



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

July 03, 2013

WELL WORK PERMIT
Secondary Recovery Well

This permit, API Well Number: 47-3305756, 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: W.F. WILLIAMS #131
Farm Name: HUFFMAN, BRIAN V.

API Well Number: 47-3305756

Permit Type: Secondary Recovery Well

Date Issued: 07/03/2013

Promoting a healthy environment.



west virginia department of environmental protection

WVDEP Office of Oil and Gas
601 57th Street Southeast; Charleston, WV
(304) 926-0450

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

July 2, 2013

Mr. Brian Huffman
768 Lick Run Road
RR4 Box 530
Salem, WV 26426
(304) 782-3073 Home
(304) 623-3461 ext. 4203 Work

Re: Permit for HG Energy, Inc. W. F. Williams No. 131 (API 3305756)
Secondary Recovery Well

Mr. Brian Huffman:

The Office of Oil and Gas (OOG) has reviewed your comments concerning HG Energy, LLC's permits for the above referenced well. The comment was sent to the operator for their response. The operator has responded and the response is enclosed for your records.

After considering your comments, the applicant's response, and the inspector's findings, the OOG has determined that the permits meet the requirements set forth in Article 6, Chapter 22 of the West Virginia Code and Legislative Rule Title 35, Series 4 in the statute and legislative rule. Consequently, the OOG is lifting the suspensions today. For your information and convenience, I am including with this letter a copy of the permit as issued.

As you may know, surface owners are entitled to compensation for damages to their property resulting from oil and gas drilling activity. Absent an agreement by the parties, such damage compensation may be addressed pursuant to Article 7, Chapter 22 of the West Virginia Code. Please contact Gene Smith at (304) 926-0499, extension 1652 if you have any questions.

Sincerely,

Jeffrey W. McLaughlin, Technical Analyst
WV DEP Office of Oil and Gas, Permitting Section

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. No land application of pit fluids.
6. A monitor well will be drilled near Mr. Huffman's house and fluid levels will be monitored at least quarterly and sampled at least yearly with the results provided to the WV DEP, Office of Oil and Gas. The well must be a minimum of 300 feet deep or 50 feet below the depth of Mr. Huffman's water well, whichever achieves the greatest depth.

33057565

WW-3B
10/07



1) Date May 15, 2013
2) Operator's Well No. W. F. Williams No. 131
3) API Well No. 47 - 033 -
State County Permit
4) UIC Permit No. UIC2R03301AP

STATE OF WEST VIRGINIA
NOTICE OF LIQUID INJECTION OR WASTE DISPOSAL WELL WORK PERMIT APPLICATION
FOR THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

- 5) WELL TYPE: Liquid Injection Gas Injection (not storage) Waste Disposal
- 6) LOCATION: Elevation 1173' Watershed Branch of Lick Run
District Tenmile 0A County Harrison 33 Quadrangle Wolf Summit 7.5 692
- 7) WELL OPERATOR: HG Energy, LLC 494497948
5260 Dupont Road
Parkersburg, WV 26101
- 8) DESIGNATED AGENT: Mike Kirsch
5260 Dupont Road
Parkersburg, WV 26101
- 9) OIL & GAS INSPECTOR TO BE NOTIFIED: Name Sam Ward
Address P. O. Box 2327
Buckhannon, WV 26201
- 10) DRILLING CONTRACTOR: Name
Address
- 11) PROPOSED WELL WORK: Drill Drill Deeper Redrill Stimulate
Plug Off Old Formation Perforate New Formation Convert
Other Physical Change in Well (specify)
- 12) Geological target formation Fifth Sand Depth 2,744 Ft. (Top) to 2,750 Ft. (Bottom)
- 13) Estimated depth of completed well (or actual depth of existing well) 2875' TVD 3100' TMD Ft.
- 14) Approximate water strata depths: Fresh 80 Ft. Salt 1,270 Ft.
- 15) Approximate coal seam depths: 425 Ft.
- 16) Is coal being mined in the area? Yes No
- 17) Virgin reservoir pressure in target formation: 1,250 psig. Source Estimated
- 18) Estimated reservoir fracture pressure: 2,650 psig.
- 19) MAXIMUM PROPOSED INJECTION OPERATIONS: Volume per hour 25 BBL Bottom Hole Pressure 2,400 psi
- 20) DETAILED IDENTIFICATION OF MATERIALS TO BE INJECTED, INCLUDING ADDITIVES and other chemicals as needed to maintain water quality and improve oil recovery. Fresh water, produced water, bactericides
- 21) FILTERS (IF ANY) Cartridge filters and/or coal bed filters
- 22) SPECIFICATION FOR CATHODIC PROTECTION AND OTHER CORROSION CONTROL
- 23) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS					FOOTAGE INTERVALS		CEMENT FILLUP OR SACKS (CU. FT.)	PACKERS
	Size	Grade	Weight	New	Used	For Drilling	Left in Well		
Conductor									Kinds
Fresh Water	7"	L.S.	17#	X		500'	500'	Cement to Surface	Tension
Coal									Sizes
Intermediate									2.375" x 4.5"
Production	4 1/2"	J-55	10.5#	X		3100'	3100'	150 sacks <i>CTS</i>	Depths Set
Tubing	2 3/8"	J-55	4.6 #	X		2800'	2800'		2700' Oil & Gas
Liners									Perforations
									Top Bottom
									MAY 21 2013

SDW 5/23/2013

24) APPLICANTS OPERATING RIGHTS were acquired from Williams, W. F. et ux
by Deed Lease Other Contract Dated August 15, 1896 of record in the
Harrison County Clerk's Office in Book 92 at Page 49

33057565

WW-3A
10/07



1) Date: May 15, 2013
2) Operator's Well No. W. F. Williams No. 131
3) API Well No. 47 033 -
State County Permit
4) UIC Permit No. UIC2R03301AP

Check #2216
\$ 650.00

**STATE OF WEST VIRGINIA
NOTICE OF LIQUID INJECTION OR WASTE DISPOSAL WELL WORK PERMIT APPLICATION
FOR THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS**

5) Surface Owner(s) To Be Served
(a) Name Brian V. Huffman ✓
Address RR4, Box 530
Salem, WV 26426
(b) Name Orville Myers ✓
Address RR 4, Box 531
Salem, WV 26426
(c) Name _____
Address _____
6) Inspector Sam Ward
Address P. O. Box 2327
Buckhannon, WV 26201
Telephone 389-7583

7 (a) Coal Operator
Name NA
Address _____
7 (b) Coal Owner(s) With Declaration Of Record
Name NA
Address _____
Name _____
Address _____
7(c) Coal Lessee With Declaration Of Record
Wolf Run Mining Co. ✓
2708 Cranberry Square
Morgantown, WV 26505

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

- (1) The Application for a Liquid Injection or Waste Disposal Well Work Permit on Form WW-3(B), which sets out the parties involved in the drilling or other work;
- (2) The plat (surveyor's map) showing the well location on Form WW-6; and
- (3) The Construction and Reclamation Plan on Form WW-9 (unless the well work is only to plug a well), which sets out the plan for erosion and sediment control and for reclamation for the site and access road.

