



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

April 17, 2015

WELL WORK PERMIT

Vertical Well

This permit, API Well Number: 47-8704773, 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: A.J. EPLING 214
Farm Name: WYROSTOK, CHARLES A. JR.
API Well Number: 47-8704773
Permit Type: Vertical Well
Date Issued: 04/17/2015

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.

8704773

WW - 2B
(Rev. 8/10)

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

1) Well Operator: HG Energy, LLC 494497948 Roane Smithfield Looneyville 7.5'
Operator ID County District Quadrangle

2) Operator's Well Number: A. J. Epling 214 3) Elevation: 1178'

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

5) Proposed Target Formation(s): Big Injun Proposed Target Depth: TVD 2250', TMD 2852'

6) Proposed Total Depth: 2850' TMD Feet Formation at Proposed Total Depth: Big Injun

7) Approximate fresh water strata depths: 460'

8) Approximate salt water depths: 1675'

9) Approximate coal seam depths: NA

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

11) Does land contain coal seams tributary to active mine? NA

12) Describe proposed well work and fracturing methods in detail (attach additional sheets if needed)
Drill and stimulate production well in the Big Injun. Stimulation will be small hydraulic fracture.

13) *[Handwritten signature]*
2/12/15

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 ST&C	17#	575'	575'	CTS
Coal						
Intermediate						
Production	4 1/2"	J-55	10.5#	2800'	2800'	200 sks
Tubing						
Liners						

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Office of Oil and Gas

FEB 20 2015

Packers: Kind: _____
Sizes: _____
Depths Set _____

WV Department of
Environmental Protection

8704773

WW-2A
(Rev. 6-14)

1.) Date: February 6, 2015
2.) Operator's Well Number A. J. Epling 214
State County Permit
3.) API Well No.: 47- Roane

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 Charles Wyrostok
Address 230 Griffin Run Road
Spencer, WV 25276
(b) Name _____
Address _____
(c) Name _____
Address _____
6) Inspector Ed Gainer
Address P. O. Box 821
Spencer, WV 25276
Telephone 304-389-7582

5) (a) Coal Operator
Name _____
Address _____
(b) Coal Owner(s) with Declaration
Name _____
Address _____
(c) Coal Lessee with Declaration
Name _____
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

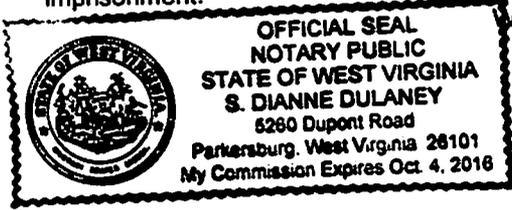
Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

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)

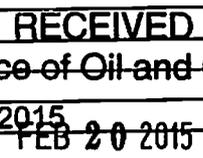
I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

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



Subscribed and sworn before me this 6th day of February, 2015

My Commission Expires Oct. 4, 2016
Oil and Gas Privacy Notice
Notary Public
WV Department of Environmental Protection

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

8704773

7014 0510 0000 4074 6054

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



AJE 214

Sent To
 Charles Wyrstok
 Street, Apt. No.;
 or PO Box No. 230 Griffin Run Road ✓
 City, State, ZIP+4 Spencer WV 25276

PS Form 3800, August 2006 See Reverse for Instructions

2933 56-250/442 02

DATE 2-10-2015

\$ 650.00 DOLLARS

Security Features: Checkmark

03-11
HG ENERGY, LLC
 304-422-6565
 5260 DUPONT RD
 PARKERSBURG, WV 26101

PAY TO THE ORDER OF WV D.E.P.

Six Hundred Fifty Dollars and 00/100

Peoples BANK
 800.374.6123
 peoplesbankcorp.com
 Working Together. Building Success.

FOR Permit A J Epling # 214

MP

By: [Signature]

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Office of Oil and Gas

FEB 20 2015

WV Department of
Environmental Protection

WW-2A1
(Rev. 1/11)

Operator's Well Number AJ Epling 214

**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
-----------------------	-----------------------	---------	-----------

- See attached-

**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.

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Office of Oil and Gas

Well Operator: Diane White FEB 20 2015
 HG Energy, LLC
 By: Its: Diane White, Agent
 WV Department of
 Environmental Protection

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:

<u>Grantor, Lessor, etc.</u>	<u>Grantee, Lessee, etc.</u>	<u>Royalty</u>	<u>Book/Page</u>
Alice and F. J. Epling	South Penn Oil Company	1/8	8/435

Merger and Conveyance dated July 3, 1963, from South Penn Oil Company to Penzoil Company, Kanawha County, Book 153, Page 35,

Assignment, Conveyance and Bill of Sale dated December 28, 1998, from Pennzoil Company to Pennz Energy Exploration and Production, Wetzel County, Book 12, Page 177.

