Hall Drilling **Docket 195-186**

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE REQUEST BY HALL DRILLING, LLC FOR EXCEPTION LOCATIONS REGARDING THE DRILLING OF THE PROPOSED WELLS IDENTIFIED AS THE ASH #1, SHAUGHNESSY #2, SHAUGHNESSY #3 AND THE WILLIAMS #1 TO BE LOCATED IN GRANT DISTRICT, DODDRIDGE COUNTY, WEST VIRGINIA.

DOCKET NO. 195
CAUSE NO. 186

TRANSCRIPT OF PROCEEDINGS had or testimony adduced in the above-entitled matter, on the on the 6th day of January, 2009, commencing at 10:00 a.m., and concluding at 11:00 a.m. at the Office of the Department of Environmental Protection, 601 57th Street, S.E., Charleston, Kanawha County, West Virginia, pursuant to notice to all interested parties.

BEFORE: JAMES MARTIN, Acting Chairman
ANTHONY GUM, Member
ROBERT RADABAUGH, Member
CYNTHIA RAINES, Staff

ORIGINAL

NANCY MCNEALY
CERTIFIED COURT REPORTER
Post Office Box 13415
Charleston, West Virginia 25360-0415
(304) 988-2873 FAX (304) 988-1419

APPEARANCES: ON BEHALF OF HALL DRILLING AND BLUESTONE ENERGY PARTNERS:

GREGORY R. BARTON
215 E. Washington Avenue
Post Office Box 249
Ellenboro, West Virginia 26346

I N D E X

Applicant's Witness:	Direct	Examination
Thomas Wince	6	8, 11, 18 (Martin) 10, 17 (Gum)

Commission's Exhibits:	Marked	Received
No. 1, Notice of Continuance and Certified Receipt Cards	4	4
No. 2, Revised Plats	4	4

Reporter's Certificate.....Page 24

CHAIRMAN MARTIN: Before the Oil and Gas Conservation Commission of the State of West Virginia in the matter of the Request by Hall Drilling, LLC for the Exception Locations Regarding the Drilling of the Proposed Wells Identified as the Ash No. 1, Shaughnessy No. 2, Shaughnessy No. 3, and the Williams No. 1 to be Located in Grant District, Doddridge County, West Virginia. This is Docket -- this is the continuance of Docket 195, Cause 186.

Let the record show that members of the Board that are present today, Tony Gum, Robert Radabaugh, and James Martin, Cindy Raines from the Conservation Commission Staff.

I'd like to place of record as Notice of the Continuance as Commission Exhibit 1 and the Certified Receipt Cards collectively. Exhibit 2 would be the Revised Plats for the four wells involved in the proceeding today, Ash No. 1, Shaughnessy 2, and Shaughnessy 3, and the Williams No. 1.

(WHEREUPON, the Notice of Continuance and Certified Receipt Cards, the Revised Plats were marked as Exhibit Nos. 1 and 2 for identification and received in evidence.)

CHAIRMAN MARTIN: And just for the record the applications were supplied and made part of the record at the original hearing. With that, I guess we'll take appearances.

MR. BARTON: Yes, sir, Greg Barton, Hall Drilling and Bluestone Energy.

MR. WINCE: Tom Wince, Bluestone Energy, Hall Drilling.

CHAIRMAN MARTIN: Okay and will both you gentlemen be presenting evidence today or --

MR. BARTON: Today, I'm going to advise Mr. Wince. He is our new employee here at Hall Drilling and Bluestone Energy, a certified surveyor and engineer, and I've kind of personally removed myself from this procedure in the sense of advising him of past experiences but he's the more knowledged one than I am and so hopefully the information he has today, this will --

CHAIRMAN MARTIN: Okay, so I'm sorry, I didn't catch your last name.

MR. WINCE: Wince.

CHAIRMAN MARTIN: Wince?

MR. WINCE: Tom Wince.

CHAIRMAN MARTIN: Mr. Wince, so you'll be providing the testimony today?

MR. WINCE: Yes.

CHAIRMAN MARTIN: Okay, you want to be sworn in, please?

(Witness sworn)

THEREUPON

T H O M A S W I N C E

called as a witness on behalf of Hall Drilling, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

CHAIRMAN MARTIN: Mr. Wince, feel free to present the information.

THE WITNESS: Okay, I've got some folders here with some copies of the well plats that you guys may have. I'm going to go ahead and pass those out.

CHAIRMAN MARTIN: Were you wanting to make any of this part of the record as an exhibit or is this just --

MR. WINCE: The topo is just for to give you guys a general idea of where it's located. Then the information sheet which is --

MR. BARTON: Tom, give Cindy one, please.

THE WITNESS: Then there's an information sheet describing what we believe to be the deep wells within the 3,000-foot area, and the API No. and our well name.

CHAIRMAN MARTIN: Do you want to just start with one of these and just go through them individually as to what you're -- you're wanting to do and what the issues are.

THE WITNESS: Okay.

CHAIRMAN MARTIN: Which one you want to start with?

THE WITNESS: Ash Lease No. 1.

CHAIRMAN MARTIN: The Ash, okay.

THE WITNESS: I guess the first issue is the distance from the nearest lease line. According to the survey plat, we've got 130 feet from the nearest lease line, and then the permitted deep wells within 3,000 foot of Ash No. 1, we've got seven, and we've got -- the first one is Hall Drilling, Chess No. 1. The second one's Permit 47-017-5585, Hall Drilling, Newlon No. 1. The third one is Permit 47-017-5586, Hall Drilling, Newlon No. 2. The fourth one, 47-017-5780, Hall Drilling, Newlon No. 6. The fifth one is Permit 47-017-5782, Hall Drilling, Newlon No. 3. The sixth one is 47-017-5777, Hall Drilling, Van Scoy Well No. 2, and the seventh one is Permit No. 47-017-5750, Hall Drilling, Williams No. 1, and then on our information sheet, we've got applying for a deep well permit to drill within 100 foot into the Onondaga per code, and then we're

stating that we have no issue with drilling within the 3,000 foot of our own wells.

MR. RADABAUGH: Where Chess No. 1 -- Chess No. 1, Newlon No. 1 --

MS. RAINES: Chess No. 1, that's shallow.

MR. BARTON: Is it shallow?

MS. RAINES: Yeah, you pulled it and --

MR. RADABAUGH: Okay.

MS. RAINES: -- permitted it was shallow.

MR. RADABAUGH: Okay. How about Newlon No. 1?

THE WITNESS: Newlon No. 1 is 5585 and --

MR. RADABAUGH: Is it shallow?

MS. RAINES: No, it's --

MR. RADABAUGH: It's deep?

MS. RAINES: It's on this revised plat.

MR. RADABAUGH: 5585, okay.

THE WITNESS: The distances in parenthesis below the API No. is our distance from our proposed well.

EXAMINATION

BY CHAIRMAN MARTIN:

Q Okay, Mr. Wince, just to clarify, you got two issues --

A Uh-huh (yes).

Q -- with this well. You've got the distance from the lease boundary.

A Uh-huh (yes).

Q You're 130 feet from the lease boundary and then you've got, I guess, six deep wells --

A Yes, sir.

Q -- within 3,000 feet of this well, right?

A Yes, sir.

Q And so that's what you're asking the exception for --

A Yes, sir.

Q -- is both of those -- to address both those issues? Are there any other -- you've actually on your handout listed seven deep wells and we've just found out that actually one of them is a shallow well.

A Yes, sir.

Q Are there in all -- in all these cases, Hall Drilling is the operator of those wells, right?

A Yes.

Q Are there any other deep wells that you're aware of that even maybe operated by some other entity within 3,000 feet of --

A No, sir, not that I am aware of.

Q Okay.

EXAMINATION

BY MR. GUM:

Q Are there any other issues that you're needing an exception for other than the two issues you already just named? Is one of the issues the distance to this is the depth 100 feet; is that what you're asking for? That's the third issue, right? That you want to drill down into the Onondaga?

A We would want to drill into the Onondaga 100 feet.

Q 100 feet?

A Yeah.

Q So there's three issues?

A Right.

Q The boundaries --

CHAIRMAN MARTIN: Yeah, I was -- I was talking specific spacing, exception location, but you're right. He's wanting to drill 100 feet.

BY MR. GUM:

Q Okay, so you've got three issues and the other one is the boundary only 132 feet?

A Yes, sir.

Q And then all of them, 3,000 feet -- less than 3,000 feet?

A Yes.

Q But you own the leasing of the other wells?

A Yes.

Q Okay.

EXAMINATION (Continuing)

BY CHAIRMAN MARTIN:

Q Is there any reason that -- in fact, we covered this somewhat in the prior hearing but is there -- would it be possible to stay greater than 400 feet from the lease line? I can't tell from the plat if that's even possible. In fact, it may not be but --

A I believe the terrain is -- is one thing in consideration, and then also on this particular tract, your whole width of your tract is only 734 feet so there's no way that you'll be able to space 400 foot.

Q Okay. And this is a vertical well?

A Vertical.

Q No horizontal component to this?

A No, sir.

Q Do you want to talk about the -- say anything about the need for the 100 feet as opposed to the 20 that you're allowed anyway?

A I believe they need the 100 feet for the fishing tools, the space for the fishing tools for the

logging.

Q For the logging tools?

A Logging tools.

Q And is that -- is that -- that 100 feet, is that what you found to be the common practice for your company on these kind of wells?

A I believe so.

MR. RADABAUGH: In dealing with the 100 feet, you've been here before. What did we grant for you before? Would it have been 100 feet or was it 75?

MR. BARTON: 100.

MR. RADABAUGH: It's always been 100?

MR. BARTON: Yes, sir.

MR. RADABAUGH: Okay, that's -- I'm just getting to recall and you know it's been 100?

MR. BARTON: Yes, sir.

MR. RADABAUGH: Okay.

CHAIRMAN MARTIN: Mr. Wince, do you have anything else that you think we need to hear about on this one?

THE WITNESS: I don't believe so. I believe we're covering the two issues that -- we're covering -- or the three issues. We're covering spacing, the 400-foot issue and we're covering the well -- deep

wells within 3,000 foot of our proposed well, and then of course our -- we're applying to go 100 foot into the Onondaga.

CHAIRMAN MARTIN: Anything else, Jim, from -- we'll move on then to the next well.

MR. GUM: Okay.

CHAIRMAN MARTIN: Let's move on to the next one there, Mr. Wince.

THE WITNESS: Okay, we've got the Shaughnaussy Lease.

MR. BARTON: Shaughnessy.

THE WITNESS: Shaughnessy Lease, sorry, No. 2, 88-Acre Lease.

MR. GUM: Exceptions. Go ahead, spacing.

THE WITNESS: Spacing, we need to -- we've got a well -- a deep well within the 3,000 foot. Shaughnessy No. 3, Permit 47-017-5761 and we're applying for a deep well to drill within 100 foot to the Onondaga, and we're stating that we have no issue within drilling 3,000 foot of our proposed well.

MR. BARTON: You need to go over the three.

THE WITNESS: We have some permitted

shallow wells that are permitted from Marcellus within the 3,000 foot. We've got Permit No. 47-017-5665, Underwood No. 2. Permit 47-017-5609, Hall Drilling From No. 1 (Marcellus). Permit 47-017-5605, Hall Drilling Shaughnessy No. 1 (Marcellus), and then we've got Permit 47-017-2343, Permit 47-017-1553 which are shallow.

MR. RADABAUGH: 5609 and 5605 are both deep wells, correct, or shallow?

THE WITNESS: They've been permitted as shallow.

MS. RAINES: 5609 is not deep.

CHAIRMAN MARTIN: They've both been listed both as shallow. I don't know.

MS. RAINES: Okay.

CHAIRMAN MARTIN: So just for -- yeah, for a little more clarification on that subject, the only -- the only two deep wells within 3,000 foot of the Shaughnessy No. 2 is --

THE WITNESS: Shaughnessy No. 3.

CHAIRMAN MARTIN: Oh, we're on to Shaughnessy 3?

MS. RAINES: He's saying 3 is within --

CHAIRMAN MARTIN: I'm sorry. I think my plats are jumbled. I've got lost here.

MR. RADABAUGH: 5761.

CHAIRMAN MARTIN: There we go. Just one well, I'm sorry.

THE WITNESS: Shaughnessy No. 3, 5761 is our permitted deep within the 3,000 foot of proposed Shaughnessy No. 2.

CHAIRMAN MARTIN: And no other wells, no other operators with wells within 3,000 feet to your knowledge?

THE WITNESS: Not a permitted deep well.

CHAIRMAN MARTIN: For a deep well?

THE WITNESS: No, sir.

MR. RADABAUGH: Your distance off the lease line?

THE WITNESS: It's stated on the notes on the survey, Statement No. 6, I believe they noted it on there. "Proposed Well Shaughnessy No. 2 is approximately 100'± from lease boundary."

BY CHAIRMAN MARTIN:

Q Has there been any consideration for them to move that well 300 feet to the west to get you to 400 feet?

A I believe the terrain, the terrain that we're on --

Q So the terrain would prohibit that from occurring is what you're saying?

A I believe so.

MR. GUM: You're saying when you say that word believe, you're saying it would prohibit it?

THE WITNESS: Yes.

MR. GUM: Okay.

CHAIRMAN MARTIN: Anything else, Mr. Wince, on Shaughnessy 2 that you want to share with us? You're also asking for the 100 feet as before with the Ash for the same reasons?

THE WITNESS: Yes, sir.

CHAIRMAN MARTIN: Okay. All right.

THE WITNESS: Our next well is Shaughnessy No. 3. Acreage is 88. The distance from the nearest lease line is 240 feet. Permitted deep wells within 3,000 feet, it would have two. Permit No. 47-017-5760, Hall Drilling Shaughnessy No. 2.

The second one is 47-017-4585, Hall Drilling Underwood No. 1, and then we've also got some permitted shallow wells in the Marcellus formation. Permit No. 47-017-5665, Hall Drilling Underwood No. 2 (Marcellus); Permit No. 47-017-5609, Hall Drilling From No. 1 (Marcellus); Permit No. 47-017-5605, Hall Drilling Shaughnessy No. 1 (Marcellus).

Then we've got two shallow wells, Permit

No. 47-017-2343 and Permit No. 47-017-1553, and we're also applying for a deep well permit to drill within 100 foot into the Onondaga, and we have no issues with drilling within 3,000 foot of our own wells.

EXAMINATION (Continuing)

BY MR. GUM:

Q A little clarification for me, somebody, and I don't know if it's you or not. When you say these wells -- two wells have been permitted, have they been drilled as deep wells? For example, are they -- have they been cemented back up?

A The 2343 --

Q Yes.

A -- and 1553?

Q Yeah.

A Those are wells that are permitted as shallow.

Q Okay, clarification.

A Okay.

Q Really I'm going on the interpretation that where they really are a well. They've been permitted as a deep well and then cemented back beyond the Onondaga.

A Into the Marcellus.

Q Into the Marcellus.

A Okay.

Q And I knew that's what it was but I wanted clarification on that.

EXAMINATION (Continuing)

BY CHAIRMAN MARTIN:

Q Mr. Wince, the same question as before, to your knowledge, those are the only two deep wells within 3,000 feet -

A Yes, sir.

Q -- those that have been identified?

A Yes, sir.

CHAIRMAN MARTIN: Anything further on Shaughnessy 3?

THE WITNESS: I don't believe so.

CHAIRMAN MARTIN: Okay.

THE WITNESS: Our next well, we've got the Williams Lease Well No. 1, 88 acres, and we don't have an issue of spacing; we're more than 400 foot as shown on the plat. We have some permitted deep wells within 3,000 feet. No. 1, Permit No. 47-017-5647, Hall Drilling Chess No. 1. The second one, Permit No. 47-017-5604, Hall Drilling Van Scoy No. 1. The third one, Permit No. 47-017-5585, Hall Drilling Newlon No. 1. The fourth one is Permit No. 47-017-5751, Hall Drilling Ash No. 1, and the fifth one is

Permit No. 47-017-5604, Hall Drilling Van Scoy No. 1, which I have that repeated, and we're applying for a deep well permit to drill within 100 foot into the Onondaga per mode, and Hall Drilling has no issue drilling within 3,000 foot of our own wells as proposed to the Williams No. 1.

BY CHAIRMAN MARTIN:

Q Those two Pre-29 wells that are listed on the plat, do you know what the -- are those plugged?

A They have the plug symbol on the shot sheet so I'm assuming that they are plugged if they have the plug symbol.

Q So that leaves only four unplugged three deep wells within 3,000 feet according to your information?

A Yes. Yes, sir.

MR. RADABAUGH: I've got Van Scoy No. 1 listed twice as a deep well.

THE WITNESS: Yes. I made a mistake on the --

MS. RAINES: It should be 5780. API-5780 is the one you left out.

THE WITNESS: Yes. Yes, ma'am.

MR. RADABAUGH: It's also deep.

MS. RAINES: Uh-huh (yes).

CHAIRMAN MARTIN: What is the well name for the 5780?

MS. RAINES: I think it's the Underwood; isn't it?

BY CHAIRMAN MARTIN:

Q Newlon No. 6. So there's five wells --

A There is five wells.

Q -- within 3,000 feet -- five deep wells within 3,000 feet, all of which are operated --

A By Hall Drilling.

Q -- by Hall Drilling? And on this one, we don't have an issue with the lease line; we're greater than 400 feet from the lease line?

A Yes, sir.

Q And again you're asking for the 100 feet in the Onondaga?

A Yes.

Q Can you tell me who operates Permit 5377 and 5025 and 5779?

A I cannot tell you with what information I've got here.

Q But those are shallow wells?

A Those are shallow wells.

Q Mr. Wince, to the northwest of the Well No. 1, you've got another circle identified as Well No. 2. What is that?

A That's the proposed Well No. 2 on the Williams Lease.

MS. RAINES: You haven't submitted an application for that yet?

BY CHAIRMAN MARTIN:

Q There's no permit for that well?

A No, sir.

Q Okay. So that's really on this plat just for your purposes?

A Yes, sir.

Q Okay. Mr. Wince, anything further on the Williams Well?

A No.

Q Or anything further on any of the four wells that you'd --

A No.

Q -- like to mention or place of record?

A No.

CHAIRMAN MARTIN: Okay, I guess if nothing further, we'll close the record.

(WHEREUPON, the Commission deliberated from 10:57 a.m. to 10:59 a.m. off the record, after which the proceeding continued as

follows:)

CHAIRMAN MARTIN: All right, we can go back on the record now. Do I have a motion?

MR. RADABAUGH: I'll make a motion. I make a motion to grant Hall Drilling their requests for exception to the rule for wells Ash No. 1, which is Doddridge 5751, Shaughnessy No. 2, which is Doddridge 5760, and Shaughnessy No. 3 which is Doddridge 5761 to be within 400 feet of a lease line. Also to allow the exception for the Ash No. 1, the Shaughnessy No. 2, the Shaughnessy No. 3, and Williams No. 1, which is Doddridge 5750 to be within 3,000 feet of other permitted deep wells.

Also to allow the exception called the exception to drill 100 feet into the Onondaga formation for the purpose of logging the Marcellus. Hall shall submit to the Commission an affidavit signed by an officer of the company stating that nothing below the top of the Onondaga was perforated, frac'd, or is being produced. They shall also furnish a well log and a perforation log to the Commission.

If at a later date, they decide that they'd like to produce something below the top of the Onondaga, they must reappear before the Commission and request such.

CHAIRMAN MARTIN: Can I have a second?

MR. GUM: I would second that motion.

CHAIRMAN MARTIN: Is there any further discussion? All in favor of the motion, please say aye.

BOARD: Aye.

CHAIRMAN MARTIN: Opposed? Okay, motion carried. Is there anything that you'd like, Mr. Wince, to put of record on this matter before we close the record today?

THE WITNESS: No, sir.

CHAIRMAN MARTIN: From the Commission, anything further?

MR. RADABAUGH: No.

MR. GUM: No, sir.

CHAIRMAN MARTIN: Let's close the record; thank you.

(Witness stands aside.)

(WHEREUPON, the proceeding was concluded.)

REPORTER'S CERTIFICATE

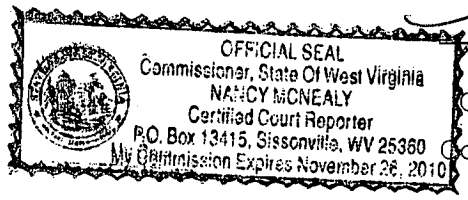
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, to wit:

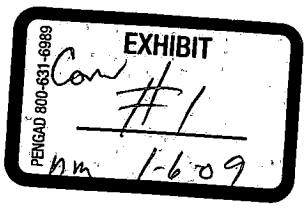
I, **NANCY MCNEALY**, Certified Verbatim Court Reporter and Commissioner of West Virginia, do hereby certify that the foregoing is, to the best of my skill and ability, a true and accurate transcript of all the proceedings as set forth in the caption hereof.

Given under my hand this 19th day of January, 2009.

My commission expires November 26, 2010.



Certified Verbatim Reporter
Commissioner of West Virginia



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE REQUEST BY HALL DRILLING, LLC FOR EXCEPTION LOCATIONS REGARDING THE DRILLING OF THE PROPOSED WELLS IDENTIFIED AS THE ASH #1, SHAUGHNESSY #2, SHAUGHNESSY #3 AND THE WILLIAMS #1 TO BE LOCATED IN GRANT DISTRICT DODDRIDGE COUNTY, WEST VIRGINIA .

DOCKET NO. 195
CAUSE NO. 186

NOTICE OF CONTINUANCE

Hall Drilling, LLC ("Hall") has requested the Commission grant an exception to Rule 39.1.4.2 for the proposed wells identified as the Ash #1, Shaughnessy #2, Shaughnessy #3 and the Williams #1 to be located in Doddridge County, West Virginia. The proposed well locations do not meet the spacing requirements imposed on deep wells; therefore, Hall has requested approval from the Commission for an exception to the rule as provided in 39.1.4.3.

The matter has been continued as stated below:

DATE: January 6, 2008

TIME: 10:00 a.m.

PLACE: Department of Environmental Protection
Office of Oil and Gas
601 57th Street, SE
Charleston, WV 25304

IN THE NAME OF THE STATE OF WEST VIRGINIA

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

By: Barry K Lay
Barry K. Lay, Chairman

Dated this 8th day of December, 2008, at Charleston, West Virginia.

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. **Hall Drilling, LLC**
Attention: Gregory Barton
P O Box 249
Ellenboro, WV 26346

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature] ☒ Agent ☐ Addressee

B. Received by (Printed Name) [signature] C. Date of Delivery 12/9/08

ss different from item 1? ☐ Yes
elivery address below: ☐ No

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 4425

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENT BY: 195-18

DEPARTMENT: _____

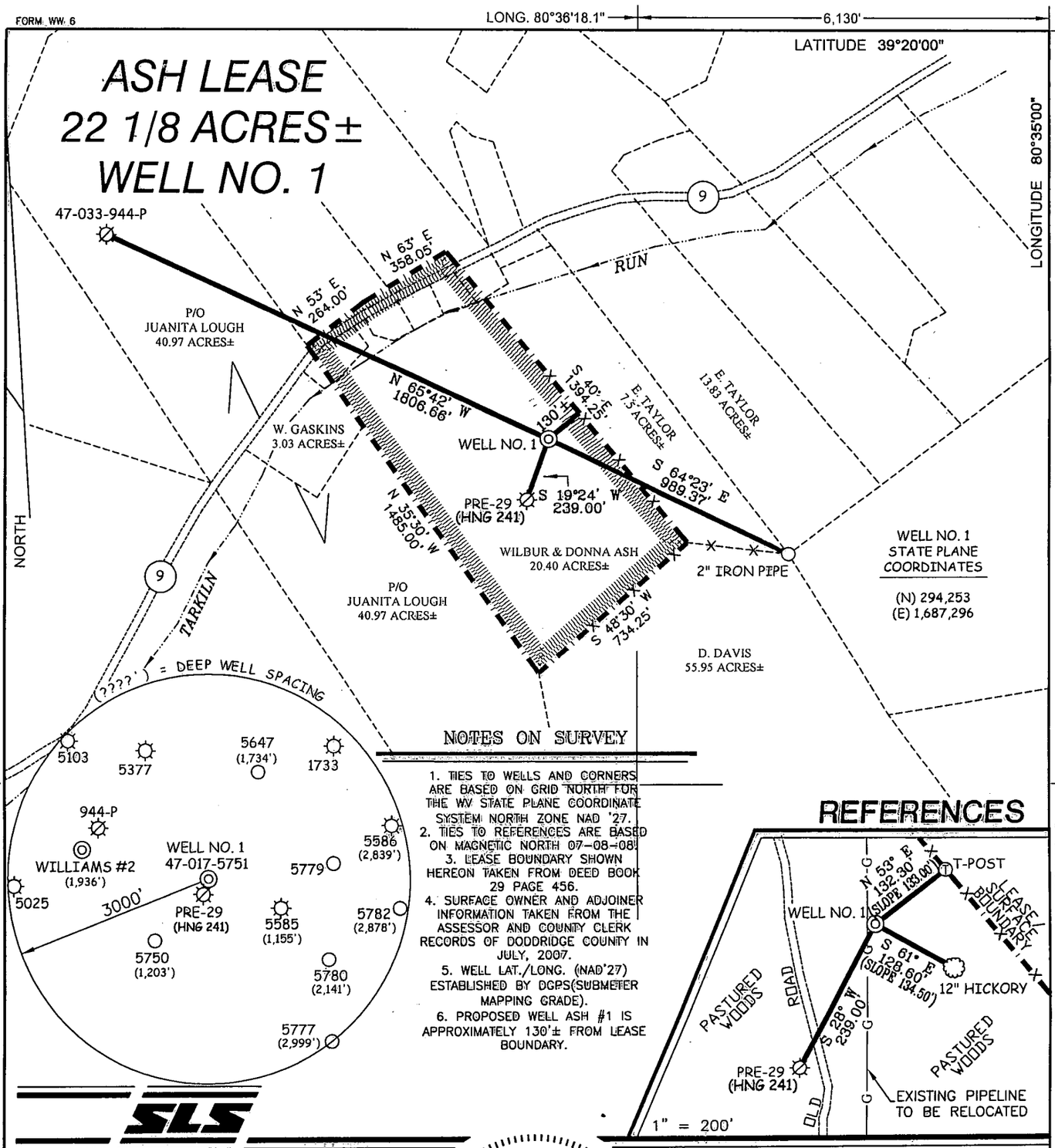
DO NOT METER

Return Receipt Cards

INTERDEPARTMENTAL MAIL

FORM WW-6

ASH LEASE
22 1/8 ACRES±
WELL NO. 1



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 07-08-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 29 PAGE 456.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PROPOSED WELL ASH #1 IS APPROXIMATELY 130'± FROM LEASE BOUNDARY.

REFERENCES

SLS

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 DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 Gregory A Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JULY 12 , 20 08
REVISED DECEMBER 9 , 20 08
OPERATORS WELL NO. ASH #1
API WELL NO. 47 — 017 — 5751
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)
FILE NO. 6898P1R(264-20)
SCALE 1" = 500'

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

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___
IF "GAS" PRODUCTION X STORAGE ___ (NOTE 6) DEEP X SHALLOW ___

LOCATION:
ELEVATION 1,190' WATERSHED TARKILN RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER WILBUR & DONNA ASH ACREAGE 20.40±
ROYALTY OWNER DORIS CLEVELAND LEASE ACREAGE 22.125±
PROPOSED WORK: LEASE NO. ___
DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___ OTHER ___
PHYSICAL CHANGE IN WELL (SPECIFY) ___ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

COUNTY NAME
PERMIT

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249 ELLENBORO, WV 26346
DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249 ELLENBORO, WV 26346

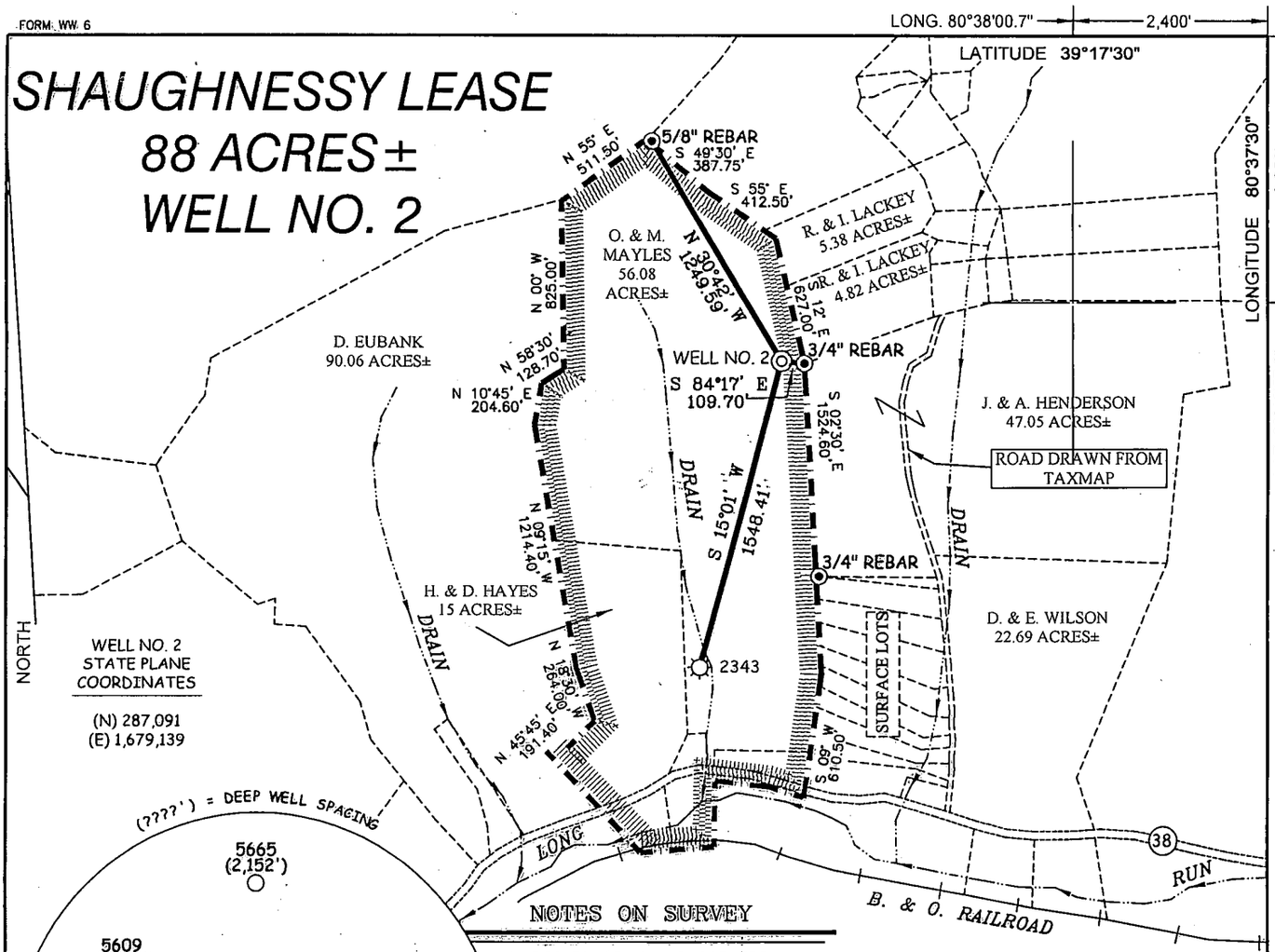
EXHIBIT #2

PENGAD 800-631-6989

SLS 14588

FORM: WW-6

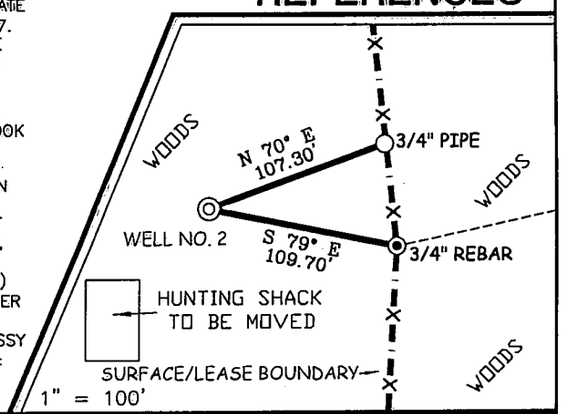
SHAUGHNESSY LEASE
88 ACRES±
WELL NO. 2



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 09-25-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 258 PAGE 533.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PROPOSED WELL SHAUGHNESSY #2 IS APPROXIMATELY 100'± FROM LEASE BOUNDARY.

REFERENCES



SLS

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 DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 Gregory A Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE OCTOBER 1, 20 08
REVISED DECEMBER 9, 20 08
OPERATORS WELL NO. SHAUGHNESSY #2
API WELL NO. 47 — 017 — 5760
STATE — COUNTY — PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)
FILE NO. 6737P2R(267-37)
SCALE 1" = 800'

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

WELL TYPE: OIL ____ GAS X LIQUID INJECTION ____ WASTE DISPOSAL ____ IF "GAS" PRODUCTION X STORAGE ____ (NOTE 6) DEEP X SHALLOW ____

LOCATION:
ELEVATION 1,230' WATERSHED LONG RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SMITHBURG 7.5'
SURFACE OWNER ONA & MAGGIE MAYLES ACREAGE 56.08±
ROYALTY OWNER ROSALEE WILSON LEASE ACREAGE 88±
PROPOSED WORK: LEASE NO. ____
DRILL X CONVERT ____ DRILL DEEPER ____ REDRILL ____ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ____ PERFORATE NEW FORMATION ____ PLUG AND ABANDON ____ CLEAN OUT AND REPLUG ____ OTHER ____
PHYSICAL CHANGE IN WELL (SPECIFY) ____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

COUNTY NAME
PERMIT

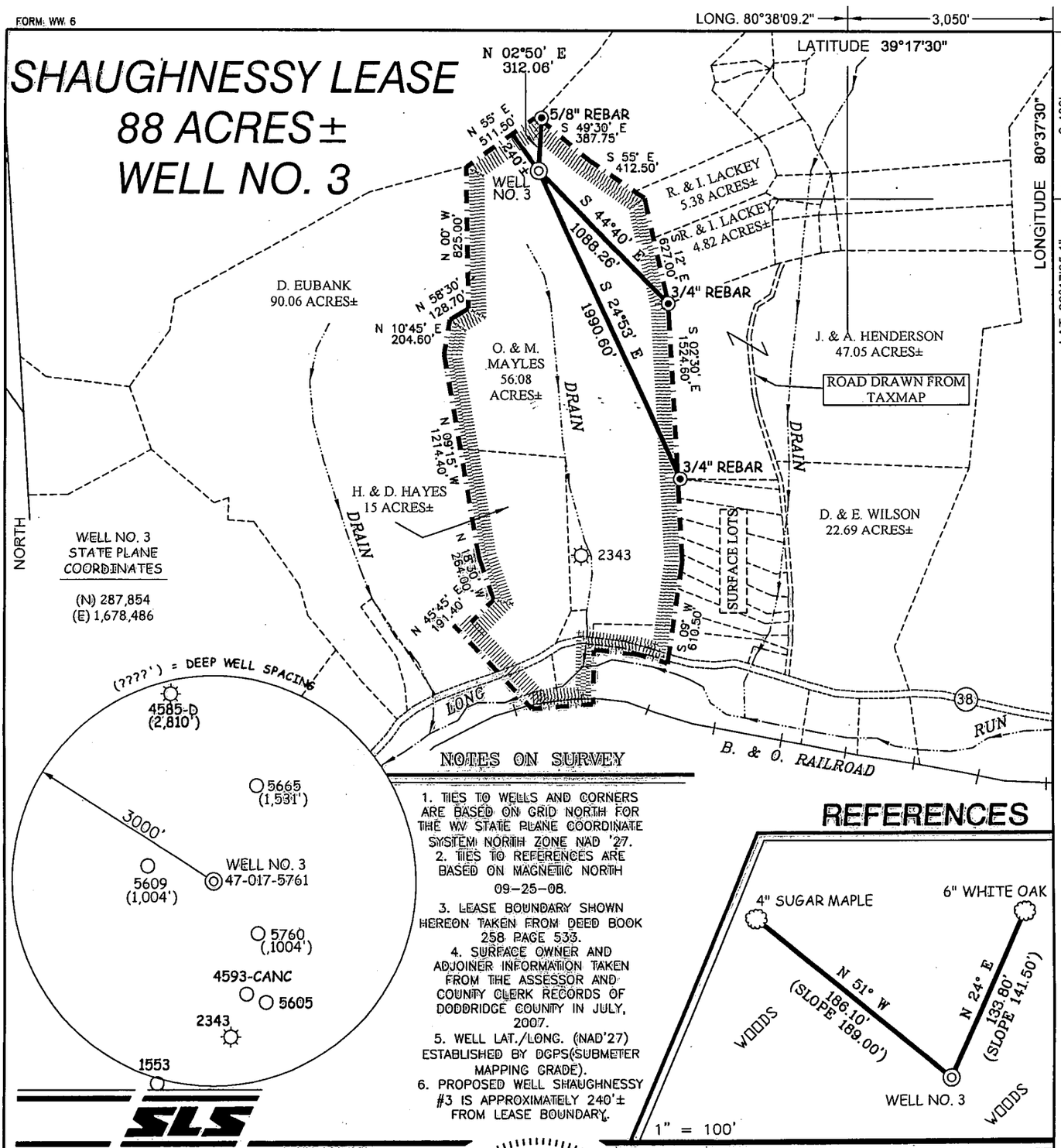
WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

SLS
124568

FORM: WW-6

SHAUGHNESSY LEASE
88 ACRES±
WELL NO. 3



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 09-25-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 258 PAGE 533.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PROPOSED WELL SHAUGHNESSY #3 IS APPROXIMATELY 240'± FROM LEASE BOUNDARY.

REFERENCES

SLS

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 DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 Gregory A Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE OCTOBER 1 , 20 08
REVISED DECEMBER 9 , 20 08
OPERATORS WELL NO. SHAUGHNESSY #3
API WELL NO. 47 — 017 — 5761
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)
FILE NO. 6737P3R(267-36)
SCALE 1" = 800'

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

WELL TYPE : OIL ____ GAS X LIQUID INJECTION ____ WASTE DISPOSAL ____ IF "GAS" PRODUCTION X STORAGE ____ (NOTE 6) DEEP X SHALLOW ____

LOCATION :
ELEVATION 1,279' WATERSHED LONG RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SMITHBURG 7.5'
SURFACE OWNER ONA & MAGGIE MAYLES ACREAGE 56.08±
ROYALTY OWNER ROSALEE WILSON LEASE ACREAGE 88±
PROPOSED WORK : LEASE NO. ____
DRILL X CONVERT ____ DRILL DEEPER ____ REDRILL ____ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ____ PERFORATE NEW FORMATION ____ PLUG AND ABANDON ____ CLEAN OUT AND REPLUG ____ OTHER ____
PHYSICAL CHANGE IN WELL (SPECIFY) ____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

COUNTY NAME

PERMIT

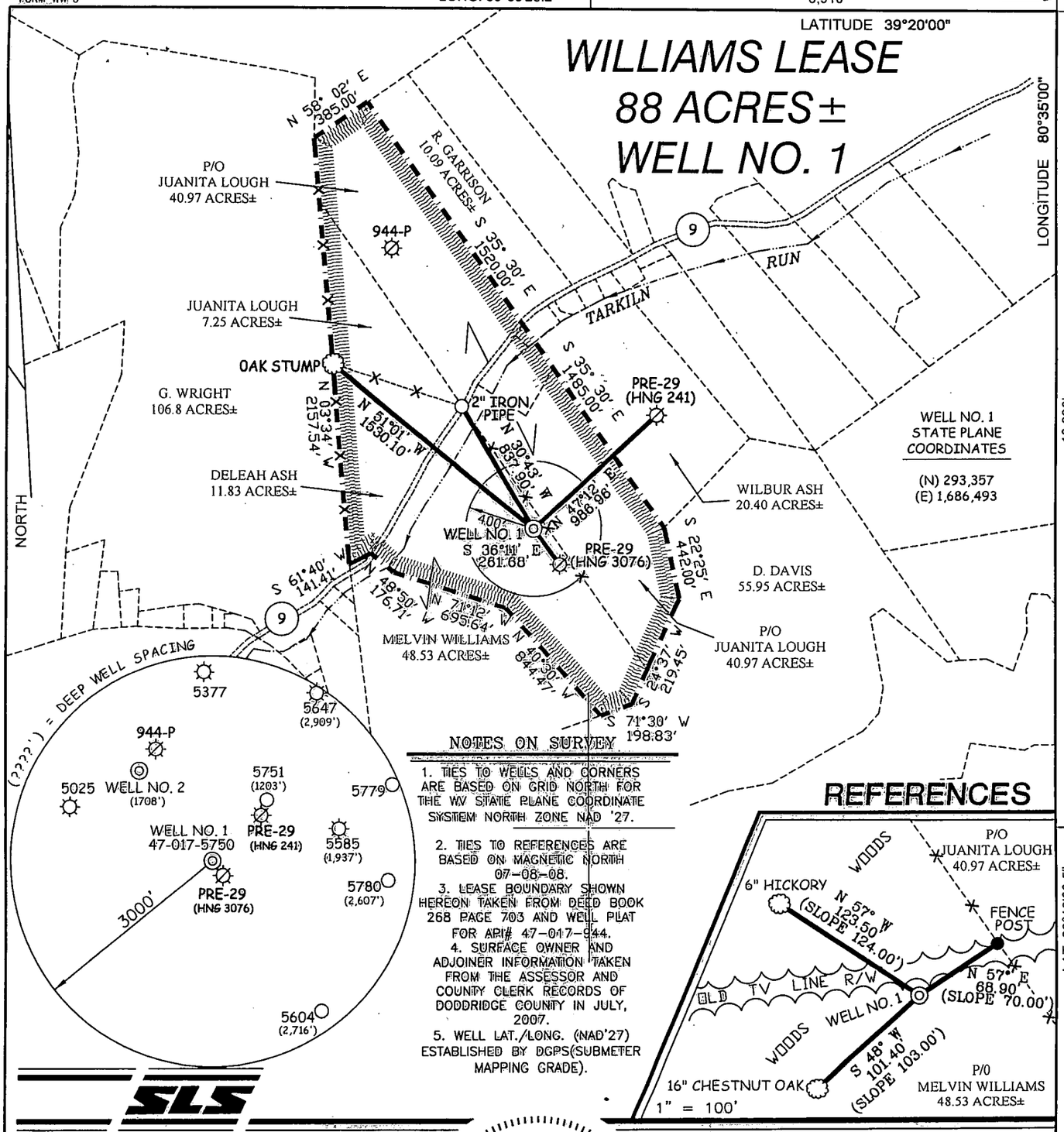
WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249 ELLENBORO, WV 26346 ADDRESS P.O. BOX 249 ELLENBORO, WV 26346

FORM: WW-6

LONG. 80°36'28.2" — 6,910'

LATITUDE 39°20'00"

WILLIAMS LEASE
88 ACRES±
WELL NO. 1



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 07-08-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 268 PAGE 703 AND WELL PLAT FOR API# 47-017-5744.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

SLS

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P.S. 677 Gregory A. Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JULY 12, 20 08
REVISED DECEMBER 9, 20 08
OPERATORS WELL NO. WILLIAMS #1
API WELL NO. 47 — 017 — 5750
STATE — COUNTY — PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)
FILE NO. 6894P1R(264-21)
SCALE 1" = 800'

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

WELL TYPE: OIL ____ GAS X LIQUID INJECTION ____ WASTE DISPOSAL ____ IF "GAS" PRODUCTION X STORAGE ____ DEEP X SHALLOW ____

LOCATION:
ELEVATION 1,201' WATERSHED TARKILN RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER MELVIN WILLIAMS ACREAGE 48.53±
ROYALTY OWNER MELVIN WILLIAMS ETAL LEASE ACREAGE 88±
PROPOSED WORK: LEASE NO. ____
DRILL X CONVERT ____ DRILL DEEPER ____ REDRILL ____ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ____ PERFORATE NEW FORMATION ____ PLUG AND ABANDON ____ CLEAN OUT AND REPLUG ____ OTHER ____
PHYSICAL CHANGE IN WELL (SPECIFY) ____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

COUNTY NAME
PERMIT

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249, ELLENBORO, WV 26346 ADDRESS P.O. BOX 249, ELLENBORO, WV 26346

SLS

Continuance 19
Tom Wentz - surveyor
Greg Barton

Ash #1 Distance to nearest leaseline 130'
7 wells ~ 3,000'

Shaw #2 109. to leasline
2 wells ~ 3,000

#3 240' to leasline

Williams leaseline distance ok
exception for wells w/
3000'

west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

January 7, 2009

Department of Environmental Protection
Office of Oil and Gas
Charleston, WV 25304

Go by these for Order

RE: Application for Deep Well Permit – API #47-017-05751

COMPANY: Hall Drilling, LLC

FARM: Wilbur & Donna Ash - Ash #1

COUNTY: Doddridge DISTRICT: Grant QUAD: Salem

The application for the above company is APPROVED FOR ONONDAGA.
Marcellus completion Docket 195-186

The applicant has complied with the provision of Chapter 22C-9, of the Code of West Virginia, nineteen hundred and thirty-one (1931), as amended, Oil and Gas Conservation Commission as follows:

1. Provided a certified copy of duly acknowledged and recorded consent and easement form from all surface owners; N/A

2. Provided a tabulation of all deep wells within one mile of the proposed location, including the API number of all deep wells, well name, and the name and address of the operator; *see below

3. Provided a plat showing that the proposed location is a distance of 130 feet from the nearest lease line or unit boundary and showing the following wells drilled to or capable of producing from the objective formation within 3,000 feet of the proposed location.

Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

*2,850' to 47-017-05586
1,150' to 47-017-05585
2,878' to 47-017-05782
1,250' to 47-017-05750
2,100' to 47-017-05780
2,999' to 47-017-05777

Lease Name: Ash Lease

Acreage: 22 1/8 Acres +/-

Well: Well No.1

Distance from nearest lease line: 130 feet (as shown on plat)

Permitted Deep Wells within 3000':

1. Permit # 47-017-5647 (Hall Drilling *Chess No. 1*) ✓ Shallow
2. Permit #47-017-5585 (Hall Drilling *Newlon No. 1)*
3. Permit #47-017-5586 (Hall Drilling *Newlon No. 2)*
4. Permit #47-017-5780 (Hall Drilling *Newlon Well No. 6)*
5. Permit #47-017-5782 (Hall Drilling *Newlon Well No. 3)*
6. Permit #47-017-5777 (Hall Drilling *Van Scoy Well No. 2))* ✓ ~~Shallow~~
7. Permit #47-017-5750 (Hall Drilling *Williams No. 1)*

Correct

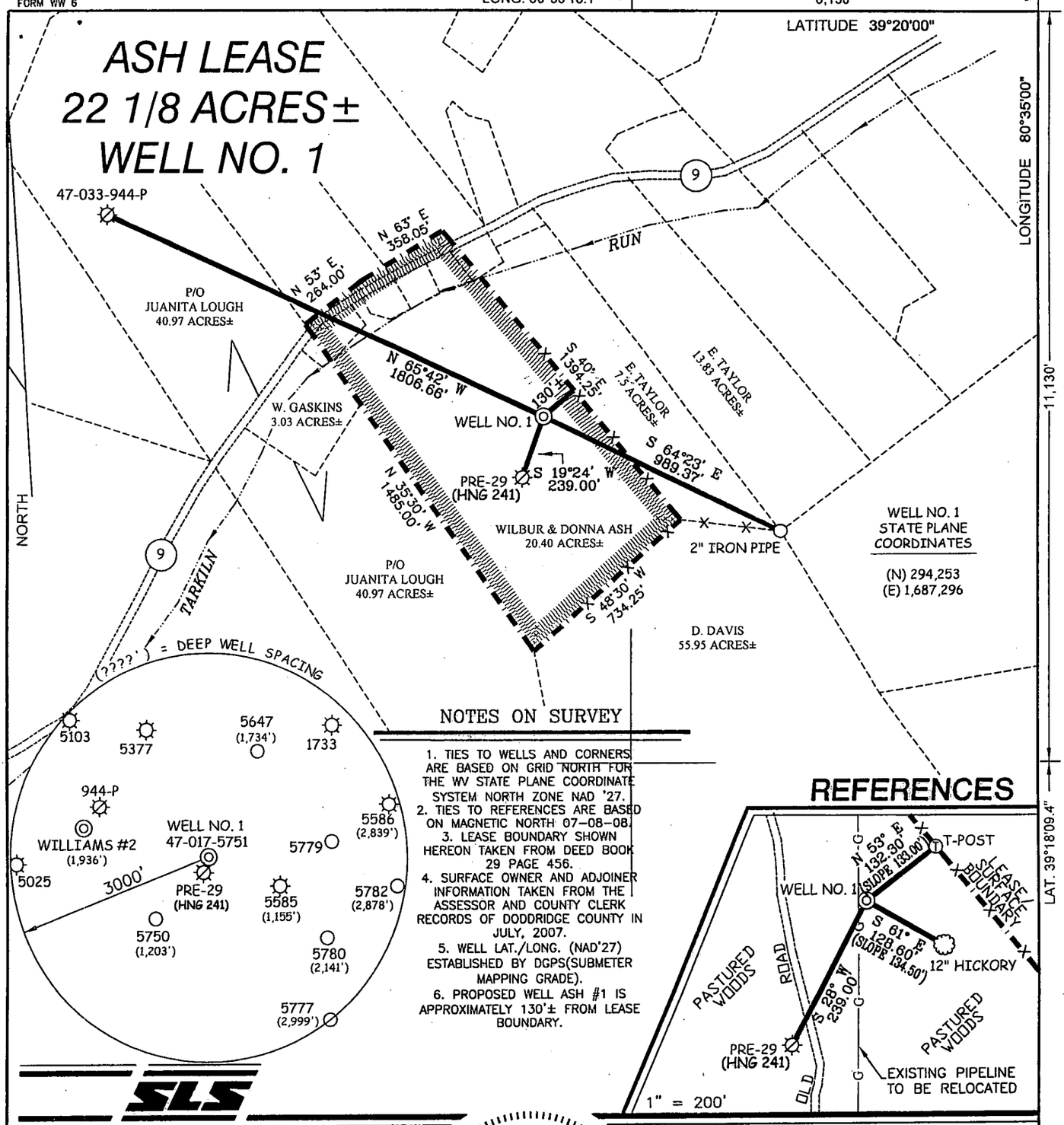
Check deep well map

Applying for a deep well permit to drill with 100 feet into the Onondaga per code

Hall Drilling has no issue drilling within the 3000 feet of our own wells as per those wells listed above in relationship to the proposed Ash Well No. 1.

FORM WW 6

ASH LEASE
22 1/8 ACRES±
WELL NO. 1



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 07-08-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 29 PAGE 456.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PROPOSED WELL ASH #1 IS APPROXIMATELY 130'± FROM LEASE BOUNDARY.

REFERENCES

SLS

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 DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 Gregory A Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JULY 12 , 20 08

REVISED DECEMBER 9 , 20 08

OPERATORS WELL NO. ASH #1

API WELL NO. 47 — 017 — 5751
STATE — COUNTY — PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)

FILE NO. 6898P1R(264-20)

SCALE 1" = 500'

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

WELL TYPE : OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___ IF "GAS" PRODUCTION X STORAGE ___ (NOTE 6) DEEP X SHALLOW ___

LOCATION :

ELEVATION 1,190' WATERSHED TARKILN RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER WILBUR & DONNA ASH ACREAGE 20.40±

ROYALTY OWNER DORIS CLEVELAND LEASE ACREAGE 22.125±

PROPOSED WORK : LEASE NO. ___

DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___ OTHER ___

PHYSICAL CHANGE IN WELL (SPECIFY) ___ TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 8,100'

COUNTY NAME

PERMIT

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249 ELLENBORO, WV 26346 ADDRESS P.O. BOX 249 ELLENBORO, WV 26346

SLS

124528

west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

January 7, 2009

Department of Environmental Protection
Office of Oil and Gas
Charleston, WV 25304

RE: Application for Deep Well Permit – API #47-017-05760

COMPANY: Hall Drilling, LLC

FARM: Shaughnessy #2

COUNTY: Doddridge DISTRICT: Grant QUAD: Smithburg

The application for the above company is APPROVED FOR ONONDAGA.
Marcellus completion Docket 195-186

The applicant has complied with the provision of Chapter 22C-9, of the Code of West Virginia, nineteen hundred and thirty-one (1931), as amended, Oil and Gas Conservation Commission as follows:

1. Provided a certified copy of duly acknowledged and recorded consent and easement form from all surface owners; N/A

2. Provided a tabulation of all deep wells within one mile of the proposed location, including the API number of all deep wells, well name, and the name and address of the operator; *see below

3. Provided a plat showing that the proposed location is a distance of 109 feet from the nearest lease line or unit boundary and showing the following wells drilled to or capable of producing from the objective formation within 3,000 feet of the proposed location.

Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

*1,750' to 47-017-05665
1,004' to 47-017-05761

Lease Name: Shaughnessy Lease

Acreage: 88 Acres +/-

Well: Well No.2

Distance from nearest lease line: 100 feet (as designated on plat)

Permitted Deep Wells within 3000':

1. Permit # 47-017-5761 (Hall Drilling Shaughnessy No. 3)

Permitted Shallow Wells:

1. Permit # 47-017-5665 (Hall Drilling *Underwood No.2(Marcellus))* Deep
2. Permit # 47-017-5609 (Hall Drilling *Frum No. 1 (Marcellus))* Shallow
3. Permit # 47-017-5605 (Hall Drilling *Shaughnessy No. 1(Marcellus))*
4. Permit # 47-017-2343
5. Permit # 47-017-1553

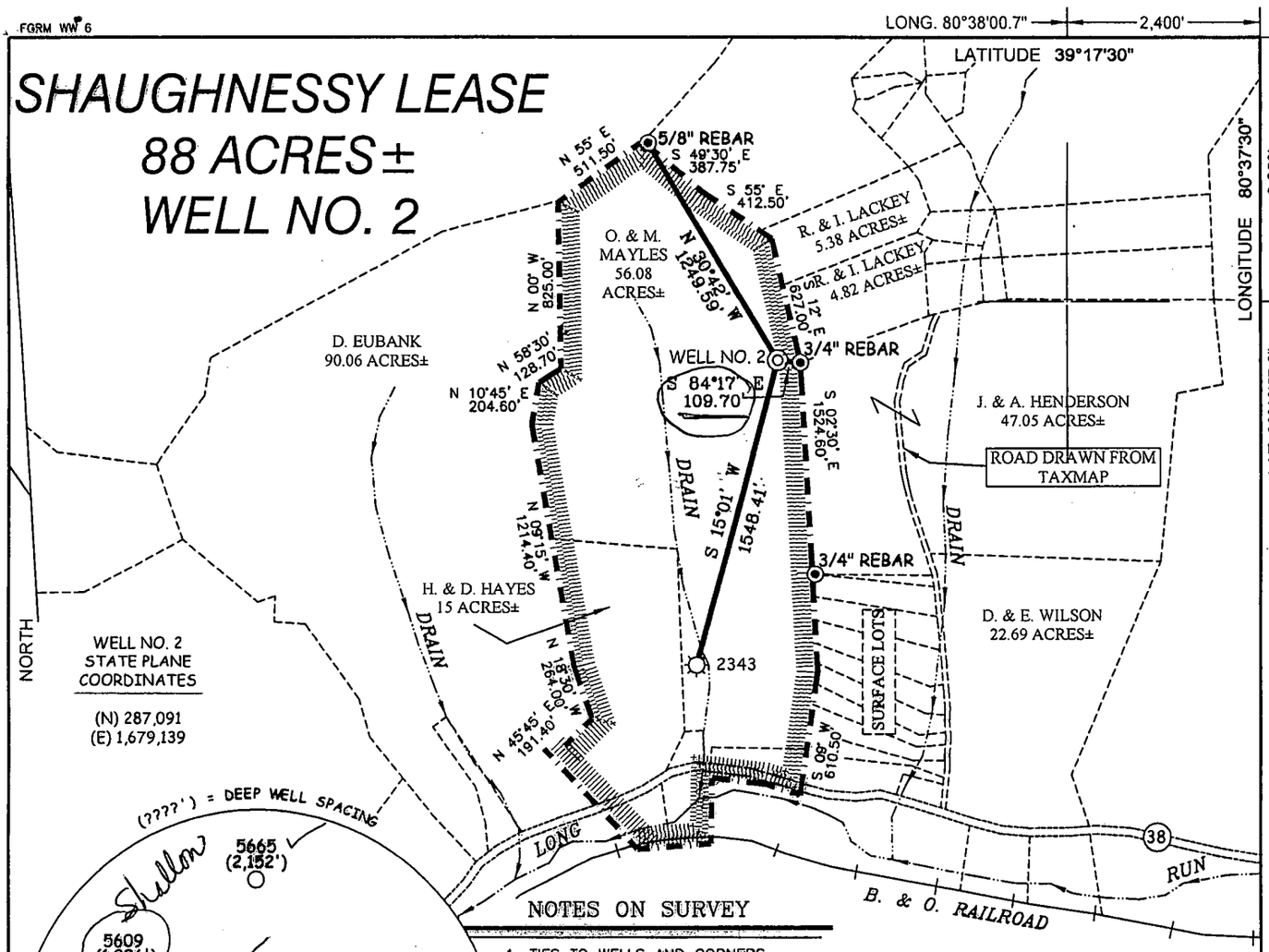
and Shaw #3 17-05671

Applying for a deep well permit to drill with 100 feet into the Onondaga per code

Hall Drilling has no issue drilling within the 3000 feet of our own wells as per those wells listed above in relationship to the proposed Shaughnessy Well No. 2.

FORM WW 6

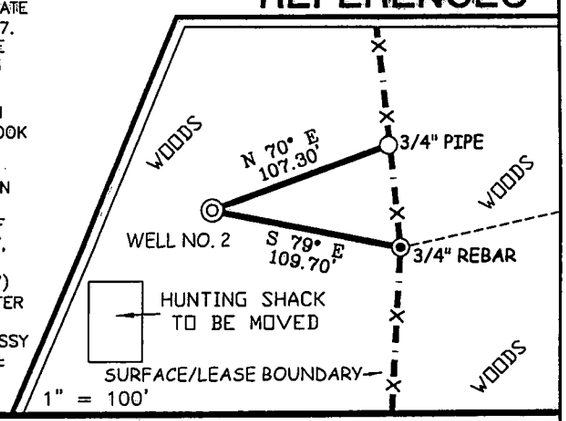
SHAUGHNESSY LEASE
88 ACRES±
WELL NO. 2



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 09-25-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 258 PAGE 533.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PROPOSED WELL SHAUGHNESSY #2 IS APPROXIMATELY 100'± FROM LEASE BOUNDARY.

REFERENCES



SLS

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P.S. 677 Gregory A Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE OCTOBER 1, 20 08
REVISED DECEMBER 9, 20 08
OPERATORS WELL NO. SHAUGHNESSY #2
API WELL NO. 47 — 017 — 5760
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)
FILE NO. 6737P2R(267-37)
SCALE 1" = 800'

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

WELL TYPE: OIL ___ GAS X INJECTION ___ WASTE DISPOSAL ___ IF "GAS" PRODUCTION X STORAGE ___ (NOTE 6) DEEP X SHALLOW ___

LOCATION:
ELEVATION 1,230' WATERSHED LONG RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SMITHBURG 7.5'
SURFACE OWNER ONA & MAGGIE MAYLES ACREAGE 56.08±
ROYALTY OWNER ROSALEE WILSON LEASE ACREAGE 88±
PROPOSED WORK: LEASE NO. ___
DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD
FORMATION ___ PERFORATE NEW FORMATION ___ PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___ OTHER ___
PHYSICAL CHANGE IN WELL (SPECIFY) ___ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

COUNTY NAME PERMIT

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

January 7, 2009

Department of Environmental Protection
Office of Oil and Gas
Charleston, WV 25304

RE: Application for Deep Well Permit – API #47-017-05761

COMPANY: Hall Drilling, LLC

FARM: Shaughnessy #3

COUNTY: Doddridge DISTRICT: Grant QUAD: Smithburg

The application for the above company is APPROVED FOR ONONDAGA.
Marcellus completion Docket 195-186

The applicant has complied with the provision of Chapter 22C-9, of the Code of West Virginia, nineteen hundred and thirty-one (1931), as amended, Oil and Gas Conservation Commission as follows:

1. Provided a certified copy of duly acknowledged and recorded consent and easement form from all surface owners; N/A

2. Provided a tabulation of all deep wells within one mile of the proposed location, including the API number of all deep wells, well name, and the name and address of the operator; *see below

3. Provided a plat showing that the proposed location is a distance of 240 feet from the nearest lease line or unit boundary and showing the following wells drilled to or capable of producing from the objective formation within 3,000 feet of the proposed location.

Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

*1,531' to 47-017-05665
1,004' to 47-017-05760

Lease Name: Shaughnessy Lease

Acreage: 88 Acres +/-

Well: Well No.3

Distance from nearest lease line: 240 feet (as shown on plat)

Permitted Deep Wells within 3000':

1. Permit # 47-017-5760 (Hall Drilling *Shaughnessy No. 2*)
2. Permit #47-017-4585 (Hall Drilling *Underwood No. 1*)

Permitted Shallow Wells:

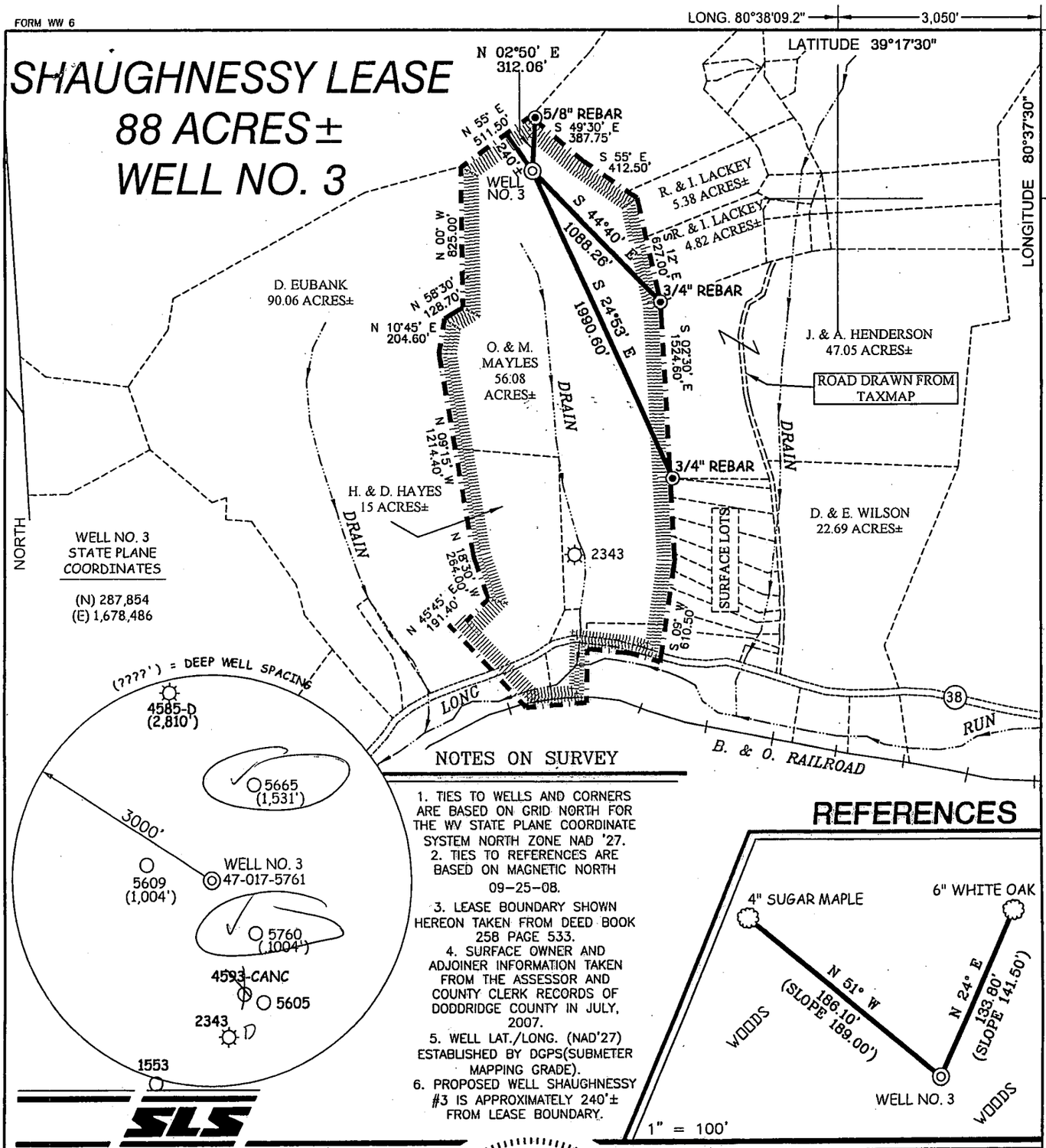
1. Permit # 47-017-5665 (Hall Drilling *Underwood No.2(Marcellus))*
2. Permit # 47-017-5609 (Hall Drilling *Frum No. 1 (Marcellus))*
3. Permit # 47-017-5605 (Hall Drilling *Shaughnessy No. 1(Marcellus))*
4. Permit # 47-017-2343
5. Permit # 47-017-1553

Applying for a deep well permit to drill with 100 feet into the Onondaga per code

Hall Drilling has no issue drilling within the 3000 feet of our own wells as per those wells listed above in relationship to the proposed Shaughnessy Well No. 3.

FORM WW 6

SHAUGHNESSY LEASE
88 ACRES±
WELL NO. 3



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 09-25-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 258 PAGE 533.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PROPOSED WELL SHAUGHNESSY #3 IS APPROXIMATELY 240'± FROM LEASE BOUNDARY.

REFERENCES

SLS

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 DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 Gregory A Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE OCTOBER 1, 20 08
REVISED DECEMBER 9, 20 08
OPERATORS WELL NO. SHAUGHNESSY #3
API WELL NO. 47 - 017 - 5761
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)
FILE NO. 6737P3R(267-36)
SCALE 1" = 800'

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

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___ IF "GAS" PRODUCTION X STORAGE ___ (NOTE 6) DEEP X SHALLOW ___

LOCATION:
ELEVATION 1,279' WATERSHED LONG RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SMITHBURG 7.5'
SURFACE OWNER ONA & MAGGIE MAYLES ACREAGE 56.08±
ROYALTY OWNER ROSALEE WILSON LEASE ACREAGE 88±
PROPOSED WORK: LEASE NO. ___
DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___ OTHER ___
PHYSICAL CHANGE IN WELL (SPECIFY) ___ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

COUNTY NAME

PERMIT

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

January 7, 2009

Department of Environmental Protection
Office of Oil and Gas
Charleston, WV 25304

RE: Application for Deep Well Permit – API #47-017-05750

COMPANY: Hall Drilling, LLC

FARM: Williams #1

COUNTY: Doddridge DISTRICT: Grant QUAD: Salem

The application for the above company is APPROVED FOR ONONDAGA.
Marcellus completion Docket 195-186

The applicant has complied with the provision of Chapter 22C-9, of the Code of West Virginia, nineteen hundred and thirty-one (1931), as amended, Oil and Gas Conservation Commission as follows:

1. Provided a certified copy of duly acknowledged and recorded consent and easement form from all surface owners; N/A

2. Provided a tabulation of all deep wells within one mile of the proposed location, including the API number of all deep wells, well name, and the name and address of the operator; *see below

3. Provided a plat showing that the proposed location is a distance of 400+ feet from the nearest lease line or unit boundary and showing the following wells drilled to or capable of producing from the objective formation within 3,000 feet of the proposed location.

Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

*1,203' to 47-017-05751
2,607' to 47-017-05780
1,937' to 47-017-05585
2,716' to 47-017-05604

Lease Name: Williams Lease

Acreage: 88 Acres +/-

Well: Well No.1

Distance from nearest lease line: more than 400 feet (as shown on plat)

Permitted Deep Wells within 3000':

1. Permit # 47-017-5647 (Hall Drilling *Chess No. 1*) – Shallow
2. Permit #47-017-5604 (Hall Drilling *Van Scoy No. 1)*
3. Permit #47-017-5585 (Hall Drilling *Newlon No. 1)*
4. Permit #47-017-5751 (Hall Drilling *Ash No. 1)*
5. Permit #47-017-~~5604~~ 5780 (Hall Drilling ~~*Van Scoy No. 1*~~ Newlon #6

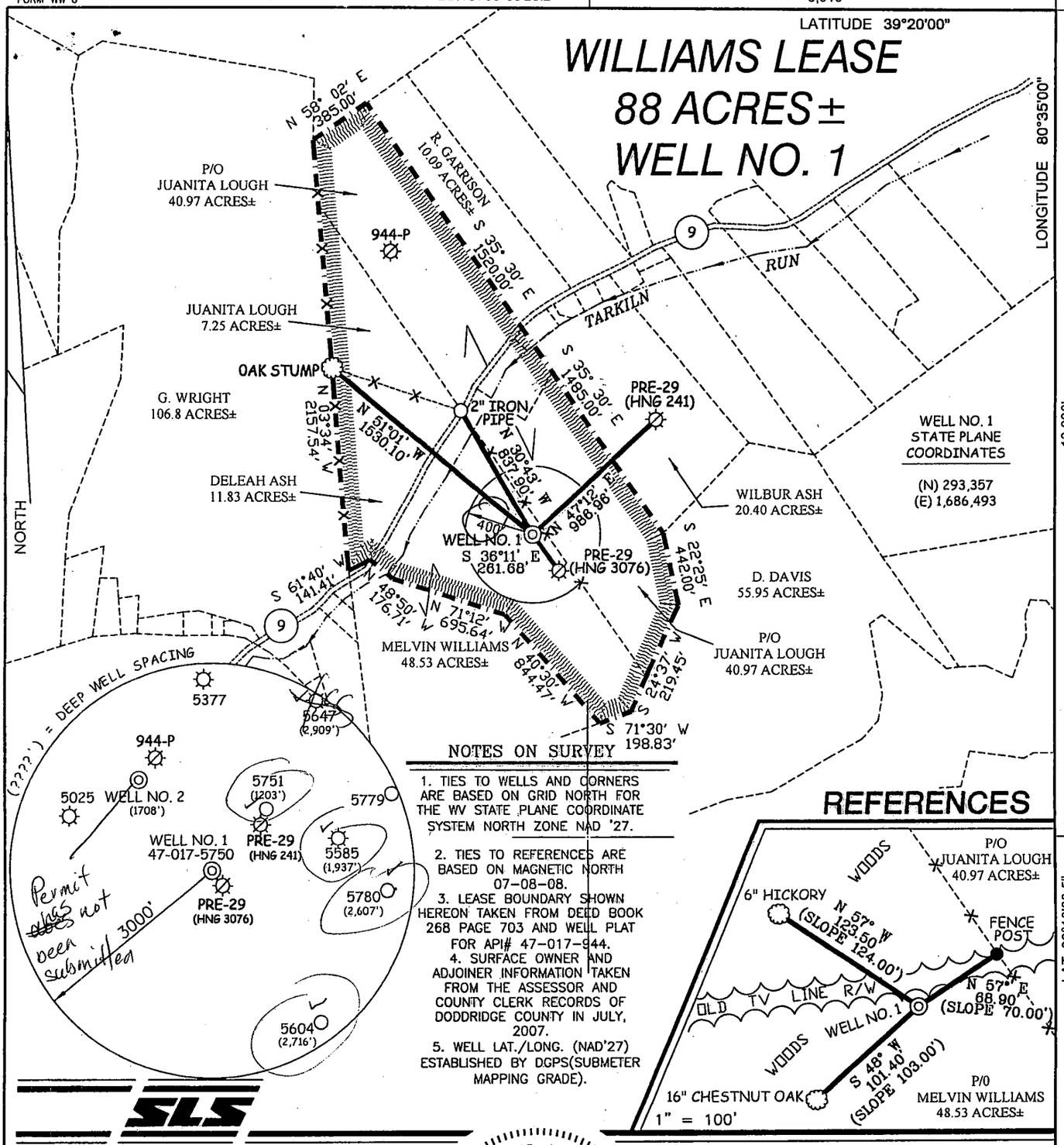
Applying for a deep well permit to drill with 100 feet into the Onondaga per code

Hall Drilling has no issue drilling within the 3000 feet of our own wells as per those wells listed above in relationship to the proposed Williams Well No. 1.

FORM WW 6

LONG. 80°36'28.2" — 6,910' — LATITUDE 39°20'00"

WILLIAMS LEASE
88 ACRES±
WELL NO. 1



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 07-08-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 268 PAGE 703 AND WELL PLAT FOR API# 47-017-944.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

SLS

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 DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 Gregory A. Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JULY 12, 20 08
REVISED DECEMBER 9, 20 08
OPERATORS WELL NO. WILLIAMS #1
API WELL NO. 47 — 017 — 5750
STATE — COUNTY — PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)
FILE NO. 6894P1R(264-21)
SCALE 1" = 800'

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

WELL TYPE: OIL ___ GAS X INJECTION ___ WASTE DISPOSAL ___ IF "GAS" PRODUCTION X STORAGE ___ DEEP X SHALLOW ___

LOCATION:
ELEVATION 1,201' WATERSHED TARKILN RUN
DISTRICT GRANT COUNTY DODDRIGE QUADRANGLE SALEM 7.5'
SURFACE OWNER MELVIN WILLIAMS ACREAGE 48.53±
ROYALTY OWNER MELVIN WILLIAMS ETAL LEASE ACREAGE 88±
PROPOSED WORK: LEASE NO. ___
DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___ OTHER ___
PHYSICAL CHANGE IN WELL (SPECIFY) ___ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

COUNTY NAME
PERMIT

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249
ELLENBORO, WV 26346 ELLENBORO, WV 26346

SLS
124588

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE REQUEST BY
HALL DRILLING LLC FOR EXCEPTION
LOCATIONS REGARDING THE DRILLING OF
THE PROPOSED WELLS IDENTIFIED AS
THE ASH #1, SHAUGHNESSY #2,
SHAUGHNESSY #3 AND THE WILLIAMS #1
TO BE LOCATED IN GRANT DISTRICT
DODDRIDGE COUNTY, WEST VIRGINIA

DOCKET NO. 195
CAUSE NO. 186

TRANSCRIPT OF PROCEEDINGS had or testimony adduced in the above-entitled matter, on the on the 2nd day of December, 2008, commencing at 11:45 a.m. and concluding at 12:00 noon, at the Office of the Department of Environmental Protection, 601 57th Street, S.E., Charleston, Kanawha County, West Virginia, pursuant to notice to all interested parties.

BEFORE: BARRY LAY, Chairman
ROBERT RADABAUGH, Member
ANTHONY GUM, Member
CYNTHIA RAINES, Staff

ORIGINAL

NANCY MCNEALY
CERTIFIED COURT REPORTER
Post Office Box 13415
Charleston, West Virginia 25360-0415
(304) 988-2873 FAX (304) 988-1419

APPEARANCES: ON BEHALF OF HALL DRILLING, LLC, BLUESTONE ENERGY:

GREG BARTON

I N D E X

Exhibits:	Marked & Received
No. 1, Notice of Hearing	4
No. 2, Letter of October 22, 2008	4
No. 3, Permit Application	4

Reporter's Certificate.....Page 16

CHAIRMAN LAY: Before the Oil & Gas Conservation Commission of the State of West Virginia in the manner of the request by Hall Drilling LLC for exception locations regarding the drilling of the proposed wells identified as the Ash No. 1, the Shaughnessy No. 2, and the Shaughnessy No. 3 and the Williams No. 1 to be located in Grant District, Doddridge County, West Virginia. This is Docket No. 195, Cause No. 186.

Let the record who that present are members of the Commission, James Martin, Anthony Gum, Robert Radabaugh, Barry Lay and Cindy Raines of staff. I'd like to place of record a copy of the Notice of Hearing and return receipt cards as Exhibit 1; a copy of the Notice of Legal Advertisement as Exhibit 2 and a copy of the Applications collectively as Exhibit 3.

(WHEREUPON, the Notice of Hearing was marked as Exhibit No. 1, a copy of the Notice of Legal Advertisement was marked as Exhibit No. 2 and a copy of the Applications were marked as Exhibit No. 3 for identification and received in evidence.)

CHAIRMAN LAY: The Commission will now take

appearances.

MR. BARTON: Greg Barton, Hall Drilling, Bluestone Energy.

CHAIRMAN LAY: Mr. Barton, do you want to start with the Ash No. 1.

MR. BARTON: Okay, Ash No. 1.

CHAIRMAN LAY: Oh, I guess I'm sorry. I better swear you in.

MR. BARTON: I was looking at her but she was looking at you.

(Witness sworn.)

THEREUPON

G R E G B A R T O N

called as a witness for Hall Drilling, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

THE WITNESS: The Ash No. 1 located in Grant District, Doddridge County on 21 -- 22.125 acre leasehold estate, we're requesting a -- it's a hundred feet -- it's more than a hundred but less than 400 feet from the property line or the lease line itself and requesting a deep well permit in front of the Commission today to drill a Marcellus well and to penetrate a hundred feet into the Onondaga and produce only thereof the Marcellus.

CHAIRMAN LAY: Anything else?

THE WITNESS: No, sir.

MEMBER RADABAUGH: Do you meet all the other qualifications such as 3,000 feet and 400 feet and that kind of stuff?

MR. BARTON: Yes, sir. The Ash No. 1, yes, sir.

CHAIRMAN LAY: You said more than a hundred feet from the lease line. Do you know exactly how far?

THE WITNESS: What Smith Land Surveying has done, and I've since corrected, and I've talked to Mr. Martin about this, on these particular applications, what they were doing, and I talked to Greg Smith about this, they are taken the well itself where it's spotted and circling a hundred feet, okay, because of the deep well permit. It's my understanding and I'll go a little further than this that you all would like them to give the best if possible from the lease line itself to the well where it's going to be drilled.

I have requested Smith to do that when we find it's close to 400 feet because if not, they've got to do a hands-on survey instead of the GPA or GPS, excuse me, survey. This one is -- there's a hundred foot radius around this particular well, which you can see is the

distance from the lease line, but it is not 400 feet.

MR. RADABAUGH: They went ahead there, as a matter of fact, on their insert, they've got from the well stake to the surface lease boundary shows a 133 feet.

MR. BARTON: 133, yeah.

MR. RADABAUGH: So they covered that for you.

MR. BARTON: I've been trying to get them to do a little different there but -

CHAIRMAN LAY: You're testifying.

MR. RADABAUGH: Excuse me.

MR. BARTON: I understand. So 133 feet from the lease line itself.

CHAIRMAN LAY: How far are we from any existing deep wells?

MR. BARTON: To my knowledge, there is no deep wells within 3,000 feet of this particular Ash well. We are the only people or the only company to my knowledge in this particular area drilling so -- from this particular area right here.

CHAIRMAN LAY: Aren't permit 5586 or 5585, that's right, I'm sorry, isn't that a well that we permitted as a deep well, 5586?

MR. BARTON: Do you have one of those there that we can refer?

CHAIRMAN LAY: Yeah, 5585 -- I think 5780 -- it's not on here -- but 5585 most definitely is and 5586 and 5750.

MS. RAINES: This is one package they're asking for.

MR. BARTON: Do you know the name of the 5585?

CHAIRMAN LAY: No, it's just on your plat.

MR. BARTON: I know. It has to be ours.

MS. RAINES: It is yours.

MR. BARTON: It is ours?

MS. RAINES: No, I don't know the name.

MR. BARTON: And it is a deep well permit?

MS. RAINES: Uh-huh.

MR. BARTON: Okay, then I will change the record of stating that 5585 and 5586 appears to be Hall Drilling/Bluestone Energy deep well permitted.

MS. RAINES: Uh-huh.

MR. BARTON: I apologize to the Commission.

MS. RAINES: 5780 I think is yours too. Wait a minute.

MEMBER GUM: This one here?

CHAIRMAN LAY: Would be these.

MS. RAINES: Yeah, 5780 is.

CHAIRMAN LAY: Has to be. It's one of these

pre-existing three permits.

MR. BARTON: Oh, okay.

MS. RAINES: No, it's not either.

CHAIRMAN LAY: Is it not?

MR. BARTON: Is it within the circle?

MS. RAINES: It's within the circle. It's 2,100 feet from the Ash 1.

MR. BARTON: And you said it was 5786?

CHAIRMAN LAY: Oh, is it not one of these.

MS. RAINES: Okay, here's the list.

MR. BARTON: Okay.

MS. RAINES: 5586, 5585 and 5780. The only one on your plat is 5586 and 5585.

MR. BARTON: Okay. 5587 is not on my plat.

MS. RAINES: No.

MR. BARTON: Okay.

CHAIRMAN LAY: And I guess we need to clarify then what you're requesting from the Board.

MR. BARTON: A variance, I guess, within that 3,000 feet radius of 5585 and 5586 as plat on the Ash lease. I don't see a 5587 on here. If there is, I'm missing it.

MR. GUM: It looks like 5586 is 3,000 feet.

MR. BARTON: Yes, and the 5585.

MR. GUM: Is not.

CHAIRMAN LAY: 5586 is just right after --

MR. RADABAUGH: Just, yeah, it's under 3,000.

CHAIRMAN LAY: It's under 3,000 but it's close. 5585 is not.

MR. BARTON: Right.

MS. RAINES: 5586 measures at 2,850.

MR. BARTON: Okay.

MR. GUM: Okay.

CHAIRMAN LAY: So I guess we need to make sure that you're requesting both the -- an exception to the 400 foot rule and an exception to the 3,000 foot spacing.

MR. BARTON: Yes, sir.

MR. GUM: And the 120 on the Onondaga?

MR. BARTON: Yes.

CHAIRMAN LAY: Let's go off the record for just a second.

(WHEREUPON, a discussion was had off the record, after which the proceedings continued as follows:)

MR. MARTIN: Mr. Chairman, I'd like to make a motion and I don't know if we are into the same -- going to be in the same situation with the other three.

MR. BARTON: Right.

MR. MARTIN: I would prefer that we continue this hearing and probably for all four wells until such time as we have all the information that we need in terms of what wells are within 3,000 feet, what the request actually is because the request currently just is an exception to the 400-foot rule, I think. Maybe I'm wrong, and I just think we need to get some of this stuff in order a little better and continue it until such time as the applicant can put that information together and reconvene the hearing.

MR. BARTON: What would you like, Mr. Martin, from me?

MR. MARTIN: The information regarding what the request is for, what wells are within the 3,000 feet, which ones aren't, or well, more specifically, which ones are and have those identified so we know which wells we're talking about, the distance from the lease line and maybe that's all it covers. We determined in the one case at least it is.

MR. BARTON: Yes, sir, it is. I believe they're covered on all these, sir.

MR. MARTIN: Okay.

MR. BARTON: So you want me to spot each of

the deep wells that we have already permitted ourselves and drilled?

MR. MARTIN: I wanted to know how many wells a00re within 3,000 -- how many deep wells are within 3,000 feet of the permit application that we're here to discuss today.

CHAIRMAN LAY: Or proposed deep wells.

MS. RAINES: Or permitted.

MR. MARTIN: Or proposed.

CHAIRMAN LAY: Permitted, I guess that's right. Permitted, I guess, is right.

MR. BARTON: Now do you want those spotted by the surveyors themselves or do you want me to just bring in the information I have concerning each one of these permits?

MR. MARTIN: Well, they should be on your plat and maybe it looks like in some cases they are, but I think you need to be able to tell us -- to testify which wells are deep wells that are within 3,000 feet.

CHAIRMAN LAY: And distance and bearings. They need to be --

MR. RADABAUGH: Distance and bearings, right.

MR. BARTON: The distance for each of these wells, correct?

CHAIRMAN LAY: Uh-huh.

MR. BARTON: Whether they are mine or others, correct?

CHAIRMAN LAY: Right.

MR. GUM: About the only thing you've got on there that we could act upon is how deep you want to go and you've said that.

MR. BARTON: Right.

MR. GUM: 100 feet.

MR. BARTON: Yes.

MR. GUM: But we're guessing at the distance on it.

MR. BARTON: Okay, then I request another hearing if that's possible.

MR. GUM: That's fine.

CHAIRMAN LAY: Okay.

MR. BARTON: Can we have it sooner than the 22 days, Cindy?

MS. RAINES: Pardon me?

MR. BARTON: Can I have it sooner than the 22 days?

MS. RAINES: Well, as a matter of fact, we're today going to discuss when you -- when the Commission can get together for your other? Do you want to just have them

all the same date? Well, no, because they won't be able to be heard until January.

MR. BARTON: Right.

MS. RAINES: Since this is a continuance.

MR. MARTIN: Well, that was just the motion I made and that's to have some action on it.

CHAIRMAN LAY: I haven't got a second yet.

MR. RADABAUGH: Second.

MR. MARTIN: I don't know what --

CHAIRMAN LAY: I was getting there. I just hadn't got there yet, Marty. We're still discussing. I've got a motion and a second. Go ahead.

MS. RAINES: Well, I was going to say cause this is a continuance, you could set it for tomorrow. You know, you don't have to stay in a --

CHAIRMAN LAY: We don't have to give a date right now on the record. I've got a motion and a second to continue. Any further discussion? All those in favor of the motion, aye.

BOARD: Aye.

CHAIRMAN LAY: Opposed nay. Motion carried. We'll continue the hearing at such time and place that the Commission deems appropriate.

MR. RADABAUGH: Work with Cindy.

MR. BARTON: Will do.

(Witness stands aside.)

(WHEREUPON, the hearing was concluded.)

REPORTER'S CERTIFICATE

STATE OF WEST VIRGINIA,

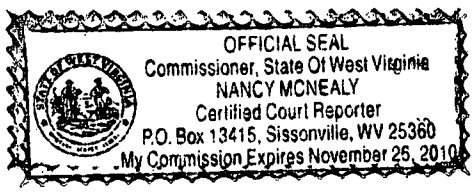
COUNTY OF KANAWHA, to wit:

I, **NANCY MCNEALY**, Certified Verbatim Court Reporter and Commissioner of West Virginia, do hereby certify that the foregoing is, to the best of my skill and ability, a true and accurate transcript of all the proceedings as set forth in the caption hereof.

Given under my hand this 8th day of December, 2008.

My commission expires November 26, 2010.

Certified Verbatim Reporter
Commissioner of West Virginia



EXHIBITS

west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE REQUEST BY HALL DRILLING, LLC FOR EXCEPTION LOCATIONS REGARDING THE DRILLING OF THE PROPOSED WELLS IDENTIFIED AS THE ASH #1, SHAUGHNESSY #2, SHAUGHNESSY #3 AND THE WILLIAMS #1 TO BE LOCATED IN GRANT DISTRICT DODDRIDGE COUNTY, WEST VIRGINIA .

DOCKET NO. 195
CAUSE NO. 186

NOTICE OF HEARING

Hall Drilling, LLC ("Hall") has requested the Commission grant an exception to Rule 39.1.4.2 for the proposed wells identified as the Ash #1, Shaughnessy #2, Shaughnessy #3 and the Williams #1 to be located in Doddridge County, West Virginia. The proposed well locations do not meet the spacing requirements imposed on deep wells; therefore, Hall has requested approval from the Commission for an exception to the rule as provided in 39.1.4.3.

The matter has been scheduled as stated below:

DATE: December 2, 2008

TIME: 11:00 a.m.