The date proposed for the first injection or waste disposal is To be determined

THE REASON YOU RECEIVED THESE DOCUMENTS IS THAT YOU HAVE RIGHTS REGARDING THE APPLICATION WHICH ARE SUMMARIZED IN THE "INSTRUCTIONS" ON FORM WW-3(A) DESIGNATED TO YOU. 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 Well Work Permit with the Chief of the Office of Oil and Gas, West Virginia Department of Environmental Protection, with respect to a well at the location described on the attached Application and depicted on the attached Form WW-6. Copies of this Notice, the Application, the plat, and the Construction and Reclamation Plan 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 the mailing or delivery to the Chief.

The person signing this document shall make the following certification:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document 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
Address 5260 Dupont Road
Parkersburg, WV 26101
By: Diane C. White
Its: Accountant

Signature Diane C White

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 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

Office of Oil & Gas
Received
MAY 27 2013

7012 2920 0001 3227 9933

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OFFICIAL USE

SALEM WV 26426	Postage \$		
	Certified Fee	\$1.32	0777 Postmark Here
	Return Receipt Fee (Endorsement Required)	\$3.10	09
	Restricted Delivery Fee (Endorsement Required)	\$2.55	
	Total Postage & Fees \$	\$0.00	WFW 131

Sent To Orville Myers 05/24/2013 ✓
 Street, Apt. No.; or PO Box No. RR 4, Box 531
 City, State, ZIP+4 Salem, WV 26426

PS Form 3800, August 2006 See Reverse for Instructions

33057565

7012 2920 0001 3227 9926

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OFFICIAL USE

SALEM WV 26426	Postage \$		
	Certified Fee	\$1.52	0777 Postmark Here
	Return Receipt Fee (Endorsement Required)	\$3.10	09
	Restricted Delivery Fee (Endorsement Required)	\$2.55	
	Total Postage & Fees \$	\$0.00	WFW 131

Sent To Brian V. Huffman ✓
 Street, Apt. No.; or PO Box No. RR 4, Box 530
 City, State, ZIP+4 Salem, WV 26426

PS Form 3800, August 2006 See Reverse for Instructions

7012 2920 0001 3227 9902

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

MORGANTOWN WV 26505	Postage \$		
	Certified Fee	\$1.32	0777 Postmark Here
	Return Receipt Fee (Endorsement Required)	\$3.10	09
	Restricted Delivery Fee (Endorsement Required)	\$2.55	
	Total Postage & Fees \$	\$0.00	WFW 131

Sent To Wolf Run Mining Company ✓
 Street, Apt. No.; or PO Box No. 2708 Cranberry Square
 City, State, ZIP+4 Morgantown, WV 26505

PS Form 3800, August 2006 See Reverse for Instructions

Received
Office of Oil & Gas

MAY 27 2013

WW-2B1

Well No. W. F. Williams No. 131

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:

Contractor Name Sturm Environmental Services
 Well operator's private laboratory

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 please indicate such.

Requests for Water Sampling were initiated 4/19/13 with the first permit applications of this group of 30 applications. Water testing/analysis was requested for:

Earl & Belva Junkins RR 5, Box 1226 Salem, WV 26426	Brian Huffman RR 4, Box 530 Salem, WV 26426	Susan Junkins RR 2, Box 119A Bristol, WV 26426	Gary Winters & Ruth Kennedy RR 2, Box 119 Bristol, WV 26426	Claude & Jean Tetrick RR 2, Box 40 Bristol, WV 26426
John & Brenda Scotchie RR 2, Box 42 Salem, WV 26426	Linda Smith 9046 Westville Drive Camden Wyoming, DE 19934	Dennis McAvey RR 2, Box 41 Bristol, WV 26332	Mazza Donna Devericks RR 2, Box 80 Bristol, WV 26332	Received Office of Oil & Gas

MAY 21 2013

Additional testing authorized on 5/13/2013:

Oville Myers RR 4, Box 531 Salem, WV 26426	Daniel Southern RR 4, Box 540 Salem, WV 26426	Edgar Lee Myers RR 4, Box 532 Salem, WV 26426	Edith Jean Myers RR 4, Box 534 Salem, WV 26426
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33057565

Form WW-9
Rev. 10/94

Page 3 of 3
API Number 47- 033 -
Operator's Well No. W. F. Williams No. 131

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 HG Energy, LLC OP Code 494497948
 Watershed Branch of Lick Run Quadrangle Wolf Summit 7.5
 Elevation 1173' County Harrison District Tennmile
 Description of anticipated Pit Waste: Fluids encountered in drilling shallow well.
 Do you anticipate more than 5,000 bbls of water to complete the proposed well work? Yes No X
 Will a synthetic liner be used in pit? Yes If so, what mil.? 40 Mil. 20 Mil.
 Proposed Disposal Method For Treated Pit Wastes:
 Land Application WILL HAUL PIT FLUIDS.
 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, fresh water, oil based, etc. Air, Fresh Water
 - If oilbased, what type? Synthetic, petroleum, etc. NA
 Additives to be used? Water, Soap, KCI
 Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc.
 - 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?

SDW
5/23/2013

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 C White
 Company Official (Typed Name) Diane C. White
 Company Official Title Accountant

