



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

December 12, 2014

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-10301680, 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.

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: CC Pennick N-16
Farm Name: WV. PUBLIC LAND CO.
API Well Number: 47-10301680
Permit Type: Plugging
Date Issued: 12/12/2014

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.

State of West Virginia
Division of Environmental Protection
Section of Oil and Gas

Well Operator's Report of Well Work

Farm name: WV Public Land Co.
LOCATION: Elevation: 1,127.00
District: Green
Latitude: 6,700 Feet south of
Longitude: 900 Feet west of
Company: PENNZOIL PRODUCTS COMPANY
P.O. BOX 5519
VIENNA, WV 26105-5519

Operator Well No.: CC Pennick N-16

Quadrangle: Center Point
County: Wetzel
39 Deg 30 Min 0 Sec.
80 Deg 40 Min 0 Sec.

Agent: PHILIP S. ONDRUSEK
Inspector: Randal Mick
Permit Issued: 5/22/95
Well work Commenced: 9/20/95
Well work Completed: 6/3/96
Verbal plugging permission granted on:
Rotary X Cable _____ Rig _____
Total Depth (feet) 3173'
Fresh water depths (ft) NA
Salt water depths (ft) NA
Is coal being mined in area (Y/N) N
Coal Depths (ft): NA

Casing & Tubing Size	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
8-5/8"	396'	396'	200 Sacks
4 1/2"	3102.35'	3102.35'	170 Sacks

OPEN FLOW DATA

*Well was drilled as a waterflood producer. No open-flow data was obtained

Producing formation Gordon Pay zone depth (ft) 2982-3042
 Gas: Initial open flow * _____ MCF/d Oil: Initial open flow * _____ Bbl/d
 Final open flow * _____ MCF/d Final open flow * _____ Bbl/d
 Time of open flow between initial and final tests * _____ Hours
 Static rock pressure * _____ psig (surface pressure) after _____ Hours

Second producing formation _____ Pay zone depth (ft) _____
 Gas: Initial open flow _____ MCF/d Oil: Initial open flow _____ Bbl/d
 Final open flow _____ MCF/d Final open flow _____ Bbl/d
 Time of open flow between initial and final tests _____ Hours
 Static rock pressure _____ psig (surface pressure) after _____ Hours

NOTE: ON BACK OF THIS FORM, PUT THE FOLLOWING: 1) DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC. 2) THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

Received
Office of Oil & Gas
NOV 07 2014

For: PENNZOIL PRODUCTS COMPANY
By: [Signature]
Date: 11/12/96

WW-4A
Revised 6-07

1) Date: September 30, 2014
2) Operator's Well Number
C. C. Pennick N-16
3) API Well No.: 47 - 103 - 1680

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:	5) (a) Coal Operator
(a) Name <u>WV Public Lands Corporation</u>	Name _____
Address <u>1900 Kanawha Blvd</u>	Address _____
<u>Charleston, WV 25305</u>	
(b) Name _____	(b) Coal Owner(s) with Declaration
Address _____	Name _____
	Address _____
(c) Name _____	Name _____
Address _____	Address _____
6) Inspector <u>Derek Haught</u>	(c) Coal Lessee with Declaration
Address <u>P. O. Box 85</u>	Name _____
<u>Smitville, WV 26178</u>	Address _____
Telephone _____	

TO THE PERSONS 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 its 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 reverses side. However, you are not required to take any action at all.

Take notice that 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 delivered by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of mailing or delivery to the Chief.

	Well Operator	<u>HG Energy, LLC</u>
	By:	<u>Diane White</u> <i>Diane White</i>
	Its:	<u>Agent</u>
	Address	<u>5260 Dupont Road</u> <u>Parkersburg, WV 26101</u>
	Telephone	<u>304-420-1119</u>

Received
Office of Oil & Gas

Subscribed and sworn before me this 30 day of September 2014 NOV 07 2014
Tina Pethtel Notary Public
My Commission Expires Nov 12, 2018

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.

CK 2790 \$100.00

10301680P

7013 1090 0002 3242 9252

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com ®	
OFFICIAL USE	
Postage	\$ 1.40
Certified Fee	3.30
Return Receipt Fee (Endorsement Required)	2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 7.40

Postmark Here
CCPN16

Sent To
WV Public Lands Corporation

Street, Apt. No.,
or PO Box No. 1900 Kanawha Blvd. East

City, State, ZIP+4 Charleston WV 25305

PS Form 3800, August 2006 See Reverse for Instructions

Received
Office of Oil & Gas
NOV 07 2014

10301680A

WW-9
Rev. 5/08

Page _____ of _____
API Number 47 - 103 - 1680
Operator's Well No. C. C. Pennick N-16

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 HG Energy, LLC OP Code 494497948

Watershed Jeep Trail Creek Quadrangle Centerpoint 7.5'

Elevation 1128' County Wetzel District Green

Description of anticipated Pit Waste: Fluids encountered while plugging subject well