Certificate of Merger filed with the WV Secretary of State, December 31, 1999, whereby Pennz Energy Exploration and Production, successor in interest to; to Penzoil Company, merged with Devon Energy Production Company, LP, Wetzel County, Book 12, Page 278.

Deed, Assignment and Bill of Sale dated June 1, 2000, from Devon Energy Production Company, LP to East Resources, Inc., recorded in Wetzel County, Book 370, Page 580.

Assignment, Conveyance and Bill of Sale, dated January 1, 2011, from East Resources, Inc., to HG Energy, LLC, Wetzel County, Book 118A, Page 253.

Upon information and belief, Operator's lease and/or other real property rights permit it 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
- US Fish and Wildlife Service
- County Floodplain Coordinator

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FEB 20 2015

Well Operator: HG Energy, LLC

By: Diane C. White
Its: Agent

WV Department of
Environmental Protection

WW-2B1
(5-12)

Well No. A. J. Epling 214

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
Sampling Contractor Sturm Environmental

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 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, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

Surface Owners with Water Sources Identified for Sampling / Analysis :

- * James Cale
4638 Clay Road
Spencer WV 25276
- * Brenda Chadwell
4580 Clay Road
Spencer WV 25276

* Anthony Hofstad
431 Main Street
Spencer WV 25276

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FEB 20 2015
WV Department of
Environmental Protection

SEE
TOPO
MAP

WW-9
(5/13)

Page _____ of _____
API Number 47 - _____ - _____
Operator's Well No. AJ Epling 214

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name HG Energy, LLC OP Code 494497948

Watershed (HUC 10) Smith Run Quadrangle Looneyville 7.5'

Elevation 1178' County Roane District Smithfield

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

Will a pit be used for drill cuttings? Yes X No _____

If so, please describe anticipated pit waste: Fluids encountered while drilling subject well

Will a synthetic liner be used in the pit? Yes X No _____ If so, what ml.? 20 mil

Proposed Disposal Method For Treated Pit Wastes:

- Land Application
- Underground Injection (UIC Permit Number 25-561)
- Reuse (at API Number _____)
- Off Site Disposal (Supply form WW-9 for disposal location)
- Other (Explain _____)

Will closed loop system be used? No

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

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

Additives to be used in drilling medium? Water, soap, KCl

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) Native soil, cement, 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 Diane White

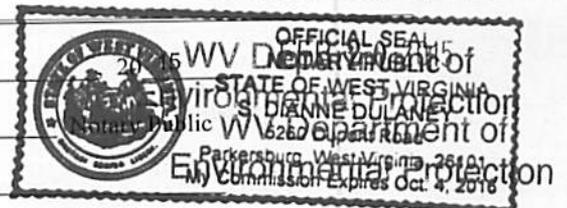
Company Official (Typed Name) Diane White

Company Official Title Agent

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Office of Oil and Gas

Subscribed and sworn before me this 6th day of February

[Signature]
My commission expires Oct. 4, 2016



Form WW-9

Operator's Well No. AJ Epling 214

Proposed Revegetation Treatment: Acres Disturbed 1.5 Prevegetation pH _____

Lime 3 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

Sediment Control should be in place at all times.