Received
Office of Oil & Gas

MAY 27 2013

Subscribed and sworn before me this 20 day of MAY 2013

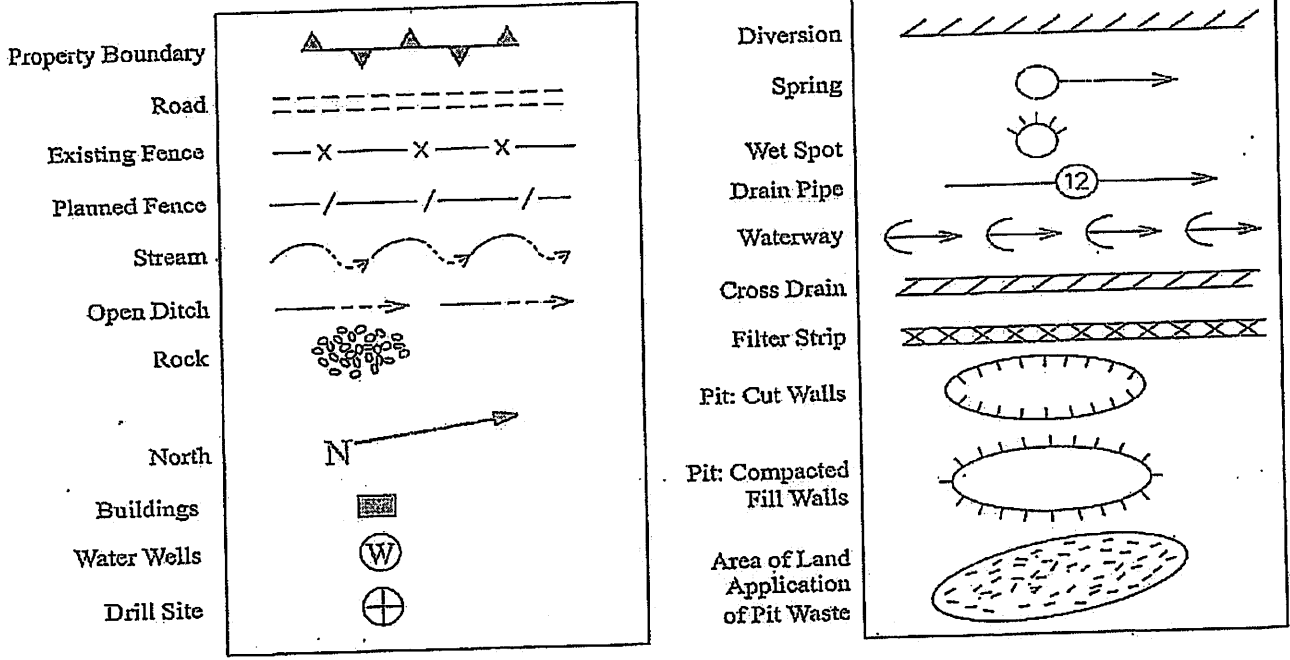
Tina L Pethel Notary Public

My commission expires NOV 12, 2013

Form WW-9



Legend



Area I

Proposed Revegetation Treatment: Acres Disturbed Approx. 1.0 Ac. Prevegetation pH

Area II

Approx. 1.0 Ac.

Lime 2 Tons/Acre or 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 (Location)

Seed Type	Lbs./Ac.
Tall Fescue	40
Ladino Clover	5

Area II (Road)

Seed Type	Lbs./Ac.
Tall Fescue	40
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. P. DeWanna

Comments: Pre-seed & mulch. Upgrade ETS as necessary per WV DEP ETS manual.

Title: Oil & Gas Inspector Date: 5/23/2013

Field Reviewed? Yes No

Reclamation Plan For:

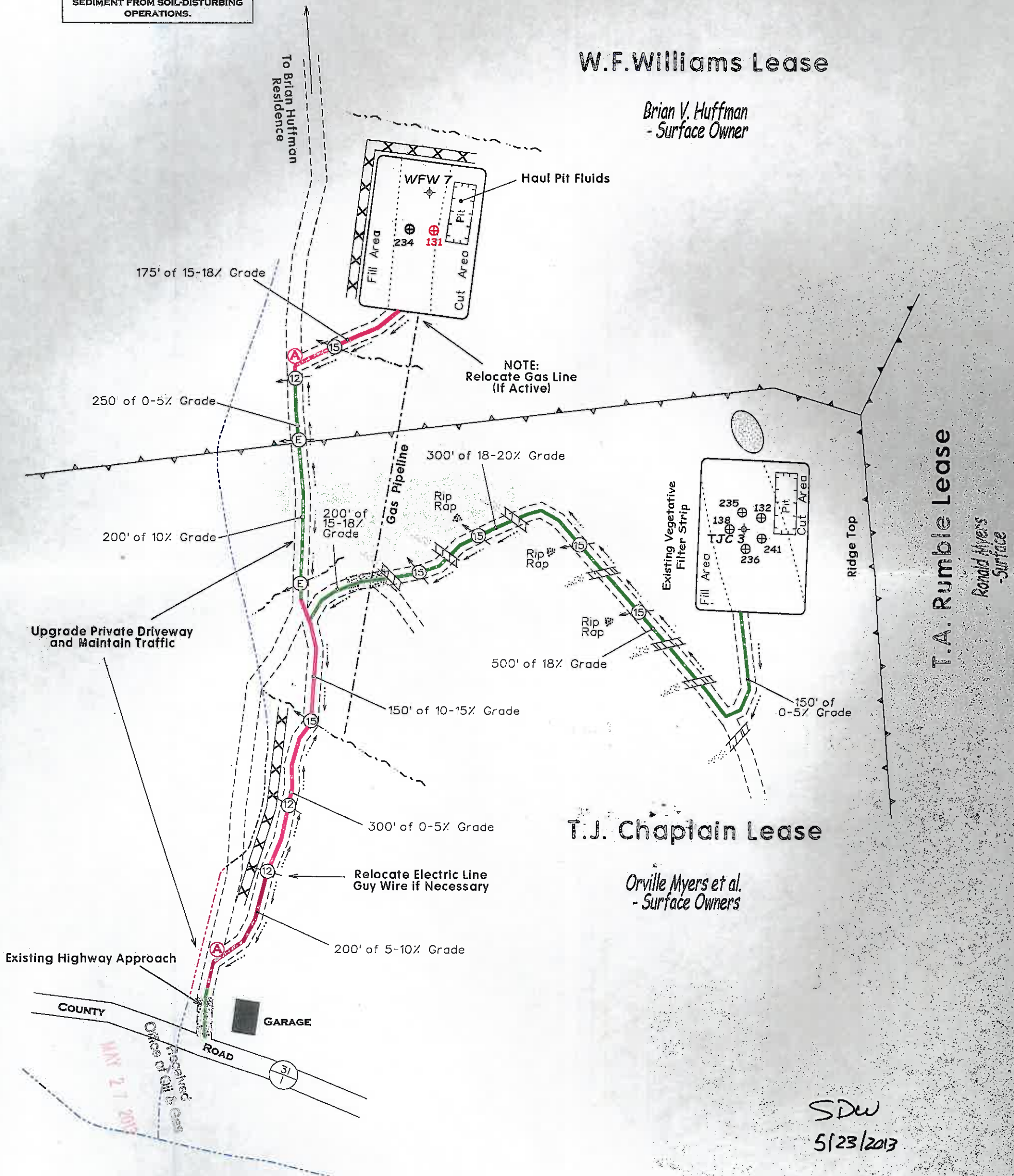
W.F. Williams No. 131



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

W.F. Williams Lease

Brian V. Huffman
- Surface Owner



T.J. Chaplain Lease

Orville Myers et al.
- Surface Owners

T.A. Rumble Lease

Ronald Myers
- Surface

SDW
5/23/2013

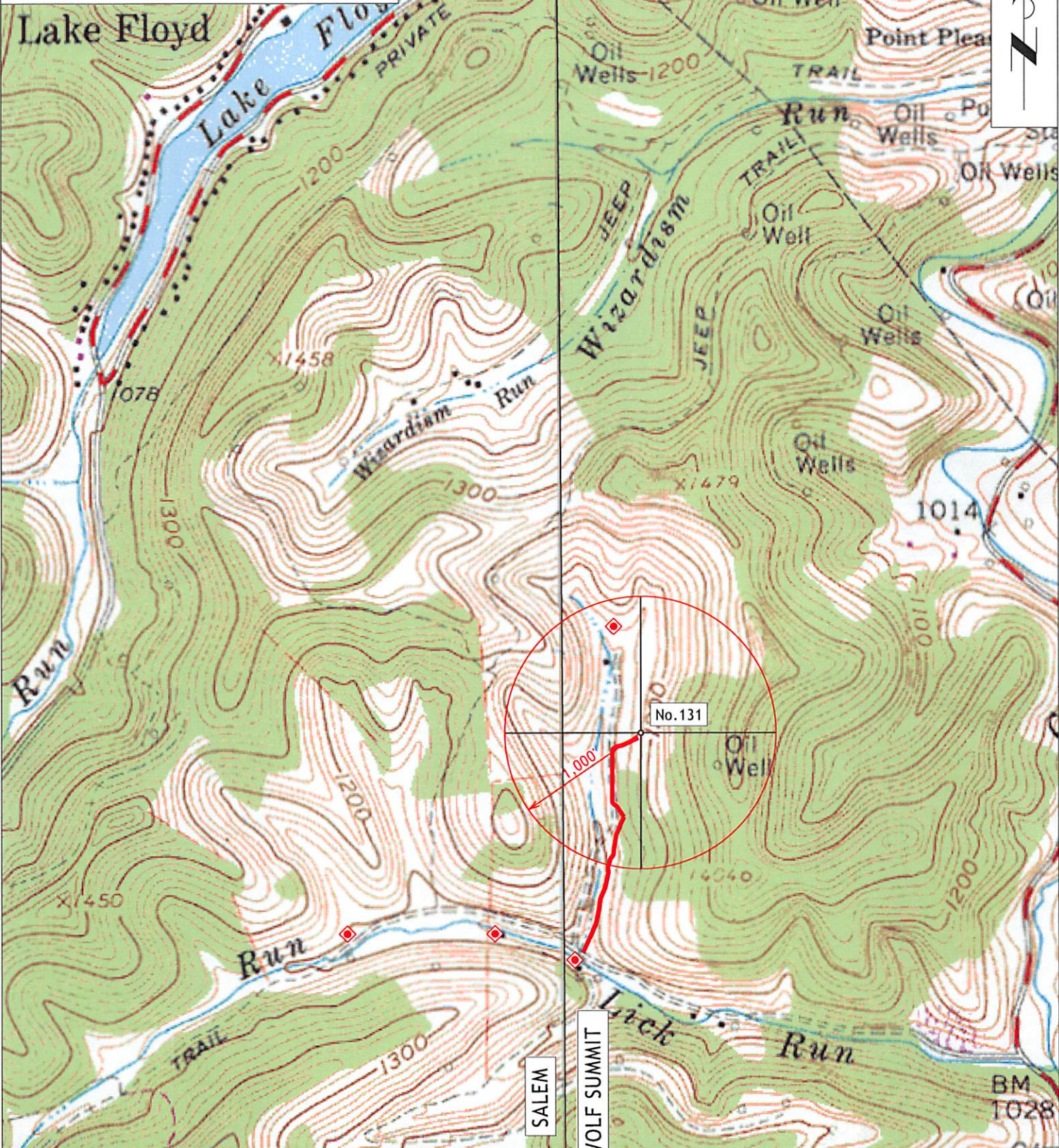
Notes:

- ⊙ REQUESTED PERMIT IS FOR DRILLING OF NEW WELLS.
- ⊙ ACCESS ROAD FROM Co. Rd. 31/1 TO PT. A IS EXISTING. ROAD WILL BE UPGRADED TO WVDEP STANDARDS AND STRUCTURES INSTALLED AS SHOWN.
- ⊙ 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.
- ⊙ DRAWING NOT TO SCALE.

LEGEND

- EXISTING WATERFLOOD ROADS
- EXISTING LEASE OR FARM ROADS TO BE UPGRADED.
- NEW ROADS TO BE CONSTRUCTED

SUBJECT WELL
W.F. Williams No.131



◆ Denotes Potential Water Supply Source (From Aerial Photography)

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

(BOT. HL: LON:-80°29'48.0")

LON:-80°29'52.4"

11200

LON: 80°27'30" 7295
LAT: 39°16'17.9" (BOTTOM HOLE: LAT:39°16'20.2")

SURVEY NOTES

1 - Well ties and Latitude and Longitude were measured by Topcon Hiper GA survey grade GPS. Bearings are referenced to UTM Grid North (Zone 17 North - NAD 1927).

2 - Surface owners, adjoiners information, Lease names, & line mapping obtained from HGE GIS system. No survey was performed to determine lines within the Waterflood Unit-reference: HGE GIS system.

3 - No Title Opinion was provided to the Surveyor during this survey. This survey is subject to a complete title Opinion.

UTM Coordinates (Zone 17N-NAD 1983)	
Surface	N-4,347,052m. E-543,327m.
Bottom Hole	N-4,347,123m. E-543,433m.

LOCATION REFERENCES	
UTM 27	N 4°37' W 47.4' EX: WELL N 72°58' W 120.1' 11" MAPLE Brq. Direction is prop. well to the ref.

LAT: 39°17'30"

MAP OF H.G. ENERGY, LLC -WATERFLOOD UNIT- W.F. WILLIAMS 131



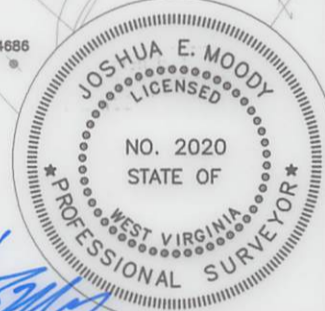
⊕ DENOTES LOCATION OF WELL ON U.S. TOPO MAPS.

JOB # 13-014
DRAWING # 13LAKEFLOYD FOLDER
SCALE 1" = 1500'
MINIMUM DEGREE OF ACCURACY 1/2500
PROVEN SOURCE OF ELEV. BENCH MARK H-80

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.



WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
MOODY LAND SURVEYING, LLC
ST. MARYS, WV 26170



JOSHUA E. MOODY, P.S. 2020
DATE 4/19/13
OPERATOR'S WELL W.F. WILLIAMS #131

WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL HORIZONTAL
(IF "GAS") PRODUCTION STORAGE DEEP SHALLOW
LOCATION: ELEVATION 1173' WATERSHED BRANCH OF LICK RUN API WELL # 47-033-057565
DISTRICT TEN MILE COUNTY HARRISON STATE WV COUNTY HARRISON PERMIT 057565
QUADRANGLE WOLF SUMMIT 7.5'

SURFACE OWNER BRIAN V. HUFFMAN ACREAGE 102.35 ACRES +/-
OIL & GAS ROYALTY OWNER CLYDE WILLIAMS ET AL LEASE ACREAGE 102 ACRES +/-
PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION
OTHER PHYSICAL CHANGE IN WELL (SPECIFY) WILL BE DRILLED DIRECTIONALLY (N 56° E 420')
PLUG & ABANDON CLEAN OUT & REPLUG
TARGET FORMATION 5TH SAND
WELL OPERATOR H.G. ENERGY, LLC
ADDRESS 5260 DuPONT ROAD
PARKERSBURG, WV 26101
ESTIMATED DEPTH MD= 3,100'
DESIGNATED AGENT MIKE KIRSCH
ADDRESS 5260 DuPONT ROAD
PARKERSBURG, WV 26101

33057965

(BOT. HL: LON:-80°29'48.0") LON:-80°29'52.4"

11200

LON: 80°27'30"

7295

LAT:39°16'17.9"

(BOTTOM HOLE: LAT:39°16'20.2")

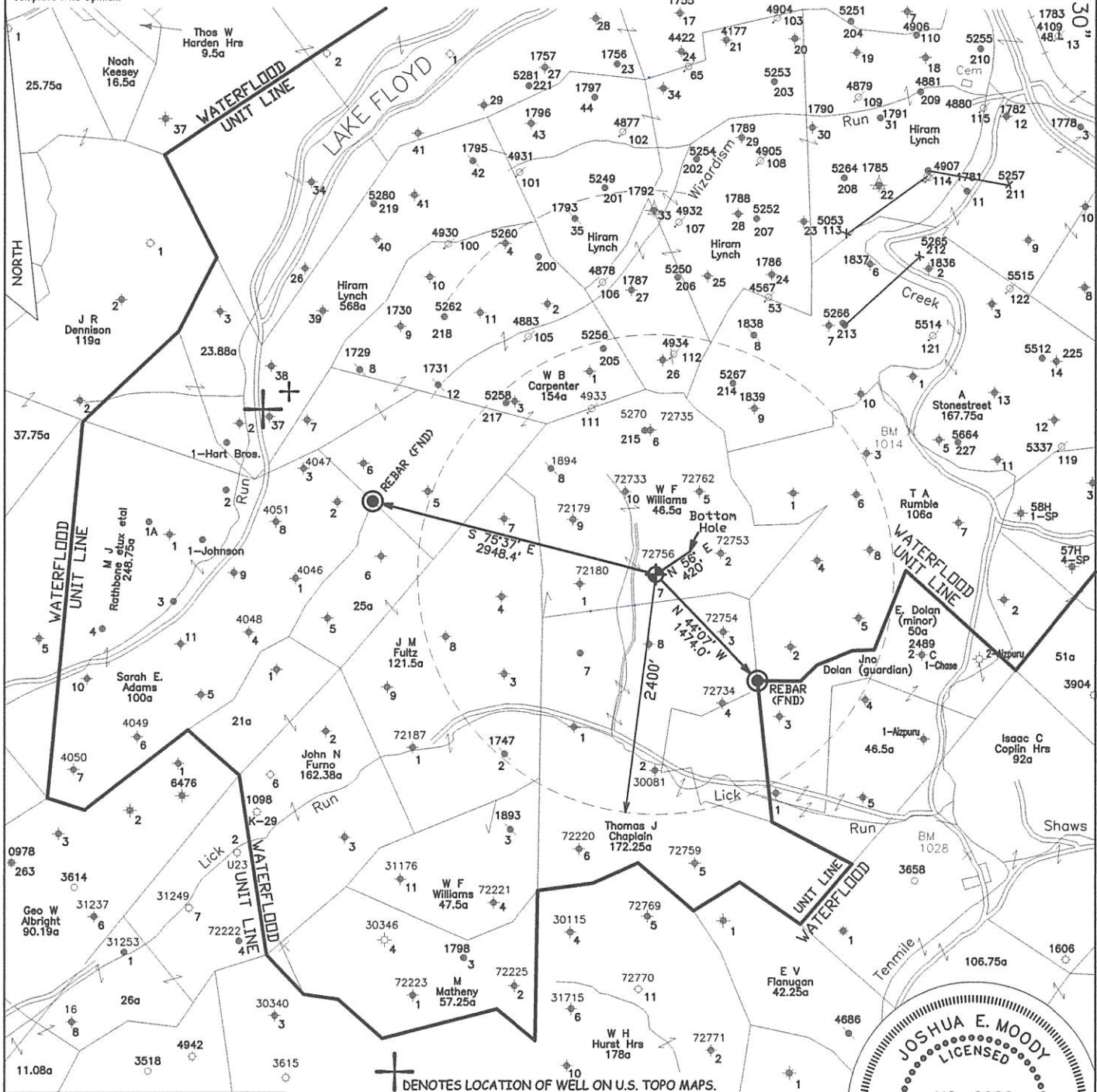
1 - Well ties and Latitude and Longitude were measured by Topcon Hiper GA survey grade GPS. Bearings are referenced to UTM Grid North (Zone 17 North - NAD 1927).

2 - Surface owners, adjoining information, Lease names, & line mapping obtained from HGE GIS system. No survey was performed to determine lines within the Waterflood Unit-reference: HGE GIS system.

3 - No Title Opinion was provided to the Surveyor during this survey. This survey is subject to a complete title Opinion.

SURVEY NOTES		UTM Coordinates (Zone 17N-NAD 1983)	LOCATION REFERENCES
Surface		N-4,347,052m. E-543,327m.	UTM 27 N 4°37' W 47.4' EX: WELL N 72°58' W 120.1' 11" MAPLE Brq. Direction is prop. well to the ref.
Bottom Hole		N-4,347,123m. E-543,433m.	

