AND ABANDON CLEAN OUT AND REPLUG
TARGET FORMATION Fifth Sand ESTIMATED DEPTH TVD - 2,900' MD - 3,100'

WELL OPERATOR HG Energy LLC. DESIGNATED AGENT Diane White
ADDRESS 5260 DuPont Road ADDRESS 5260 DuPont Road
 Parkersburg, WV 26101 Parkersburg, WV 26101

FORM IV-6



HG Energy, LLC
5260 Dupont Road
Parkersburg, WV 26101
(304) 420-1100 - Office
(304) 863-3172 - Fax

3305839

CK 2746
65200

August 28, 2014

Mr. Jeff McLaughlin
WVDEP
Division of Oil & Gas
601 57th Street
Charleston, West Virginia 25304

RE: Hiram Lynch No. 55
Ten Mile District, Harrison County
West Virginia

Dear Mr. McLaughlin:

Enclosed are Forms WW-3A, WW-3B, WW-9, WW-3(B1), mylar of plat, reclamation plan, topo map and copies of the certified mailing receipts for a permit to drill a production well. Also enclosed is our check in the amount of \$650.00 to cover the associated permit fees.

Very truly yours,

Diane C White

Diane C. White

Enclosures

cc: William & Pamela Johnson – Certified
American Mountaineer Energy – Certified
Sam Ward – Inspector

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