PLACE: Department of Environmental Protection
Office of Oil and Gas
601 57th Street, SE
Charleston, WV 25304

IN THE NAME OF THE STATE OF WEST VIRGINIA

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

By: Barry K. Lay
Barry K. Lay, Chairman

Dated this 22nd day of October, 2008, at Charleston, West Virginia.

COPY

west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

October 22, 2008

The Herald Record
Attention: Legal Advertisement
202 East Main Street
West Union, WV 26456

RE: Class 11 - Legal Advertisement
Docket No. 195-186

Dear Sir:

Please print the enclosed Notice of Hearing as a Class 11 legal advertisement in the Herald Record newspaper, twice prior to December 2, 2008, and send affidavit of publication and invoice to me at the address above.

If you should have any questions, please call me at 304-926-0499 ext. 1656

Sincerely,

Cindy Raines

Cindy Raines
Exe. Secretary

encl:

PENGAD 800-631-6989
EXHIBIT #2
mm 12-2-08

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece

Wilbur & Donna Ash
Route 2, Box 58
Salem, WV 26426

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X Donna Ash ☐ Agent ☐ Addressee

B. Received by (Printed Name) Donna Ash C. Date of Delivery 11/14/08

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

Rt 5 Bx 58
Salem

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7008 0500 0001 2132 4166

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

195-186

UNITED STATES POSTAL SERVICE

CLARKSBURG WV 263

14 NOV 2008 PM 2 T

"LET US DARE TO READ, THINK, SPEAK AND WRITE."
John Adams, 1776

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

powerofthelettter.com

• Sender: Please print your name, address, and ZIP+4 in this box •

WVDEP
OFFICE OF OIL AND GAS
601 57TH STREET
CHARLESTON, WV 25304

031305

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Melvin Williams
P O Box 1302
Clarksburg, WV 26302

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Melvin Williams ☐ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery
MELVIN L. WILLIAMS

dress different from item 1? ☐ Yes
delivery address below: ☐ No

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7008 0500 0001 2132 4340

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired:
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Ona & Maggie Mayles
Route 1, Box 446
Salem, WV 26426

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Darrell Mayle ☐ Agent ☐ Addressee

B. Received by (*Printed Name*) DARRELL MAYLE C. Date of Delivery 10/29/08

dress different from item 1? ☐ Yes
delivery address below: ☐ No

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 4159

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece,

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X [signature] ☒ Agent ☐ Addressee

B. Received by (Printed Name) Tricia Hall

C. Date of Delivery 10-29-08

1 **Hall Drilling**
Attention: Greg Barton
P O Box 249
Ellenboro, WV 26346

ress different from item 1? ☐ Yes
elivery address below: ☒ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 4173

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

FROM: _____

_____

INTERDEPARTMENTAL

- DO NOT METER -

TO: Docket 195-186

_____

_____

PERSONAL - CONFIDENTIAL

W
W - 2B

17-05751

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

1) Well Operator Hall Drilling, LLC

Operator ID	County	District	Quadrangle
	17 Doddridge	3 Grant	596 Salem 7.5'

2) Operator's Well Number: Ash No. 1 3) Elevation: 1190'

4) Well Type: (a) Oil____ or Gas X
(b) If Gas: Production X / Underground Storage____
Deep X / Shallow ____

5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 7800' ____Feet
7) Approximate fresh water strata depths: 338'
8) Approximate salt water depths: ~~None~~ 1860'
9) Approximate coal seam depths: ~~None~~ 875' - 880'
10) Does land contain coal seams tributary to active mine? No

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OCT 06 2008
WV Department of Environmental Protection

11) Describe proposed well work To Drill and Stimulate a New Well

2) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS Size	Grade	Weight per ft	FOOTAGE INTERVALS For Drilling	Left in Well	CEMENT Fill -up (Cu. Ft.)
Conductor						
Fresh Water	9 5/8"		22#	368'	368'	CTS
Coal						05 DKS 9-23-08
Intermediat	7"		16#	2182'	2182'	CTS
Production	4 ½"		11.60#	7800'	7800'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

Ck 014518
$900

EXHIBIT
#3
12-2-08
PENGAD 800-631-6989

WW-2A
(Rev. 6-07)

1) Date: July 24, 2008
2) Operator's Well Number Ash No. 1
3) API Well No.: 47 - 17 - 05751
State County Permit

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 Wilbur & Donna Ash
Address Rt. 2 Box 58
Salem, WV 26426
(b) Name
Address
(c) Name
Address

6) Inspector Richard Campbell
Address 601 57th Street SE
Charleston, WV 25304
Telephone 304-926-0499

5) (a) Coal Operator
Name
Address
(b) Coal Owner(s) with Declaration
Name None
Address
Name
Address
(c) Coal Lessee with Declaration
Name
Address

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WV Department of
Environmental Protection

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

X 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)
X 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 Hall Drilling
By: Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3405

Subscribed and sworn before me this 17 day of Aug, 2008

Notary Public

My Commission Expires 4/18/2014

WW-2A1
(Rev. 8/02)

Operator's Well Number Ash No. 1 17-05751

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
Doris L. Cleveland	Mountain Link Associates, Inc.	1/8th	222/288
Mountain Link Associates, Inc.	Hall Drilling, LLC	W.I.	224/573

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WV Department of
Environmental Protection

Well Operator: Hall Drilling
By: Mike Hall
Its: Designated Agent

WW-2B1 Well No. Ash No. 1

17-05751

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.

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OCT 06 2008
WV Department of
Environmental Protection

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:

X Contractor Name Smith Land Surveying, Inc.
____ Well operator's private laboratory

Well Operator	Hall Drilling
Address	P.O. Box 249
	Ellenboro, WV 26346
Telephone	304-869-3405

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 please indicate such.

NOTE: There appears to be 10± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

17-05751

SLS SMITH LAND SURVEYING, INC. ENVIROMENTAL DIVISION
P.O. BOX 150, GLENVILLE, WV 26351 (304) 462-5634 • FAX 462-5656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: *.Hall Drilling LLC.*

LEASE NAME AND NUMBER: *Ash #1*

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

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OCT 06 2008
WV Department of
Environmental Protection

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: *Wilbur & Donna Ash*
Address: *RT 5 Box , Salem, WV. 26426* *Letter/Notice Date:*
Comments:

Owner/Occupant: *Michael T. Burnside*
Address: *RT5 Box 62, Salem, WV. 26426* *Letter/Notice Date:*
Comments: *(possible two sites)*

Owner/Occupant: *William E. Gaskins*
Address: *RT. 5 Box 46, Salem, WV. 26426* *Letter/Notice Date:*
Comments:

Owner/Occupant: *Fred Jones*
Address: *RT 5 Box 48, Salem, WV. 26426* *Letter/Notice Date:*
Comments:

Owner/Occupant: *Jamie Joan Barnes*
Address: *RT5 Box 60, Salem, WV. 26426* *Letter/Notice Date:*
Comments:

17-05751

Owner/Occupant: *Richard N. Chipps*
Address: *RT5 Box 86, Salem, WV. 26426* Letter/Notice Date:
Comments:

Owner/Occupant: *Elliott S. Taylor*
Address: *RT 5 Box 68, Salem, WV. 26426* Letter/Notice Date:
Comments:

Owner/Occupant: *Gregory L. Hefner*
Address: *RT 5 Box 66, Salem, WV. 26426* Letter/Notice Date:
Comments:

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Office of Oil & Gas
OCT 06 2008
WV Department of
Environmental Protection

Owner/Occupant: *Charles D. & Betty A. Burnside*
Address: *RT 5 Box 64, Salem, WV. 26426* Letter/Notice Date:
Comments:

Owner/Occupant:
Address: Letter/Notice Date:
Comments:

Owner/Occupant:
Address: Letter/Notice Date:
Comments:

Owner/Occupant:
Address: Letter/Notice Date:
Comments:

Owner/Occupant:
Address: Letter/Notice Date:
Comments:

WW-9
Rev. 02/03

API Number 47 - 17 - 05751
Operator's Well No. Ash No. 1

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 Hall Drilling, LLC OP Code

Watershed Tarkiln Run Quadrangle Salem 7.5'

Elevation 1190' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

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

Proposed Disposal Method For Treated Pit Wastes:
- X Land Application
- ___ Underground Injection (UIC Permit Number ___)
- ___ Reuse (at API Number ___)
- ___ Off Site Disposal (Supply form WW-9 for disposal location)
- ___ Other (Explain ___

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OCT 06 2008
WV Department of
Environmental Protection

Proposed Work For Which Pit Will Be Used:
- X Drilling
- ___ Workover
- ___ Other (Explain ___
- X 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 [signature]

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
GREGORY R. BARTON
Meadowbrook Farm
P. O. Box 306

Subscribed and sworn before me this 17 day of Oct, 2008

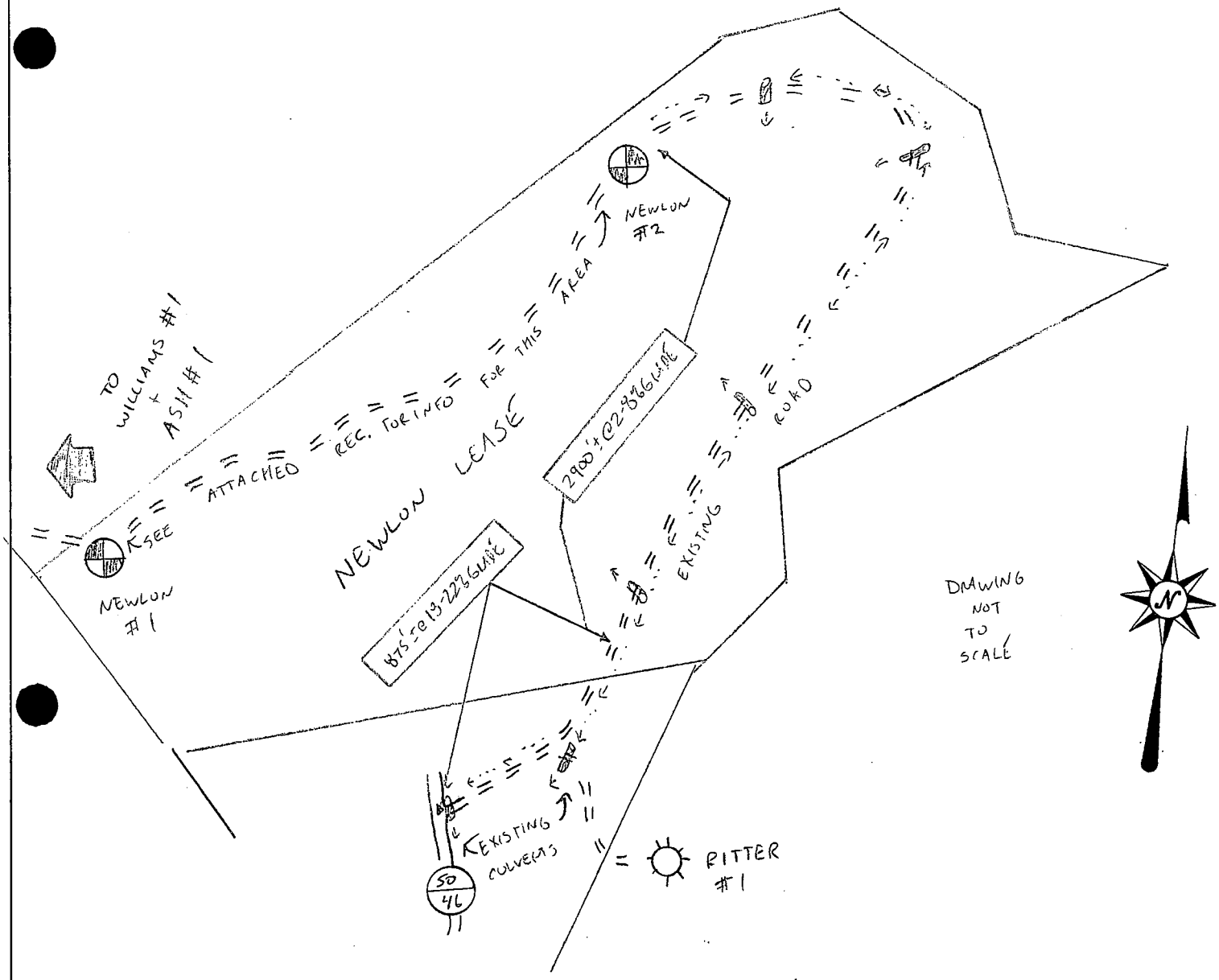
[signature] Notory Public

My commission expires 4/18/2011

Form WW-9

page of

Newlon Lease



= CULVERT TO BE INSTALLED AT A 12 INCH MINIMUM.

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

SLS SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

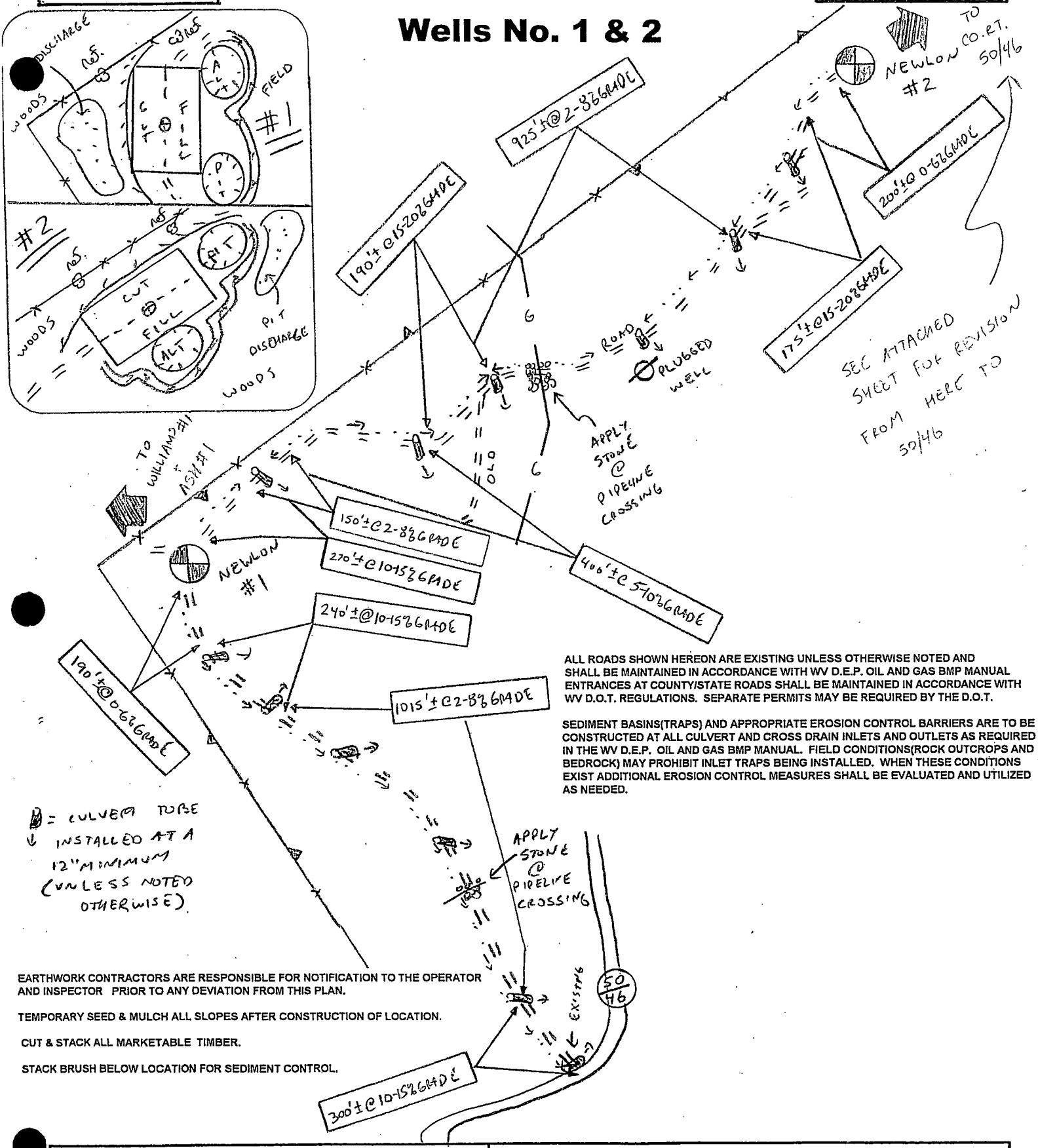
Phone (304) 462-5634 Fax 462-5656 email: sls@rtol.net

DRAWN BY C.P.M. DATE 7/22/08 FILE NO. 6894 6898 6714

17-05751

Form WW-9

Newlon Lease
Wells No. 1 & 2



SEE ATTACHED SHEET FOR REVISION FROM HERE TO 50/46

= CULVERT TUBE INSTALLED AT A 12" MINIMUM (UNLESS NOTED OTHERWISE)

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

SLS SMITH LAND SURVEYING, INC.
P.O. BOX 150, GLENVILLE, WV 26351
Phone (304) 462-5656 or 462-5634

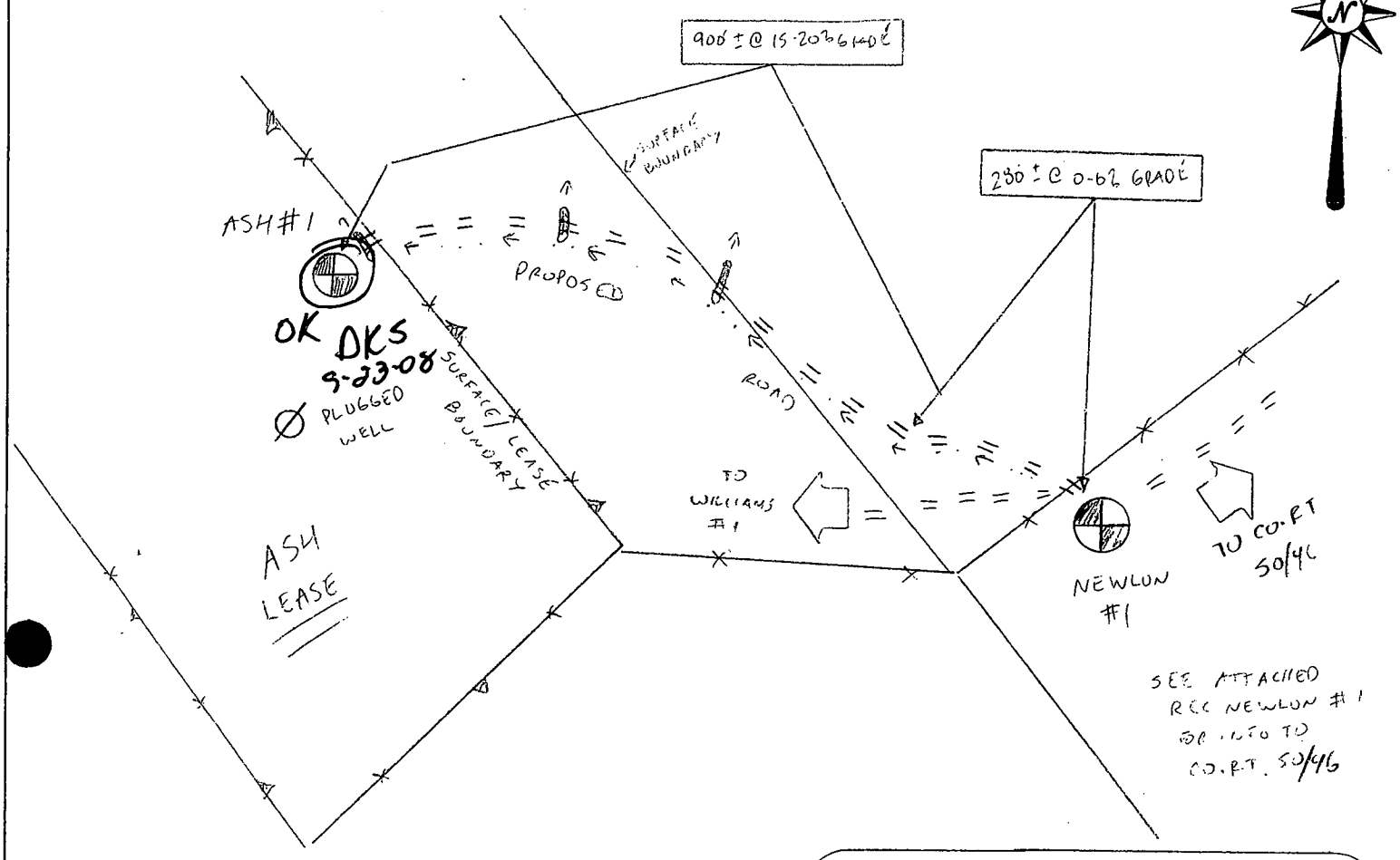
REVISED BY C.P.M. 7/22/08
DRAWN BY C.P.M. DATE 1/14/09 FILE NO. 6714

Form WW-9

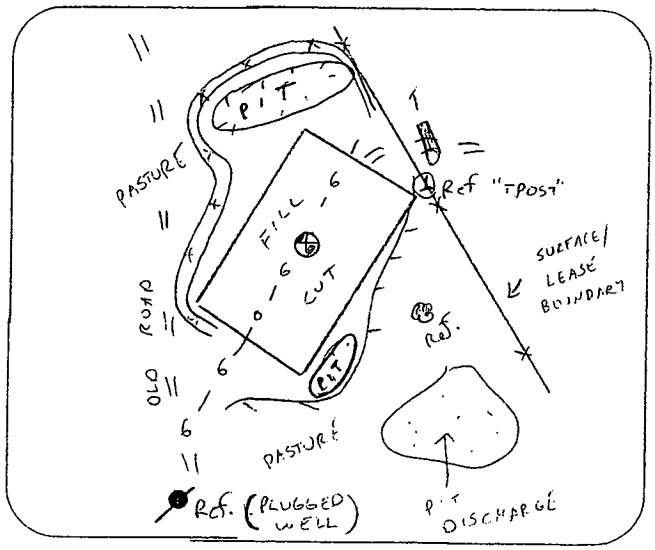
page of

Ash Lease
Well No. 1

DRAWING NOT TO SCALE



= CULVERT TO BE INSTALLED AT A 12" MINIMUM.



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EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

SLS SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

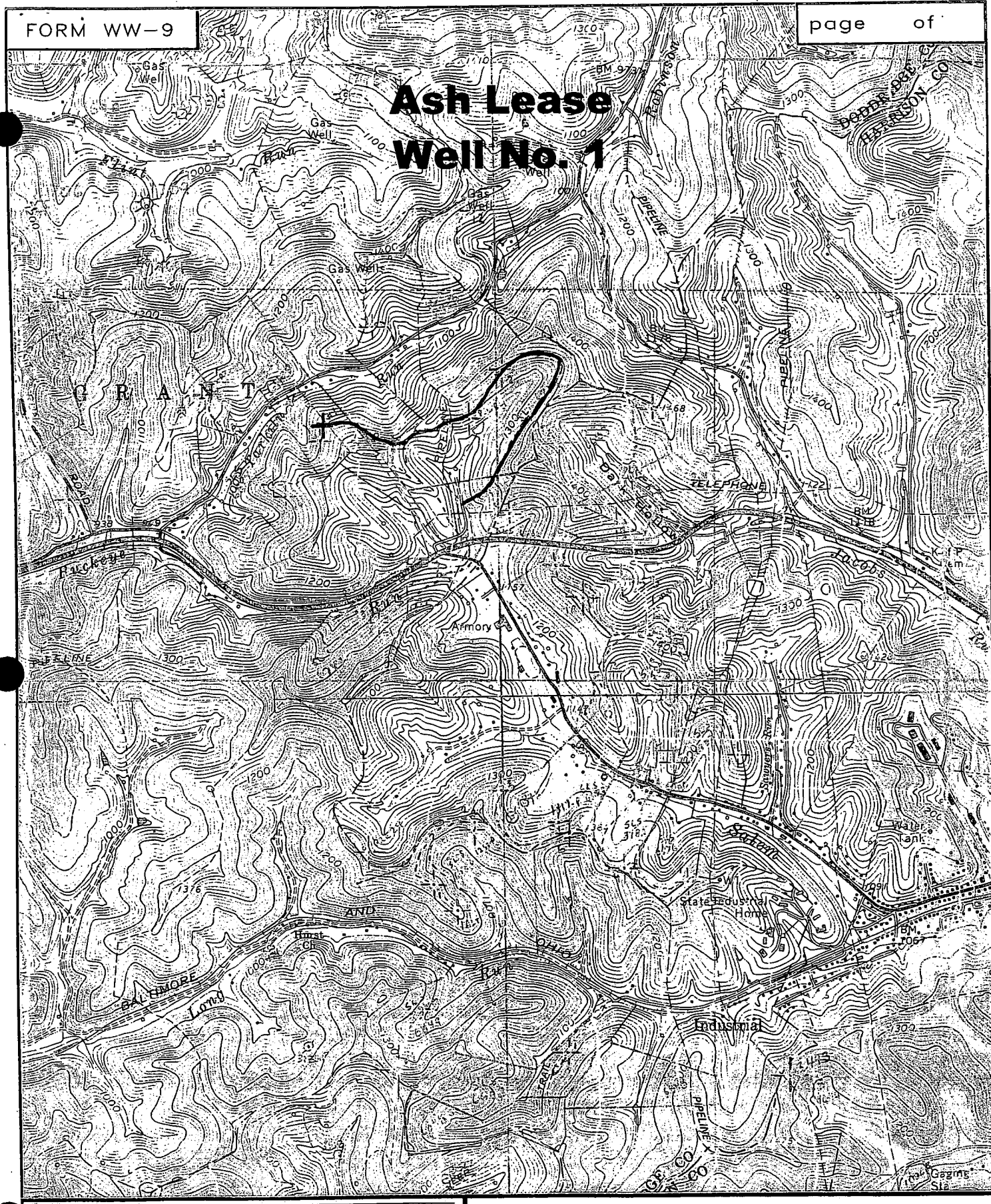
Phone (304) 462-5634 Fax 462-5656 email: sls@rtol.net

DRAWN BY C.P.M. DATE 7/22/05 FILE NO. 6898

17-05751

FORM WW-9

page of



SLS

SMITH LAND SURVEYING
P.O.BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF SALEM 7.5'

FILE NO. 6898 DATE 7/12/08 SCALE 1"=2000'

17-05751

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Doddridge Operator Hall Drilling

Operator well number Donna Ash #1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION

RECEIVED
Office of Oil & Gas
OCT 06 2008
WV Department of
Environmental Protection

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons.
2) The soil erosion and sediment control plan is not adequate or effective;
3) Damage would occur to publicly owned lands or resources;
4) The proposed well work fails to protect fresh water sources or supplies;
5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

Donna Ash
Signature

Date 9/29/08

FOR EXECUTION BY A CORPORATION, ETC.

Company Name _____

By _____

Its _____ Date _____

_____
Signature Date

BLUESTONE
ENERGY PARTNERS

Trust is our greatest resource.

RECEIVED
Office of Oil & Gas
OCT 06 2008
WV Department of
Environmental Protection

October 3, 2008

WV DEP Office of Oil and Gas
Attn: Laura Atkins
601 57th Street
Charleston, WV 25304

Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Francis/ Ash No. 1

Also enclosed is check no 014018 in the amount of $900.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience.

Sincerely,

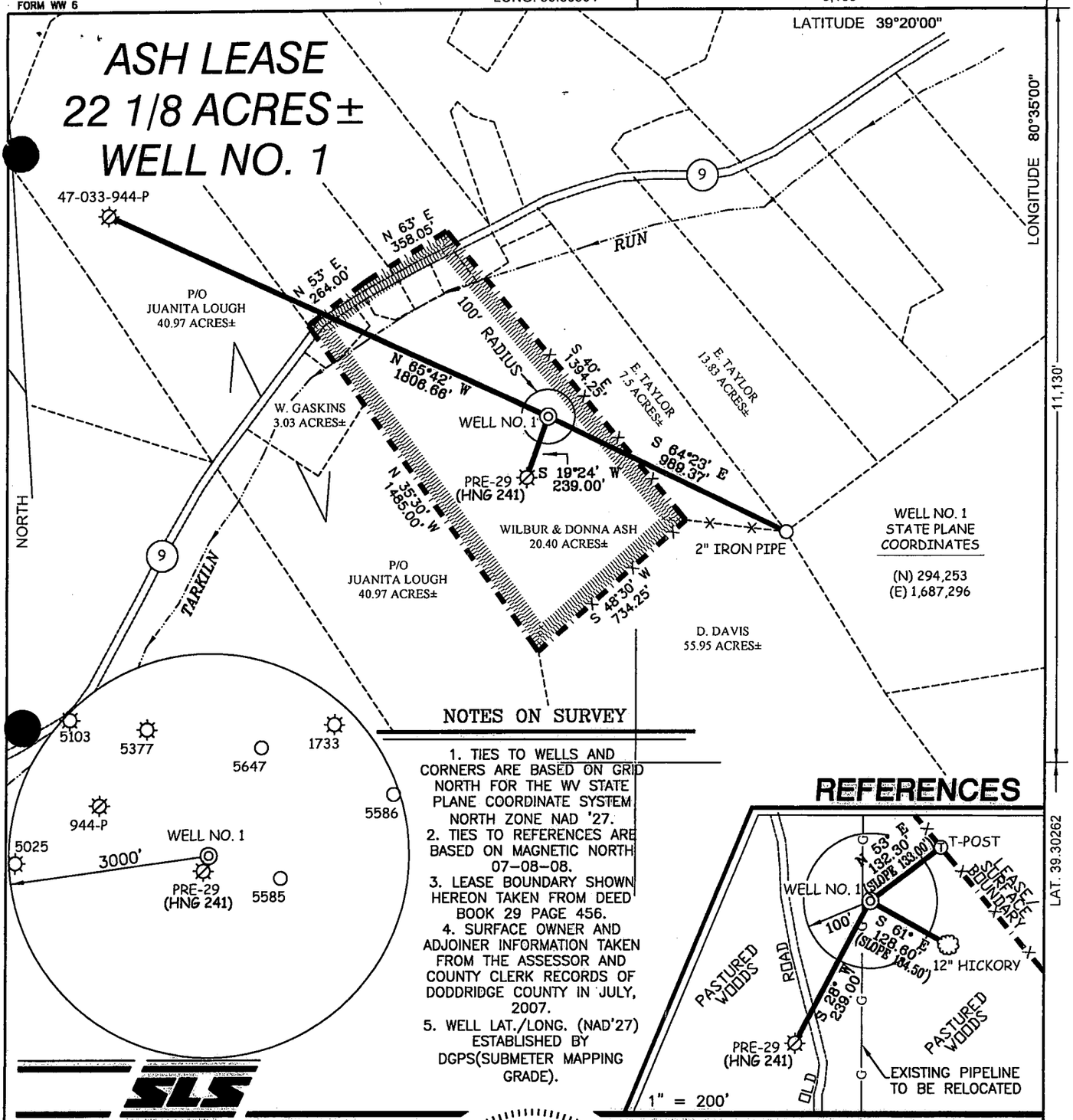
Annalisa Dobbins
Administrative Assistant

Enclosures: Well package for Francis/Ash No.1
Check No. 014018- $900.00

215 WASHINGTON AVENUE • P.O. BOX 249 • ELLENBORO, WV 26346
PHONE: 304.869.3405 • FAX: 304.869.3408 • WWW.BLUESTONEENERGYPARTNERS.COM
IN PARTNERSHIP WITH HALL DRILLING, LCC

FORM WW 6

ASH LEASE
22 1/8 ACRES±
WELL NO. 1



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 07–08–08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 29 PAGE 456.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

SLS

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 DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. Gregory A. Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JULY 12 , 20 08

OPERATORS WELL NO. ASH #1

API WELL NO. 47 — 17 — 05751
STATE — COUNTY — PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)

FILE NO. 6898P1(264-20)

SCALE 1" = 500'

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

WELL TYPE : OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___ IF "GAS" PRODUCTION X STORAGE ___ DEEP X SHALLOW ___

LOCATION :
ELEVATION 1,190' WATERSHED TARKILN RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER WILBUR & DONNA ASH ACREAGE 20.40±
ROYALTY OWNER DORIS CLEVELAND LEASE ACREAGE 22.125±
PROPOSED WORK : LEASE NO. ___
DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___ OTHER ___
PHYSICAL CHANGE IN WELL (SPECIFY) ___ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 7800'

COUNTY NAME

PERMIT

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249 ELLENBORO, WV 26346 ADDRESS P.O. BOX 249 ELLENBORO, WV 26346

30 Form: WW - 2B

17-05760

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

17 3 611

1) Well Operator Hall Drilling, LLC

	Doddridge	Grant	Smithburg 7.5'
Operator ID	County	District	Quadrangle

2) Operators Well Number: Shaughnessy No. 2 3) Elevation: 1230'

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

5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 8100 Feet
7) Approximate fresh water strata depths: 331'
8) Approximate salt water depths: 2100'
9) Approximate coal seam depths: 910 - 915
10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS Size	Grade	Weight per ft	FOOTAGE INTERVALS For Drilling	Left in Well	CEMENT Fill -up (Cu. Ft.)
Conductor						OK KS 10-8-08
Fresh Water	9 5/8		22#	361'	341'	CTS
Coal						
Intermediate	7		16#	2200	2400'	CTS
Production	4 1/2		11.60#	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

ck 14051
900

Received
Office of Oil & Gas
OCT 14 2008
WV Department of Environmental Protection

WW2-A
Revised 8/02

1) Date: October 3, 2008
2) Operator's Well Number: Shaughnessy No. 2
3) API Well No.: 47 - 17 - 05760
State County Permit

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
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 Ona & Maggie Mayles
Address Rt. 1 Box 446
Salem, WV 26426
(b) Name
Address
(c) Name
Address

6) Inspector David Scranage
Address Rt. 2 Box 11
Lost Creek, WV 26385
Telephone 304-380-3749

5) (a) Coal Operator
Name
Address

(b) Coal Owner(s) with Declaration
Name None
Address

Name
Address

(c) Coal Lessee with Declaration
Name
Address

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

X 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)
X 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 Hall Drilling, LLC
By: Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3405

Subscribed and sworn before me this 7 day of Oct 2008

Notary Public

My Commission Expires 4/18/2011

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
GREGORY R. BARTON
Meadowwood Farms
P. O. Box 336
Ellenboro, West Virginia 26346
My Commission Expires Apr. 18, 2011

17-05760

Form WW-2A-1
(8/02)

Operator's Well Number Shaughnessy No. 2

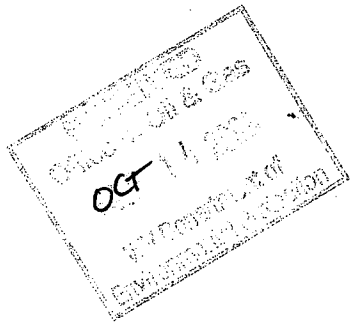
INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

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
Rosalee Wilson	Bluestone Energy Partners	1/8th	220/541



Well Operator: Hall Drilling, LLC
By: Mike Hall
Its: Designated Agent

FORM WW2-B1 Well No. Shaughnessy No. 2

17-05760

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.

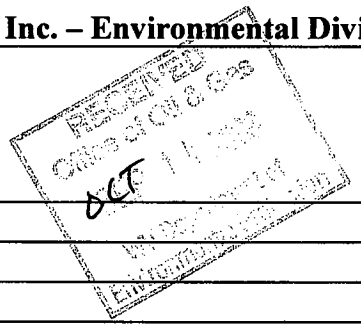
All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

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:

X	Contractor Name	Smith Land Surveying, Inc. – Environmental Division
	Well operator's private laboratory	



Well Operator	Hall Drilling, LLC
Address	P.O. Box 249
	Ellenboro, WV 26346
Telephone	304-869-3405

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 please indicate such.

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

17-05760

SLS SMITH LAND SURVEYING, INC. ENVIROMENTAL DIVISION
P.O. BOX 150, GLENVILLE, WV 26351 (304) 462-5634 • FAX 462-5656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: *.Hall Drilling*

LEASE NAME AND NUMBER: *Shaughnessy #2*

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: *Brian & Cheri Shahan*
Address: *TR 1 Box 446 A, Salem, WV. 26426* *Letter/Notice Date:*
Comments: *Par # 71 & # 73*

Owner/Occupant: *John A. & Alice M. Henderson*
Address: *PO Box 264, Cascade, MD. 21719* *Letter/Notice Date:*
Comments: *Par # 1.3*

Owner/Occupant:
Address: *Letter/Notice Date:*
Comments:

Owner/Occupant:
Address: *Letter/Notice Date:*
Comments:

Owner/Occupant:
Address: *Letter/Notice Date:*
Comments:

6737.potential.Hall.Shaughnessy#2

FORM WW-9
Rev. 02/03

Page 4 of _____
API Number 47 - 17 - 05760
Operator's Well No. Shaughnessy No. 2

STATE OF WEST VIRGINIA
DIVISION 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 Hall Drilling, LLC OP Code _____

Watershed Long Run Quadrangle Smithburg 7.5'

Elevation 1230' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

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

Proposed Disposal Method For Treated Pit Wastes:

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

Proposed Work For Which Pit Will Be Used:

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

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division 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 _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

Subscribed and sworn before me this 7 day of Oct, 20 08

_____ Notary Public

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
GREGORY B. BARTON
Meadowwood Farms
P. O. Box 336
Ellenboro, West Virginia 26346
My Commission Expires Apr. 18, 2011

My commission expires 4/18/2011

17-05760

Form WW-9

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

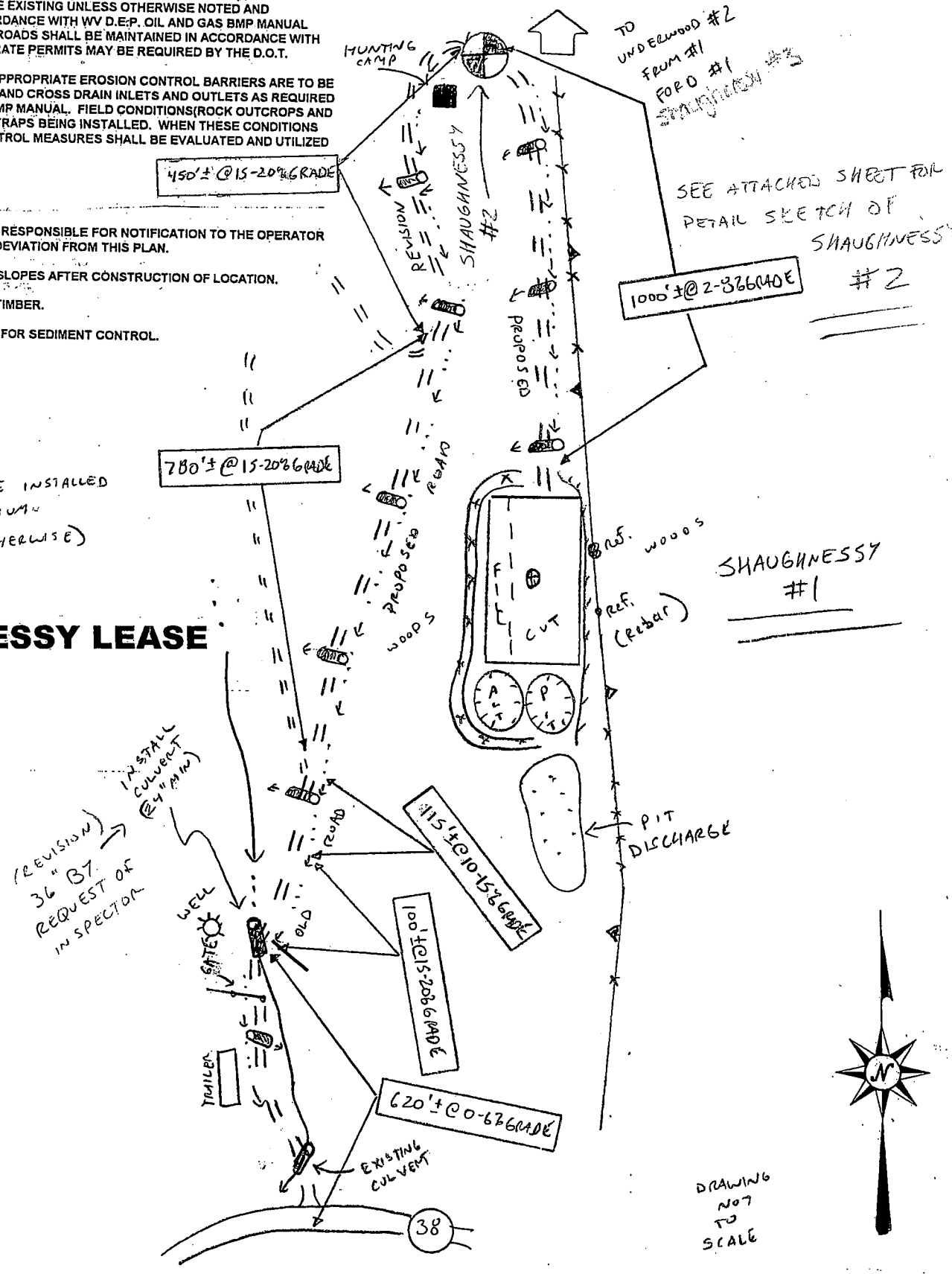
TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

= CULVERT TO BE INSTALLED AT A 12" MINIMUM (UNLESS NOTED OTHERWISE)

SHAUGHNESSY LEASE



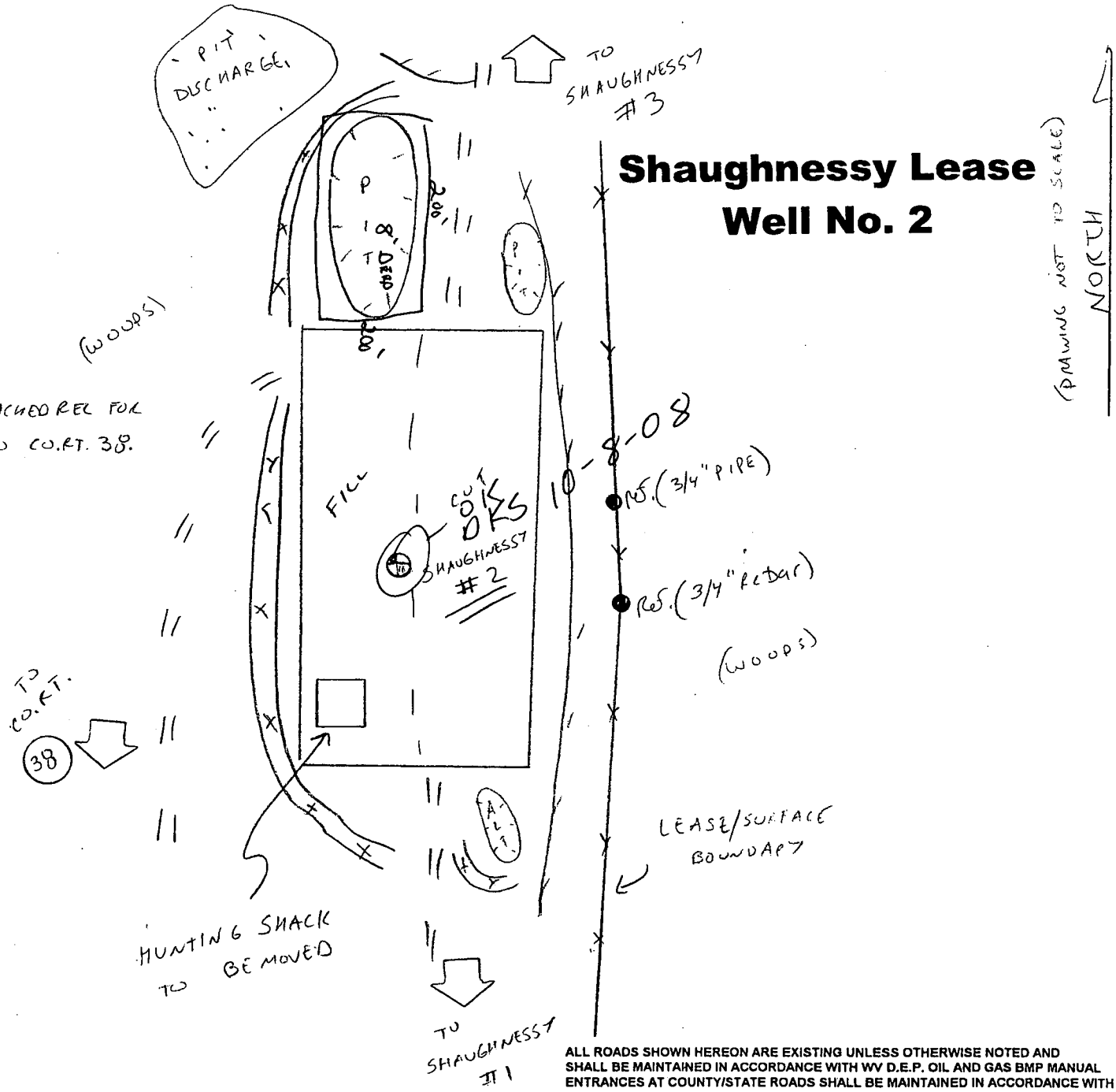
SLS SMITH LAND SURVEYING, INC.
P.O. BOX 150, GLENVILLE, WV 26351
Phone (304) 462-5656 or 462-5634