Will a synthetic liner be used in the pit? Yes ZONK

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 _____)

*Dm17
10-16-14*

Proposed Work For Which Pit Will Be Used:

- Drilling
- Workover
- Other (Explain _____)
- Swabbing
- Plugging

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 Diane White

Company Official (Typed Name) Diane White

Company Official Title Agent

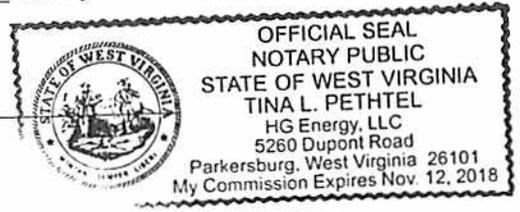
Received
Office of Oil & Gas
NOV 07 2014

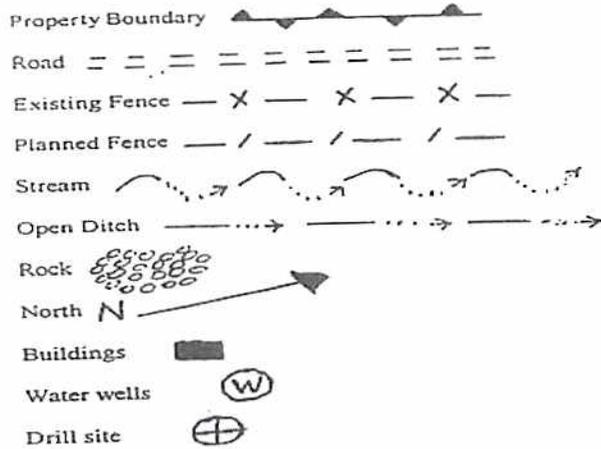
Subscribed and sworn before me this 30 day of September, 2014

Tina L. Pethel

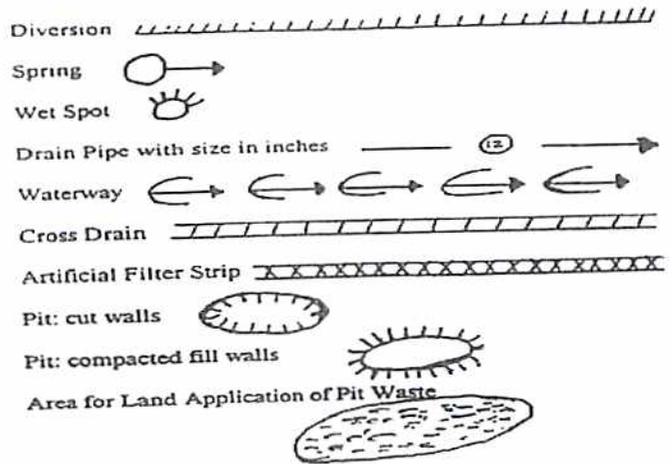
Notary Public

My commission expires Nov 12, 2018





LEGEND



Proposed Revegetation Treatment: Acres Disturbed 0.75 acres 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 5 Tons/acre

Seed Mixtures

Seed Type	Area I	lbs/acre	Seed Type	Area II	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: [Signature]