LAT: 39°17'30"
**MAP OF
 H.G. ENERGY, LLC
 -WATERFLOOD UNIT-
 W.F. WILLIAMS 131**



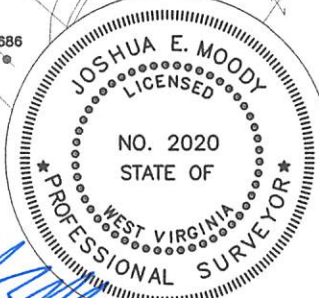
⊕ DENOTES LOCATION OF WELL ON U.S. TOPO MAPS.

JOB # 13-014
 DRAWING # 13LAKEFLOYD FOLDER
 SCALE 1" = 1500'
 MINIMUM DEGREE OF ACCURACY 1/2500
 PROVEN SOURCE OF ELEV. BENCH MARK H-80

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.



WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
MOODY LAND SURVEYING, LLC
 ST. MARYS, WV 26170



WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

JOSHUA E. MOODY, P.S. 2020
 DATE 4/19/13
 OPERATOR'S WELL W.F. WILLIAMS #131

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL HORIZONTAL
 (IF "GAS") PRODUCTION STORAGE DEEP SHALLOW
 LOCATION: ELEVATION 1173' WATERSHED BRANCH OF LICK RUN API WELL # 47 - 033 - 057565
 DISTRICT TEN MILE COUNTY HARRISON STATE 47 COUNTY 033 PERMIT 057565
 QUADRANGLE WOLF SUMMIT 7.5'

SURFACE OWNER BRIAN V. HUFFMAN ACREAGE 102.35 ACRES +/-
 OIL & GAS ROYALTY OWNER CLYDE WILLIAMS ET AL LEASE ACREAGE 102 ACRES +/-
 PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION
 OTHER PHYSICAL CHANGE IN WELL (SPECIFY) WILL BE DRILLED DIRECTIONALLY (N 56° E 420')
 PLUG & ABANDON CLEAN OUT & REPLUG
 TARGET FORMATION 5TH SAND
 WELL OPERATOR H.G. ENERGY, LLC ESTIMATED DEPTH MD= 3,100'
 ADDRESS 5260 DuPONT ROAD DESIGNATED AGENT MIKE KIRSCH
PARKERSBURG, WV 26101 ADDRESS 5260 DuPONT ROAD
PARKERSBURG, WV 26101

COUNTY NAME PERMIT

33057565

(BOT. HL: LON:-80°29'48.0")

LON:-80°29'52.4"

11200

SURVEY NOTES

1 - Well ties and Latitude and Longitude were measured by Topcon Hiper GA survey grade GPS. Bearings are referenced to UTM Grid North (Zone 17 North - NAD 1927).

2 - Surface owners, adjoining information, Lease names, & line mapping obtained from HGE GIS system. No survey was performed to determine lines within the Waterflood Unit-reference: HGE GIS system.

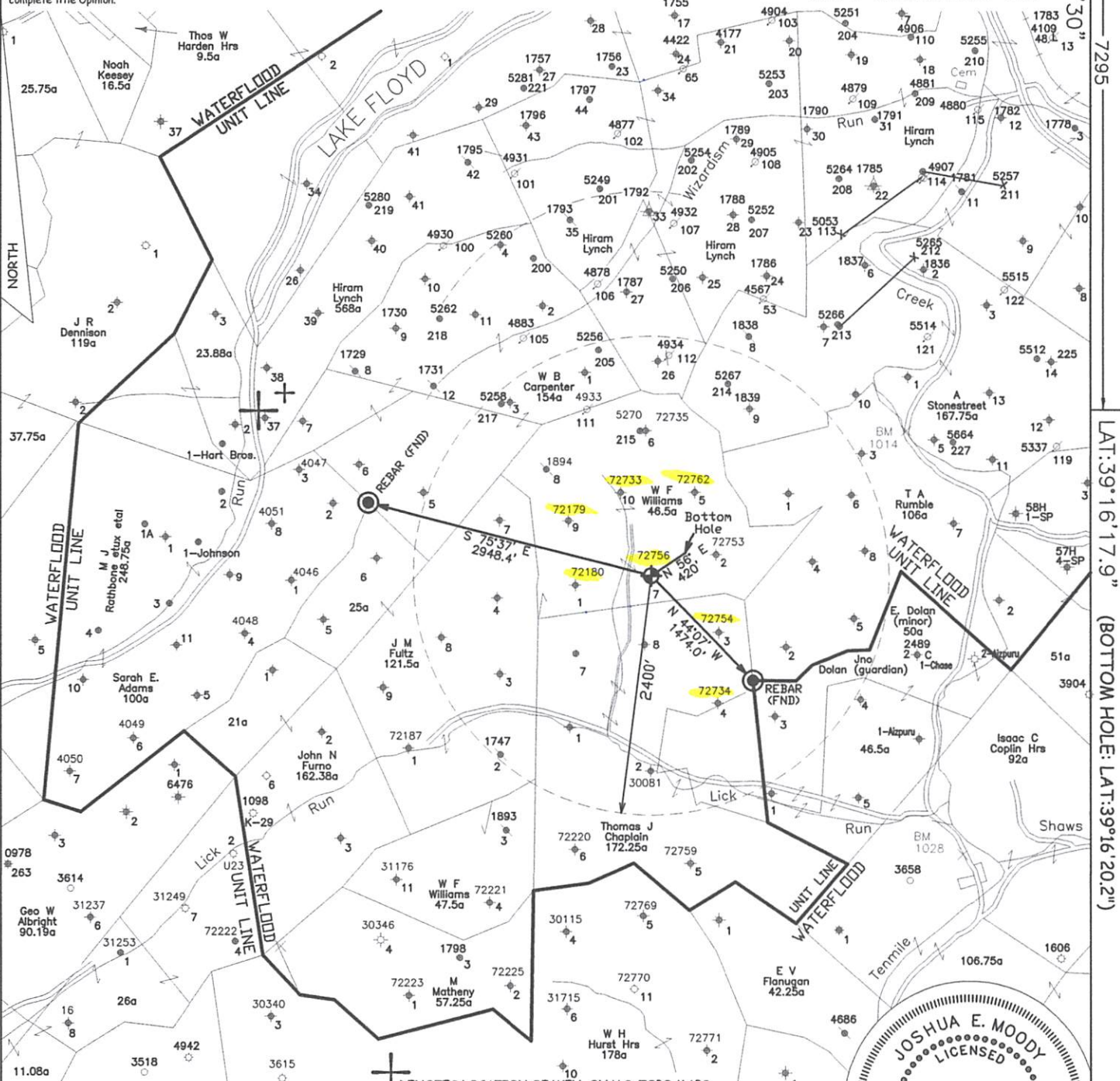
3 - No Title Opinion was provided to the Surveyor during this survey. This survey is subject to a complete title Opinion.