REVISED BY C.P.M. 4/24/08 10/1/08
DRAWN BY C.P.M. DATE 1/14/08 FILE NO. 6737

Form WW-9

page of

Shaughnessy Lease
Well No. 2



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CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

SLS SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

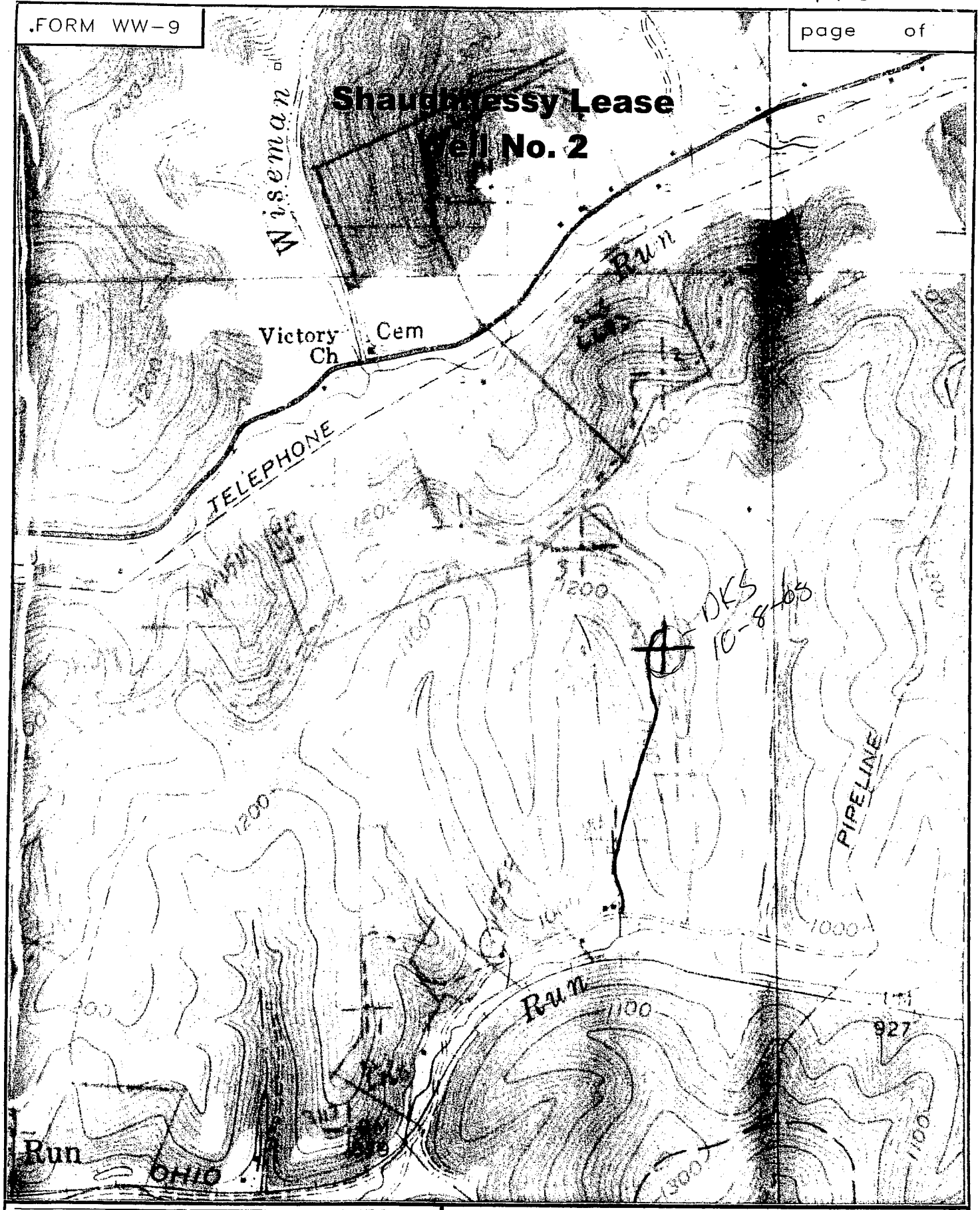
Phone (304) 462-5634 Fax 462-5656 email: sls@rtol.net

DRAWN BY C.P.M. DATE 10/1/08 FILE NO. 6737

17-05760

.FORM WW-9

page of



SLS

SMITH LAND SURVEYING
P.O.BOX 150 GLENVILLE, WV. 26351

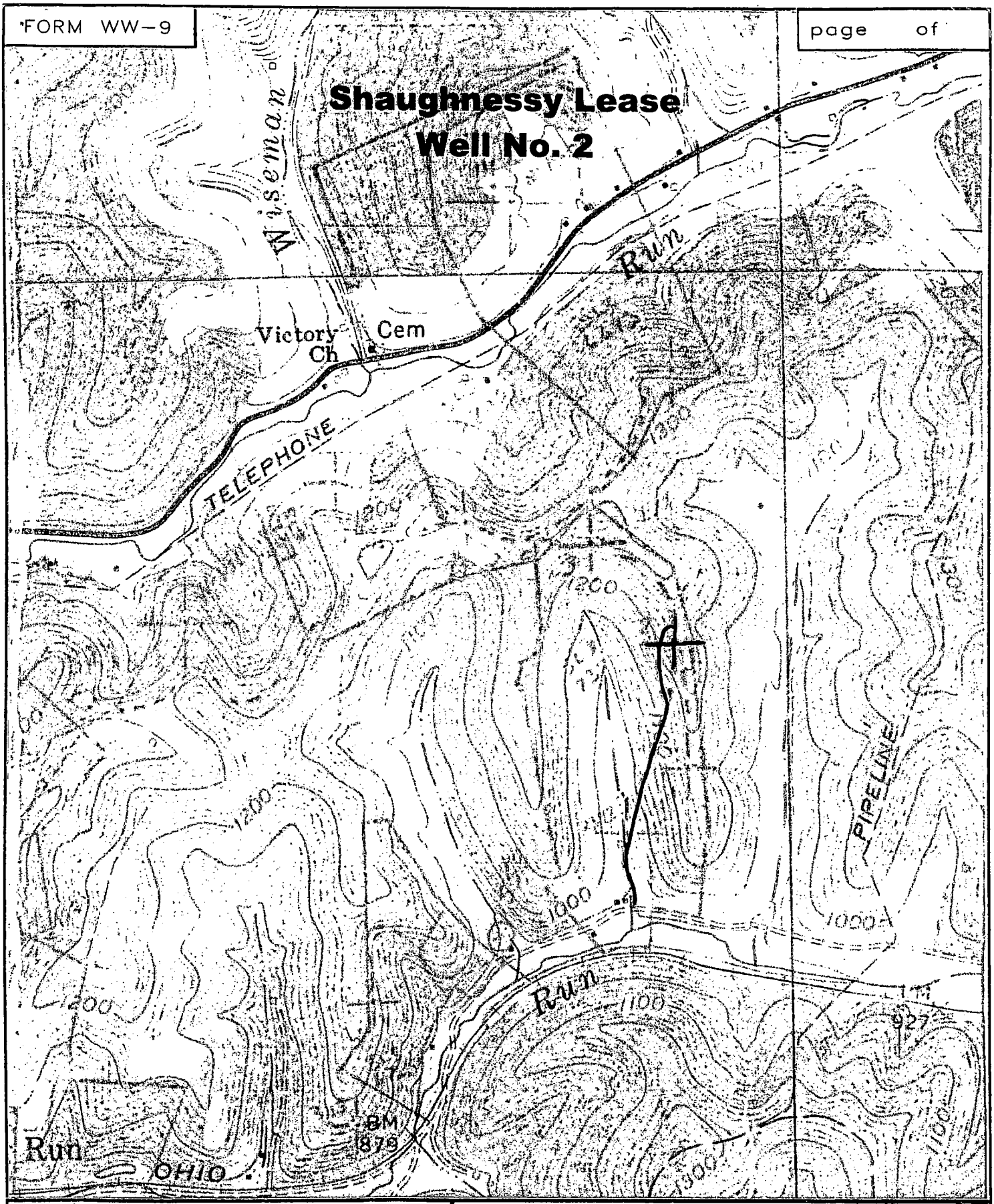
TOPO SECTION OF SMITHBURG 7.5'

FILE NO. 6737 DATE 10/1/08 SCALE 1"=1000'

FORM WW-9

page of

Shaughnessy Lease
Well No. 2



SLS

SMITH LAND SURVEYING
P.O.BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF SMITHBURG 7.5'

FILE NO. 6737 DATE 10/1/08 SCALE 1"=1000'

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Doddridge Operator Hall Drilling, LLC

Operator well number Shaughnessy No. 2

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons.
2) The soil erosion and sediment control plan is not adequate or effective;
3) Damage would occur to publicly owned lands or resources;
4) The proposed well work fails to protect fresh water sources or supplies;
5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

Darrell Mayle. Date _____

Signature

FOR EXECUTION BY A CORPORATION, ETC.

Company Name _____

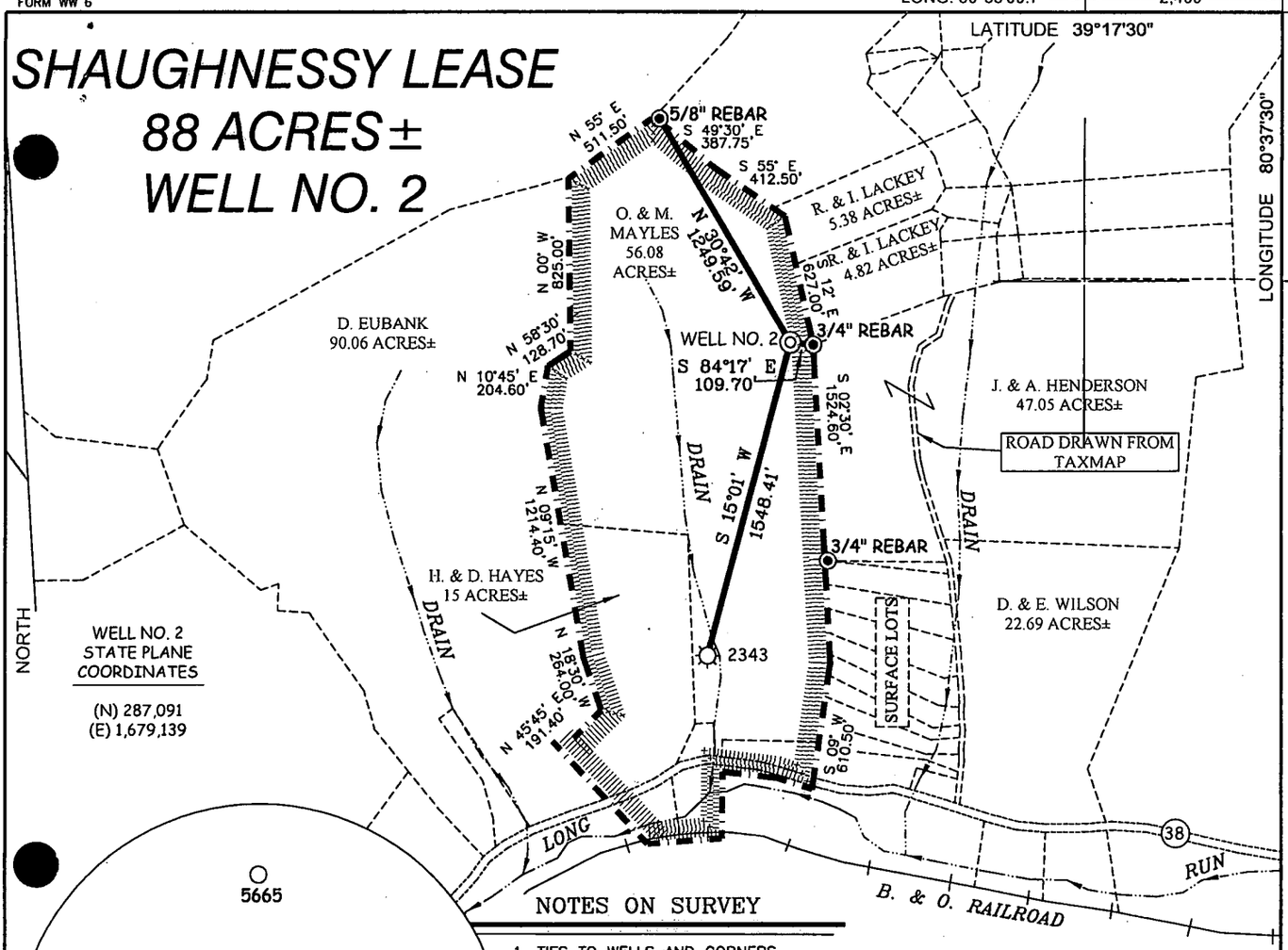
By _____

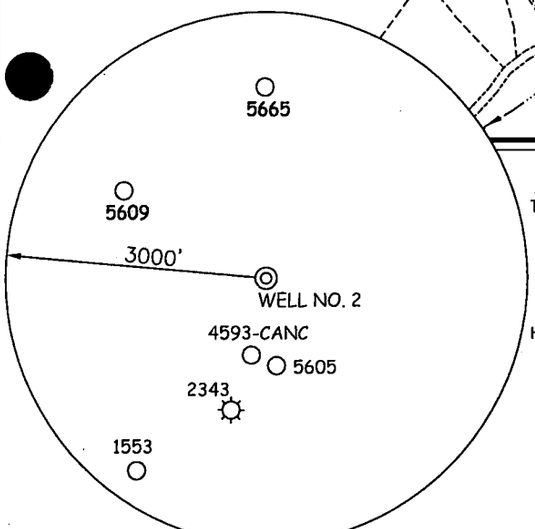
Its _____ Date _____

Signature Date

FORM WW 6

SHAUGHNESSY LEASE
88 ACRES±
WELL NO. 2

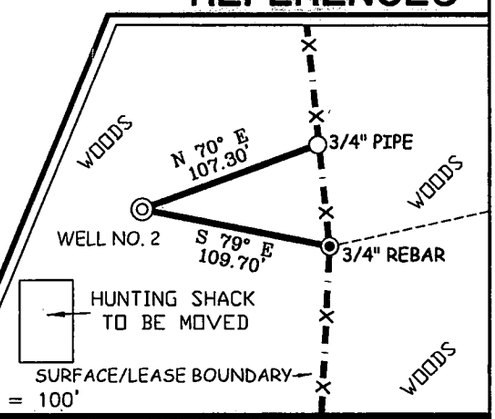




NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 09-25-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 258 PAGE 533.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PROPOSED WELL SHAUGHNESSY #2 IS OVER 100 FEET FROM LEASE BOUNDARY.

REFERENCES



SLS

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 DIVISION OF ENVIRONMENTAL PROTECTION.

Gregory A. Smith

GREGORY A. SMITH
LICENSED
No. 677
STATE OF
WEST VIRGINIA
PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE OCTOBER 1 , 20 08

OPERATORS WELL NO. SHAUGHNESSY #2

API WELL NO. 47 — 17 — 05760
STATE — COUNTY — PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)

FILE NO. 6737P2(267-37)

SCALE 1" = 800'

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

WELL TYPE : OIL ____ GAS X LIQUID INJECTION ____ WASTE DISPOSAL ____ IF "GAS" PRODUCTION X STORAGE ____ (NOTE 6) DEEP X SHALLOW ____

LOCATION :
ELEVATION 1,230' WATERSHED LONG RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SMITHBURG 7.5'
SURFACE OWNER ONA & MAGGIE MAYLES ACREAGE 56.08±
ROYALTY OWNER ROSALEE WILSON LEASE ACREAGE 88±
PROPOSED WORK : LEASE NO. ____
DRILL X CONVERT ____ DRILL DEEPER ____ REDRILL ____ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ____ PERFORATE NEW FORMATION ____ PLUG AND ABANDON ____ CLEAN OUT AND REPLUG ____ OTHER ____
PHYSICAL CHANGE IN WELL (SPECIFY) ____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

COUNTY NAME

PERMIT

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249 ELLENBORO, WV 26346 ADDRESS P.O. BOX 249 ELLENBORO, WV 26346

SLS
12588

Form: WW - 2B

17-05761

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

1)Well Operator Hall Drilling, LLC

	17	3	611
	Doddridge	Grant	Smithburg 7.5'
Operator ID	County	District	Quadrangle

2) Operators Well Number: Shaughnessy No. 3 3) Elevation: 1279'

4) Well Type: (a) Oil_____ or Gas X
(b) If Gas: Production X / Underground Storage_____
Deep X / Shallow _____

5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 8100 Feet
7) Approximate fresh water strata depths: 380'
8) Approximate salt water depths: 2149'
9) Approximate coal seam depths: 959-964
10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE	INTERVALS	CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor						OK OKS 10-8-08
Fresh Water	9 5/8"		22#	410#	410#	CTS
Coal						
Intermediate	7"		16#	2249'	2249#	CTS
Production	4 1/2"		11.60#	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

Ck. 14057
900

OCT

WW2-A
Revised 8/02

1) Date: October 3, 2008
2) Operator's Well Number: Shaughnessy No. 3
3) API Well No.: 47 - 17 - 05761
State County Permit

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
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 Ona & Maggie Mayles
Address Rt. 1 Box 446
Salem, WV 26426
(b) Name
Address
(c) Name
Address

6) Inspector David Scranage
Address Rt. 2 Box 11
Lost Creek, WV 26385
Telephone 304-380-3749

5) (a) Coal Operator
Name
Address

(b) Coal Owner(s) with Declaration
Name None
Address
Name
Address

(c) Coal Lessee with Declaration
Name
Address

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

X 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)
X 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.

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Well Operator Hall Drilling, LLC
By: Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3405

Subscribed and sworn before me this 7th day of October

Notary Public

My Commission Expires 4/18/2011

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
GREGORY G. BARTON
Meadowwood Farms
P. O. Box 336
Ellenboro, West Virginia 26346
My Commission Expires Apr. 18, 2011

Form WW-2A-1
(8/02)

17-05761

Operator's Well Number Shaughnessy No. 3

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
Rosalee Wilson	Bluestone Energy Partners	1/8th	220/541

Well Operator: Hall Drilling, LLC
By: Mike Hall
Its: Designated Agent

FORM WW2-B1 Well No. Shaughnessy No. 3

17-05761

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.

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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:

X	Contractor Name	Smith Land Surveying, Inc. – Environmental Division
	Well operator's private laboratory	

Well Operator	Hall Drilling, LLC
Address	P.O. Box 249
	Ellenboro, WV 26346
Telephone	304-869-3405

OCT

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 please indicate such.

NOTE: There appears to be no potable water sources within 1,000', therefore no tests will be run.

FORM WW-9
Rev. 02/03

API Number 47 - 17 - 05760
Operator's Well No. Shaughnessy No. 3

STATE OF WEST VIRGINIA
DIVISION 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 Hall Drilling, LLC OP Code _____

Watershed Long Run Quadrangle Smithburg 7.5'

Elevation 1279' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

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

Proposed Disposal Method For Treated Pit Wastes:

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

Proposed Work For Which Pit Will Be Used:

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

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division 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 _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

Subscribed and sworn before me this 1st day of Oct, 20 08

_____ Notary Public

My commission expires 4/18/2011

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
GREGORY R. BARTON
Meadowwood Farms
P. O. Box 336
Ellenboro, West Virginia 26346
My Commission Expires Apr. 18, 2011

Form WW-9

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

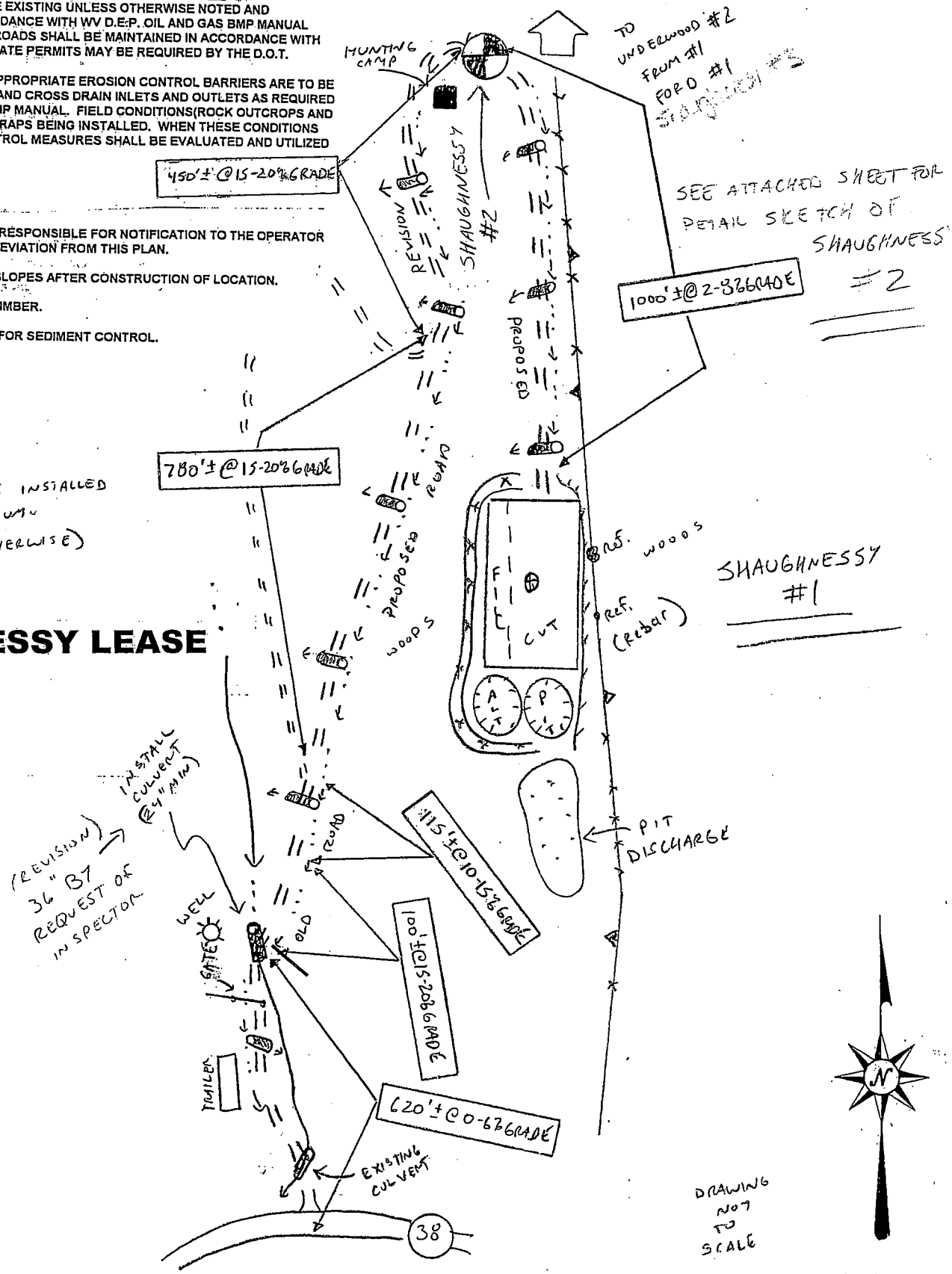
EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

SHAUGHNESSY LEASE



SLS SMITH LAND SURVEYING, INC.
P.O. BOX 150, GLENVILLE, WV 26351
Phone (304) 462-5656 or 462-5634

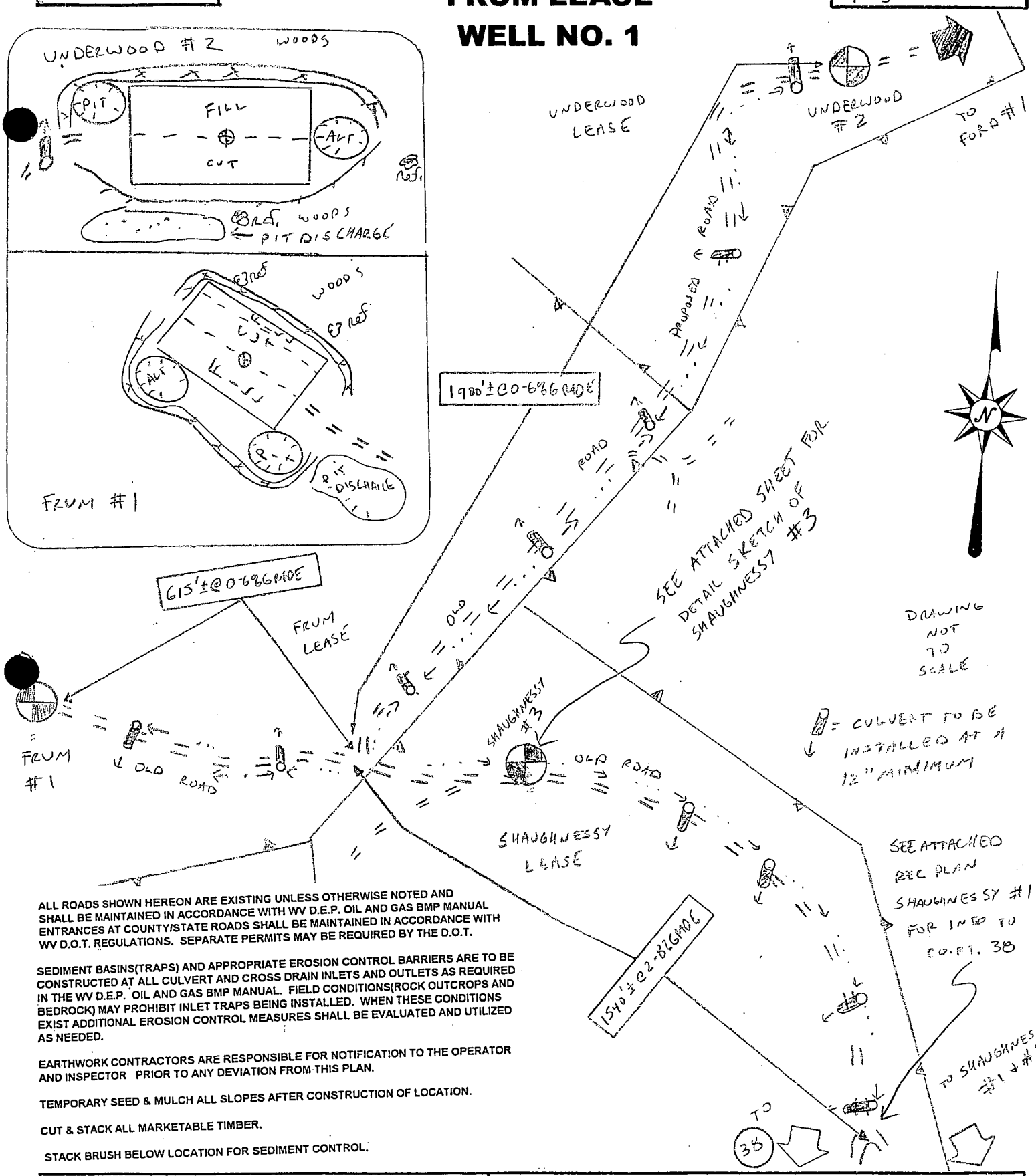
REVISED BY C.P.M. 4/24/08 10/1/08
DRAWN BY C.P.M. DATE 1/14/08 FILE NO. 6737

17-05761

Form WW-9

page of

FRUM LEASE
WELL NO. 1



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EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

SLS SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

Phone (304) 462-5656 or 462-5634

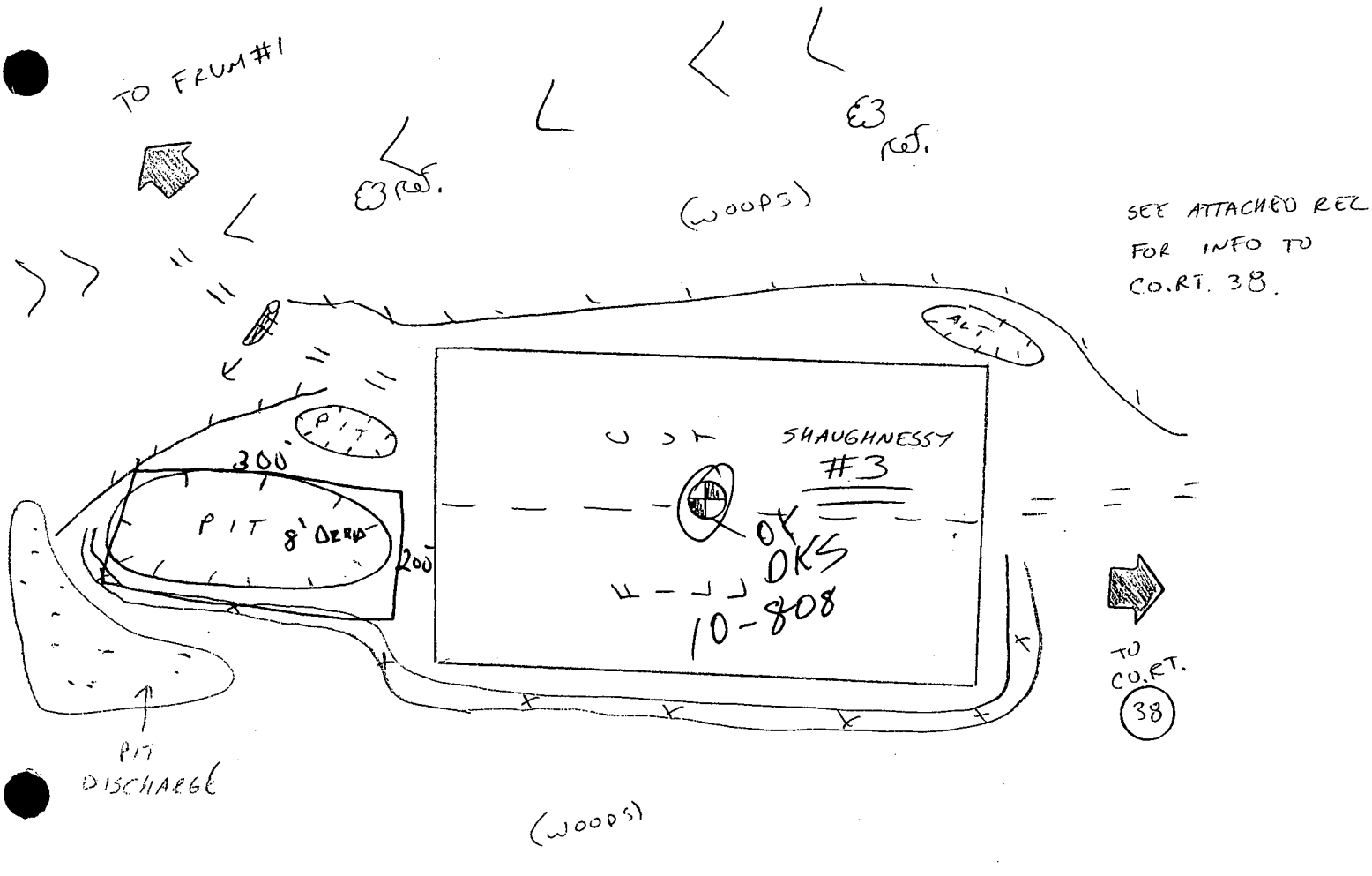
REVISED BY C.P.M. 10/1/08

DRAWN BY C.P.M. DATE 1/14/08 FILE NO. 6695

Form WW-9

17-05761
page of

Shaughnessy Lease
Well No. 3



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EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

(DRAWING NOT TO SCALE) NORTH

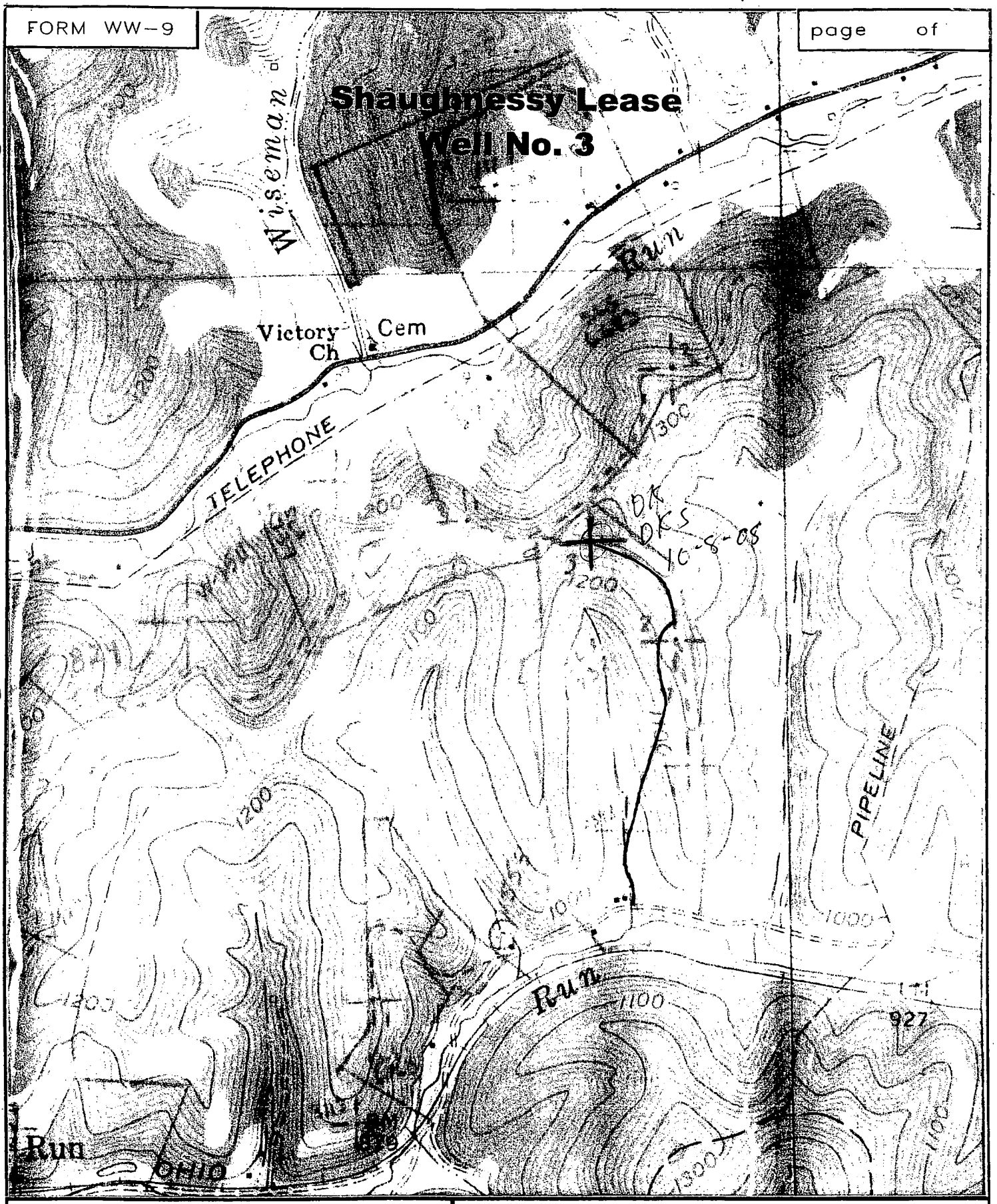
SLS SMITH LAND SURVEYING, INC.
P.O. BOX 150, GLENVILLE, WV 26351
Phone (304) 462-5634 Fax 462-5656 email: sls@rtol.net

DRAWN BY C.P.M. DATE 10/1/08 FILE NO. 6737

17-05761

FORM WW-9

page of



SLS

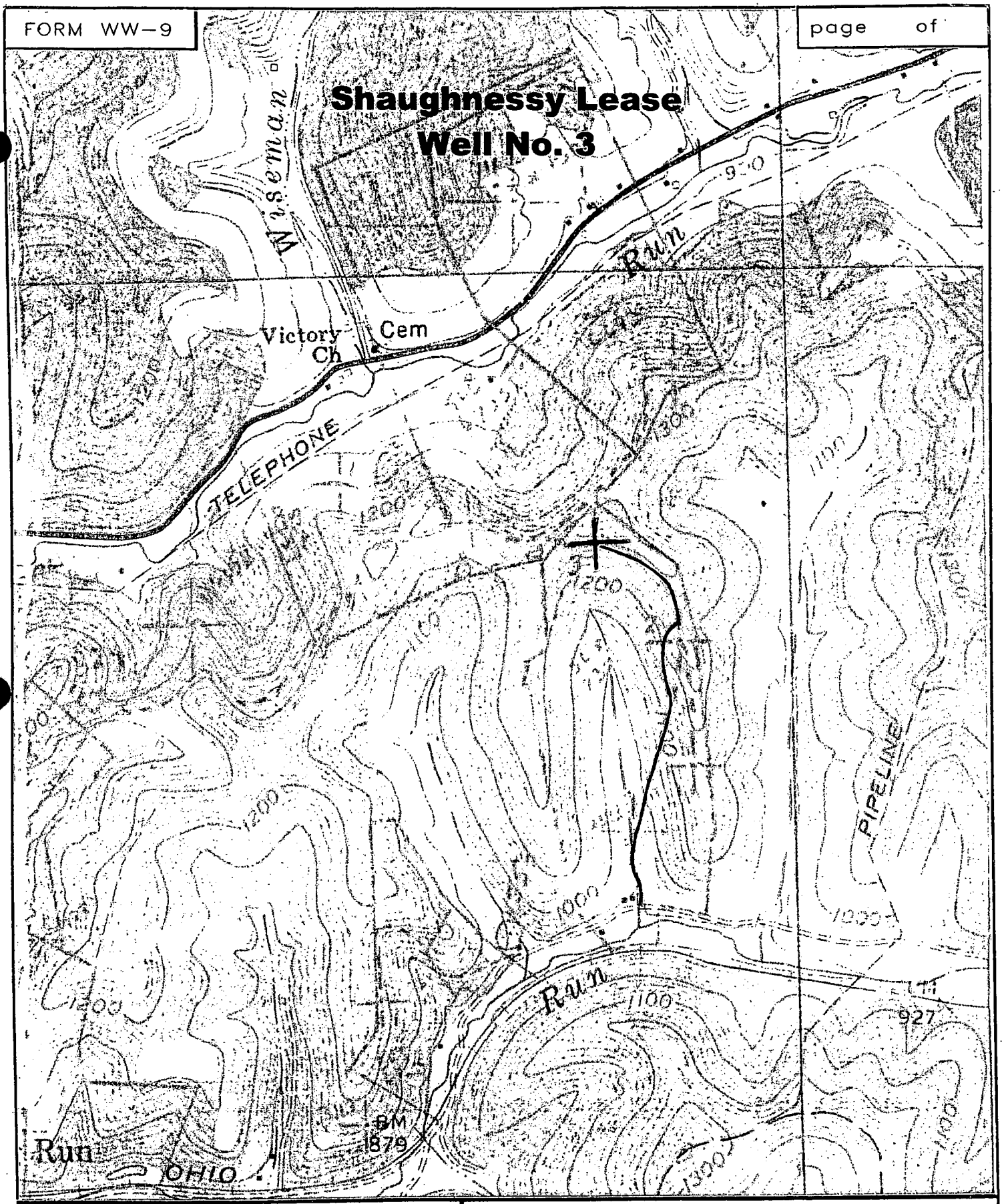
SMITH LAND SURVEYING
P.O.BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF SMITHBURG 7.5'

FILE NO. 6737 DATE 10/1/08 SCALE 1"=1000'

FORM WW-9

page of



SLS

SMITH LAND SURVEYING
P.O.BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF SMITHBURG 7.5'

FILE NO. 6737 DATE 10/1/08 SCALE 1"=1000'

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Doddridge Operator Hall Drilling, LLC

Operator well number Shaughnessy No. 3

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons.
2) The soil erosion and sediment control plan is not adequate or effective;
3) Damage would occur to publicly owned lands or resources;
4) The proposed well work fails to protect fresh water sources or supplies;
5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

Darrell Mayle
Signature

Date _____

FOR EXECUTION BY A CORPORATION, ETC.

Company Name _____

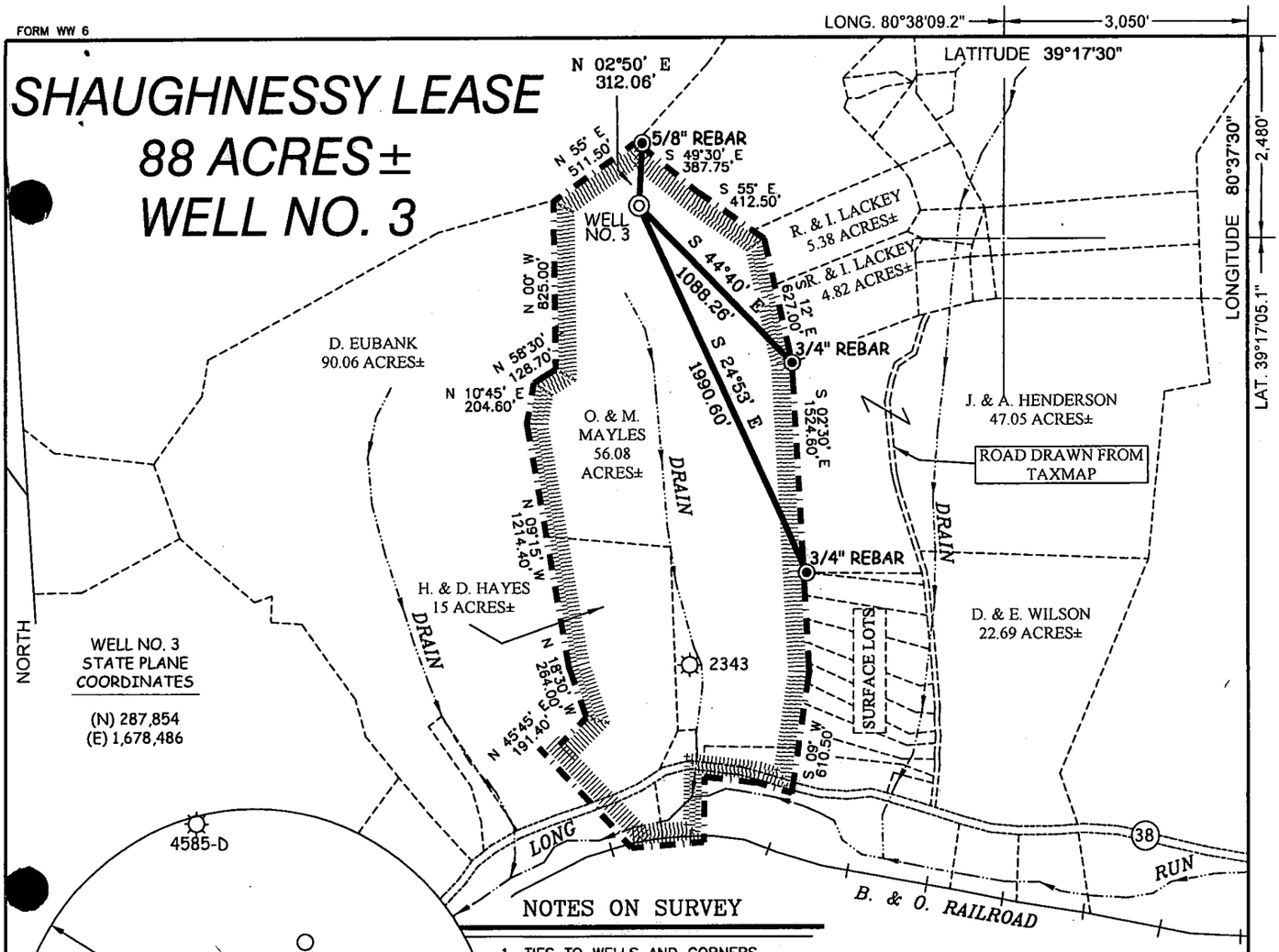
By _____

Its _____ Date _____

Signature Date

FORM WW 6

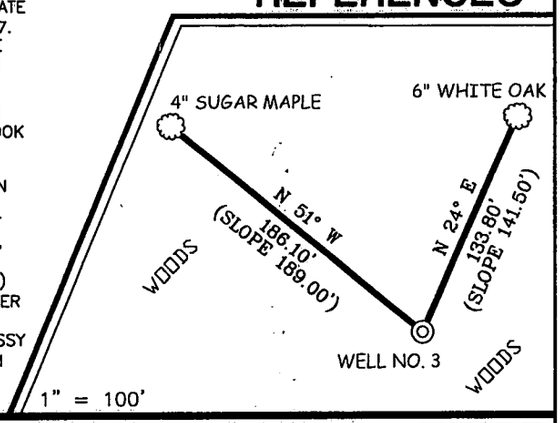
SHAUGHNESSY LEASE
88 ACRES±
WELL NO. 3



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 09-25-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 258 PAGE 533.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PROPOSED WELL SHAUGHNESSY #3 IS OVER 100 FEET FROM LEASE BOUNDARY.