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: Inspector Date: 2/12/15

Field Reviewed? Yes No

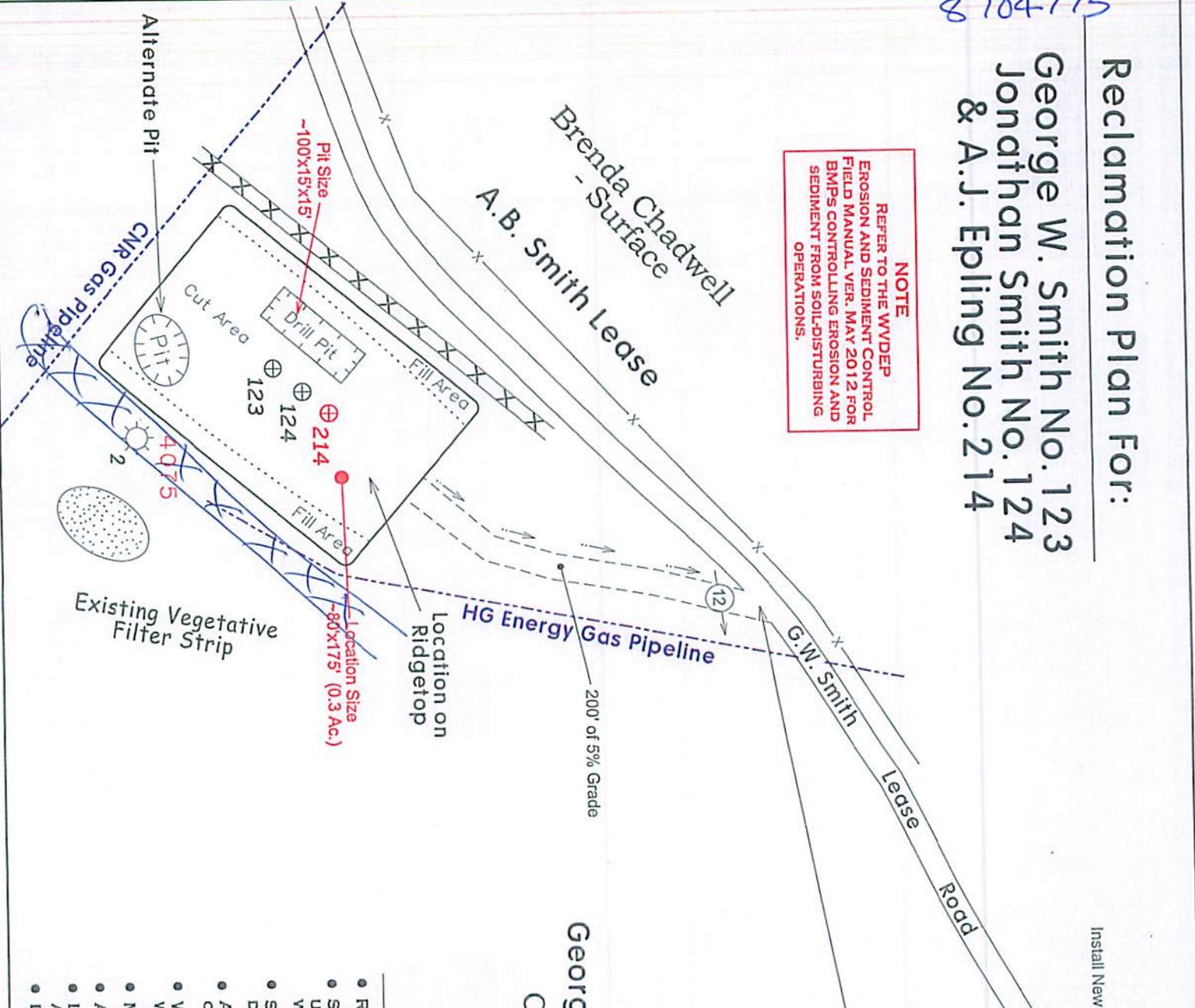
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 WV Department of
 Environmental Protection

8704773

Reclamation Plan For:

George W. Smith No. 123 Jonathan Smith No. 124 & A.J. Epling No. 214

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



George W. Smith Lease
Charles Wyrstok
- Surface

[Handwritten Signature]
2/12/15

Notes:

- REQUESTED PERMIT IS FOR DRILLING OF NEW WELL.
- SOME ACCESS ROADS ARE EXISTING AND WILL BE UPGRADED TO WVDEP STANDARDS. NEW STRUCTURES WILL BE INSTALLED AS SHOWN.
- STOCKPILE TOPSOIL FOR RE-DRESSING LOCATION DURING RECLAMATION
- ALL DISTURBED AREAS WILL BE RE-VEGETATED AS OUTLINED ON FORM WW-9.
- WHERE POSSIBLE, OIL, GAS AND WATER PIPELINES AND ELECTRIC LINES WILL BE INSTALLED WITHIN ACCESS ROAD LOD'S UNDER THIS PERMIT
- 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.
- DRAWING NOT TO SCALE.

Upgrade ~400' of existing access road.
Install new drainage and stone as needed.

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WV Department of Environmental Protection

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SUBJECT WELL
A.J. Epling No.214



◆ Denotes Potential Water Supply Source and Surface Owner (From Aerial Photography)

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Office of Oil and Gas
Gas Well
FEB 20 2015
WV Department of Environmental Protection

Section of
Looneyville 7.5' Quadrangle
SCALE 1"=1000'



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

8704773

CK2933
65000

February 6, 2015

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

RE: A. J. Epling No. 214
Smithfield District, Roane County
West Virginia

Dear Mr. McLaughlin:

Enclosed are the Forms WW-2A, WW-2A (1), WW-2B, WW-9, WW-2(B1), mylar of plat, reclamation plan, topo map and copy of the certified mailing receipt for a permit to drill the above-captioned shallow, producing well. Our check in the amount of \$650 is attached.

If you have any questions regarding this application, please call me at 304-420-1119.

Very truly yours,

Diane White

Diane C. White

Enclosures

cc: Charles Wyrostok – Certified
Ed Gainer - Inspector

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WV Department of
Environmental Protection