Comments: _____

Title: Oil & Gas Inspector

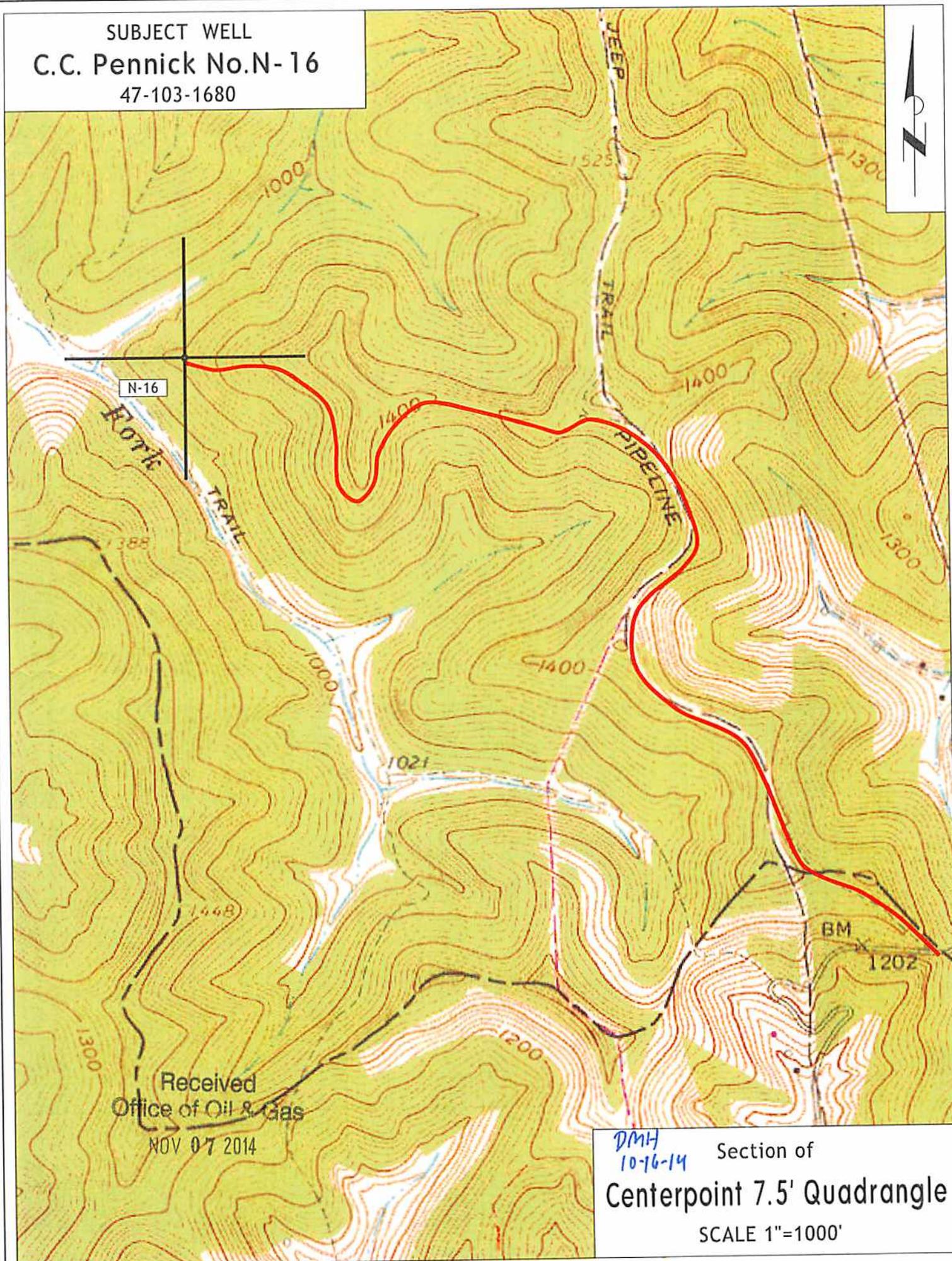
Date: 10-16-14

Field Reviewed? Yes No

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Office of Oil & Gas
NOV 07 2014

10301680P

SUBJECT WELL
C.C. Pennick No.N-16
47-103-1680



Received
Office of Oil & Gas
NOV 07 2014

DMH
10-16-14 Section of
Centerpoint 7.5' Quadrangle
SCALE 1"=1000'

West Virginia Department of Environmental Protection
Office of Oil & Gas

WELL LOCATION FORM: GPS

API: 47- 103 - 1680 WELL NO: N-16

FARM NAME: C.C. Pennick

RESPONSIBLE PARTY NAME: HG Energy, LLC

COUNTY: Wetzel DISTRICT: Green

QUADRANGLE: Centerpoint 7.5'

SURFACE OWNER: W.VA. Public Lands Corp.

ROYALTY OWNER: HG Energy LLC et al.

UTM GPS NORTHING: 4,370,286

UTM GPS EASTING: 528,424 GPS ELEVATION: 344 m. (1128')

The Responsible Party named above has chosen to submit GPS coordinates in lieu of preparing a new well location plat for a plugging permit on the above well. The Office of Oil & Gas will not accept GPS coordinates that do not meet the following requirements:

1. Datum: NAD 1983, Zone:17 North, Coordinate Units: meters, Altitude: height above mean sea level (MSL) - meters.
2. Accuracy to Datum - 3.05 meters
3. Data Collection Method:

Survey Grade GPS	<input type="checkbox"/>	Post Processed Differential	<input type="checkbox"/>
		Real-Time Differential	<input type="checkbox"/>
Mapping Grade GPS	<input checked="" type="checkbox"/>	Post Processed Differential	<input checked="" type="checkbox"/>
		Real-Time Differential	<input type="checkbox"/>

I the undersigned, hereby certify this data 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 Office of Oil and Gas.

Diane White Diane White
Signature

Designated Agent
Title

September 4, 2014
Date

Received
Office of Oil & Gas
NOV 07 2014



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

September 30, 2014

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

RE: C. C. Pennick No. N-16 (47-103-1680)
Green District, Wetzel County
West Virginia

Dear Mr. McLaughlin:

Enclosed are Forms WW-4(A), WW-4(B), WW-9, and WW-7, topo map, well record, copy of certified mailing receipt and a check in the amount of \$100.00 to cover the permit fee to plug and abandon the above-captioned well.

Very truly yours,

Diane C White

Diane C. White

Enclosures

cc:

WV Public Lands Corporation – Certified
Derek Haught - Inspector

Received
Office of Oil & Gas
NOV 07 2014