REFERENCES



SLS

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 DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. Gregory A. Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE OCTOBER 1 , 20 08

OPERATORS WELL NO. SHAUGHNESSY #3

API WELL NO. 47 - 17 - 05761
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)

FILE NO. 6737P3(267-36)

SCALE 1" = 800'

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

WELL TYPE : OIL ____ GAS X LIQUID INJECTION ____ WASTE DISPOSAL ____ IF "GAS" PRODUCTION X STORAGE ____ (NOTE 6) DEEP X SHALLOW ____

LOCATION :

ELEVATION 1,279' WATERSHED LONG RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SMITHBURG 7.5'

SURFACE OWNER ONA & MAGGIE MAYLES ACREAGE 56.08±

ROYALTY OWNER ROSALEE WILSON LEASE ACREAGE 88±

PROPOSED WORK : LEASE NO. ____

DRILL X CONVERT ____ DRILL DEEPER ____ REDRILL ____ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ____ PERFORATE NEW FORMATION ____ PLUG AND ABANDON ____ CLEAN OUT AND REPLUG ____ OTHER ____

PHYSICAL CHANGE IN WELL (SPECIFY) ____ TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 8,100'

COUNTY NAME

PERMIT

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249

ELLENBORO, WV 26346 ELLENBORO, WV 26346

SLS

124363

N

WW - 2B

17-05750

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

1) Well Operator: Hall Drilling, LLC

Operator ID	County	District	Quadrangle
	17 Doddridge	3 Grant	596 Salem 7.5'

2) Operator's Well Number: Williams No. 1 3) Elevation: 1201'

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

5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 7800' Feet
7) Approximate fresh water strata depths: 349'
8) Approximate salt water depths: ~~None~~ 1869'
9) Approximate coal seam depths: ~~None~~ 884'- 889'
10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work: To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS Size	Grade	Weight per ft	FOOTAGE INTERVALS For Drilling	Left in Well	CEMENT Fill -up (Cu. Ft.)
Conductor						
Fresh Water	9 5/8		~~22~~	379'	379'	CTS
Coal						OK OKS 9-2308
Intermediate	7"		16#	2193'	2193'	CTS
Production	4 ½"		11.60#	7800'	7800'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

Ck 14017 900

RECEIVED
Office of Oil & Gas
OCT 06 2008
WV Department of
Environmental Protection

WW-2A
(Rev. 6-07)

1) Date: July 25, 2008
2) Operator's Well Number Williams No. 1
3) API Well No.: 47 - 17 - 05750
State County Permit

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 Melvin Williams
Address P.O. Box 1302
Clarksburg, WV 26302
(b) Name
Address
(c) Name
Address

6) Inspector Richard Campbell
Address 601 57th Street SE
Charleston, WV 25304
Telephone 304-926-0499

5) (a) Coal Operator
Name
Address

(b) Coal Owner(s) with Declaration
Name None
Address

Name
Address

(c) Coal Lessee with Declaration
Name
Address

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

X 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)
X Certified Mail (Postmarked postal receipt attached)
___ Publication (Notice of Publication attached)

RECEIVED
Office of Oil & Gas
OCT 06 2008
WV Department of
Environmental Protection

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 Hall Drilling
By: Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3405

Subscribed and sworn before me this 17 day of October, 2008

Notary Public

My Commission Expires 4/18/2011

WW-2A1
(Rev. 8/02)

17-05750

Operator's Well Number Williams No. 1

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
Melvin Williams, et al	Bluestone Energy Partners	1/8th or 12.5%	224/604

RECEIVED
Office of Oil & Gas
OCT 06 2008
WV Department of
Environmental Protection

Well Operator: Hall Drilling
By: Mike Hall
Its: Designated Agent

WW-2B1 Well No. Williams No. 1

West Virginia Department of Environmental Protection
Office of Oil and Gas

17-05750

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:

X Contractor Name Smith Land Surveying, Inc.
____ Well operator's private laboratory

Well Operator	Hall Drilling
Address	P.O. Box 249
	Ellenboro, WV 26346
Telephone	304-869-3405

RECEIVED
Office of Oil & Gas
OCT 06 2008
WV Department of
Environmental Protection

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 please indicate such.

NOTE: There appears to be 4± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

17-05750

SLS SMITH LAND SURVEYING, INC. ENVIROMENTAL DIVISION
P.O. BOX 150, GLENVILLE, WV 26351 (304) 462-5634 • FAX 462-5656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: *.Hall Drilling LLC.*

LEASE NAME AND NUMBER: *Willaims #1*

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: *Deleah Ash*
Address: *RT 2 Box 4, Salem, WV. 26426* *Letter/Notice Date:*
Comments:

Owner/Occupant: *Melvin Williams*
Address: *PO. Box 1302, Clarksburg, WV 26302* *Letter/Notice Date:*
Comments: *(possible three sites)*

Owner/Occupant: *William E. Gaskins*
Address: *RT. 5 Box 46, Salem, WV. 26426* *Letter/Notice Date:*
Comments: *(possible two sites)*

Owner/Occupant: *Fred Jones*
Address: *RT 5 Box 48, Salem, WV. 26426* *Letter/Notice Date:*
Comments:

Owner/Occupant:
Address: *Letter/Notice Date:*
Comments:

RECEIVED
Office of Oil & Gas
OCT 06 2008
WV Department of
Environmental Protection

6894.potential.Hall.Williams#1

WW-9
Rev. 02/03

API Number 47 - 17 - 05750
Operator's Well No. Williams No. 1

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 Hall Drilling, LLC OP Code

Watershed Tarkiln Run Quadrangle Salem 7.5'

Elevation 1201' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

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

Proposed Disposal Method For Treated Pit Wastes:

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

Proposed Work For Which Pit Will Be Used:

- X Drilling
- X Swabbing
- ___ Workover
- ___ Plugging
- ___ Other (Explain ___

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 [signature]

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

RECEIVED
Office of Oil & Gas
OCT 06 2008
WV Department of
Environmental Protection

Subscribed and sworn before me this 17 day of Aug, 2008

[signature] Notory Public

NOTARY PUBLIC
STATE OF WEST VIRGINIA
GREGORY R. BARTON

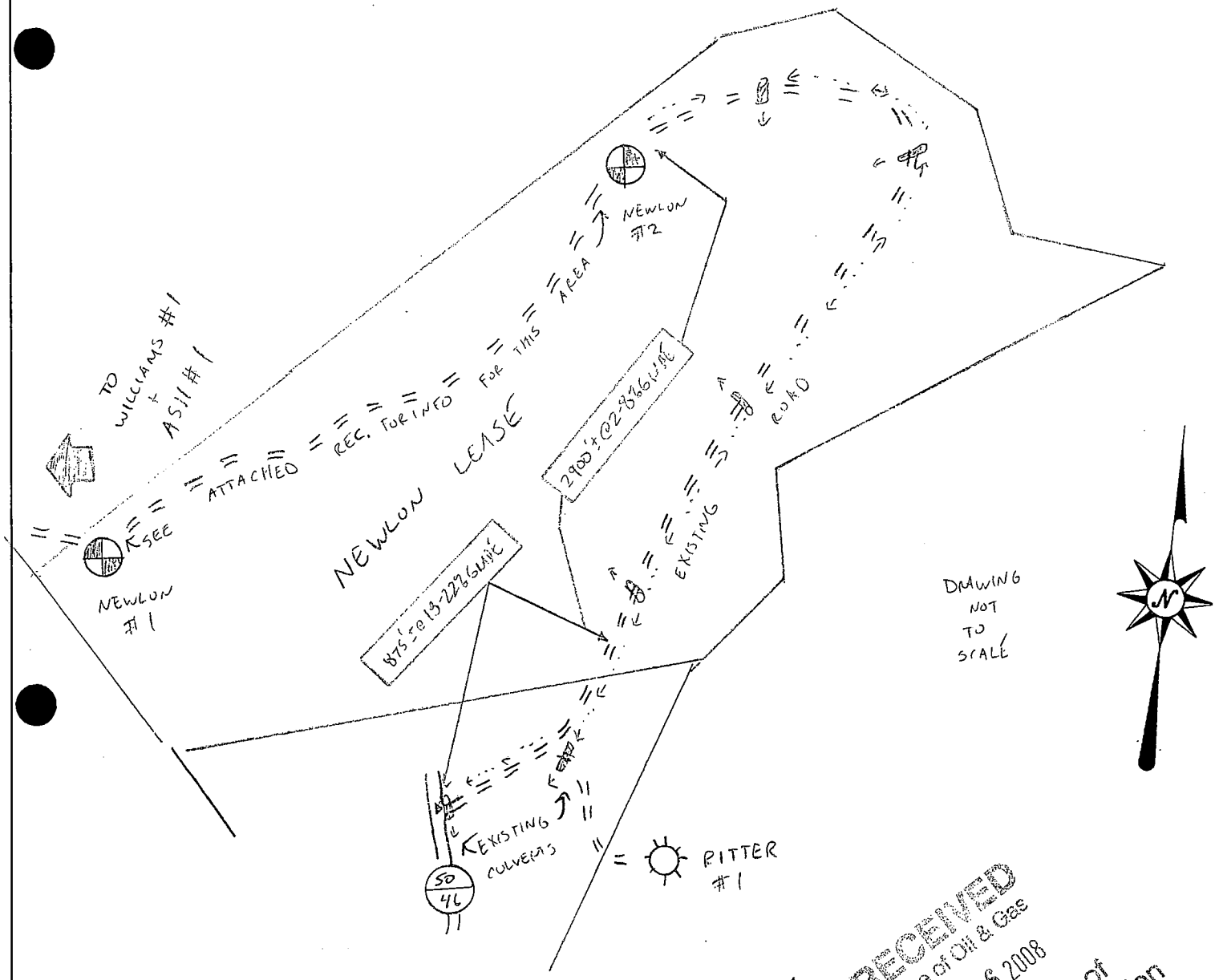
My commission expires 4/18/2011

17-05750

Form WW-9

page of

Newlon Lease



= CULVERT TO BE INSTALLED AT A 12 INCH MINIMUM.

RECEIVED
Office of Oil & Gas
JUN 06 2008
WV Department of Environmental Protection

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

SLS SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

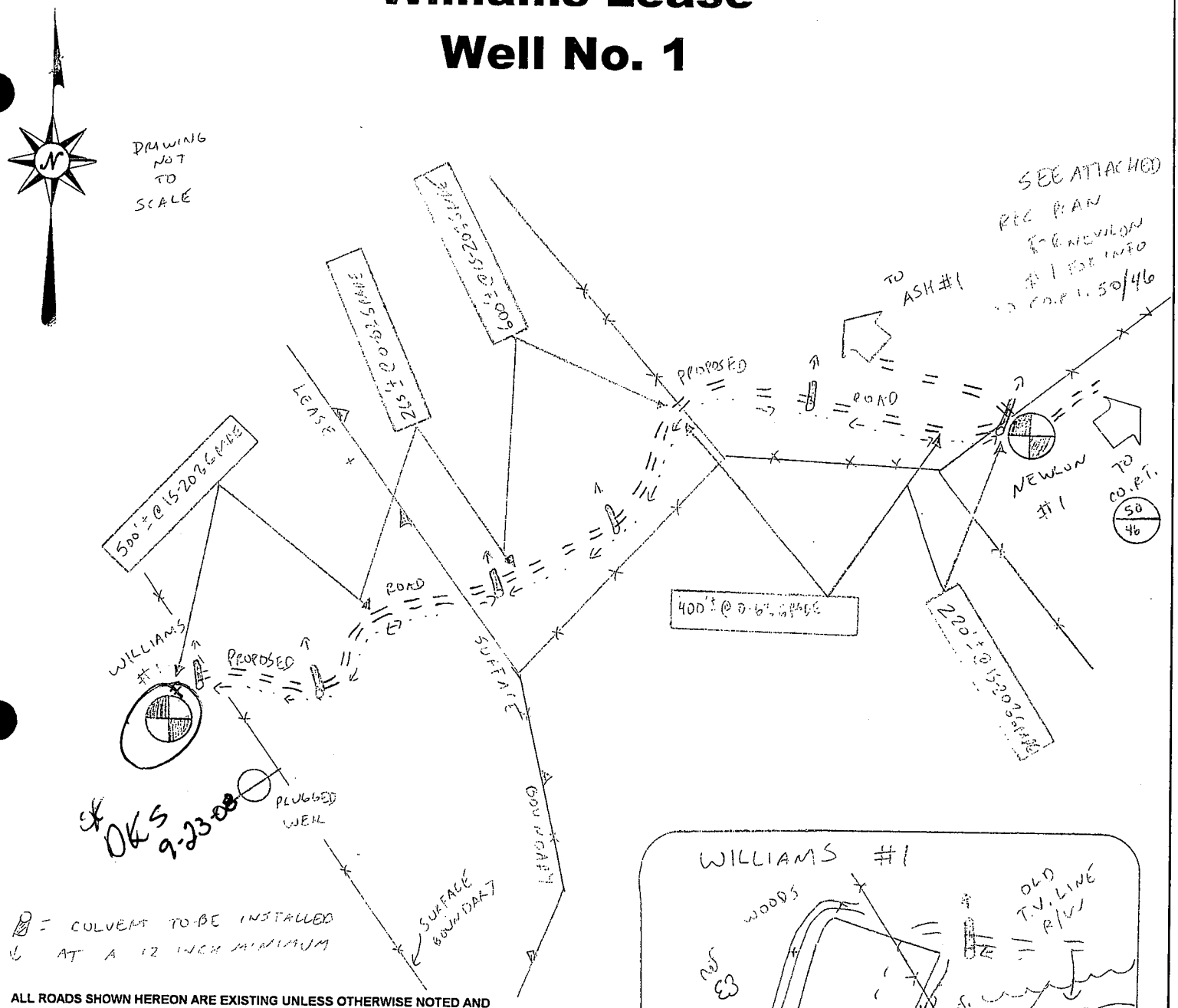
Phone (304) 462-5634 Fax 462-5656 email: sls@rtol.net

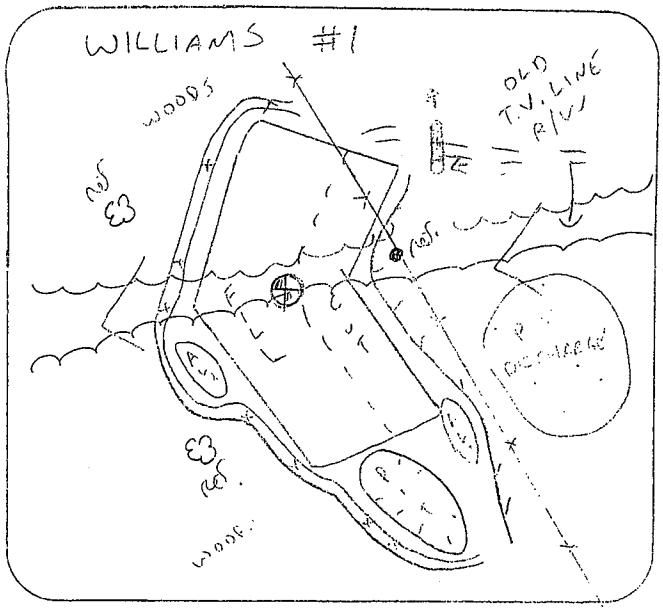
DRAWN BY C.P.M. DATE 7/22/08 FILE NO. 6894 6898 6714

Form WW-9

page of

Williams Lease
Well No. 1





ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

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EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

SLS SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

Phone (304) 462-5634 Fax 462-5656 email: sls@rtol.net

DRAWN BY C.P.M. DATE 7/22/08 FILE NO. 6394

17-05750

FORM WW-9

page of

SLS SMITH LAND SURVEYING P.O.BOX 150 GLENVILLE, WV. 26351	TOPO SECTION OF SALEM 7.5' FILE NO. 6894 DATE 7/12/08 SCALE 1"=2000'

17-05750

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Doddridge Operator Hall Drilling

Operator well number Williams #1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons.
2) The soil erosion and sediment control plan is not adequate or effective;
3) Damage would occur to publicly owned lands or resources;
4) The proposed well work fails to protect fresh water sources or supplies;
5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

RECEIVED
Office of Oil & Gas
OCT 06 2008
WV Department of
Environmental Protection

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

Ramona E. Williams — Date 9/29/08
Signature

Melvin L. Williams — 9/29/08

FOR EXECUTION BY A CORPORATION, ETC.

Company Name _____

By _____

Its _____ Date _____

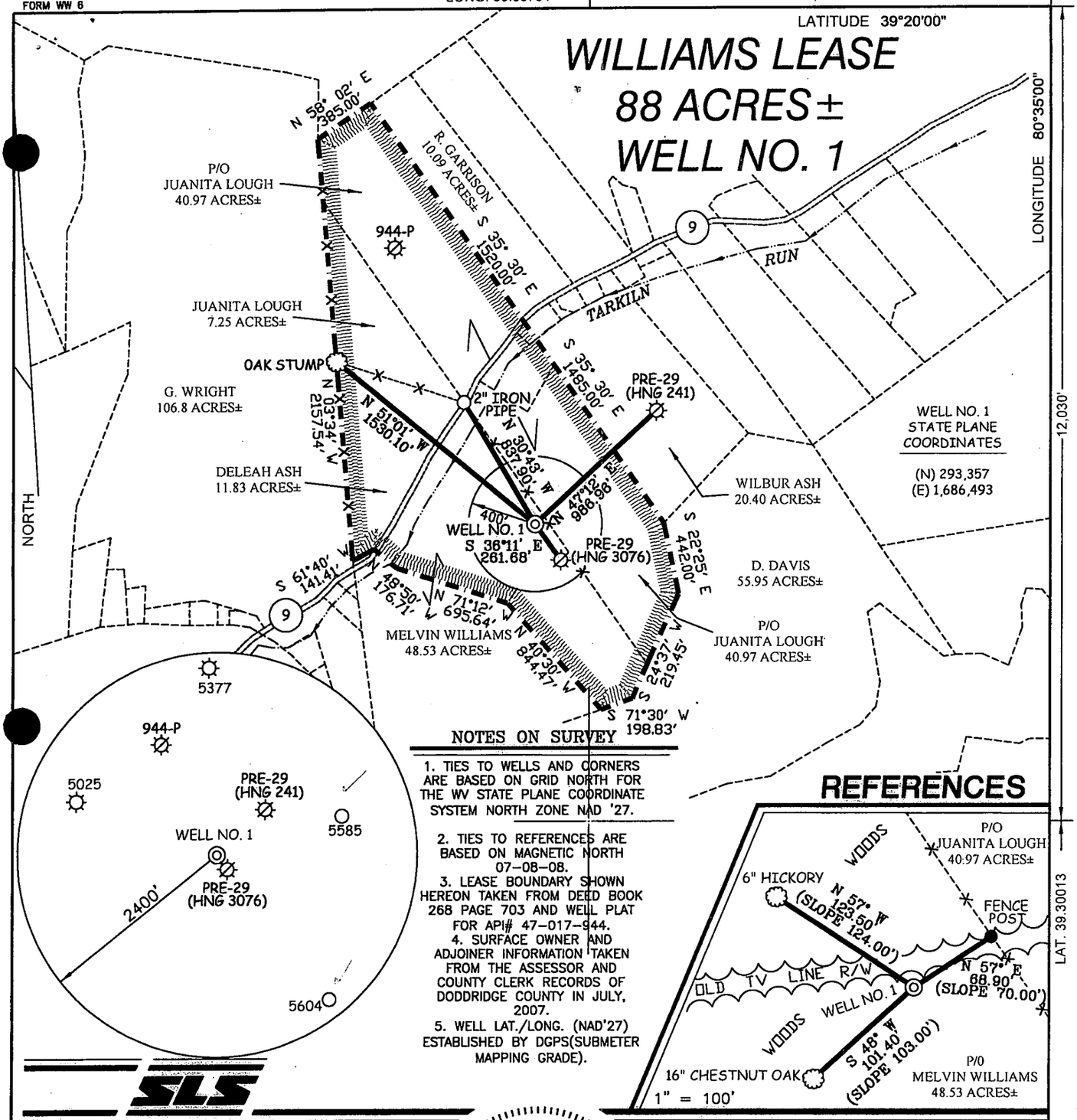
_____

Signature Date

FORM WW 6

LONG. 80.60784 — 6,910' — LATITUDE 39°20'00"

WILLIAMS LEASE
88 ACRES±
WELL NO. 1



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 07-08-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 268 PAGE 703 AND WELL PLAT FOR API# 47-017-944.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

SLS

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 DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 Gregory A. Smith

GREGORY A. SMITH LICENSED No. 677 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JULY 12 , 20 08

OPERATORS WELL NO. WILLIAMS #1

API WELL NO. 47 — 17 — 05150
STATE — COUNTY — PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)

FILE NO. 6894P1(264-21)

SCALE 1" = 800'

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

WELL TYPE : OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___ IF "GAS" PRODUCTION X STORAGE ___ DEEP X SHALLOW ___

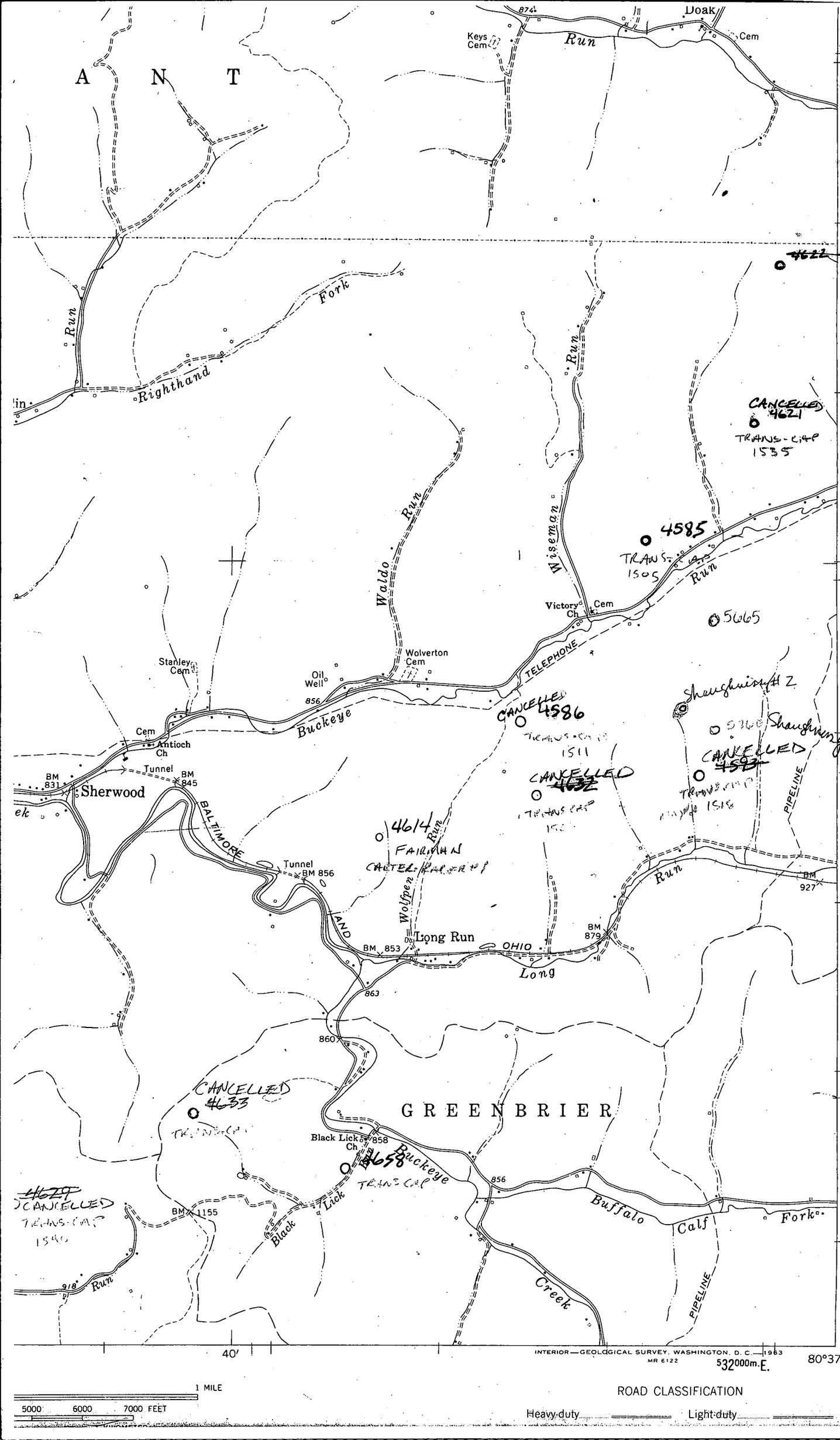
LOCATION :
ELEVATION 1,201' WATERSHED TARKILN RUN
DISTRICT GRANT COUNTY DODDRIGE QUADRANGLE SALEM 7.5'
SURFACE OWNER MELVIN WILLIAMS ACREAGE 48.53±
ROYALTY OWNER MELVIN WILLIAMS ETAL LEASE ACREAGE 88±
PROPOSED WORK : LEASE NO. ___
DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___ OTHER ___
PHYSICAL CHANGE IN WELL (SPECIFY) ___ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 7800'

COUNTY NAME

PERMIT

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346



A N T
Doak
Cem
Keys Cem
Run
(SALEM)
Fork
Righthand
Run
Waldo Run
Wiseman Run
Run
Victory Ch
Cem
TELEPHONE
Wolverton Cem
Oil Well
856
Buckeye
Stanley Cem
Cem
Antioch Ch
Tunnel
BM 831
BM 845
Sherwood
BALTIMORE
AND
Tunnel
BM 856
Wolfpen Run
Long Run
BM 853
OHIO
Long
Run
BM 879
BM 927
PIPELINE
863
860
GREENBRIER
Black Lick Ch
858
Buckeye
856
Black Lick
BM 1155
Buffalo
Calf
Fork
Creek
PIPELINE
Run
918
4622
CANCELLED 4621
TRANS-CAP 1535
4585
TRANS-CAP 1505
5665
CANCELLED 4586
TRANS-CAP 1511
Shaughnissy #2
Shaughnissy #3
CANCELLED 4593
CANCELLED 4632
4614
FAIRMAN
CALTER-RAGERY
CANCELLED 4633
4658
TRANS-CAP
4629
CANCELLED
TRANS-CAP
17'30
43450
40'
39°15
80°37'30"
532000m.E.
INTERIOR—GEOLOGICAL SURVEY, WASHINGTON, D. C.—1963
MR 6122
1 MILE
5000 6000 7000 FEET
ROAD CLASSIFICATION
Heavy-duty
Light-duty

Waiting on transcripts need orders

Chesapeake Appalachia Docket 195-187
Robey Knight Unit
Roane County, WV

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.

[illegible] this card to the back of the mailpiece,

Ed Broome, Inc.
4622 WV Hwy 5, East
Glenville, WV 26351

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature] ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* E A Broome

C. Date of Delivery 10-29-08

[illegible]dress different from item 1? ☐ Yes
[illegible] delivery address below: ☐ No

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 3473

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece,

Alvin l. Engelke
P O Box 143
Creston, WV 26141

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X Ann L. Engelke ☑ Agent ☐ Addressee

B. Received by *(Printed Name)* | C. Date of Delivery

ddress different from item 1? ☐ Yes
er delivery address below: ☐ No

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7008 0500 0001 2132 3503

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Exxon Mobil Production Company
Attention: Derek Riffle
P O Box 4610
Houston, TX 77210-4610

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X GEE
☐ Agent
☐ Addressee

B. Received by *(Printed Name)*

C. Date of Delivery
OCT 31 2005

dress different from item 1? ☐ Yes
delivery address below: ☐ No

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7008 0500 0001 2132 3398

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece.

Melvin Garrett
c/o Nelson Garrett
6812 WV Hwy 47 West
Cox's Mill, WV 26342

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Nelson Garrett ☑ Agent ☐ Addressee

B. Received by *(Printed Name)* Nelson Garrett
C. Date of Delivery 10-25-08

ddress different from item 1? ☐ Yes
r delivery address below: ☑ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 3497

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece,

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X S Clemens ☐ Agent ☐ Addressee

B. Received by (*Printed Name*) S Clemens

C. Date of Delivery 10/31/02

1. ess different from item 1? ☐ Yes
elivery address below: ☐ No

Harrison-Ritchie Oil & Lands Co.
P O Box 659
Wichita Falls, TX 76307

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (*Extra Fee*) ☐ Yes

2. Article Number (*Transfer from service label*) 7008 0500 0001 2132 3404

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if

Harrison Ritchie Oil & Gas Co
JP Morgan Chase Bank
P O Drawer 99085
Fort Worth, TX 76199-0084

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* C. Date of Delivery

ress different from item 1? ☐ Yes
delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7008 0500 0001 2132 3558

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Roger Kelly, Jr.
415 Donna Drive
St. Albans, WV 25177

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X [signature] ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* Roger Kelly

C. Date of Delivery 10/29/08

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

OCT 29 2008
ST ALBANS WV 25177

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 3572

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece.

William Kerns Trust
P O Box 659
Wichita Falls, TX 76307

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Slemens ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* Slemens C. Date of Delivery 10/31/01

dress different from item 1? ☐ Yes
delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 3480

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

John W. Kerns Heirs
JP Morgan Chase Bank
P O Drawer 99085
Fort Worth, TX 76199-0084

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X
☐ Agent
☐ Addressee

B. Received by *(Printed Name)*

C. Date of Delivery

address different from item 1? ☐ Yes
nter delivery address below: ☐ No

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7008 0500 0001 2132 3565

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, o

North Coast Energy Eastern, Inc.
Attention: Frank Rotunda
P O Box 8
Ravenswood, WV 26164

1. A

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature] ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* D Donohew

C. Date of Delivery 10.29.08

s different from item 1? ☐ Yes
very address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 3381

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Georgia P. Sergent
966 Johnson Creek
Walton, WV 25286

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X Georgia Sergent ☐ Agent ☑ Addressee

B. Received by (Printed Name) Georgia Sergent C. Date of Delivery 10/30/06

dress different from item 1? ☐ Yes
delivery address below: ☐ No

3. Service Type

☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 3596

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece,

1.

Benjamin & Alice Thomas
1686 Vineyard Ridge
Walton, WV 25287

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Richard R Abber
☐ Agent
☐ Addressee

B. Received by (*Printed Name*) Richard R Abber Postmaster
C. Date of Delivery 10/30/08

...ess different from item 1? ☐ Yes
...elivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (*Extra Fee*) ☐ Yes

2. Article Number (*Transfer from service label*) 7008 0500 0001 2132 3374

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Union National Bank of WV, Trustee for
John & Jean Morris
P O Box 659
Wichita Falls, TX 76307

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X S Clemens ☐ Agent ☐ Addressee

B. Received by (*Printed Name*) S Clemens

C. Date of Delivery 10/31/08

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (*Extra Fee*) ☐ Yes

2. Article Number (*Transfer from service label*) 7008 0500 0001 2132 3435

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Union National Bank of WV, Trustee for
William Watson
P O Box 659
Wichita Falls, TX 76307

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X S Clemens ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* S Clemens C. Date of Delivery 10/31/08

ddress different from item 1? ☐ Yes
r delivery address below: ☐ No

☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 3442

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Union National Bank of WV, Trustee for
Robert & Lois Morris
P O Box 659
Wichita Falls, TX 76307

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X SClemens ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* SClemens C. Date of Delivery 10/31/08

dress different from item 1? ☐ Yes
delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

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Union National Bank of WV, Trustee for
Nancy Sanders
P O Box 659
Wichita Falls, TX 76307

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X SClemens ☐ Agent ☐ Addressee

B. Received by (Printed Name) SClemens C. Date of Delivery 10/31/18

dress different from item 1? ☐ Yes
delivery address below: ☐ No

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7008 0500 0001 2132 3459

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. A

Union National Bank of WV, Trustee for
William & Virginia Morris
P O Box 659
Wichita Falls, TX 76307

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Sclemens ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* Sclemens
C. Date of Delivery 10/31/16

s different from item 1? ☐ Yes ☐ No
very address below:

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 3411

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece,

Waco Oil and Gas
P O Box 800
Glenville, W.V 26351

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature] ☒ Agent ☐ Addressee

B. Received by *(Printed Name)* Jason Frymyer C. Date of Delivery 10/29/08

dress different from item 1? ☒ Yes
delivery address below: ☐ No

P.O. Box 397
Glenville, WV 26351

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7008 0500 0001 2132 3541

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

FROM: _____

_____

INTERDEPARTMENTAL

- DO NOT METER -

TO: Docket 195-187

_____

_____

PERSONAL - CONFIDENTIAL

TIMOTHY M. MILLER
ATTORNEY AT LAW

P.O. BOX 1791
CHARLESTON, WV 25326

DIRECT DIAL: (304) 347-8336
E-MAIL: tmm@ramlaw.com

September 22, 2009

Via Telecopy 304-357-0473
The Honorable Charles E. King
Judge, 13th Judicial Circuit
Kanawha County Judicial Building
111 Court Street, Fl 6
Charleston, WV 25301

Re: Petition To Quash Subpoena Duces Tecum
Civil Action No. 09-MISC-255

Dear Judge King:

I have received a **Notice of Scheduling Conflict** filed by Thomas Whittier, in connection with a hearing on a Petition to Quash a Subpoena, which was set for hearing before you at 9:30 a.m. on Monday, September 28.

Please be advised that I do not have any objection to the continuance of the hearing on my motion in order to accommodate Mr. Whittier's scheduling conflict. For the convenience of the Court, I have attached a proposed order continuing the hearing and directing us to confer with your secretary regarding rescheduling.

Sincerely,

Timothy M. Miller /bls

Timothy M. Miller

TMM/bls
cc: The Honorable Thomas C. Evans, III, Chief Judge- via telecopy
Beverly Greathouse, Roane County Circuit Clerk- via telecopy
Cathy Gatson, Kanawha County Circuit Clerk- via telecopy
Thomas N. Whittier, Esquire- via telecopy
Wendy Radcliffe, WV DEP- via telecopy

IN THE CIRCUIT COURT OF KANAWHA COUNTY, WEST VIRGINIA

IN RE:
SUBPOENA DUCES TECUM
ISSUED BY THE WEST VIRGINIA
OIL AND GAS CONSERVATION
COMMISSION UPON APPLICATION
OF ALVIN ENGELKE, CRESTON
WELL SERVICE, INC., GARNET
GAS CORP. et al.

Civil Action No. 09-MISC-255

ORDER

On this day came the Respondent, by counsel, and advised the Court of a scheduling conflict, in accordance with Rule 5.04 of the Trial Court Rules. Whereupon, counsel for the Petitioner advised that it did not have any objection to the continuance of the hearing which is currently set in this matter for 9:30 a.m. on September 28, 2009. Accordingly, it is hereby,

ORDERED, that the hearing set for 9:30 a.m. on September 28, 2009, is continued, and the parties are directed to confer with the court staff to reschedule the hearing.

ENTERED BY: _____
Charles E. King, Judge

ROBINSON
&McELWEE
PLLC

P.O. BOX 1791
CHARLESTON, WV 25326

TELEPHONE: 304.344.5800
FACSIMILE: 304.344.9566

FACSIMILE COVER SHEET

Date: September 22, 2009

To: **Honorable Charles E. King, Judge – 304-357-0473**
Honorable Thomas C. Evans, III, Judge – 304-372-4407
Beverly Greathouse, Roane Co. Clerk – 304-927-2164
Cathy Gatson, Kanawha Co. Clerk – 304-357-9819
Thomas N. Whittier, Esquire – 304-927-6050
~~Wendy Radcliffe,~~ WV DEP – 304-926-0452

Client/Matter Number: **CHSAPP/57914**

From: **Timothy M. Miller, Esq.**

Number of Pages (Including Cover Sheet): **3**

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COMMENTS:

Please contact Beverly Sisson at 304.344.5800, ext. 8398, if any problems occur with this fax. Please deliver immediately upon receipt.

Raines, Cindy J

From: Raines, Cindy J
Sent: Thursday, May 28, 2009 9:47 AM
To: 'David McMahon'
Subject: OGCC hearing
Attachments: OGCC 195-187 continuance.doc

Attached is a Notice of Hearing....which is a continuance to the previously filed application for the establishment of a drilling unit by Chesapeake from Dec 2008. If you recall Chesapeake withdrew their application due to some notice and leasing issues.

Cindy Raines
Oil and Gas Conservation Commission
601 57th Street, SE
Charleston, WV 25304

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION
BY CHESAPEAKE APPALACHIA, LLC FOR
AN ORDER FROM THE COMMISSION
ESTABLISHING A 695.28 ACRE DRILLING UNIT AND POOLING OF UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA

DOCKET NO. 195
CAUSE NO. 187

TRANSCRIPT OF PROCEEDINGS had or testimony adduced in the above-entitled matter, on the on the 22md day of July, 2009, commencing at 9:20 a.m. and concluding at 10:05 a.m., at the Office of the Department of Environmental Protection, 601 57th Street, S.E., Charleston, Kanawha County, West Virginia, pursuant to notice to all interested parties.

BEFORE: BARRY LAY, Chairman
JAMES MARTIN, Member
ANTHONY GUM, Member
WENDY RADCLIFFE, Counsel
CYNTHIA RAINES, Staff

ORIGINAL

NANCY MCNEALY
CERTIFIED COURT REPORTER
Post Office Box 13415
Charleston, West Virginia 25360-0415
(304) 988-2873 FAX (304) 988-1419

APPEARANCES:

ON BEHALF OF CHESAPEAKE APPALACHIA, LLC:

TIMOTHY M. MILLER, Attorney at Law
Robinson & McElwee, PLLC
Post Office Box 1791
Charleston, West Virginia 25326-1791

ON BEHALF OF CRESTON, ET AL:

THOMAS N. WHITTIER, Attorney at Law
Hedges, Jones, Whittier and Hedges
Post Office Box 7
Spencer, West Virginia 25276

ALSO PRESENT

THORN C. ROBERTS
Post Office Box 92
Elizabeth, West Virginia 26143
(304)275-6574
tcroberts2002@yahoo.com

I N D E X

Exhibits:	Marked & Received
No. 1, Request for Continuance dated May 14, 2009	5
No. 2, Application	5
No. 3, Letter dated June 10, 2009	5
No. 4, Notice of Continuance with Return Receipts	5
No. 5, Letter dated June 29, 2009	5
No. 6, Letter dated July 8, 2009	5
No. 7, Motion for Continuance received July 10, 2009	5
No. 8, Letter of July 15, 2009	5
No. 9, Letter of July 20, 2009	5
No. 10, Letter of July 14, 2009	5

Reporter's Certificate.....Page 25

CHAIRMAN LAY: Before the West Virginia Oil and Gas Conservation Commission on the matter of the Application of Chesapeake Appalachia, LLC for an Order from the Commission to Establish a 695.28 Acre Drilling Unit and Pooling of the Interests of the Oil and Gas Owners and Operators who have not entered into Voluntary Agreements for the Formation of a Unit to Develop and Operate the Unit in Walton District, Roane County, West Virginia. This is Docket 195, Cause No. 187.

Let the record show that present are members of the Commission, James Martin, Tony Gum, Barry Lay, Wendy Radcliff, Counsel, and Cindy Raines of Staff.

I'd like to place of record as Exhibit 1, copy of Notice of the Request for Hearing dated May 14, 2009; Exhibit 2 a copy of the Application; Exhibit 3 a letter dated June 10, 2009, which is the Notice of Conference and publication and the addresses collectively as Exhibit 3; Exhibit 4 is a copy of the Commission's Notice of Continuance with the return receipts; Exhibit 5 is a letter from Hedges, Jones, Whittier and Hedges dated June 29, 2009, which includes a notice of objection and request for hearing; Exhibit 6 is a letter dated July 8, 2009, from the Commission to Mr. Whittier and attached is the subpoena. I have a Motion for Continuance sent to

Nancy Sergent-Long dated or a request for a continuance, I'm sorry. It was received by the Commission July 14. I don't see a date. Oh, July 10. And a letter replying to her dated July 15 as 8; 9 is a letter from Robinson & McElwee dated July 20th. I'm not going to attempt that with whatever the inclosures attached to it are and, finally, a letter from Hedges, Jones, Whittier and Hedges dated July 17th with a copy of the return subpoena and the attachments as Exhibit 10.

(WHEREUPON, the Notice for Request of Hearing was marked as Exhibit No. 1; the Application was marked as Exhibit No. 2; the June 10, 2009, Letter was marked as Exhibit No. 3; the Notice of Continuance was marked as Exhibit No. 4; the June 29, 2009, Letter was marked as Exhibit No. 5; the July 8, 2009, Letter was marked as Exhibit No. 6; the Motion to Continue dated July 10, 2009, was marked as Exhibit No. 7; the July 15, 2009, Letter was marked as Exhibit No. 8; the July 20, 2009, letter with

documents was marked as Exhibit 9 and the July 17, 2009, letter was marked as Exhibit No. 10 for identification and received in evidence.)

CHAIRMAN LAY: The Commission will now take appearances.

MR. MILLER: On behalf of the Applicant, Chesapeake Appalachia, my name is Tim Miller.

MR. WHITTIER: On behalf of Creston Company and other named Respondents, I'm Thomas N. Whittier. With me is Alvin Engelke is a principal of Creston Company.

MR. ROBERTS: I'm Thorn Roberts. I'm a bystander and I'd like to be placed on your mailing list to know about future proceedings, please.

CHAIRMAN LAY: Mr. Miller, I understand, first of all, a joint motion?