UTM Coordinates (Zone 17N-NAD 1983)	
Surface	N-4,347,052m. E-543,327m.
Bottom Hole	N-4,347,123m. E-543,433m.

LOCATION REFERENCES	
UTM 27	
N 4°37' W 47.4' EX: WELL	
N 72°58' W 120.1' 11" MAPLE	
Brg. Direction is prop. well to the ref.	

LAT: 39°17'30"
MAP OF
H.G. ENERGY, LLC
-WATERFLOOD UNIT-
W.F. WILLIAMS 131

LON: 80°27'30"



7295

LAT: 39°16'17.9"

(BOTTOM HOLE: LAT: 39°16'20.2")

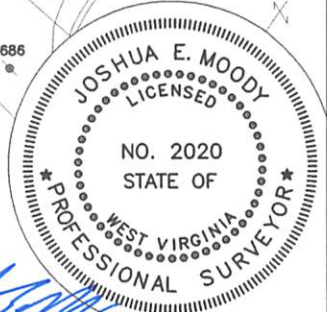
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 DRAWING # 13LAKEFLOYD FOLDER
 SCALE 1" = 1500'
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WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
MOODY LAND SURVEYING, LLC
 ST. MARYS, WV 26170



WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

JOSHUA E. MOODY, P.S. 2020
 DATE 4/19/13
 OPERATOR'S WELL W.F. WILLIAMS #131

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL HORIZONTAL
 (IF "GAS") PRODUCTION STORAGE DEEP SHALLOW
 LOCATION: ELEVATION 1173' WATERSHED BRANCH OF LICK RUN API WELL # 47-033-
 DISTRICT TEN MILE COUNTY HARRISON STATE 47 COUNTY 033 PERMIT -
 QUADRANGLE WOLF SUMMIT 7.5'

SURFACE OWNER BRIAN V. HUFFMAN ACREAGE 102.35 ACRES +/-
 OIL & GAS ROYALTY OWNER CLYDE WILLIAMS ET AL LEASE ACREAGE 102 ACRES +/-
 PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION
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PARKERSBURG, WV 26101 ADDRESS 5260 DuPONT ROAD
PARKERSBURG, WV 26101

COUNTY NAME PERMIT

33057565



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

May 15, 2013

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

CK# 2216
\$ 650.00

RE: W. F. Williams No. 131
Ten Mile District, Harrison County
West Virginia

Dear Mr. Peterson:

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 liquid injection 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: Brian V. Huffman – Certified
Orville Myers – Certified
Sam Ward – Inspector

Received
Office of Oil & Gas
MAY 27 2013

TO: James Martin
Chief of Oil & Gas
WVDEP
Division of Oil & Gas
601 57th Street
Charleston, WV 25304

RE: API 47-033
W.F Williams 232
- W.F Williams 234
- W.F Williams 131 ✓
- W.F Williams 137 ✓
W.F Williams 136 ✓
- W.F Williams 239

Ten mile District, Harrison County WV

Well operator
HG Energy, LLC

From: Brian Huffman
768 Lick Run Road
RR 4 Box 530
Salem, WV 26426

Home: 304-782-3073
Work: 304-623-3461 ext 4203

Received
Office of Oil & Gas

JUN 13 2013

The current projected wells are located at the entrance of my property. My property is located one half mile up a private one lane road to a secluded and quite end of hollow setting. I am the only house located in this area and make this a desirable property. The location of these wells especially the wells on pad 7 will diminish the property use and value. This will limit the future development for my children. This is one of the best building areas on the property.

The proposed wells on pad 1 W.F. Williams 136 is an injection well that is projected to go in close proximity to an unplugged abandon well that is located approximately 300 feet behind my residents. W.F Williams 137 is also an injection well ending near an unplugged abandoned well that is not located on the map. The location for pad one which includes W.F Williams 136, 137, and 239 is on the left side of my property and runs from the center of the hill in into part of my Horse field

The proposed wells for W.F. Williams's pad 7 include wells 232, 234, and 131 and I am unsure of their intention for the unplugged abandoned well in that area. It appears to be included on or under this pad. The application, map for this pad states that they will relocate a gas line if active. They should know that this is an active line; they have handled for over thirty years and how many hundreds or thousand people get gas from this line. The map for this area states that pit fluids will be removed and the application states land application. I have not received anything for Well 232. The current projected wells are located at the

entrance of my property. The location of these wells, water lines, oil lines and electric lines especially the wells on pad 7 will diminish the property use and value of my property significantly.

The previous wells were located on the backside of my property and are not visible when entering the property. This area has not been adequately been maintained the past two years to prevent erosion and sedimentation. I don't believe my well roads are the only ones left in poor condition. They do not do anything to this area in the past until they want something else from you then they attempt to correct but still is insufficient. They list roads on the map that they are farm roads. I don't believe some of these are farm roads. They currently do not have any easements or right of ways to cross my property and can't without obtaining permission to do so.

With abandon wells and proposed wells out of 102 acres there will be a well every 6 acres not including pipelines and roads. This will destroy the wildlife and damage the value of a \$250,000 property without adequate compensation. When does this stop, if the wells don't work out they will look to drill more. It does not bother them to ruin some ones property. Individuals will be traveling this at least twice daily. You can't find a property like this, quite and secluded and with a 20 minute drive to any type of stores, malls and plazas. I would sell an acre of my property for the amount that they are offering for the five to seven acres. To date they have cut approximately 12,000 board feet of timber not including wood less than 12 inches. I have never considered timbering my property. Again when does this stop. This is not good for the wild life and the best interest of the environment. How much land do they need to destroy in the area? These damages are not worth what you are being compensated for and the trust factor doesn't help.

I don't feel that either o f the well sites are adequately marked in order to determine what is going to be disturbed and insure that water sources are identified and maintained.

I do not feel that they negotiate in good faith compensate individuals for the diminished value of the property.

I wish to receive a copy of permit as it is issued or a copy of denying the permit.

Respectfully,



Brian Huffman

Received
Office of Oil & Gas

JUN 13 2013



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

33057565

Received
Office of Oil & Gas

JUN 21 2013

Roger Heldman
General Manager, WV Operations

6/18/13

Mr. James Martin
WVDEP
Office of Oil & Gas
601 57th Street
Charleston, WV 25304-2345

RE: Brian Huffman comments- Wolf Summit Field, Harrison County, WV
Proposed wells: W.F. Williams No.130, 131, 137, 234 & 239
T.J. Chaplain No.137 and T.A. Rumble No.127

Dear Mr. Martin,

This letter is in response to surface owner, Brian Huffman, who, in a letter received by WV DEP June 13, 2013, expressed several concerns regarding the proposed drilling on his surface property by HG Energy, LLC (HGE).