MR. MILLER: Yes, Mr. Chairman. On behalf of Chesapeake Appalachia, we and I think you marked as Exhibit No. 9 our July 20 letter which enclosed a petition to the Circuit Court of Kanawha County, it's a motion to modify or quash the subpoena that was issued. We don't have a hearing date and on that basis we want to move to continue this hearing date until such time as we get a ruling from

the Circuit Court of Kanawha or otherwise agree on a production of documents in which case then we would notify Ms. Raines for rescheduling of a hearing.

CHAIRMAN LAY: Mr. Whittier, do you join in that? I assume that is in the form of a motion for continuance?

MR. MILLER: Yes.

MR. WHITTIER: The Respondents which I represent join in that motion.

CHAIRMAN LAY: Okay.

MR. WHITTIER: Matters pending in the circuit court. We don't know a date.

CHAIRMAN LAY: Do I have a motion?

MR. GUM: I do. So move we grant that continuance.

MR. MARTIN: Seconded.

CHAIRMAN LAY: It's been properly moved and seconded. Any further discussion? All those in favor of the motion, aye.

COMMISSION: Aye.

CHAIRMAN LAY: Opposed, nay. We will grant the continuance to a date to be set at the conclusion of either a settlement between the parties or a ruling from the circuit court. Mr. Whittier, you said you had something else potentially for the record today?

MR. WHITTIER: In my response and objection to the application, I made a motion that discovery be permitted by the Commission. The Commission's rules do not provide for discovery, but in this case I anticipate there would be numerous witnesses and numerous documents which the discovery process as used in the rules of civil procedure in effect before circuit courts in the state of West Virginia would expedite the procedure and be a more efficient means of reviewing the evidence rather than receiving matters just at the time or receiving matters which raise other matters which commonly would be in litigated matters be the subject of discovery.

Now the enabling legislation for your Commission does not speak to whether or not you would have hearings according to the rules of civil procedure but the fact that there is an evidentiary hearing implies that you have the power to set forth a reasonable procedure for hearings and you have enacted rules of procedure but those rules do not speak to discovery, but they do not prohibit discovery, and I think discovery according to rules of the civil procedure is a tried and true manner to sift through the types of matters or evidence that comes before a Commission or a semi-quasi judicial body such as this and would be saving of your time and expedite the hearing

process. So I ask that the Commission permit discovery.

MR. MILLER: At this time Chesapeake is opposed to the request. Our response is the Commission does have the power to issue subpoenas which it did. We have an objection not to the power of the Commission to issue a subpoena to the scope and the types of information that has been requested by Mr. Whittier, and the Code §29A-5-1 provide that disputes to be resolved in the circuit court of the county where the hearing is to be held which is what we've asked to do. That will allow if the court agrees that certain documents requested in the subpoena should be produced and, in fact, you will be getting document discovery.

I advised Mr. Whittier yesterday that in the event the court does order us to produce any documents or we agree to produce any voluntarily, I would certainly think it would be more productive if we produced those in advance of the hearing so he has time to study those rather than produce just at the hearing and I've agreed to do that.

He indicated to me he would like to take depositions, and I don't see anything in the Commission rules that require the rules of civil procedure to be adopted or anything the power of subpoena which is a form,

I suppose, of discovery or compelling witnesses to be present for examination. I think there's a reason for that. Administrative law cases and the Commission is typically set up not to be as complex as our litigation system is in the circuit courts and for that reason we believe there is no inherent power of the agency to require or compel a party to engage in other forms of civil discovery that you have in litigation. So we don't think there's any statutory or regulatory rules that authorize or empower a compelling power to engage in civil discovery like we have in a circuit court.

For that reason at this time we object to Mr. Whittier asking we consent to certain objections. I told him I -- or depositions. Last night we talked about this. I've inquired. I don't have an answer yet from my client. In the absence of an answer at this point in time, I'm assuming the answer will be no, we're not agreeing to it. If that changes, I'll let Mr. Whittier know. We might agree on some ground rules to do that, but absent some voluntary agreement, I don't believe we agree that we be subjected to a full panoply of discovery you could have in a civil case.

CHAIRMAN LAY: Okay. If we could go off the record for a second, I'll have to talk to Counsel and the

Commission.

(WHEREUPON, a recess was taken, after which the proceedings continued as follows:)

CHAIRMAN LAY: Do I have a motion with regard to the request for discovery from Mr. Whittier?

MR. MARTIN: Mr. Chairman, I do move that that request be denied.

MR. GUM: And I'll second that motion.

CHAIRMAN LAY: Any further discussion? All those in favor of the motion say, aye.

COMMISSION: Aye.

CHAIRMAN LAY: Opposed nay. Motion carried. We will, however, offer counsel the opportunity if he wishes to examine specific witnesses, we will issue subpoenas for those witnesses at the day of hearing and if you find that it is necessary, you certainly have the option of requesting a follow up or briefing any testimony or witnesses during the hearing that we have.

MR. WHITTIER: Thank you.

CHAIRMAN LAY: One thing I think we would like to go a little further. I know you have an action, Mr. Miller, in circuit court with regard to the subpoena, and I know the subpoena was requested by Mr. Whittier's clients.

There are, however, certain points I think that the Commission would like to discuss with regard to that if it's proper, and I believe counsel said she believed it would be.

There are certain of this -- certain items that were requested in the subpoena that the Commission would find imperative in making a decision in this case and I can address them one by one. We actually received a more lengthly subpoena from Mr. Whittier. The Commission along with counsel pared that down to what we felt were pertinent items and if you have any questions when I'm going through this, please stop me and ask them, but the first point of the subpoena was any geophysical or seismic data of testing or information over the -- I think we have it worded -- conducted or near the properties with regard to the Newburg, the Tuscarora, the Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement; that's something that, in the absence of having geophysical logs or any other testing data, the Commission feels would be imperative for us to make a decision on the size of the potential unit. That information could be provided to the Commission under a protective order, under seal. It would be available only for the day of the hearing and for the Commission. Clients or the opposition

would be able to view it but not to possess it or use it other than to view that day. That's one piece that we believe would be essential. Any questions?

MR. MILLER: No. I had anticipated an issue that might be resolved by some type of protective order or filing under seal or something.

CHAIRMAN LAY: And I think, like I said, the Commission has done that in the past. We've filed it under both protective order and seal possessed by the Commission and not allowed to leave the Commission's possession or to be reviewed outside of the hearing date.

The second item, production as it relates to those specific formations, limited to those wells. That should be public record and it does come -- if those are, in fact, producing in the formations that are listed in the application, we would like to see that data. Any questions?

MR. MILLER: No.

CHAIRMAN LAY: And as it pertains only to the Newburg, the formations listed here. Item C, I think is pertinent to the Commission with regard to these formations only. If there is an agreement to develop with this party or any other party, it goes to the consideration that the parties should be receiving for forced pooling, and I think

that's important to the Commission.

Same as with Article D of the subpoena, as it pertains to these formations and that particular well, it is close enough proximity that it may be an analogy to the well that we are proposing. Any questions?

MR. MILLER: No.

CHAIRMAN LAY: As to Article E, again, if that pertains to participation in these formations within the Roane area or surrounding counties only, then the Commission would be interested in what those participation agreements consist of. That would again go to consideration to be paid to the or participating rights granted to the pooled interest.

Item F, I think again is public record. We granted it but I think it's something that counsel could obtain from the Commission and to my knowledge, I don't think there are any, are there, in the five years?

MS. RAINES: For Chesapeake?

CHAIRMAN LAY: For anyone. Is that specifically for Chesapeake?

MS. RAINES: I don't think. I'd have to check.

CHAIRMAN LAY: Chesapeake? To my knowledge there aren't any and it pertains only to these formations and those counties and those counties alone. That's Roane

County, Jackson, Calhoun, Clay, Kanawha. I think that covers only the surrounding counties. If we missed one, certainly then it's our intent to focus on Roane County and the counties surrounding.

MR. WHITTIER: Wirt.

CHAIRMAN LAY: Does Wirt adjoin?

MR. WHITTIER: Yes.

CHAIRMAN LAY: We'd have no problem adding Wirt County to that. I didn't have a map when we said this. I don't think Wirt was on your request.

MR. WHITTIER: I don't think it was.

CHAIRMAN LAY: So that's why we ignored that one. So you didn't request it, so we didn't add it.

MR. GUM: It's now added.

CHAIRMAN LAY: Again, Item I only information that Chesapeake would have used to solicit partners in those -- for development of this type well in those counties. Any questions?

MR. MILLER: Which one were you referring to?

CHAIRMAN LAY: This is Item I of the subpoena. "Any documents showing the identity of any party who are or who have been solicited as partners in the well described in the application" in this matter but limited to Roane, Calhoun, Jackson, Clay and Kanawha Counties. I think

that's -- actually, we added those counties, but I think it specifically says "partners in the well described in the application," so I think the counties are ambiguous. It's purely into this well and again, I think that's something that the Commission should review before making a decision.

Item J, with regard to the costs, I think that is most definitely an item that is of interest to the Commission to be able to set what participating parties should pay. Item K, again, that's confined only to this particular well and it's any offers or solicitations for right to participate in this well that Chesapeake may have made, any party.

MS. RADCLIFF: If I may, Mr. Chairman, the reason that we went through this is so that Chesapeake would have some indication of the interest of the Commission as well as these documents in terms of we don't want to get into a situation where the Commission would meet again on the next time and perhaps certain things would not have been included in the subpoena but make you aware that is the information the Commission is interested in as well so that we wouldn't then need to have another continuance to be able to bring that kind of information in. So that was the purpose of going over the subpoena in such detail.

MR. MILLER: Well, I appreciate you doing that because, obviously, we understood there was information that the Commission was going to need to make a decision while we -- and I just got involved in this Monday, so I'm catching up pretty fast on this, but a lot of things we are considering were there's proprietary confidential information. We were concerned about confidentiality; probably can be worked out by protective order or something. So we understood that there was, obviously, geophysical information the Commission was going to need and we did not want to produce it and, in fact, make it a public record and I'll be producing a response to that.

So I appreciate you giving me your insight what the Commission think is relevant and I will, obviously, go back to Chesapeake and make them aware of that and assume we can work out -- hopefully, we'll be able to work out.

CHAIRMAN LAY: Well, I think it's our intent that we be given all the pertinent information with regard to this application. We're not interested in business outside of this either unit or surrounding area if it's generalities with regard to consideration for acreage, but I think it's imperative that we know, you know, what Chesapeake has offered and acquired acreage in the specific

area that regards -- that is regarding the development of these formations.

That does not mean the Marcellus; that does not mean the shallow formations. That means these specific formations and it does not mean northern West Virginia or southern West Virginia. It means this geographic area. Is that correct?

MS. RADCLIFF: In terms of what you believe to be relevant.

CHAIRMAN LAY: To what we believe to be relevant, yes.

MS. RADCLIFF: Certainly parties could make arguments but, you know, during the hearing that some other information be relevant but that would be subject to the ruling of the Commission.

MR. MILLER: And that was our biggest concern was the breath of the request as we read it was that, for example, you got a Marcellus well and it's targeted for the Marcellus and in the adjoining county what was paid for that, we felt that it had no relevance.

CHAIRMAN LAY: No, that's why it was limited to those formations.

MR. MILLER: Okay.

CHAIRMAN LAY: Our subpoena was limited to that.

It wasn't intended to -- what we allowed was that you could -- if it was for development of those formations, then it's definitely pertinent, but if not, it wouldn't be. It's not pertinent. Okay?

MR. MILLER: I understand.

CHAIRMAN LAY: Any questions, Mr. Whittier?

MR. WHITTIER: No. The Commission has made itself clear. I think for the record or to preserve the record, I would note the objection to the Respondents of not issuing the subpoenas in the form originally requested just generally.

CHAIRMAN LAY: I understand and we felt that your subpoena was too broad.

MR. WHITTIER: I understand that and I understand the Commission's -- and respect the Commission's ruling in that regard.

CHAIRMAN LAY: And I think there's a couple reasons for that. First of all, you know, and this may or may not be the case, but there's been a lot of activity in areas for Marcellus development which is, if it's done in its -- in the Marcellus only, it is a shallow well and therefore outside the purview of the Commission.

Now certainly if a well is drilled into the Onondaga more than 20 feet, then it becomes a deep well so.

MR. WHITTIER: That's an issue --

CHAIRMAN LAY: That's another issue.

MR. WHITTIER: Another set of rules.

CHAIRMAN LAY: Another issue.

MR. WHITTIER: Yeah.

MR. MILLER: Can I back up and ask you about one --

CHAIRMAN LAY: Certainly.

MR. MILLER: -- which was Letter J on the subpoena?

CHAIRMAN LAY: And what was that?

MR. MILLER: "actual cost of the right to participate in the well"?

CHAIRMAN LAY: Yes.

MR. MILLER: My understanding is that we've submitted an AFE showing what we project the cost to be. What I would understand to be the actual cost is when we drill the well, produce that information.

CHAIRMAN LAY: I think I read this differently. This was not the AFE but if Chesapeake charged to promote to a party to participate in the well outside of the AFE, which would be additional costs in carrying G&A or GG&L, any of those type costs, which would be general administrative or geological geophysical and land costs or

promotional costs to participate in that well to a third party, is what I anticipated those costs being outside of the AFE or maybe they're included in the AFE. I'm not sure.

MR. MILLER: Okay. Now I understand. I understand what you're talking about now.

CHAIRMAN LAY: And I think that's pertinent. Wendy, did I miss anything?

MS. RADCLIFF: No.

CHAIRMAN LAY: Okay, anything else for the record today?

MR. WHITTIER: Nothing else.

MR. MILLER: No, thank you.

CHAIRMAN LAY: Okay, as soon as we have -- if you gentlemen are able to sit down and resolve the issue, I mean is there any chance that we can do that today while we're here with regard to the subpoenas or, Mr. Miller, are you able to deal for your client?

MR. MILLER: I'm not. Mr. Moffatt had planned on being here and couldn't be here today. I put a call into him last night about the discovery that was requested by Tom and I don't have an answer back yet so I will continue to pursue that, but I know at least some of it would be a question of a protective order information and

some of it is just a question of relevance, but we're going to try to resolve all we can, obviously.

CHAIRMAN LAY: If you're able to resolve that, please notify the Commission and if once we have a ruling from circuit court, I'd like for you to collectively along with Cindy from our staff determine a hearing date and we will notice the parties here today along with -- I think we have one other person that was interested that required notice. Those will be the parties that are noticed of a hearing date.

MR. MILLER: I called -- advised with Ms. Radcliff I called Judge King's office yesterday to find out the earliest hearing date we could get and he was out and they wouldn't give me a hearing date yesterday so I have to call back today.

MS. RADCLIFF: Mr. Whittier, what amount of time do you think you'll need to be able to review the information after it's been determined?

MR. WHITTIER: That's very hard to say because I don't know what the information will be and information usually breeds questions, more questions, and consequently, more subpoenas but I don't know. Probably a couple of weeks.

CHAIRMAN LAY: Now one thing I don't think that

the Commission wants to do is to make this a long, drawn-out affair, so we will allow you maybe one more bite at the apple, so to speak, after you get this specific information.

MR. WHITTIER: I understand.

CHAIRMAN LAY: The one thing I would ask is that any parties that you wish -- that you had mentioned that you wanted to examine in depositions that we denied, if you do wish those parties subpoenaed, I'd like to have that as soon as possible so Mr. Miller has an opportunity to see that, and then they can raise any objections that they have with regard to that.

MR. WHITTIER: Okay.

CHAIRMAN LAY: So that we're not waiting on another court issue. So if you'll produce that -- any potential witnesses you wish to subpoena within the next -- I'll give you seven days from today.

MS. RADCLIFF: Some of that may depend on what the information that gets supplied. So once it's, you know.

MR. WHITTIER: Right.

CHAIRMAN LAY: Yes, that's true. We can modify it afterwards.

MR. WHITTIER: I have a general idea of people,

but I need to know what the documents say.

CHAIRMAN LAY: Well, we'll give you a couple of weeks after you receive the information to give us a list so.

MS. RADCLIFF: And if you can do it cooperatively, that would certainly be better. If you can provide a list to Mr. Miller and then find out if you need a subpoena. You know, it may be that there's some opportunity just to be able to -- that he would produce the people to attend the hearing without getting a subpoena, but if you have to have a subpoena, we'll certainly review that.

CHAIRMAN LAY: My only concern was timing when we did that. I don't want to drag this out for five months. Okay, anything else from members of the Board?

MR. GUM: No.

CHAIRMAN LAY: Or Commission, I'm sorry.

MR. MARTIN: No.

CHAIRMAN LAY: If not, anything from counsel?

MR. MILLER: I have nothing further.

CHAIRMAN LAY: Okay, we'll close the record until a date of the continuance. Thank you.

(WHEREUPON, the proceeding was concluded.)

REPORTER'S CERTIFICATE

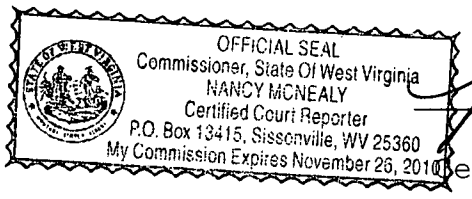
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, to wit:

I, **NANCY MCNEALY**, Certified Verbatim Court Reporter and Commissioner of West Virginia, do hereby certify that the foregoing is, to the best of my skill and ability, a true and accurate transcript of all the proceedings as set forth in the caption hereof.

Given under my hand this 29th day of July, 2009.

My commission expires November 26, 2010.



Certified Verbatim Reporter
Commissioner of West Virginia

Chesapeake ENERGY

LAW DEPARTMENT

Tinki M. Baker
Paralegal
900 Pennsylvania Avenue
P. O. Box 6070
Charleston, WV 25362-0070
DD: 304.353.5180
Fax: 304.353.5234
Email: tinki.baker@chk.com

May 14, 2009

Ms. Cindy Raines
WV Oil & Gas Conservation Commission
601 57th Street
Charleston, WV 25304

Re: Docket No. _____, Cause No. _____
IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, L.L.C. FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b)

Dear Cindy:

Enclosed for filing with the West Virginia Oil & Gas Conservation Commission ("Commission") is Chesapeake Appalachia, L.L.C.'s Application (including exhibits) requesting an Order from the Commission to establish a 695.28-acre drilling unit and pooling interests for the above-captioned matter. Please schedule a hearing in this matter and advise me of the time and date.

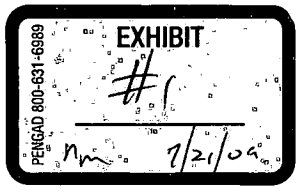
Thank you for your assistance in this matter. Should you have any questions, feel free to call me.

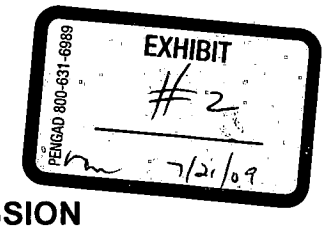
Sincerely,

Tinki M. Baker

Attachment

cc: Brett Loflin – Chesapeake Appalachia, L.L.C.
Greg Franz – Chesapeake Appalachia, L.L.C.
Keith E. Moffatt – Chesapeake Appalachia, L.L.C.





BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, L.L.C. FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. _____

CAUSE NO. _____

APPLICATION

The Applicant, Chesapeake Appalachia, L.L.C. ("Applicant"), an Oklahoma limited liability company, avers and alleges the following:

1. This Application is filed pursuant to West Virginia Code, 22C-9-7(b), and the rules and regulations of the West Virginia Oil and Gas Conservation Commission ("Commission").

2. Applicant is an operator within the meaning of West Virginia Code, 22C-9-2(a)(4).

3. Applicant has filed an application for a drilling permit with the West Virginia Department of Environmental Protection for the drilling of Well No. 826848 inside the proposed 695.28-acre unit. The drilling permit application is attached hereto and made a part hereof as Applicant's Exhibit No. 1.

4. Applicant owns the surface tract of land upon which the proposed Well No. 826848 is to be drilled. A recorded copy of the Deed into Applicant is attached hereto and made a part hereof as Applicant's Exhibit No. 2.

5. Applicant proposes to drill Well No. 826848 to the basement (estimated total depth of 22,350 feet) in a unit containing 695.28 acres, more or less. To the best of the knowledge of Applicant, no operator other than the Applicant desires to operate Well No. 826848. Well No. 826848 is over 400 feet from the nearest unit or lease boundary and over 3000 feet from the nearest deep well.

6. If Well No. 826848 is successful, Applicant estimates reserves of 9.0 BCF and believes that the proposed 695.28-acre unit reasonably approximates the maximum area which will be economically and efficiently drained by that well.

7. An Authority for Expenditure showing the estimated dry hole and completion costs for Well No. 826848 is attached hereto and made a part hereof as Applicant's Exhibit No. 3.

8. Applicant has obtained voluntary lease agreements containing unitization provisions from the oil and gas owners and voluntary development agreements from operators, covering in total, more than 92% of the net acres within the proposed 695.28-acre unit.

9. Applicant has been unable to acquire leases, voluntary unitization agreements or voluntary development agreements from owners of oil and gas interests or operators in certain designated tracts within the proposed 695.28-acre unit, as described in Applicant's Exhibit No. 4, and shown by map on Applicant's Exhibit No. 5, attached hereto and made a part hereof.

10. Applicant has contacted, or made reasonable attempts to contact, (i) the oil and gas owners of unleased tracts; (ii) the oil and gas owners of leased tracts whose leases do not contain a voluntary pooling/unitization clause; and (iii) the uncommitted operators of oil and gas leases, for the purpose of obtaining voluntary agreements allowing for the development of the proposed unit, but these contacts and attempts have not met with success.

11. Applicant represents that unless an Order is entered by the Commission forming the 695.28-acre unit, designating Applicant as operator of Well No. 826848 and pooling the interests of (i) the oil and gas owners of unleased tracts; (ii) the oil and gas owners of leased tracts whose leases do not contain a voluntary pooling/unitization clause; and (iii) the uncommitted operators of oil and gas leases, the oil and gas within the proposed 695.28-acre unit will not otherwise be produced and developed.

12. Applicant respectfully represents that the granting of the relief requested in this Application will:

(a) Foster, encourage and promote development, production, utilization, and conservation of oil and gas resources;

(b) Prohibit waste of oil and gas resources;

(c) Encourage the maximum recovery of oil and gas in the proposed 695.28-acre unit; and,

(d) Protect the correlative rights of the oil and gas owners within the proposed 695.28-acre unit.

WHEREFORE, Applicant respectfully requests that the Commission enter an Order (i) forming the proposed 695.28-acre unit; (ii) designating Applicant as operator of proposed Well No. 826848; (iii) pooling the interests of (a) the oil and gas owners of unleased tracts; (b) the oil and gas owners of leased tracts whose leases do not contain

a voluntary pooling/unitization clause; and (c) the uncommitted operators of oil and gas leases, in the proposed 695.28-acre unit, consistent with and pursuant to the provisions of West Virginia Code, 22C-9-7(b), and (iv) granting such other relief, both general and special in nature, as the Commission deems just and fair.

CHESAPEAKE APPALACHIA, L.L.C.,
An Oklahoma Limited Liability Company
By Counsel

Keith E. Moffatt/hmb

KEITH E. MOFFATT
COUNSEL FOR APPLICANT
Chesapeake Appalachia, L.L.C.
P. O. Box 6070
Charleston, West Virginia 25362-0070

W:\Tinki\Force Pooling\Application.Knight2.doc

WW-2B

API Well#: 047- (State) 087- (County) _____ (Permit)

State of West Virginia
Department of Environmental Protection, Office of Oil and Gas
Well Work Permit Application

1) Well Operator: Chesapeake Appalachia, L.L.C. 2) Operator ID #: 494477557

3) Operator's Well #: 826848 4) Elevation: 1101'

5) County/District: 087-Roane / 7-Walton 6) Quadrangle: 300 - CLIO

7) Well Type: ☐ Oil ☒ Production ☒ Deep (More than 20 feet into Onondaga Group)
☒ Gas ☐ Storage ☐ Shallow (Less than 20 feet into Onondaga Group)

8) Proposed Target Formation(s): Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run

9) Proposed Total Depth: 22,401 Copper Ridge, Conasauga, Rome, Basement

10) Approximate fresh water depths: 316'

11) Approximate coal seam depths: None reported in offset wells

12) Approximate salt water depths: 1511'

13) Does land contain coal seams tributary to active mine? ☐ YES ☒ NO

14) Describe proposed well work: To drill & stimulate new well

15) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	Used For Drilling	Left in Well	Fill-Up (Cu. Ft.)
Conductor	36"	L.S.	282	As Needed	As Needed	Sanded In
Fresh Water	30"	L.S.	157	336'	336'	469
Intermediate	20"	J-55	117	2100'	2100'	2015
Intermediate	13 3/8"	P-110	85	9800'	9800'	4279
Intermediate	9 5/8"	Q-125	53.5	18,250'	18,250'	2437
Production	5.5"	Q-125	26	22,401'	22,401'	762
Tubing	2 3/8"	M-80	5.95		As Needed	

Check #: 7930001192
Amount: $900.00

Packers: Kind: _____
Sizes: _____
Depths Set: _____

EXHIBIT NO. 1
PAGE 1 of 18

WW-2A

1) Date: Augus 6, 2008

2) Operator's Well #: 826848

3) API Well #: 047- 087- _____
State County Permit

State of West Virginia
Department of Environmental Protection, Office of Oil and Gas
Well Work Permit Application

4) Surface Owners to be served:
a) Name Chesapeake Appalachia, L.L.C.
Address P.O. Box 6070
City Charleston State WV Zip Code 25362-0070

b) Name _____
Address _____
City _____ State _____ Zip Code _____

5)(a) Coal Operator:
Name None
Address _____
City _____ State _____ Zip Code _____

b) Coal Owner with Declaration:
Name Chesapeake Appalachia, L.L.C.
Address P.O. Box 6070
City Charleston State WV Zip Code 25362-0070

6) Inspector:
Name Ed Gainer
Address P.O. Box 821
City Spencer State WV Zip Code 25276

c) Coal Lessee with Declaration:
Name None
Address _____
City _____ State _____ Zip Code _____

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 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: Chesapeake Appalachia, L.L.C.

Signed By: _____

Its: Vice President of Operations

Address P.O. Box 6070

City Charleston State WV Zip Code 25362

Phone Number: 304-353-5000

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
Betty J. Paolini
1900 Pine Manor Road
Charleston, WV 25301
My Commission Expires Nov. 18, 2008

Subscribed and sworn before me this 11th day of August, 2008

Betty J. Paolini
Notary Public

My Commission Expires: November 18, 2008

EXHIBIT NO. 1
PAGE 2 of 18

WW-2A SUPPLEMENT

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

West Virginia Department of Environmental Protection
Office of Oil and Gas

ADDITIONAL SURFACE OWNERS TO BE NOTICED

Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____

EXHIBIT NO. 1
PAGE 3 of 18

WW-2A SUPPLEMENT

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

West Virginia Department of Environmental Protection
Office of Oil and Gas

ADDITIONAL COAL OWNERS/OPERATORS/LESSEES TO BE NOTICED

COAL OWNERS

Name Benjamin Jack Thomas & Alice F. Thomas	Name
Address 1686 Vineyard Ridge	Address
City Walton State WV Zip Code 25266	City State Zip Code
Name	Name
Address	Address
City State Zip Code	City State Zip Code

COAL OPERATORS

Name	Name
Address	Address
City State Zip Code	City State Zip Code
Name	Name
Address	Address
City State Zip Code	City State Zip Code

COAL LESSEES

Name	Name
Address	Address
City State Zip Code	City State Zip Code
Name	Name
Address	Address
City State Zip Code	City State Zip Code

EXHIBIT NO. 1
PAGE 4 of 18

WW-2A Surface Waiver

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

SURFACE OWNER WAIVER

INSTRUCTIONS TO SURFAC OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, WV 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons;
2) The soil erosion and sediment control plan is not adequate or effective;
3) Damage would occur to publicly owned lands or resources;
4) The proposed well work fails to protect fresh water sources or supplies;
5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials. I have no objection to the applicant drilling another well within 50 feet of this well should a problem arise during the drilling of this well. I also have no objection to drilling within 200 linear feet of my water well or dwelling.

FOR EXECUTION BY A NATURAL PERSON

Printed Name: _____

Signature: _____

Date: _____

FOR EXECUTION BY A CORPORATION, ETC.

Company Name: _____

Signed by: _____

Its: _____

Signature: _____

Date: _____

EXHIBIT NO. 1
PAGE 5 of 18

WW-2A Coal Waiver

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

COAL OWNER, OPERATOR, OR LESSEE WAIVER

INSTRUCTIONS TO COAL OWNER, OPERATOR, OR LESSEE

To the coal owner, or lessee named on page WW2-A. You are hereby notified that any objection you wish to make or are required to make by Code 22-6-15, 16 or 17, must be filed with the Chief of the Office of Oil and Gas within fifteen (15) days after the receipt of this application by the Office of Oil and Gas.

WAIVER

The undersigned coal operator _____/ owner _____/ lessee _____/ of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations. In addition, I have no objection to the applicant drilling another well within 50 feet of the proposed location if necessary due to difficulty drilling of this well.

FOR EXECUTION BY A NATURAL PERSON

Printed Name: _____

Signature: _____

Date: _____

FOR EXECUTION BY A CORPORATION, ETC.

Company Name: _____

Signed by: _____

Its: _____

Signature: _____

Date: _____

EXHIBIT NO. 1
PAGE 6 of 18

WW-2A-1

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087-
State County Permit

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 List		1/8	

Well Operator: Chesapeake Appalachia, L.L.C.

Signed by (print): Michael John

Its: Vice President of Operations

Signature:

Date: 8/11/08

EXHIBIT NO. 1
PAGE 7 of 18

826848

*** Lease Information**

Lease #1235568-001, lease effective date 02/21/2007, recorded Book 226, Page 461
Original Lessor: Georgia Ann Shafer — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-002, lease effective date 02/21/2007, recorded Book 226, Page 458
Original Lessor: William M. Young — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-003, lease effective date 02/22/2007, recorded Book 226, Page 455
Original Lessor: Mary M. Hively — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-004, lease effective date 02/26/2007, recorded Book 238 **Page** 741 recorded 8/14/08
Original Lessor: Eloise G. Montgomery — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-005, lease effective date 02/12/2007, recorded Book 235, Page 200
Original Lessor: Charla D. Casey — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-006, lease effective date 04/02/2008, recorded Book 238, Page 276
Original Lessor: Bernice McKean — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-007, lease effective date 04/02/2008, recorded Book 238, Page 277
Original Lessor: Monetta L. Yost — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235582-001, lease effective date 02/12/2007, recorded Book 235, Page 203
Original Lessor: Charla D. Casey — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1006098-000, lease effective date 04/16/1906, recorded Book 10, Page 63
Original Lessor: J. G. Westfall et ux — Original Lessee: South Penn Oil Company

Lease #1012494-000, lease effective date 08/06/1914, recorded Book 26, Page 378
Original Lessor: C. C. Denham et ux — Original Lessee: United Fuel Gas Co

EXHIBIT NO. 1
PAGE 8 of 18

WW-2B-1

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

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 Reic Labs or Sturm Labs

☐ Well operator's private laboratory

Well Operator: Chesapeake Appalachia, L.L.C.

Address P.O. Box 6070

City Charleston State WV Zip Code 25362

Phone Number: 304-353-5000

FOR OPERATOR'S USE ONLY: 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.

☐ No water wells or springs within 1000 feet.

☒ Water wells or springs are present within 1000 feet of the proposed location.
See attached sheet for names and addresses of surface owners with water sources within 1000 feet.

EXHIBIT NO. 1
PAGE 9 of 18

WW-2B-1 SUPPLEMENT

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

West Virginia Department of Environmental Protection
Office of Oil and Gas

SURFACE OWNERS WITH WATER SOURCES WITHIN 1000 FEET

Name Danny Welch et ux
Address 1886 Vineyard Ridge
City Walton State WV Zip Code 25286

Name Benjamin Jack Armstrong et ux
Address 1686 Vineyard Ridge
City Walton State WV Zip Code 25286

Name _____
Address _____
City _____ State _____ Zip Code _____

Name _____
Address _____
City _____ State _____ Zip Code _____

Name _____
Address _____
City _____ State _____ Zip Code _____

Name _____
Address _____
City _____ State _____ Zip Code _____

Name _____
Address _____
City _____ State _____ Zip Code _____

Name _____
Address _____
City _____ State _____ Zip Code _____

Name _____
Address _____
City _____ State _____ Zip Code _____

Name _____
Address _____
City _____ State _____ Zip Code _____

EXHIBIT NO. 1
PAGE 10 of 18

WW-9

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- (State) 087- (County) _____ (Permit)

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

1) Well Operator: Chesapeake Appalachia, L.L.C. 2) Operator ID #: 494477557

3) Watershed: Beelick Run of Johnson Creek 4) Elevation: 1101'

5) County/District: 087-Roane / 7-Walton 6) Quadrangle: 300 - CLIO

7) Description of anticipated Pit Waste: Drilling and Completion Fluids

8) Will a synthetic liner be used in the pit? ☒ Yes ☐ No

9) Proposed Disposal Method for Treated Pit Waste:

☒ Land Application
☐ Underground Injection at UIC Permit Number: _____
☐ Reuse at API Number: _____
☐ Off Site Dispposal (Supply form WW-9 for disposal location)
☐ Other (Explain): _____

10) Proposed Work For Which Pit Will Be Used:

☒ Drilling ☐ Plugging ☐ Swabbing ☐ Workover
☐ Other (Explain: _____

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION CONTROL PERMIT issued on December 31, 1999, 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: _____

Company Official (Typed Name): Michael John

Company Official Title: Vice President of Operations

Subscribed and sworn before me this 11th day of August, 2008

_____ Notary Public

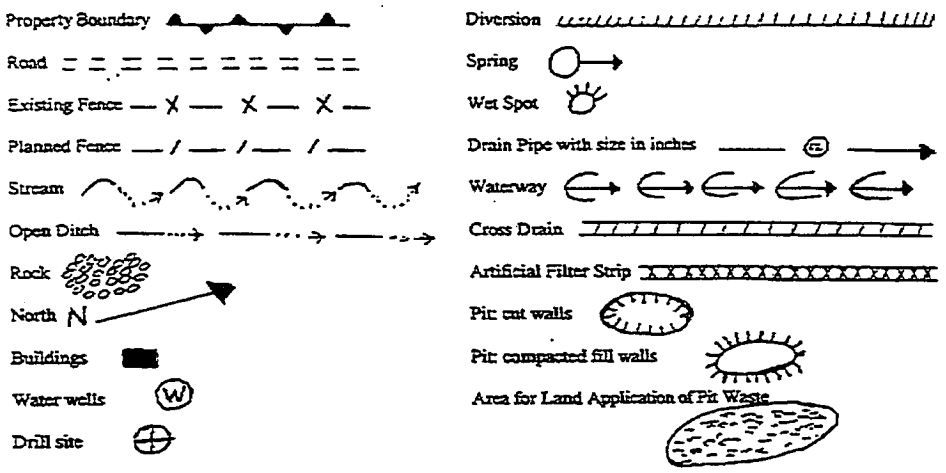
My Commission Expires: November 18, 2008

EXHIBIT NO. 1
PAGE 11 of 18

WW-9 (Page 2)

API Well #: 047- 087- _____
State County Permit

LEGEND



Proposed Revegetation Treatment: Acres Disturbed: 9.0 Prevegetation pH: N/A

Lime 2 Tons/acre or to correct to pH: 6.5-7.0 Mulch: Paper @ 0.8 Tons / Acre

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

Area I		Area II	
Seed Type	lbs/acre	Seed Type	lbs/acre
Red Top	15	Red Top	15
Orchard Grass & Fescue	25 Each	Orchard Grass & Fescue	25 Each
Per Rye & Crimson Red Clover	25 Each	Per Rye & Crimson Red Clover	25 Each

Attach to this form:
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: _____ Date: _____

Field Reviewed: ☐ YES ☐ NO

EXHIBIT NO. 1
PAGE 12 of 18

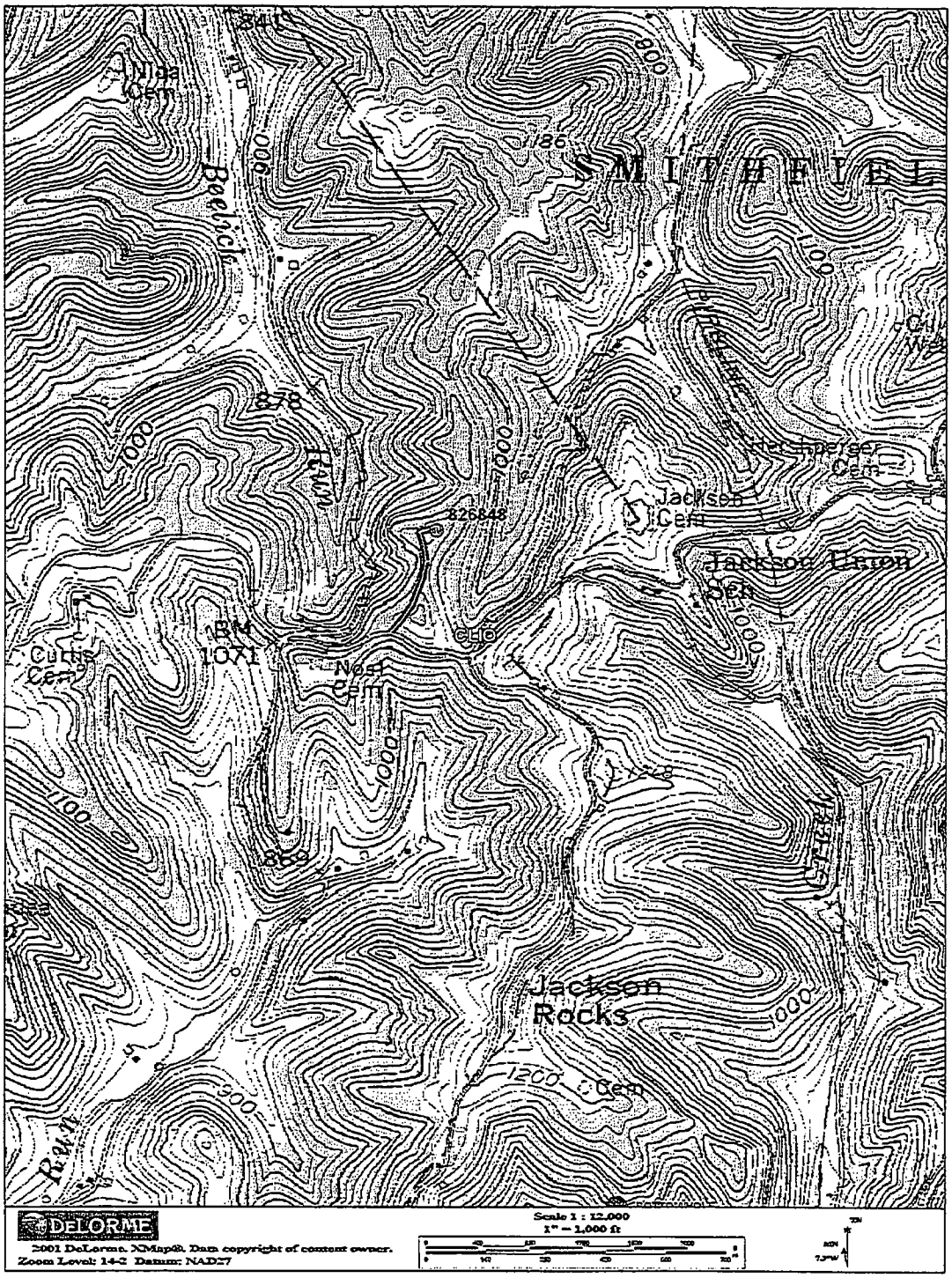
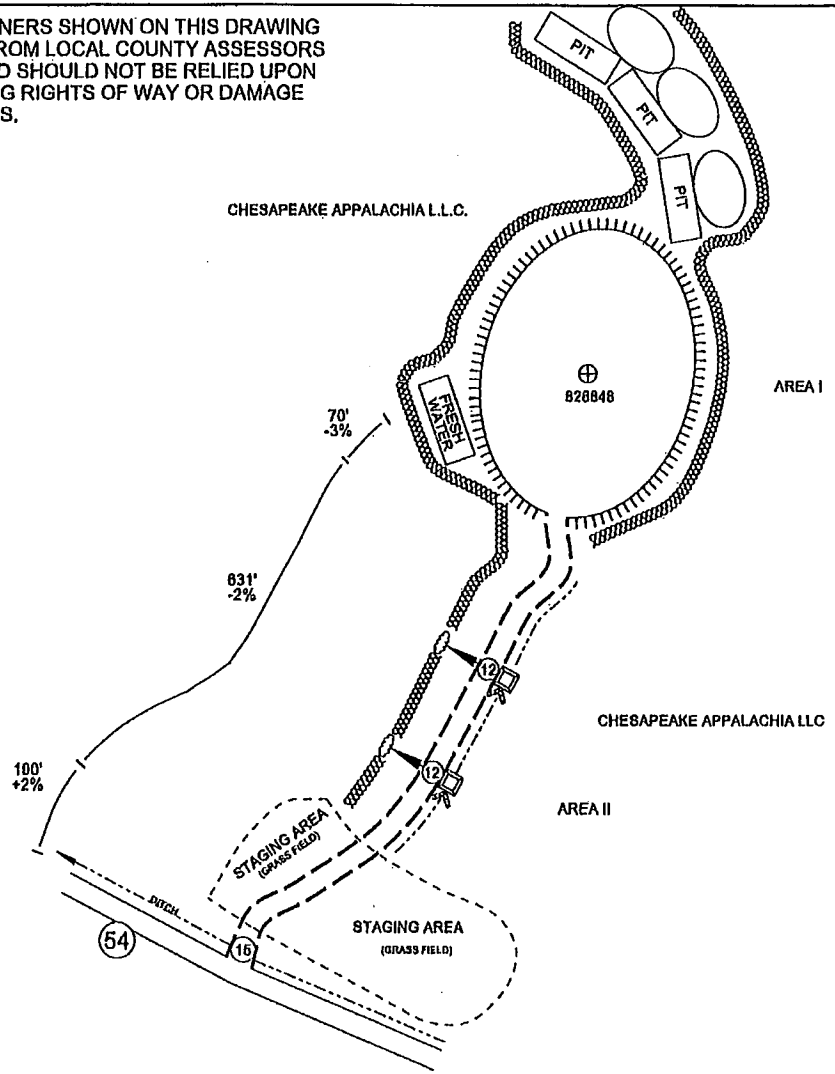


EXHIBIT NO. 1
PAGE 13 of 18

NOTE: SURFACE OWNERS SHOWN ON THIS DRAWING ARE TAKEN FROM LOCAL COUNTY ASSESSORS TAX MAPS AND SHOULD NOT BE RELIED UPON FOR SECURING RIGHTS OF WAY OR DAMAGE NEGOTIATIONS.

CLIO, WV 7.5'



801' TOTAL ROAD

NOTE: THIS IS NOT A RIGHT OF WAY MAP.

DRAWING LEGEND

PROPERTY BOUNDRY		DIVERSION	
ROAD		SPRING	
EXISTING FENCE	-x-x-x-	WET SPOT	
PLANNED FENCE	-/-/-/-	CULVERT (INCHES)	12
STREAM		WATER WAY	
OPEN DITCH		CROSS DRAIN	
ROCK		ARTIFICIAL FILTER STRIP	
NORTH		PIT: CUT WALLS	
BUILDINGS		PIT: COMPACTED FILL WALLS	
WATER WELLS		LAND APPLICATION	
DRILL SITE			
EXIT BARRIER		BRUSH BARRIER	
CULVERT SUMP		HAY BALES	

GENERAL NOTES

THIS DRAWING IS A SCHEMATIC REPRESENTATION OF THE PROPOSED WELL SITE AND ACCESS ROAD. PROPOSED STRUCTURES SUCH AS WELL SITE, DRILLING PIT, ROADWAYS, CULVERTS, SEDIMENT BARRIERS ETC. ARE SHOWN IN APPROXIMATE PRE-PLANNING CONFIGURATIONS.

TREES AND SLASH WILL BE CLEARED AS NECESSARY BEFORE ANY PROPOSED ROAD, SITE, OR PIPELINE CONSTRUCTION BEGINS. IF SUFFICIENT RESIDUE MATERIALS ARE AVAILABLE FROM CLEARING, THIS MATERIAL WILL BE WINDROWED BELOW THE ANTICIPATED FILL OUTSLOPE(S) TO INTERCEPT AND RETAIN SEDIMENT FROM DISTURBED AREAS. ALL MARKETABLE TIMBER WILL BE CUT AND STACKED IN AREAS ADJACENT TO OPERATIONS.

ALL CULVERT PIPES WILL BE A MINIMUM OF 12" IN DIAMETER. ALL CULVERT PIPES INSTALLED WILL BE ACCOMPANIED BY AN ENTRANCE SUMP WITH DIMENSIONS NO LESS THAN 3FT. (WIDTH) X 3FT (LENGTH) X 4FT (DEEP). CULVERTS WILL BE INSTALLED AT AN ANGLE TO ENSURE PROPER FLOW. THE OUT FALL OF CULVERTS WILL BE PROTECTED FROM EROSION AND SEDIMENTATION USING LARGE ROCKS OR OTHER SEDIMENT CONTROLS DEEMED NECESSARY IN THE PREVENTION OF EROSION AND SEDIMENTATION. STORM WATER FROM THE DITCHES TO THE CULVERTS WILL BE DIRECTED TO STABLE NATURAL VEGETATIVE AREAS. WHERE CULVERTS ARE NOT PRACTICAL, OPERATOR WILL HAVE OTHER SEDIMENT CONTROL IN PLACE TO MINIMIZE EROSION AND SEDIMENTATION.

TEMPORARY SEEDING: SEE ATTACHMENT #1.

CROSS DRAINS, BROAD BASED DIPS, WATER BARS, AND DIVERSION DITCHES WILL BE EMPLOYED DURING THE CONSTRUCTION PHASE. THESE EROSION AND SEDIMENT CONTROL STRUCTURES WILL BE USED TO CONTROL EROSION AND SEDIMENTATION DURING THE CONSTRUCTION PHASE. WHERE APPLICABLE AND AREAS THAT WILL ALLOW, THESE STRUCTURES WILL BE CONSIDERED PERMANENT AND USED AS SUCH.

AFTER THE DRILLING AND COMPLETION PROCESS, CROSS DRAINS, BROAD BASED DIPS, WATER BARS AND DIVERSION DITCHES WILL BE AN INTEGRAL PART OF THIS RECLAMATION PROCESS AND SHALL BE INSTALLED AND SPACED IN ACCORDANCE WITH THE AS-BUILT ROADWAY SLOPES AND TABLE 11-4 OF THE EROSION AND SEDIMENT CONTROL FIELD MANUAL.

PERMANENT SEEDING: SEE ATTACHMENT #1

TEMPORARY SEEDING TO BE APPLIED TO ALL SLOPES AFTER CONSTRUCTION.

CHESAPEAKE APPALACHIA, L.L.C.
900 PENNSYLVANIA AVE.
POST OFFICE BOX 6070, CHARLESTON, WV 25362

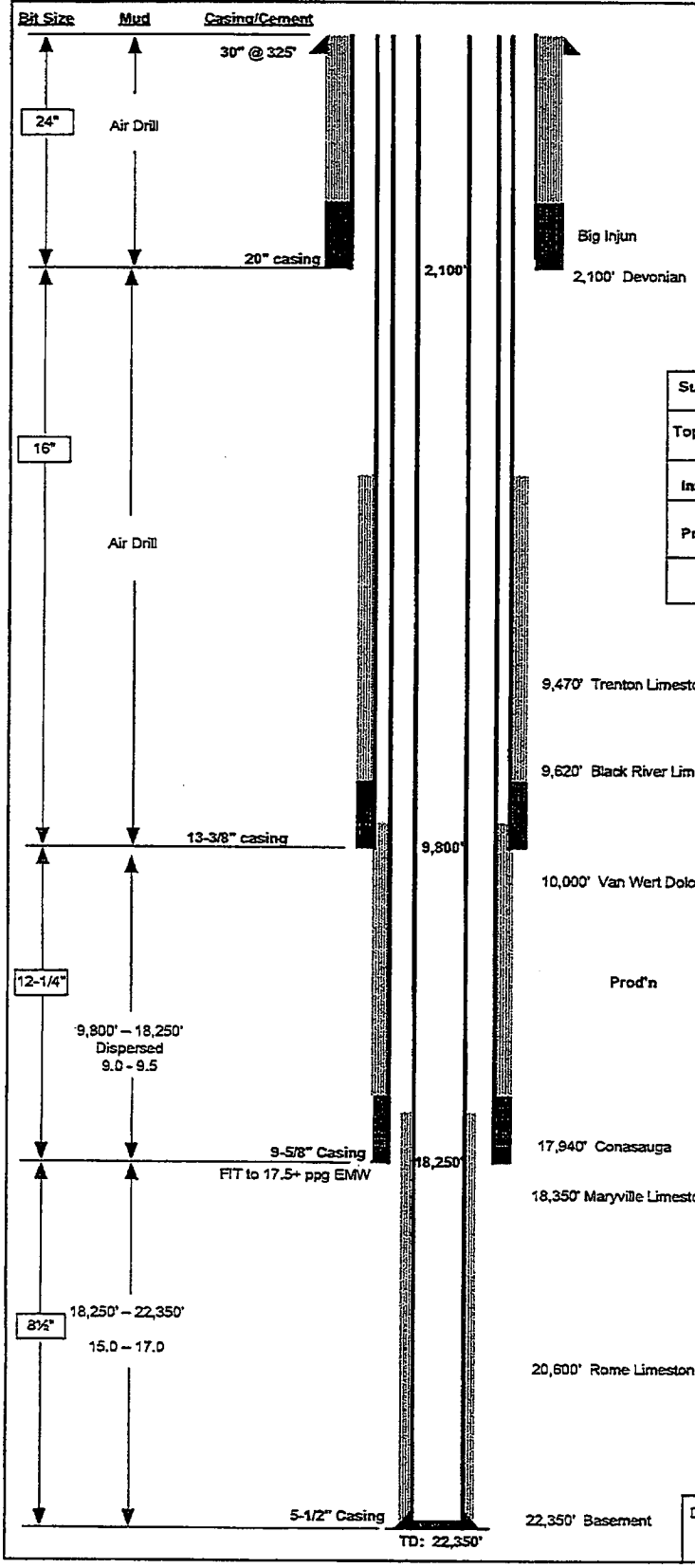
RECLAMATION PLAN
PROPOSED LOCATION 826848

BEELICK RUN OF JOHNSON CREEK
WALTON DIST., ROANE CO., WV

DATE: 6-24-08-REV 7/8/08	SCALE:	DRAWING NO. 1 OF 1
PREPARED BY: TRUE LINE SURVEYING, INC.		FILE: 826848(ROBYKNIGHT)REC.DGN

Chesapeake Operating Inc	Proposed Drilling Program

Well	: Roby Knight	**Engineer**	: Kevin Ashley
Field	: Cottontree – Cambrian Prospect	**Drlg. Sup't.:**	John Melville
County	: Roane **State:** WV	**Geologist**	: B. J. Carney
Location:	Lat. 38.613378 Long. 81.307421	**Dist Man.**	: Dave Gocke
KB Elev :	**Grd Elev: 1170' (est)**	**Land**	:



Wellhead Equipment

Xmas Tree:	7", 20M
Tubing Spool:	11", 15M x 7-1/16", 20M
DSA Packoff	11", 15M x 11", 15M
Section 'C'	13-5/8", 10M x 11", 15M
Section 'B'	16¾", 5M x 13-5/8", 10M
Section 'A'	16¾", 5M SOW

Tubular Details

	Size	Wt	Grd	Conn.	Depth From	Depth To
Surface	20"	117.0	J55	Butt	0'	2,100'
Top Hole	13-3/8"	85.0	P-110	Butt	0'	9,800'
Interm.	9-5/8"	53.5	Q125	SLX	0'	18,250'
Prod'n	5½"	26.0	Q125	HY563	0'	22,350'

Drawn by:	Date:
Kevin Ashley	08/11/08

EXHIBIT NO. 1
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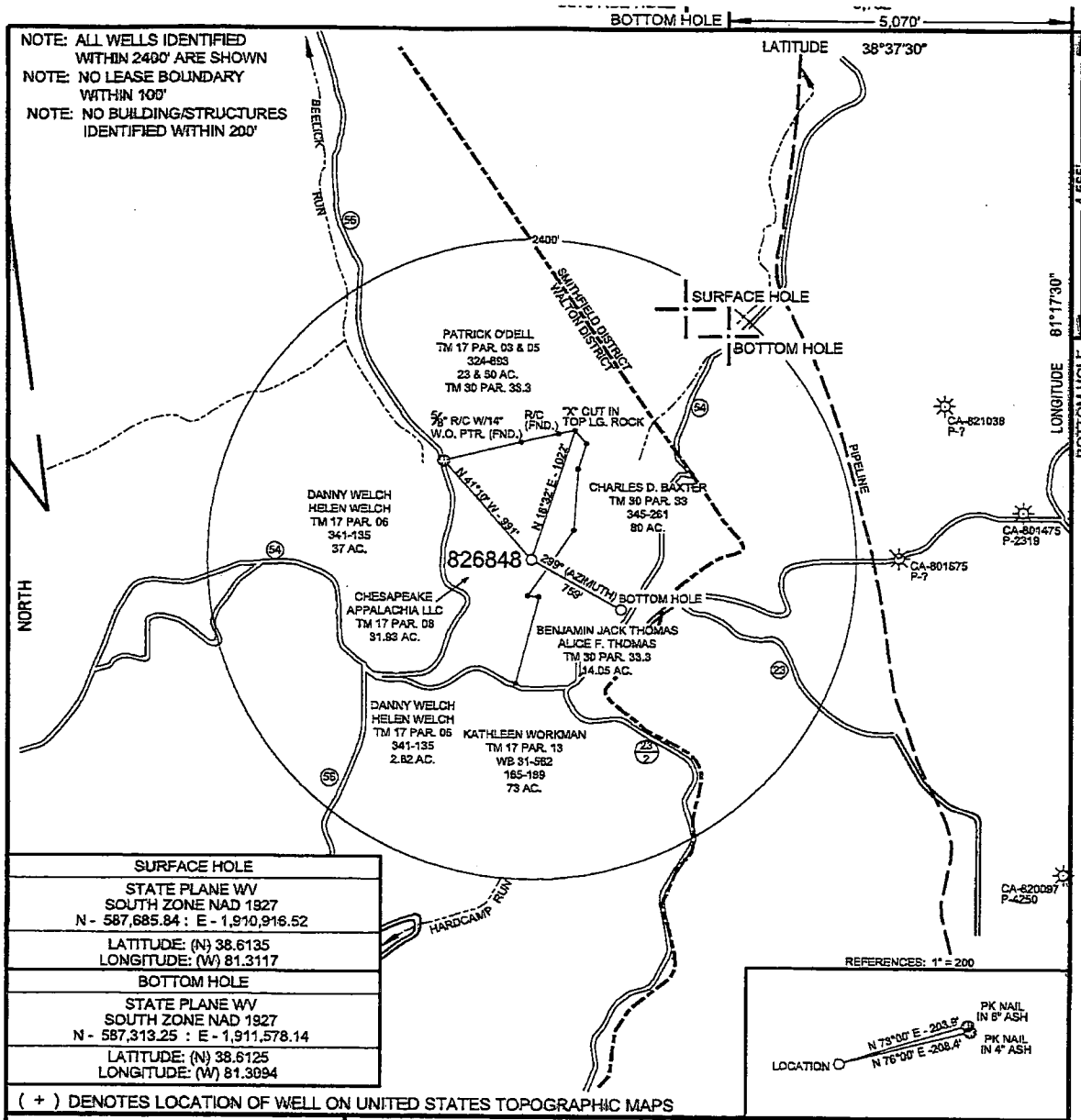


SURFACE HOLE
STATE PLANE WV SOUTH ZONE NAD 1927 N - 587,685.84 : E - 1,910,916.52
LATITUDE: (N) 38.6135 LONGITUDE: (W) 81.3117
BOTTOM HOLE
STATE PLANE WV SOUTH ZONE NAD 1927 N - 587,313.25 : E - 1,911,578.14
LATITUDE: (N) 38.6125 LONGITUDE: (W) 81.3094

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO. CA826848(ROBYKNIGHT.DGN
DRAWING NO. CA 826848
SCALE 1" = 1000'
MINIMUM DEGREE OF ACCURACY 1 : 200
PROVEN SOURCE OF ELEVATION MAPPING GRADE GPS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

(SIGNED) _____
R.P.E. _____ L.L.S. 647

PAUL E. MILLER LICENSED No. 647 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR
PLACE SEAL HERE

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OIL AND GAS DIVISION

DATE AUGUST 08, 20 08
OPERATOR'S WELL NO. 826848
API WELL NO.
47 (STATE) 087 (COUNTY) _____ (PERMIT)

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___
(IF "GAS,") PRODUCTION X STORAGE ___ DEEP X SHALLOW ___
LOCATION: ELEVATION 1101' WATER SHED BEELICK RUN OF JOHNSON CREEK
DISTRICT WALTON COUNTY ROANE
QUADRANGLE CLIO, WV 7.5'
SURFACE OWNER CHESAPEAKE APPALACHIA, L.L.C. ACREAGE 31.93
OIL & GAS ROYALTY OWNER GEORGIA ANN SHAFER et al LEASE ACREAGE 31.93
LEASE NO. 1-235568-001
PROPOSED WORK: DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____
PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___
TARGET FORMATION BASEMENT AND ABOVE ESTIMATED DEPTH 22,443'
WELL OPERATOR CHESAPEAKE APPALACHIA, L.L.C. DESIGNATED AGENT MIKE JOHN
ADDRESS P.O. BOX 6070, CHARLESTON, WV 25362 ADDRESS SAME

COUNTY NAME
PERMIT

FORM WW-6

EXHIBIT NO. 1
PAGE 16 of 18

Reference Number	Description	1196
	Permit application fee: 826848	

CLIENT No.	CHECK No.	CHECK DATE	TOTAL
288496-01	7930001192	08/05/2008	$900.00

Chesapeake
Natural Gas.
Natural Advantages.

BANK OF OKLAHOMA
OKLAHOMA CITY, OK

CHECK NUMBER
7930001192

86-3
1039

DATE
08/05/2008

PAY Nine Hundred DOLLARS and Zero CENTS**********

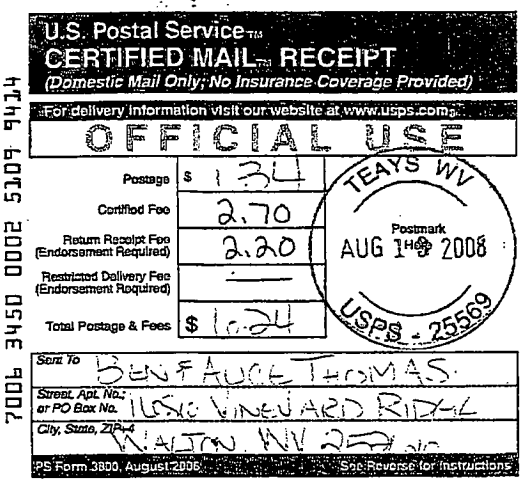
CHECK TOTAL
**$900.00

To The Order Of
WV DIV OF ENVIRONMENTAL PROTECTION

OFFICE OF OIL & GAS
601 57TH STREET SE
CHARLESTON, WV 25304

NOT NEGOTIABLE AFTER 180 DAYS
NO THIRD PARTY ENDORSEMENTS

Security features. Details on back.



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PS Form 3800, August 2006 See Reverse for Instructions

7006 3450 0002 5109 9414

EXHIBIT NO. 1
PAGE 18 of 18

1259790

Ret. to: Chesapeake Energy Corp.
P.O. Box 6070
Charleston, WV 25362-9900

THIS DEED, Made and entered into this 26th day of February, 2008, by and between DANNY L. WELCH and HELEN M. WELCH his wife, parties of the first part, and CHESAPEAKE APPALACHIA, L.L.C., an Oklahoma limited liability company, party of the second part;

Witnesseth:

That for and in consideration of the sum of $10.00, cash in hand paid, and other good and valuable consideration not set out herein, the receipt of all of which is hereby acknowledged, the said parties of the first part do hereby grant, bargain, sell and convey, with covenants of GENERAL WARRANTY, unto the party of the second part, that certain tract or parcel of land situate on the waters of Bee Lick of Johnson Creek, in Walton District, Roane County, West Virginia, being more particularly described as follows:

Beginning in the center of Local Service Route 54, thence with the center of said road for twenty-three (23) bearings and distances thence, N 58-17 W – 29.16', thence N 58-18 W – 114.96', thence N 59-34 W – 49.75', thence N 63-35 W – 50.37', thence N 70-29 W – 30.67', thence N 79-03 W – 31.13', thence S 86-29 W – 30.31', thence S 76-06 W – 32.25', thence S 62-04 W – 28.94', thence S 52-52 W – 49.92', thence S 52-56 W – 70.97', thence S 55-29 W – 33.19', thence S 68-09 W – 94.45', thence S 81-16 W – 33.39', thence S 87-35 W – 35.92', thence N 70-54 W – 91.10', thence N 67-12 W – 48.95', thence N 71-54 W – 32.58', thence N 80-24 W – 36.11', thence N 89-58 W – 94.50', thence N 83-36 W – 49.05', thence N 74-50 W – 45.00', thence N 62-25 W – 49.28' to the intersection of Local Service Route 56, thence with the center of said road the following thirty-nine (39) bearings and distances; N 87-01 E – 36.40', thence N 83-00 E – 50.98', thence S 88-25 E – 48.17', thence S 83-40 E – 111.76', thence N 87-40 E – 81.47', thence N 88-30 E – 29.83', thence N 77-09 E – 37.15', thence N 63-04 E – 31.17', thence N 53-25 E – 32.06',thence N 46-19 E – 30.60', thence N 27-15 E – 47.59', thence N 18-32 E – 150.92', thence N 22-02 E – 46.63', thence N 29-11 E – 51.94', thence N 34-17 E – 127.12', thence N 27-31 E – 49.84', thence N 10-56 E – 34.13', thence N 20-08 W – 33.64', thence N 44-34 W – 31.20', thence N 61-35 W – 43.92', thence N 66-02 W – 48.70', thence N 54-00 W – 40.90', thence N 33-32 W – 34.89', thence N 14-31 W – 47.14', thence N 01-17 W – 155.70', thence N 06-08 E – 59.48', thence N 12-44 E – 51.47', thence N 13-04 E – 80.98', thence N 17-00 E – 58.89', thence N 10-54 E – 98.08', thence N 04-33 E – 45.21', thence North – 35.72', thence N 06-55 W – 19.61', thence N 15-14 W – 21.61', thence N 17-30 W – 98.29', thence N 16-53 W – 50.29', thence N 19-19 W – 36.79', thence N 25-05 W – 65.28', thence N 76-54 E – 25.17' to 5/8" rebar/cap (found) being a common corner to the lands of Patrick and Faye O'Dell (324/693) thence with said O'Dell, N 76-54 E – 619.37' to a stump (found) in the turn of a fence, thence continuing with O'Dell, N 77-20 E – 285.59' to a 5/8" rebar/cap marked "Gunnoe RPS", thence N 81-41 E – 128.04' to a "X" cut on top of a large rock and being a common corner to the lands of Charles D. Baxter (345/261), thence leaving the lands of O'Dell and with

the lands of Baxter, S 41-08 E – 127.70' to a "X" cut on a large rock, thence S 18-01 W – 197.78' to a "X" cut on a large rock, thence S 04-48 W – 460.23' to a "X" cut on a large rock and a 12" Chestnut Oak pointer (both found), thence S 27-13 W – 560.41' to a ½" iron pipe (found) and being a common corner to the lands of Benjamin Jack Thomas and Alice F. Thomas, thence leaving the lands of said Baxter and with the lands of Thomas, N 88-42 W – 85.99' to a 5/8" rebar/cap (set) by a 40" Red Oak, thence S 08-22 W – 672.37' passing a ½" iron pipe (found) in all 687.88' to the place of beginning, containing by survey 31.93 acres, more or less.

And being a part or all of the same tracts (Second Tract, Third Tract and part of Fourth Tract) conveyed to Danny Welch and Helen Welch, his wife, by deed dated the 4th day of December, 1992, and of record in the office of the Clerk of the County Commission of Roane County, West Virginia in Deed Book 341, at page 135.

This conveyance is made subject to the outstanding title to the minerals in and under lying the said lot, together with such mineral operating rights, rights of way and privileges as are not owned by the owners of such minerals.

This conveyance is made expressly subject to all prior reservations, restrictions, exceptions and conditions contained in former conveyances in the chain of title as if the same were specifically set out herein.

DECLARATION OF CONSIDERATION OR VALUE

The parties of the first part hereby declare that the consideration paid or to be paid for the property conveyed by this document is Forty-Five Thousand Dollars ($45,000.00)

WITNESS the following signatures and seals:

_____ (SEAL)
DANNY L. WELCH

_____ (SEAL)
HELEN M. WELCH

EXHIBIT NO. 2
PAGE 2 of 5

STATE OF WEST VIRGINIA,
COUNTY OF ROANE, TO-WIT:

I, Ronnie D. Cunningham, a Commissioner in and for said county and state, do hereby certify that DANNY L. WELCH and HELEN M. WELCH, whose names are signed to the writing above and hereto annexed, bearing date of the 26th day of February, 2008, have this day acknowledged the same before me in my said county.

Given under my hand this 26th day of February, 2008.

My commission expires May 4, 2008.

COMMISSIONER FOR W. VA.
P.O. BOX 1003
RONNIE DEE CUNNINGHAM
CHARLESTON, WV 25302
COMM. EXPIRES MAY 4, 2008

Ronnie D Cunningham
COMMISSIONER

Prepared by:

Chesapeake Appalachia, L.L.C.
900 Pennsylvania Avenue
Charleston, WV 25302

This instrument was presented to the Clerk of the County Commission of Roane County, West Virginia; and the same is admitted to record.

Teste: Charles B. White, Jr. - Clerk
Roane County Commission

ROANE COUNTY CLERK
DEED Clerk 01
Date/Time: 07/18/2008 13:05
Inst #: 2065475
Book/Page: 455- / 300-
Recd/Tax: 234.00 218.00

LINE TABLE

L1-	N 58°17' W -	29.16'
L2-	N 58°18' W -	114.96'
L3-	N 59°34' W -	49.75'
L4-	N 63°35' W -	50.37'
L5-	N 70°29' W -	30.67'
L6-	N 79°03' W -	31.13'
L7-	S 86°29' W -	30.31'
L8-	S 76°06' W -	32.25'
L9-	S 62°04' W -	28.94'
L10-	S 52°52' W -	49.92'
L11-	S 52°56' W -	70.97'
L12-	S 55°29' W -	33.19'
L13-	S 68°09' W -	94.45'
L14-	S 81°16' W -	33.39'
L15-	S 87°35' W -	35.92'
L16-	N 70°54' W -	91.10'
L17-	N 67°12' W -	48.95'
L18-	N 71°54' W -	32.58'
L19-	N 80°24' W -	36.11'
L20-	N 89°58' W -	94.50'
L21-	N 83°36' W -	49.05'
L22-	N 74°50' W -	45.00'
L23-	N 62°25' W -	49.28'
L24-	N 87°01' E -	36.40'
L25-	N 83°00' E -	50.98'
L26-	S 88°25' E -	48.17'
L27-	S 83°40' E -	111.76'
L28-	N 87°40' E -	81.47'
L29-	S 87°40' E -	81.47'
L30-	N 88°30' E -	29.83'
L31-	N 77°09' E -	37.15'
L32-	N 63°04' E -	31.17'
L33-	N53°25' E -	32.06'
L34-	N 46°19' E -	30.60'
L35-	N 27°15' E -	47.59'
L36-	N 18°32' E -	150.92'
L37-	N 22°02' E -	46.63'
L38-	N 29°11' E -	51.94'
L39-	N 34°17' E -	127.12'
L40-	N 27°31' E -	49.84'
L41-	N 10°56' E -	34.13'
L42-	N 20°08' W -	33.64'
L43-	N 44°34' W -	31.20'
L44-	N 61°35' W -	43.92'
L45-	N 66°02' W -	48.70'
L46-	N 54°00' W -	40.90'
L47-	N 33°32' W -	34.89'
L48-	N 14°31' W -	47.14'
L49-	N 01°17' W -	155.70'
L50-	N 06°08' E -	59.48'
L51-	N 12°44' E -	51.47'
L52-	N 13°04' E -	80.98'
L53-	N 17°00' E -	58.89'
L54-	N 10°54' E -	98.08'
L55-	N 04°33' E -	45.21'
L56-	N 00°00' E -	35.72'
L57-	N 06°55' W -	19.61'
L58-	N 15°14' W -	21.61'
L59-	N 17°30' W -	98.29'
L60-	N 16°53' W -	50.29'
L61-	N 19°19' W -	36.79'
L62-	N 25°05' W -	65.28'
L63-	N 76°54' E -	25.07'

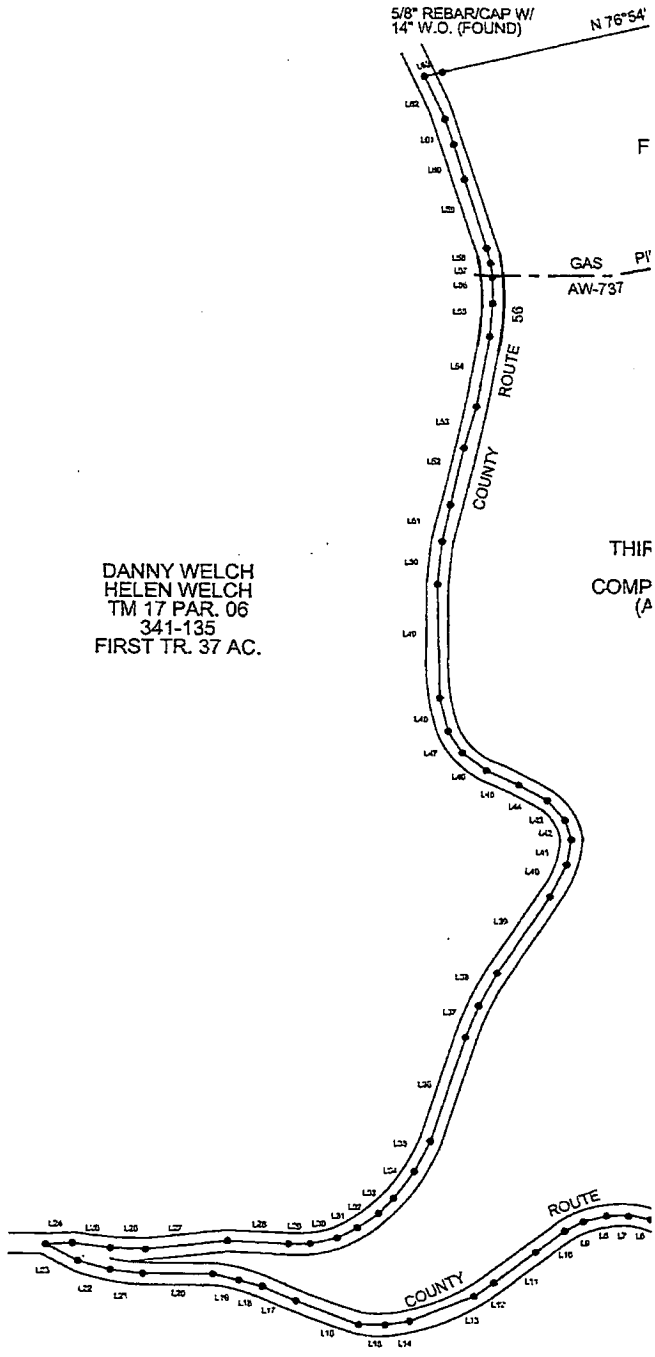
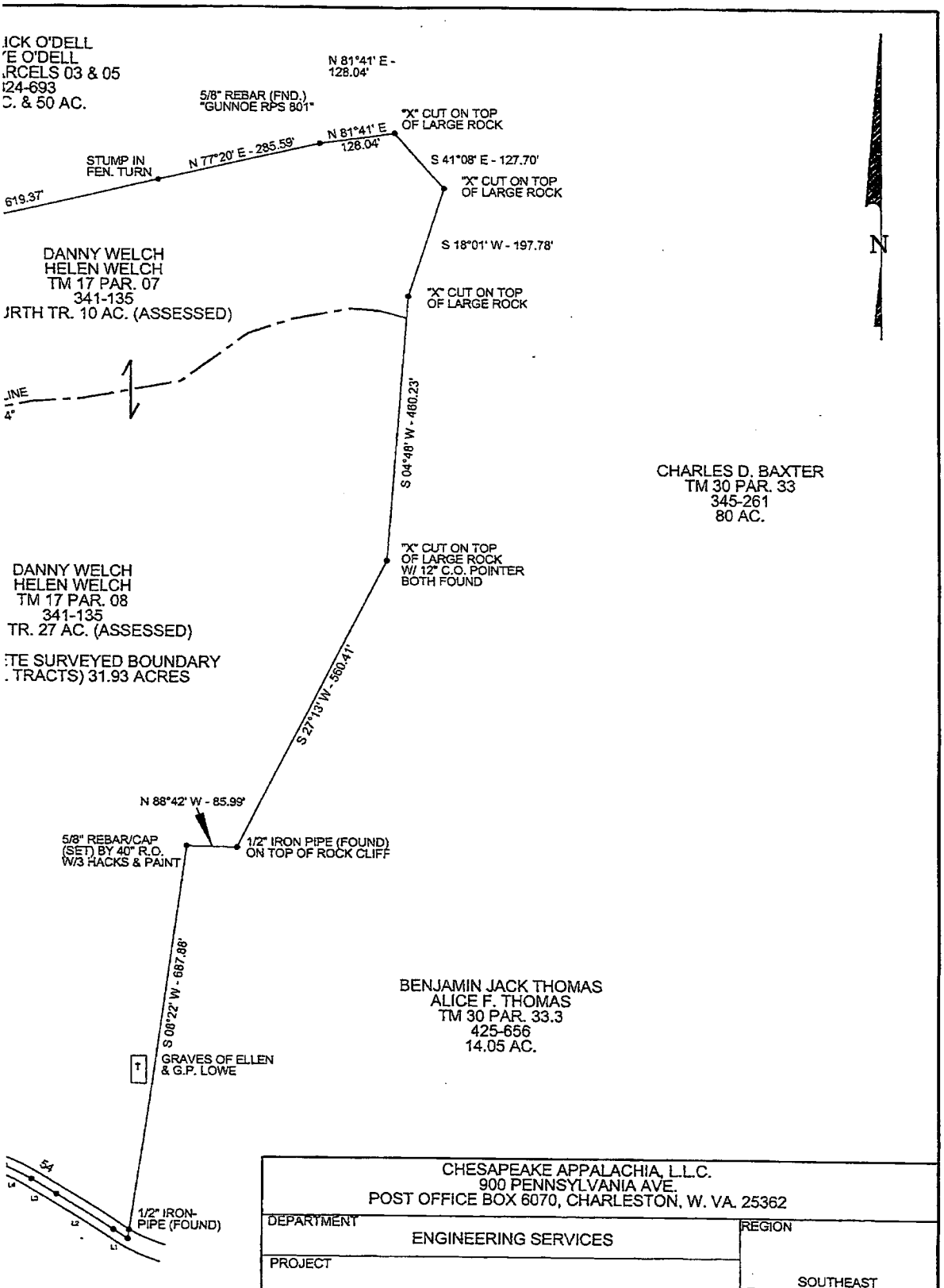


EXHIBIT NO. 2
PAGE 4 of 5

PAUL E. MILLER



CHESAPEAKE APPALACHIA, L.L.C.
900 PENNSYLVANIA AVE.
POST OFFICE BOX 6070, CHARLESTON, W. VA. 25362

DEPARTMENT: ENGINEERING SERVICES	REGION: SOUTHEAST
PROJECT: AQUISITION OF 31.93 ACRES FOR THE DRILLING OF PROPOSED TRENTON - BLACK RIVER NATURAL GAS WELL	TAX DISTRICT (S): WALTON
DATE: 04-30-08 / SURVEYOR: JOSEPH GILLENWATER	COUNTY (IES): ROANE
DRAWN BY: PAUL E. MILLER / CHECKED BY / REVISIONS	STATE (S): WV
TRUE LINE SURVEYING, INC. 6211 FAIRVIEW DRIVE HUNTINGTON, WV 25705 304-733-2655 / QUANDRANGLE: CLIO	SHEET NO. 1 OF 1
AFE NO	DRAWING FILE: BASEMENT WELL
REFERENCES / SCALE: 1" = 200'	

SEAL

EXHIBIT NO. 2
PAGE 5 of 5

CHESAPEAKE OPERATING, INC.

AUTHORIZATION FOR EXPENDITURE

Project Area:		County, State:	Roane,
Well Name:	Roby Knight	Date:	
Operator:	Chesapeake Operating, Inc.	Total Depth:	22,350'
AFE #:		Formation:	Basement
Spacing Unit:		Property #:	

CODE	INTANGIBLE COSTS	WORK DESCRIPTION	DRY HOLE	PRODUCER
233400	Location:	Roads, Location, Pits	$500,000.00	$500,000.00
233401		Damages	$0.00	$0.00
233402		Governmental Filings	$50,000.00	$50,000.00
233404		Seismic Costs	$0.00	$0.00
233405		Reclamation	$150,000.00	$150,000.00
233406		Top Drive	$0.00	$0.00
233408	Drilling:	Pipeline Construction	$0.00	$100,000.00
233409		Fuel	$1,645,000.00	$1,785,000.00
233410		Drilling Contractor: 235/255 days @ $23000 per day	$5,405,000.00	$5,865,000.00
233411		Directional Services	$220,000.00	$220,000.00
233413		Rig Mobilization/Demobilization	$1,000,000.00	$1,000,000.00
233414		Contract Labor	$553,000.00	$935,000.00
233415		Bits	$450,000.00	$450,000.00
233416		Supplies and Utilities	$30,000.00	$30,000.00
233426		Cement Conductor	$5,000.00	$5,000.00
233417		Cement Surface Casing	$90,000.00	$90,000.00
233420		Cement Intermediate Casing	$125,000.00	$125,000.00
233424		Cement Production Casing	$0.00	$225,000.00
233425		Cement Drilling Liner	$0.00	$0.00
233452		Cement Production Liner	$200,000.00	$200,000.00
233418		Mud Logging	$224,000.00	$224,000.00
233419		Drilling Fluids, Mud, Chem.	$1,500,000.00	$1,500,000.00
233421		Drill String Inspection	$100,000.00	$100,000.00
233423		Open Hole Logging	$350,000.00	$350,000.00
233427		Fishing	$0.00	$0.00
233428		Downhole Rental Equipment	$353,000.00	$369,000.00
233430		Completion Unit	$0.00	$100,000.00
233431	Completion:	Cased Hole Services/Perforating	$0.00	$100,000.00
233433		Jetting	$0.00	$0.00
233434		Formation Stimulation	$0.00	$1,000,000.00
233437		Surface Equipment Rental	$588,000.00	$668,000.00
233438	General:	Transportation	$500,000.00	$750,000.00
233440		Flowback Hauloff	$0.00	$50,000.00
233442		Blowout/Emergencies	$0.00	$0.00
233443		Supervision	$141,000.00	$153,000.00
233439		Technical Labor	$94,000.00	$102,000.00
233435		Direct Labor	$118,000.00	$128,000.00
233444		Consultants	$576,000.00	$700,000.00
233446		Company Overhead	$83,000.00	$90,000.00
233447		Insurance	$91,000.00	$91,000.00
233450		Plug to Abandon	$0.00	$0.00
		20% Contingency	$3,029,000.00	$3,641,000.00
TOTAL	INTANGIBLES	Total Intangible Costs	$18,170,000.00	$21,846,000.00

CODE	TANGIBLE COSTS	WORK DESCRIPTION				
230108	Tubulars:	Conductor:	30"	325'	$26,000.00	$26,000.00
230100		Surface Casing:	20"	2,100'	$119,000.00	$119,000.00
230101		Intermediate Casing:	13-3/8"	8,550'	$691,000.00	$691,000.00
230102		Production Casing:	5-1/2"	22,350'	$0.00	$754,000.00
230103		Drilling Liner:			$0.00	$0.00
230109		Production Liner:	9-5/8"	18,250'	$1,126,000.00	$1,126,000.00
230104		Float Equipment			$75,000.00	$95,000.00
230105		Tubing:	2-7/8"	21,000'	$0.00	$314,000.00
230106	Lease Equipment:	Wellhead Equipment			$130,000.00	$130,000.00
230107		Downhole Equipment			$0.00	$150,000.00
230111		Artificial Lift-Pumping Unit			$0.00	$0.00
230113		Production Equipment			$0.00	$150,000.00
230115		Compressor/Compression			$0.00	$0.00
230116		Pipeline Equipment			$0.00	$0.00
230120		Non-Controllable Equipment			$0.00	$0.00
		20% Contingency			$434,000.00	$711,000.00
TOTAL	TANGIBLES	Total Tangible Costs			$2,601,000.00	$4,266,000.00
		Total Costs			$20,771,000.00	$26,112,000.00

Prepared by: DKA 5/12/09 Approved by: _____

OPERATOR'S APPROVAL: _____ DATE: _____
Operations/Geology

OPERATOR'S APPROVAL: _____ DATE: _____
Land/Accounting

NON-OPERATOR'S APPROVAL: _____ DATE: _____

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well, as modified by the following Accounting Procedure Exception: On title examination and regulatory work, operator may use in-house attorneys and support staff and charge the Joint Account at rates not to exceed average commercial rates currently prevailing in the immediate area. The Operator may contract with an affiliated entity to drill the well at prevailing rates in the area. Participant shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in amounts acceptable to the Operator by the date of spud.