The bottom hole location for W.F. Williams No.136 is within close proximity of an unplugged well (W.F. Williams No.9). WFW No.9 was plugged in 1948 under Harrison County Permit No.1291 and documented in the Department of Mines Annual Report as being plugged on 12/24/1948. This plugged well is located approximately 600' from Mr. Huffman's house and the bottom hole location for proposed Well No.136 is 205' southwesterly of this well. Mr. Huffman states that the proposed bottom hole location for W.F. Williams No. 137 is near an unplugged well that does not appear on the map. There are no wells shown on any of our maps near the proposed bottom hole for Well No.137 nor have we been apprised of any by the investigations recently carried out by Wolf Run Mining. HGE representatives would be happy to meet with Mr. Huffman and a representative of the WV DEP to investigate.

Well site, W.F. Williams No 7, is a plugged and abandoned well, evidenced by information previously supplied to WVDEP. The Well No.232, as shown on the maps, has been proposed but is currently under review by HGE and may or may not be drilled from the surface location of W.F.W. No.7. If it is to be drilled, Mr. Huffman will receive the proper notifications of our intentions to drill. **The gas line issue will be handled as deemed appropriate but is not germane to the objection of a drilling permit.**


HGE operates on Mr. Huffman's farm under terms of the lease granted by W.F. & Alice Williams, dated August 15, 1896 and of record in Book 92 at Page 49 in the records of Harrison

County, W.Va. and under terms of the Wolf Summit Unit No.1-A Unitization Agreement filed of record December 1, 1994 in Harrison County, W.Va. HGE's rights to utilize Mr. Huffman's surface property for oil & gas operations are contained in those documents.

There are currently eight plugged and two active wells located on the property Mr. Huffman owns. HGE has proposed to drill an additional two wells from the location of one of the currently active wells and five new wells from the location of two of the previously plugged wells. By drilling directionally from existing or previous well locations, HGE will significantly reduce the surface disturbance on Mr. Huffman's property. This can easily be seen by noting that, there will only be two new drilling locations constructed as opposed to seven if those wells were to be drilled vertically - and the amount of pipelines and electric lines to be constructed will be reduced by an equivalent factor. Although developing this field utilizing directional drilling results in significantly higher costs for HGE, it has enormous benefits to the landowner in reducing the footprint of our operations. As provided for by W.Va. state law and WVDEP regulations, Mr. Huffman will be fairly compensated for the disturbance and use of his property. Additionally HGE has made an effort to go above and beyond the statutory compensation formula and has offered to pay a location fee for each of the proposed drilling sites in the amount of \$5000/ac. - twice the value Mr. Huffman has put on his own property. HGE offers this location fee our landowners as an additional measure of compensation for the disturbance to their way of life during our drilling activities.

I trust that we have adequately answered Mr. Huffman's concerns and respectfully request that the WVDEP issue the subject drilling permits.

Very truly yours,


Roger Heldman

Received
Office of Oil & Gas

JUN 21 2013

emailed
6/18/13

SOUTH PENN OIL COMPANY.

HOPE NATURAL GAS COMPANY.
VANDERGRIFT BUILDING,
PITTSBURG, PA.

PITTSBURG, PA. *April 21* 190*8*

DEAR SIR:

You are hereby notified that the SOUTH PENN OIL COMPANY has *decided*
to abandon Well No. *7* on *H. F. Williams* farm *10.2* acres,
Ten Mile District *Harrison* County *St. Va.* covered by
Lease No. *23876* and located in squares *13S.6-7E*. A recent test of said well showed a
production of.....

In accordance with the terms of agreement bearing date.....190....., between
HOPE NATURAL GAS COMPANY and this Company, you have until the.....day of.....190.....
to notify this Company should you desire to purchase the.....said well.

You will please note your wishes as to the purchase of the above on the notice below and return this paper.

Yours truly,

SOUTH PENN OIL COMPANY,

By.....

We have this *21st* day of *April* 190*8*, investigated the above and desire
that the.....above well be *not* transferred to South Penn Oil Company

By *Geo. P. Corwin*

*No change
at all.*

No. 1

SOUTH PENN OIL COMPANY—COMPLETION

SERIAL No. _____ FARM W. M. Williams WELL No. 7
 ELEVATION _____ N. _____ S. 13 E. 6 W. _____
 LEASE No. 23876 - 29202 ACRES. 102 - 27 $\frac{1}{2}$
 WATERS OF Lick Run
 DISTRICT Ten Mile COUNTY Harrison STATE West Va.
 DRILLING COMMENCED May 17, 1900. COMPLETED June 23, 1900. DEPTH 2772

SANDS	TOP	BOTTOM	ELEV. TOP	CASING
Pgh. COAL OR BIG LIME				
Pgh Coal	424	429		
Big Injun	1840	1895		
Gordon	2475	2520		
Fifth	2744	2750		
				PACKERS AND DEPTH SET

INITIAL PROD. 12 Bbls. SAND. Fifth DEPTH. 2744
 GAS TEST _____ " _____ " _____
 SHOW June 23, 1900 QUARTS. No Data. " _____ " _____
 REMARKS _____

REPORTED BY W. O. Davis ABANDONED Oct. 3, 1900.

ABANDONED 10/03/1908
 IT IS SOUTH PENN OIL COMPANY
 THAT ABANDONED WELL IN 1908
 AND BOTTOM HOLE OF W.F. WILLIAMS
 (B) WILL BE \approx 360' FROM
 MR HOFFMAN'S RESIDENCE AND
 380' FROM WFW #7.

JMM



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

Roger Heldman
General Manager, WV Operations

7/1/13

Jeff McLaughlin
WV DEP Office of Oil & Gas
601 57th Street, SE
Charleston, WV 25304-2345

RE: Wolf Summit concerns

Dear Jeff,

Thank you for spending your day with Tim and me last Thursday at Wolf Summit. We hope that the review of the well records and trip to the field was beneficial to you and the WV DEP in relieving any apprehension you may have had regarding the Plugged and Abandoned wells on the W F Williams lease and the Wolf Summit Field. As we stated when we were in the field HG Energy is willing to drill a monitor well near Mr. Huffman's house to assure that if there is any migration toward the USDW that it will be detected. This proposed monitor well would be drilled near Mr. Huffman's water well at a mutually agreed on spot and fluid level monitored at least quarterly and sampled for analysis at least yearly. The results would be reported to the WVDEP.

If you should have any other questions or concerns please feel free to call.

Very truly yours,

Roger Heldman