EXHIBIT NO. 3

Exhibit No. 4

Ownership Tabulation for Uncommitted or Unleased Interests (5/12/2009)

MAP INDEX	TAX MAP/ PARCEL	COUNTY	DISTRICT	OIL & GAS OWNER / OPERATOR	ADDRESSES	GROSS ACRES IN UNIT TRACT	INTEREST OWNED	NET ACRES IN UNIT TRACT	OVERALL UNIT CONTRIBUTION
1	30-30 & 30.1	Roane	Smithfield	North Coast Energy Eastern, Inc.	Attn: Frank Rotunda P.O. Box 8 Ravenswood, WV 26164	12.94	0.20489875	2.65138983	0.38134130%
3	30-38	Roane	Smithfield	Creston Well Service, c/o Alvin L. Engelke	P. O. Box 143 Creston, WV 26141	14.37	7/320	0.31434375	0.04521110%
				Garnet Gas Corp.	PO Box 143 Creston, WV 26141	14.37	1/160	0.08981250	0.01291746%
				Creston Company	PO Box 143 Creston, WV 26141	14.37	3/80	0.53887500	0.07750475%
				BRC Appalachian Minerals, LLC	3070 Lakecrest Circle, Suite 400-PMB, Lexington, KY 40513	14.37	1/40	0.35925000	0.05166983%
4-A	30-37	Roane	Smithfield	Harrison-Ritchie Oil & Gas Co., c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/12	2.92000000	0.41997469%
				William Y. & Virginia Morris Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				Robert H. & Lois T. Morris Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				John R. & Jean D. Morris Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				William C. Watson Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/192	0.18250000	0.02624842%
				Nancy C. Sanders Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/192	0.18250000	0.02624842%
				I.L. Morris, c/o Ernest L. Arbuckle	P.O. Box 658 Haines City, FL 3844	35.04	1/48	0.73000000	0.10499367%
				William C. Kerns Under the John W. Kerns Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				Robert M. Kerns Under the John W. Kerns Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				Mary Loretta Kerns Clark Under the John W. Kerns Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				Delvera Kerns Johnson Under the John W. Kerns Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
4-B	30-p/o 37	Roane	Smithfield	Ronald Eugene Kincaid	1087 Foley Drive, St. Albans, WV 25177	0.5	1/5	0.10000000	0.01438269%
				Creston Well Service, c/o Alvin L. Engelke	P. O. Box 143, Creston, WV 26141	0.5	1/66	0.00761697	0.00109553%

Exhibit No. 4

Ownership Tabulation for Uncommitted or Unleased Interests (5/12/2009)

MAP INDEX	TAX MAP/ PARCEL	COUNTY	DISTRICT	OIL & GAS OWNER / OPERATOR	ADDRESSES	GROSS ACRES IN UNIT TRACT	INTEREST OWNED	NET ACRES IN UNIT TRACT	OVERALL UNIT CONTRIBUTION
9	30-p/o33 &33.3	Roane	Smithfield	Harrison-Ritchie Oil & Lands Co.	P.O. Box 659 Wichita Falls, TX 76307	27.21	1/12	2.26750000	0.32612760%
				Will E. Morris Estate, c/o ICG	P O Box 659, Wichita Falls, TX 76307	27.21	1/24	1.13375000	0.16306380%
				John W. Kerns Estate Trust, c/o ICG	P O Box 659, Wichita Falls, TX 76307	27.21	1/24	1.13375000	0.16306380%
				Georgia P. Sergent	966 Johnson Creek, Walton, WV 25286	27.21	1/12	2.26750000	0.32612760%
				Nancy Sergent Long	#1 Aerie Estate, Charleston WV 25302	27.21	1/6	4.53500000	0.65225521%
12	17-6, 7, 8	Roane	Walton	Creston Well Service, c/o Alvin L. Engelke	P. O. Box 143 Creston, WV 26141	63.21	7/288	1.53635417	0.22096913%
				The Creston Company	PO Box 143 Creston, WV 26141	63.21	1/36	1.75583333	0.25253615%
14	17-p/o 9	Roane	Walton	Alvin L. Engelke	P. O. Box 143, Creston, WV 26141	37.77	1/45	0.83933333	0.12071875%
				Creston Company, c/o Alvin L. Engelke	P. O. Box 143, Creston, WV 26141	37.77	2/15	5.03600000	0.72431251%
15	16-41	Roane	Walton	Creston Well Service, c/o Alvin L. Engelke	P. O. Box 143, Creston, WV 26141	17.66	13/16	14.34875000	2.06373691%
18	21-7, 21-7.1	Roane	Walton	Nancy Sergent Long	#1 Aerie Estate, Charleston WV 25302	12.36	1/3	4.12000000	0.59256702%
							TOTAL	**49.60505888**	**7.13454420%**

Exhibit No. 4

Lease Modifications Required for HBP Properties (5/12/09)

MAP INDEX	TAX MAP/ PARCEL	COUNTY	DISTRICT	OIL & GAS OWNER / OPERATOR	ADDRESSES	GROSS ACRES IN UNIT TRACT	INTEREST OWNED	NET ACRES IN UNIT TRACT	OVERALL UNIT CONTRIBUTION
19	12-9.2	Roane	Geary	Georgia P. Sergent	966 Johnson Creek Walton, WV 25286	12.36	1/6	2.06000004	0.29628352%
							TOTAL	2.06000004	0.29628352%

Unit Tract No.	Acres in Unit
1	12.94
2	0.74
3	14.37
4A	35.04
4B	0.5
5	46.5
6	46.75
7	23.15
8	5.27
9	27.21
10	27.43
11	238.33
12	63.21
13	55.56
14	37.77
15	17.66
16	4.19
17	1.27
18	17.74
19	12.36
20	7.29
Total:	695.28

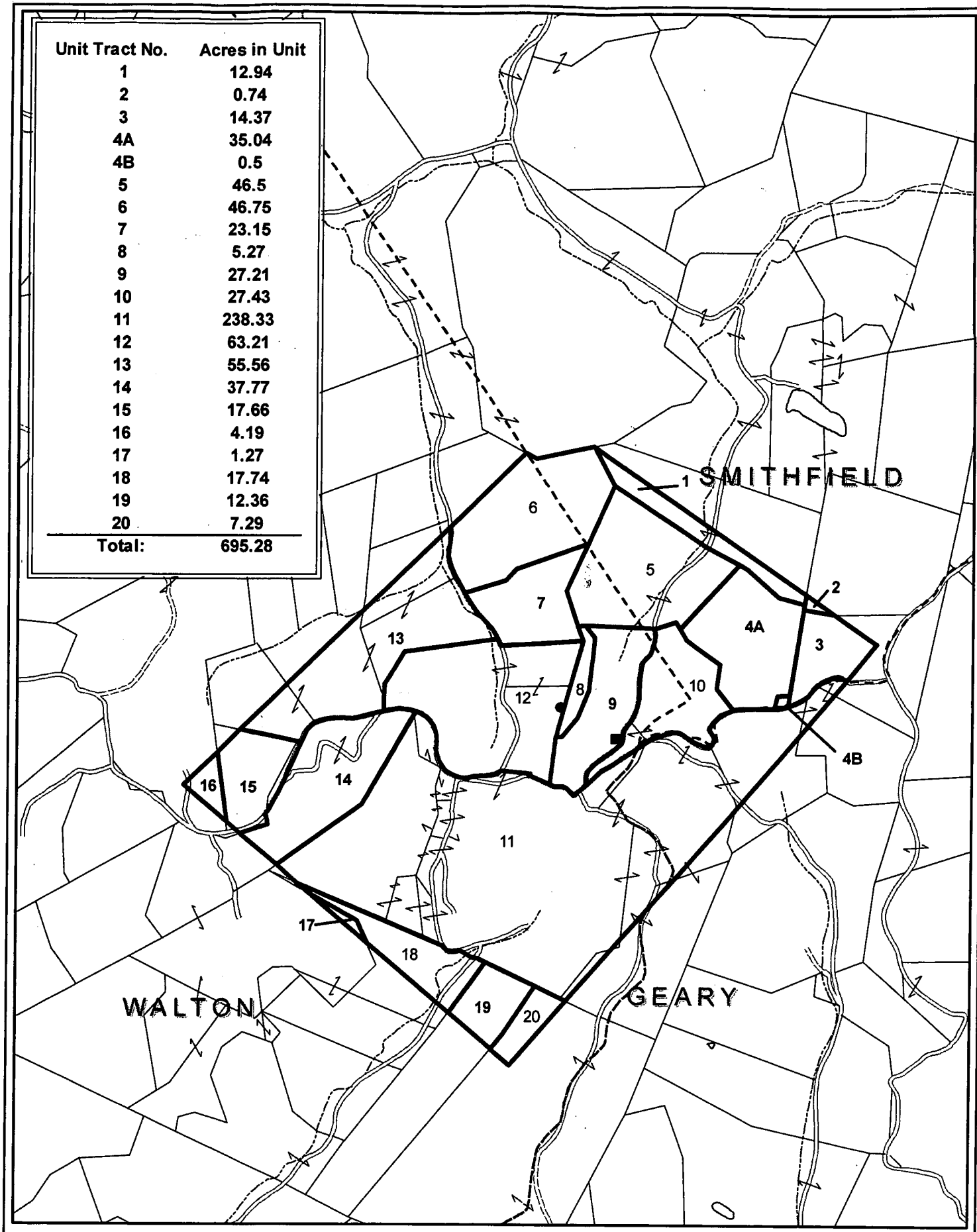


Exhibit No. 5

Well Number: 826848 (Raber Knight No. 1)

14	37.77
15	17.66
16	4.19
17	1.27
18	17.74
19	12.36
20	7.29
Total:	695.28

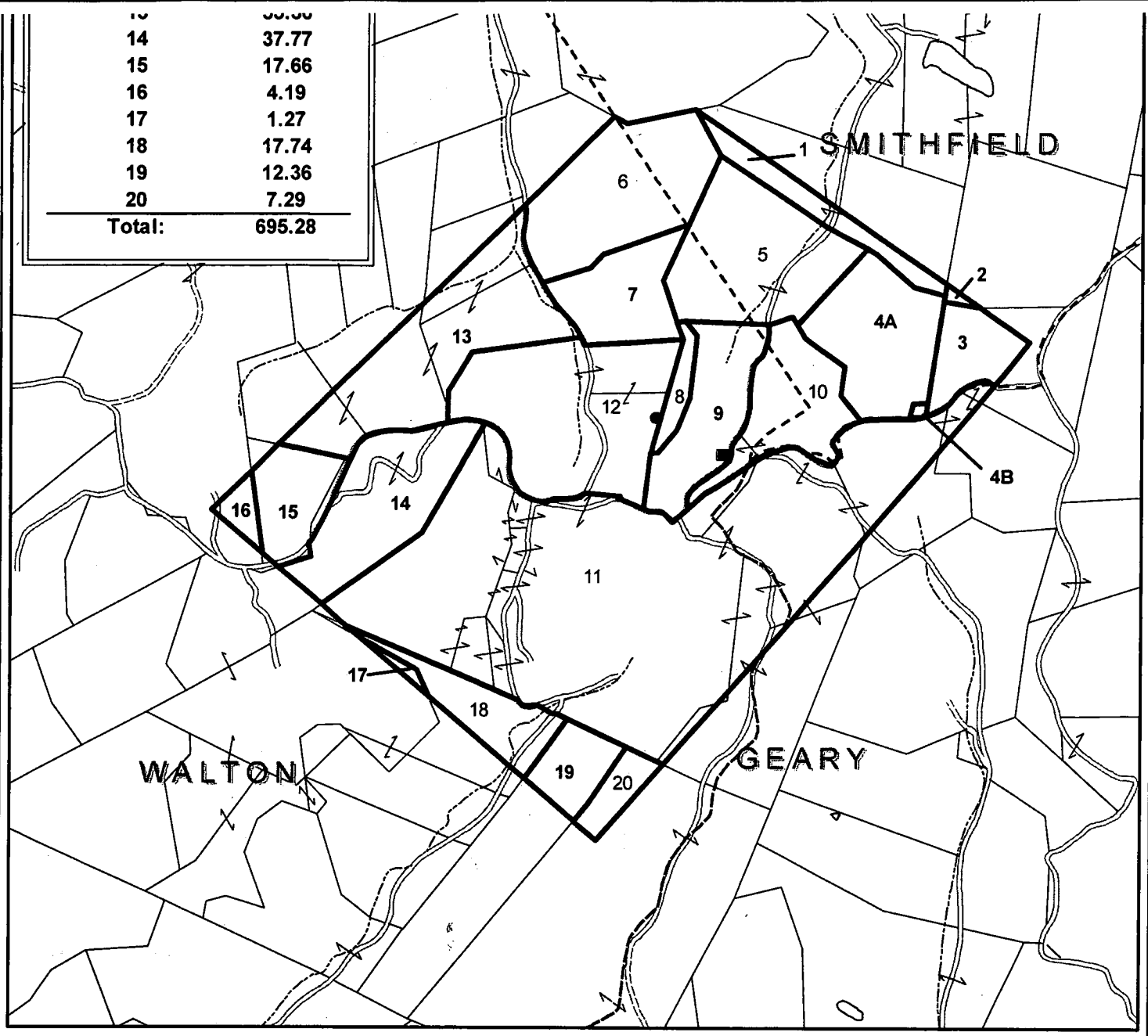


Exhibit No. 5

Well Number: 826848 (Robey Knight No. 1)
County: Roane **State:** West Virginia
Area in Unit: 695.28 acres **Date:** May 14, 2009
Scale: 1 inch equals 1500 feet

Chesapeake ENERGY

NOTICE

This map/plat reflects only the approximate location of the depicted natural gas facilities (including property lines, lease and lease boundary lines). Neither Chesapeake Appalachia, L.L.C. nor any of its employers or contractors make any warranty, expressed or implied with respect to the accuracy or completeness of the document.

Furthermore, this map/plat is the property of Chesapeake Appalachia, L.L.C. and may contain confidential and/or proprietary information. It may not be copied or otherwise made available to any party without the prior written consent of Chesapeake Appalachia, L.L.C.

Chesapeake Appalachia, L.L.C. expressly disclaims responsibility for any action, activity, or decision by a third party on the basis of the information depicted on this map/plat.

Call or Write:
Manager, Technical Services
Chesapeake Appalachia, L.L.C. P.O. Box 6070
Charleston, WV 25362-0070
(304) 353-5000

Legend

- Top Hole
- Bottom Hole
- Robey Knight No.1 Unit

W:\Prospects\LAND\MattTroup\Robey Unit\Robey_Unit_Sketch_9-09-08.mxd

Chesapeake ENERGY

RECEIVED
JUN 15 2009
WV Oil and Gas
Conservation Commission

LAW DEPARTMENT

Tinki M. Baker
Paralegal
900 Pennsylvania Avenue
P. O. Box 6070
Charleston, WV 25362-0070
DD: 304.353.5180
Fax: 304.353.5234
Email: tinki.baker@chk.com

June 10, 2009

Ms. Cindy Raines
WV Oil & Gas Conservation Commission
601 57th Street
Charleston, WV 25304

Re: Docket No. 195, Cause No. 187
Request by Chesapeake Appalachia, L.L.C. for
An Order Establishing a 695.28-Acre Drilling Unit
And Pooling the Interests of Oil and Gas Owners
And Operators who have not entered into Voluntary
Agreements, Walton District, Roane County, WV

Dear Cindy:

Enclosed you will find a "Notice of Prehearing Conference" and map for the captioned matter. For your information, this Notice was sent by certified mail to the owners and operators shown on the attached list as well as to the following newspapers for Class 2 publication and circulation on June 18 and 25, 2009: Roane County Reporter and The Times Record.

Should you have any questions, feel free to call me.

Sincerely,

Tinki M. Baker

Enclosure

cc: Brett Loflin – Chesapeake Appalachia, L.L.C.
Dora Goff-Parsons – Chesapeake Appalachia, L.L.C.
Keith E. Moffatt – Chesapeake Appalachia, L.L.C.

W:\Tinki\Force Pooling\Raines.PrehearingNotice2.Knight.6.10.09.doc

PENGAD 800-631-6989 EXHIBIT #3 7-21-09

RECEIVED

JUN 15 2009

WV Oil and Gas
Conservation Commission

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, L.L.C. FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195

CAUSE NO. 187

NOTICE OF PREHEARING CONFERENCE

Please be advised that Chesapeake Appalachia, L.L.C. ("Chesapeake"), an Oklahoma limited liability company, has made application to the Oil and Gas Conservation Commission ("Commission") for the establishment of a 695.28-acre drilling unit in the Walton District, Roane County, West Virginia, for the drilling of its proposed Well No. 826848 as more particularly shown and identified on the attached map.

Chesapeake proposes to drill Well No. 826848 to the basement (estimated total depth of 22,350 feet) in a unit containing 695.28 acres, more or less. To the best of the knowledge of Chesapeake, no operator other than Chesapeake desires to operate Well No. 826848. Chesapeake has obtained lease agreements with voluntary unitization provisions or development agreements from over 92% of the oil and gas owners in the proposed 695.28-acre unit. Chesapeake has been unable to acquire leases or voluntary unitization agreements from approximately 8% of the owners or operators of interests within the proposed 695.28-acre unit. Chesapeake has contacted, or made reasonable attempts to contact (i) the oil and gas owners of unleased tracts; (ii) the oil and gas owners of leased tracts whose leases do not contain a voluntary pooling/unitization clause; and (iii) the uncommitted operators of oil and gas leases, for the purpose of obtaining voluntary agreements allowing for the development of the proposed unit, but these contacts and attempts have not been successful. Accordingly, as part of its Application, Chesapeake is requesting that the Commission pool the interests of such owners and operators in the proposed 695.28-acre unit for development and operation.

A prehearing conference relating to Chesapeake's request for the establishment of the 695.28-acre unit and pooling of the interests therein has been scheduled for the following date and time:

Date: July 22, 2009
Time: 9:00 a.m.
Where: West Virginia Oil and Gas Conservation Commission
601 57th Street SE
Charleston, WV 25304

Any opponent to the Application for the establishment of this 695.28-acre unit and/or pooling of interests must file written notice with the Commission within ten (10) days of the date of this pre-hearing notice or the pre-hearing conference will not be held. A complete copy of Chesapeake's Application in this matter may be obtained from the Commission. This pre-hearing notice is hereby made and dated this 10th day of June, 2009.

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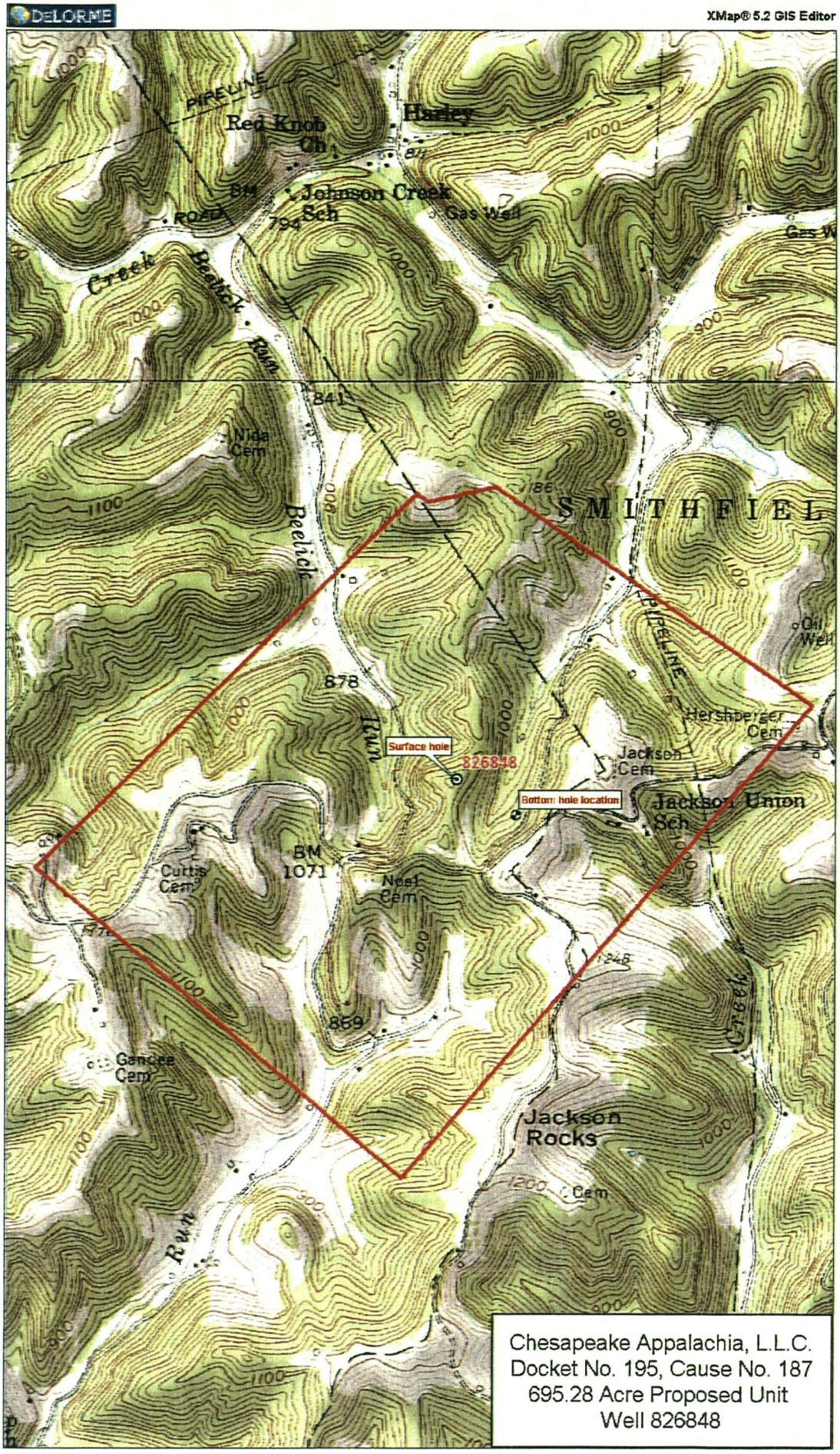
DELORME
XMap® 5.2 GIS Editor
PIPELINE
Red Knob Ch
Harley
Johnson Creek Sch
Gas Well
Creek
Beelick Run
841
Nida Cem
SMITHFIEL
Beelick
878
Run
Surface hole
826848
Bottom hole location
Jackson Cem
Jackson Union Sch
Hershberger Cem
Oil Well
BM 1071
Curtis Cem
Noel Cem
869
Gandee Cem
Jackson Rocks
Cem
Run
Creek
Chesapeake Appalachia, L.L.C.
Docket No. 195, Cause No. 187
695.28 Acre Proposed Unit
Well 826848
Data use subject to license.
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www.delorme.com
MN (7.6° W)
0 400 800 1200 1600 2000 ft
Data Zoom 13-7

North Coast Energy Eastern, Inc.
ATTN: Frank Rotunda
P.O. Box 8
Ravenswood, WV 26164

Creston Well Service
c/o Alvin L. Engelke
P.O. Box 143
Creston, WV 26141

Garnet Gas Corp.
P.O. Box 133
Creston, WV 26141-9766

The Creston Company
c/o Alvin L. Engelke
P.O. Box 143
Creston, WV 26141

BRC Appalachian Minerals, LLC
3070 Lakecrest Circle, Suite 400-PMB
Lexington, KY 40513

Harrison-Ritchie Oil & Gas Co.
c/o Chase Bank, Successor Trustee
P.O. Box 659
Witchita Falls, TX 76307

William Y. & Virginia Morris Trust
c/o Chase Bank, Successor Trustee
P.O. Box 659
Witchita Falls, TX 76307

Robert H. & Lois T. Morris Trust
c/o Chase Bank, Successor Trustee
P.O. Box 659
Witchita Falls, TX 76307

John R. & Jean D. Morris Trust
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P.O. Box 659
Witchita Falls, TX 76307

William C. Watson Trust
c/o Chase Bank, Successor Trustee
P.O. Box 659
Witchita Falls, TX 76307

Nancy C. Saunders Trust
c/o Chase Bank, Successor Trustee
P.O. Box 659
Witchita Falls, TX 76307

I.L. Morris
c/o Ernest L. Arbuckle
P.O. Box 658
Haines City, FL 33844

William C. Kerns
Under the John W. Kerns Trust
c/o Chase Bank, Successor Trustee
P.O. Box 659
Witchita Falls, TX 76307

Robert M. Kerns
Under the John W. Kerns Trust
c/o Chase Bank, Successor Trustee
P.O. Box 659
Witchita Falls, TX 76307

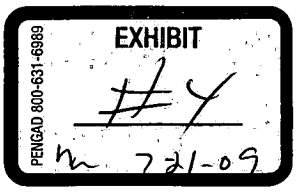
Mary Loretta Kerns Clark
Under the John W. Kerns Trust
c/o Chase Bank, Successor Trustee
P.O. Box 659
Witchita Falls, TX 76307

Delvera Kerns Johnson
Under the John W. Kerns Trust
c/o Chase Bank, Successor Trustee
P.O. Box 659
Witchita Falls, TX 76307

Georgia P. Sergent
966 Johnson Creek
Walton, WV 25286

Nancy Sergent Long
#1 Aerie Estate
Charleston, WV 25302

Alvin L. Engelke
P.O. Box 143
Creston, WV 26141



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION BY CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28 ACRE DRILLING UNIT AND POOLING OF UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA.

DOCKET NO. 195
CAUSE NO. 187

NOTICE OF CONTINUANCE

Chesapeake Appalachia, LLC ("Chesapeake") has requested the Commission review and approve a 695.28 acre drilling unit and pooling of unleased tracts and interests of operators for the development and operation of the unit in Roane County, West Virginia, pursuant to Chapter 22C-9-7(b).

The **prehearing is scheduled for 9:00 am** with hearing immediately thereafter.

DATE: July 22, 2009

TIME: immediately following the pre-hearing

PLACE: Department of Environmental Protection
Oil and Gas Conservation Commission
Canaan Valley Conference Room
601 57th Street, SE
Charleston, WV 25304

IN THE NAME OF THE STATE OF WEST VIRGINIA

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

By: Barry K Lay
Barry K. Lay, Chairman

Dated this 9th day of June at Charleston, West Virginia.

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Track & Confirm

Search Results

Label/Receipt Number: **9171 0821 3339 3616 2362 02**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

Go >

Notification Options

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Get current event information or updates for your item sent to you or others by email. Go >

Return Receipt (Electronic)

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Track & Confirm

Search Results

Label/Receipt Number: **9171 0821 3339 3616 2361 96**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

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Enter Label/Receipt Number.

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2361 89**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

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Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2361 72**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2361 65**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

Go >

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2361 58**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

Go >

Notification Options

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Track & Confirm

Search Results

Label/Receipt Number: **9171 0821 3339 3616 2361 41**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

Go >

Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2361 34**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Notice Left**

We attempted to deliver your item at 5:25 AM on June 15, 2009 in WICHITA FALLS, TX 76301 and a notice was left. No further information is available for this item.

Detailed Results:

- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

Go >

Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2362 26**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 10:32 AM on June 17, 2009 in SPENCER, WV 25276.

Detailed Results:

- **Delivered, June 17, 2009, 10:32 am, SPENCER, WV 25276**
- **Notice Left, June 11, 2009, 9:26 am, SPENCER, WV 25276**
- **Electronic Shipping Info Received, June 10, 2009**

Notification Options

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Return Receipt (Electronic)

Verify who signed for your item by email. Go >

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2362 33**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 8:54 AM on June 11, 2009 in CHARLESTON, WV 25362.

Detailed Results:

- **Delivered, June 11, 2009, 8:54 am, CHARLESTON, WV 25362**
- **Arrival at Unit, June 11, 2009, 8:49 am, CHARLESTON, WV 25302**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

Go >

Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2361 27**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

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Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2361 10**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

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Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2361 03**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Notice Left**

We attempted to deliver your item at 10:05 AM on June 11, 2009 in WALTON, WV 25286 and a notice was left. No further information is available for this item.

Detailed Results:

- **Notice Left, June 11, 2009, 10:05 am, WALTON, WV 25286**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

Go >

Notification Options

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Track & Confirm

Search Results

Label/Receipt Number: **9171 0821 3339 3616 2360 97**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 3:13 PM on June 22, 2009 in ROCKVILLE CENTRE, NY 11570.

Detailed Results:

- **Delivered, June 22, 2009, 3:13 pm, ROCKVILLE CENTRE, NY 11570**
- **Notice Left, June 20, 2009, 11:30 am, ROCKVILLE CENTRE, NY 11570**
- **Forwarded, June 13, 2009, 8:52 am, HAINES CITY, FL**
- **Arrival at Unit, June 13, 2009, 7:50 am, HAINES CITY, FL 33844**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2360 80**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2360 73**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2360 66**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 8:32 AM on June 11, 2009 in CRESTON, WV 26141.

Detailed Results:

- **Delivered, June 11, 2009, 8:32 am, CRESTON, WV 26141**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

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Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2360 59**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 8:33 AM on June 11, 2009 in CRESTON, WV 26141.

Detailed Results:

- **Delivered, June 11, 2009, 8:33 am, CRESTON, WV 26141**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

Go >

Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2360 42**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 8:32 AM on June 11, 2009 in CRESTON, WV 26141.

Detailed Results:

- **Delivered, June 11, 2009, 8:32 am, CRESTON, WV 26141**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2360 35**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 8:35 AM on June 11, 2009 in CRESTON, WV 26141.

Detailed Results:

- **Delivered, June 11, 2009, 8:35 am, CRESTON, WV 26141**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

Go >

Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2360 28**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 3:03 PM on June 12, 2009 in CHARLESTON, WV 25302.

Detailed Results:

- **Delivered, June 12, 2009, 3:03 pm, CHARLESTON, WV 25302**
- **Notice Left, June 11, 2009, 10:08 am, CHARLESTON, WV 25302**
- **Electronic Shipping Info Received, June 10, 2009**

Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2360 11**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:09 AM on June 16, 2009 in WICHITA FALLS, TX 76307.

Detailed Results:

- **Delivered, June 16, 2009, 9:09 am, WICHITA FALLS, TX 76307**
- **Notice Left, June 15, 2009, 5:25 am, WICHITA FALLS, TX 76301**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

Go >

Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2264 25**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 9:59 AM on July 1, 2009 in CHARLESTON, WV 25304.

Detailed Results:

- **Delivered, July 01, 2009, 9:59 am, CHARLESTON, WV 25304**
- **Unclaimed, June 27, 2009, 11:05 am, SAINT ALBANS, WV**
- **Notice Left, June 11, 2009, 12:52 pm, SAINT ALBANS, WV 25177**
- **Electronic Shipping Info Received, June 10, 2009**

Track & Confirm

Enter Label/Receipt Number.

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Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2264 49**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 12:34 PM on June 12, 2009 in LEXINGTON, KY 40513.

Track & Confirm

Enter Label/Receipt Number.

Go >

Detailed Results:

- **Delivered, June 12, 2009, 12:34 pm, LEXINGTON, KY 40513**
- **Processed through Sort Facility, June 12, 2009, 1:55 am, LEXINGTON, KY 40511**
- **Electronic Shipping Info Received, June 10, 2009**

Notification Options

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Search Results

Label/Receipt Number: **9171 0821 3339 3616 2264 32**
Class: **First-Class Mail®**
Service(s): **Return Receipt Electronic**
Status: **Delivered**

Your item was delivered at 8:32 AM on June 11, 2009 in CRESTON, WV 26141.

Detailed Results:

- **Delivered, June 11, 2009, 8:32 am, CRESTON, WV 26141**
- **Electronic Shipping Info Received, June 10, 2009**

Notification Options

Track & Confirm by email

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Return Receipt (Electronic)

Verify who signed for your item by email. Go >

Track & Confirm

Enter Label/Receipt Number.

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DOCKET 195
NOTICE OF CONTINUANCE

Certified Mail

Roane County Reporter
Attention: Legal Advertisement
210 East Main Street
Spencer, WV 25276

91 7108 2133 3936 1568 9603

WILLIAM C. WATSON TRUST
C/O CHASE BANK SUCCESSOR TRUSTEE
P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6189

Mr. Keith Moffatt
Chesapeake Appalachia, LLC
P O Box 6070
Charleston, WV 25362

91 7108 2133 3936 1623 6233

ROBERT H. & LOUIS T. MORRIS TRUST
C/O CHASE BANK SUCCESSOR
P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6172

Mr. Thomas N. Whittier
Hedges, Jones, Whittier & Hedges
Post Office Box 7
Spencer, WV 25276

91 7108 2133 3936 1623 6226

NANCY C. SANDERS TRUST
C/O CHASE BANK SUCCESSOR TRUSTEE
P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6165

Mr. Brett Loflin
Chesapeake Appalachia, LLC
P O Box 6070
Charleston, WV 25362

91 7108 2133 3936 1623 6219

WILLIAM C. KERNS-JOHN W. KERNS TRUST
C/O CHASE BANK SUCCESSOR
P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6158

WILLIAM Y. & VIRGINIA MORRIS TRUST
C/O CHASE BANK SUCCESSOR
P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6202

ROBERT M. KERNS-JOHN W. KERNS TRUST
C/O CHASE BANK SUCCESSOR
P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6141

JOHN R. & JEAN D. MORRIS TRUST
C/O CHASE BANK SUCCESSOR
P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6196

MARY LORETTA KERNS-JOHN W. KERNS TRUST
C/O CHASE BANK SUCCESSOR
P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6134

DELVERA KERNS JOHNSON
-JOHN W. KERNS TRUST
C/O CHASE BANK SUCCESSOR
P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6127

HARRISON- RITCHIE OIL & LANDS CO

P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6110

Georgia P. Sergent
966 Johnson Creek
Walton, WV 25286

91 7108 2133 3936 1623 6103

I.L MORRIS
C/O ERNEST L. ARBUCKLE
P.O BOX 658
HAINES CITY, FL 33844

91 7108 2133 3936 1623 6097

WILL E. MORRIS ESTATE
C/O ICG

P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6080

HARRISON -RITCHIE OIL & GAS CO
C/O CHASE BANK SUCCESSOR
P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6073

CRESTON WELL SERVICE
P.O BOX 143
CRESTON, WV 26141

91 7108 2133 3936 1623 6066

GARNET GAS CORP.
P.O BOX 143
CRESTON, WV 26141

91 7108 2133 3936 1623 6059

CRESTON WELL SERVICE
C/O ALVIN L. ENGELKE
P.O BOX 143
CRESTON, WV 26141

91 7108 2133 3936 1623 6042

CRESTON COMPANY
P.O BOX 143
CRESTON, WV 26141

91 7108 2133 3936 1623 6035

NANCY SERGENT LONG
#1 AERIE ESTATE
CHARLESTON, WV 25302

91 7108 2133 3936 1623 6028

JOHN W. KERNS ESTATE TRUST
C/O ICG

P.O BOX 659
WICHITA FALLS, TX 76307

91 7108 2133 3936 1623 6011

RONALD EUGENE KINCAID

1087 FOLEY DRIVE
ST. ALBANS, WV 25177

91 7108 2133 3936 1622 6425

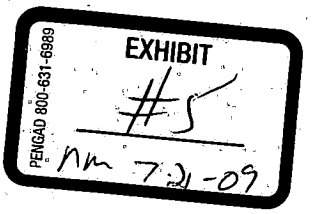
ALVIN L. ENGELKE

P.O BOX 143
CRESTON, WV 26141

91 7108 2133 3936 1622 6432

BRC APPALACHIAN MINERALS, LLC
3070 LAKECREST CIRCLE
SUITE 400-PMB
LEXINGTON, KY 40513

91 7108 2133 3936 1622 6449



HEDGES, JONES, WHITTIER AND HEDGES
ATTORNEYS AT LAW
POST OFFICE BOX 7
SPENCER, WEST VIRGINIA 25276

GROVER F. HEDGES (1885-1955)
G. F. HEDGES, JR. (1914-1986)

ORTON A. JONES
THOMAS N. WHITTIER
CHRISTINE M. HEDGES

216 MARKET STREET, SUITE 201
FIRST NATIONAL BANK BUILDING
TELEPHONE (304) 927-3790
FACSIMILE (304) 927-6050

June 29, 2009

Oil and Gas Conservation Commission of West Virginia
Department of Environmental Protection
601 57th Street, S. E.
Charleston, WV 25304

Attn: Cindy Raines

Re: Chesapeake Appalchia, LLC
Docket No. 195 - Cause No. 187
195

Dear Ms. Raines:

On behalf of Alvin L. Engelke, Creston Well Service, Inc., Garnet Gas Corporation, Creston Company and Georgia P. Sergent, (herein collectively the "Creston Respondents") I would like to request that the Commission issue a subpoena duces tecum compelling the Applicant, Chesapeake Appalchia, LLC to bring to the pre-hearing in this matter certain documents, as per the attached Subpoena Duces Tecum

When I called your office in regard to the issuance of subpoenae, it was suggested that I provide a rationale as to the relevance of each document or group of documents for which a subpoena was requested. Accordingly, I include herewith a statement as to the relevance of each document or group of documents requested.

a. It is the understanding of the Respondents that Chesapeake Appalachia has performed extensive geophysical or seismic exploration in the area of the proposed unit. It is the belief of the Creston Respondents that the results of the seismic tests are critical to determining the viability of the unit and to determining of the value of their mineral holdings within the unit. Mineral interests which have been explored seismically would intrinsically have greater or lesser value if they were or were not explored seismically and would have greater or lesser value depending on the results of the geophysical or seismic exploration.

b. The listed wells are all wells operated within the unit and some are wells operated on the properties of the Creston Respondents. Whether or not said wells have been producing or are produced and the level at which they produce is relevant to any proceeding involving the evaluation of the minerals being produced and is relevant to the status to the lease being investigated for forced pooling.

c. It has been reported in the West Virginia press that the applicant has entered into agreements with Stat Oil, ASA or its's successor by merger, Norsk Hydro ASA for the joint

exploration and development of oil and gas in the Appalachian Basin and more specifically in a defined "area of mutual interest" (AMI) in parts of Central West Virginia. It is relevant to force pooling issues as to whether or not the area of the proposed unit is within the AMI as specified in those agreements or is in close proximity to the AMI specified in those agreements.

d. It is the belief of the Creston Respondents that the applicant entered into participation agreements with various parties when the "Dink" Well, a deep well in Otter District of Clay County, West Virginia, a district which is in part adjacent to the area of Southern Roane County in which the proposed unit is located, was drilled. The Creston Respondents believe that the amount paid by participants to Chesapeake or its predecessor, CNR, in the drilling of wells in reasonable proximity to the proposed unit is relevant to the valuation of their mineral interests and the forced pooling issues presented in this action.

e. The Creston Respondents believe from documents of record that Columbia Natural Resources predecessor to Chesapeake Appalachia, LLC, entered into agreements with Castle Gas Company, Inc. for the development of oil and gas wells in Southern Roane County in an area in reasonable close proximity to the proposed unit and that the amount paid to CNR for the right to participate in said exploration would be relevant to the valuation of their mineral interests and the forced pooling issues presented in this action.

f & g. The Creston Respondents believe that the applicant has filed various applications requesting forced pooling before this Commission. The Creston Respondents believe those applications filed in areas within reasonable proximity to the proposed unit or at times relevant to the period of the filing of the instant application could contain information relevant to the forced pooling issues presented herein.

h through m. The unit is for a well to explore to the basement in the Appalachian Basin along the Rome Trough. The Creston Respondents believe that any applications and forced pooling orders entered in instances involving drilling the Appalachian Basin along the Rome Trough including areas where the Applicant has drilled in Kentucky, Pennsylvania and New York.

n. The Creston Respondents believe that Applicant has engaged in leasing activities along the Rome Trough in numerous counties within the State of West Virginia. These Respondents believe that what Applicant has paid for leases along the Rome Trough is relevant to the value of their mineral interests and to the force pooling issues presented in this case.

o through q. The Creston Respondents believe that given the high cost and high degree of risk presented by drilling the well described in the application that prudence would dictate that the Applicant seek partners. The cost of the right to participate with the Applicant in the well described in the application is relevant to the value of these Respondents mineral interests and to the force pooling issues presented in this case.

r. The Creston Respondents believe that the Applicant is planning seismic exploration and/or deep drilling in an area along the Roane/Jackson county lines west of the proposed unit.

These Respondents believe that the Applicant has or has sought partners to participate in said venture or that Applicant may be participating with another company in said area. These Respondents believe that the amount paid by Applicant to participate with another entity in said exploration and development or the amount paid, solicited or offered to or by the Applicant to participate in said unit is relevant to the value of these Respondents mineral interests and to the force pooling issues presented in this case.

I hope the preceding rationales are helpful to you. Please let me know whether or not you will issue the requested subpoena duces tecum. Thank you.

Yours truly,

Thomas N. Whittier

TNW/ll

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195
CAUSE NO. 187

NOTICE OF OBJECTION AND REQUEST FOR HEARING

Come now Garnet Gas Corporation, Creston Company, Creston Well Service, Inc., Georgia P. Sergent and Alvin L. Engelke, Respondents, and hereby give notice that they oppose the application for the establishment of the 695.28-acre unit and/or the forced pooling of interests in oil and gas and request that a pre-hearing conference be held at the time and place set forth in the notice of pre-hearing conference filed herein.

These respondents further request that discovery, as described in the West Virginia Rules of Civil Procedure, be permitted in this matter and in support thereof make known to the Commission the following:

1. This is a complex matter involving force pooling in which the Commission is charged by statute to determine the fair value of mineral leases. At present this is a particularly difficult task given the fluctuations in the market and the values paid by participants to join in ventures for the development of natural gas in the Appalachian Basin.

2. Respondents have requested, or anticipate requesting, subpoenas for voluminous materials which would otherwise be discoverable in the normal course of civil litigation. If the material requested is produced at pre-hearing, it will require delay of the pre-hearing to allow a reasonable time for examination and organization and review to determine which materials are or not to be presented in evidence at hearing.

3. Allowing a reasonable time for discovery would provide an orderly, efficient process, or review and organization of documents and witnesses which would save hearing time for the commission and expedite the hearing process. Hearing would be untenable and potentially significantly delayed if all relevant materials are produced only on the day of hearing. Testimony at hearing could be substantially reduced if discovery is permitted.

4. Justice demands that respondents, who have significant property interests at issue, be afforded.

Creston Well Service, Inc.
Georgia P. Sergent
Garnet Gas Corporation,
Creston Company and
Alvin L. Engelke,
Respondents,
By Counsel.

Thomas N. Whittier, WVSB # 4029
HEDGES, JONES, WHITTIER & HEDGES
Attorneys at Law
P.O. Box 7
Spencer, West Virginia 25276
Counsel for Respondents

CERTIFICATE OF SERVICE

I, Thomas N. Whittier, hereby certify that I have this day served the foregoing and hereto annexed Notice of Objection and Request for Hearing upon Keith Moffatt, Esquire, Attorney for Chesapeake Appalachia, LLC, by mailing postpaid a true copy thereto to him at the following address: 900 Pennsylvania Avenue, Charleston, West Virginia, 25302.

Dated this the 24th day of June, 2009.

Thomas N. Whittier, WVSB #4029
HEDGES, JONES, WHITTIER & HEDGES
Attorneys at Law
P. O. Box 7
Spencer, WV 25276

SUBPOENA DUCES TECUM

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195

CAUSE NO. 187

To The Sheriff of Kanawha County

IN THE NAME OF THE STATE OF WEST VIRGINIA:

To Chesapeake Appalchia, LLC, 900 Pennsylvania Avenue, Charleston, WV 25302

You are hereby commanded to appear before the Oil and Gas Conservation Commission of the State of West Virginia at the offices of the Department of Environmental Protection, Oil and Gas Conservation Commission, Canaan Valley Conference Room, 601 37th Street, S. E., Charleston, West Virginia, on the 22nd day of July, 2009, at 9:00 a.m. to testify in the above-noted matter and to bring with you the following:

a. All results of geophysical or seismic tests or operations conducted on or near the properties in which the Creston Respondents or any of them have any interest.

b. All records showing production or the results of operations of the Applicant on any existing wells or properties in which the Creston Respondents or any of them have any interest including, but not limited to, wells designated as the W. L. Hershberger; the Kester K. Lowe; the J. C. Hively; the H. M. Vineyard;

c. Any agreements entered into between the applicant providing for the exploration and joint development of any oil and gas located in Roane and surrounding counties in Central West Virginia with Norsk Hydro ASA, or Statoil ASA, their subsidiaries or associated companies including but not limited to the complete agreement including (1) all financial terms, (2) any maps setting forth the "AMI", area of mutual interest, and (3) any limitations to the area of exploration.

d. Any documents which set forth what participants in the deep well known as the "Dink" Well in Otter District of Clay County, West Virginia, paid for the right to participate in the drilling of said well.

e. Any documents which set forth the terms of the Joint Participation Agreement between Columbia Natural Resources and Castle Gas Company, Inc., including the financial terms and any maps or attachments showing the area of mutual interest ("AMI").

f. Any documents which identify any applications filed before this Commission by the Applicant for forced pooling pursuant to West Virginia Code 22C-9-7(b) during the past five years.

g. Any orders of the Commission entered during the past five years in forced pooling actions filed by the Applicant in which the Commission determined the proper compensation due oil and gas owners for the involuntary lease of their minerals.

h. Any documents which identify any applications filed by the applicant for forced pooling before the appropriate regulatory body in the State of Pennsylvania.

I. Any orders of the regulatory body having jurisdiction over forced pooling in the State of Pennsylvania during the past five years in forced pooling actions filed by the Applicant in which the regulatory body determined the proper compensation due oil and gas owners for the involuntary lease of their minerals.

j. Any documents which identify any applications filed by the applicant for forced pooling before the appropriate regulatory body in the State of New York.

k. Any orders of the regulatory body having jurisdiction over forced pooling in the State of New York during the past five years in forced pooling actions filed by the Applicant in which the regulatory body determined the proper compensation due oil and gas owners for the involuntary lease of their minerals.

l. Any documents which identify any applications filed by the applicant for forced pooling before the appropriate regulatory body in the State of Kentucky.

m. Any orders of the regulatory body having jurisdiction over forced pooling in the State of Kentucky during the past five years in forced pooling actions filed by the Applicant in which the regulatory body determined the proper compensation due oil and gas owners for the involuntary lease of their minerals.

n. All documents showing the consideration paid for the leasing of oil and gas during the year 2006-2009 in the following West Virginia counties: Roane, Calhoun, Jackson, Clay, Kanawha, Pocahontas, Webster, Randolph, Upshur, Preston, Harrison,

Marion and Monongalia.

o. Any documents showing the identity of any parties who are or who have been solicited as partners in the well described in the Application in this matter.

p. Any documents showing the actual cost of the right to participate in the well or unit described in the Application in this matter.

q. Any documents showing any amount offered or solicited for the right to participate in the well or unit described in the Application in this matter.

r. Any document showing the proposed, solicited, offered, or discussed cost to any participants in any joint venture, joint development or joint exploration involving the drilling of oil or natural gas wells along the County line between Roane and Jackson Counties at least some of which has been described by "land men" with some relationship to the applicant as the "rainbow" prospect".

This subpoena is issued upon application of Alvin Engelke, Creston Well Service, Inc., Garnet Gas Corp. et al, Respondents.

Date: _____

_____

Oil & Gas Conservation Commission of West Virginia

Prepared and Submitted by:
Thomas N. Whittier, Esquire
Attorney for the Respondents Alvin Engelke, et al
P. O. Box 7
Spencer, WV 25276

west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

June 9, 2009

The Roane County Reporter
Attention: Legal Advertisement
210 East Main Street
Spencer, WV 25276

Via certified mail: 91 7108 2133 3936 1568 9603

RE: Class 11 - Legal Advertisement
Docket No. 195 - 185

Dear Sir:

Please print the enclosed Notice of Hearing as a Class 11 legal advertisement in Roane County Reporter, on June 18 and again on June 25, 2009, and send affidavit of publication and invoice to me at the address above.

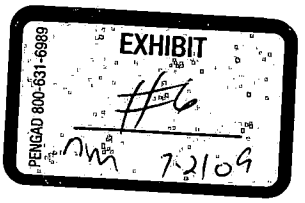
If you should have any questions, please call me at 304-926-0499 ext. 1656

Sincerely,

Cindy Raines

Cindy Raines
Executive Secretary

encl:



west virginia department of envir 7008 2133 3936 1568 9931

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

July 8, 2009

Mr. Thomas N. Whittier
Hedges, Jones, Whittier and Hedges
Post Office Box 7
Spencer, WV 25276

RE: Subpoena Duces Tecum

Dear Mr. Whittier:

The Oil and Gas Conservation Commission is in receipt of the Subpoena Duces Tecum submitted by your office in regards to the hearing scheduled for Wednesday, July 22, 2009. After an extensive review with counsel, the enclosed is the information the Commission will allow to be included in the subpoena.

If you have further questions, please feel free to contact our office at 304-926-0499, extension 1656.

Sincerely,

Cynthia Raines

Cynthia Raines
Executive Assistant

encl:

SUBPOENA DUCES TECUM

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195
CAUSE NO. 187

To the Sheriff of Kanawha County

IN THE NAME OF THE STATE OF WEST VIRGINIA:

To Chesapeake Appalachia, LLC, 900 Pennsylvania Avenue, Charleston, WV 25302

You are hereby commanded to appear before the Oil and Gas Conservation Commission of the State of West Virginia at the offices of the Department of Environmental Protection, Oil and Gas Conservation Commission, Canaan Valley Conference Room, 601 57th Street, S. E., Charleston, West Virginia, on the 22nd day of July, 2009, at 9:00 a.m. to testify in the above-noted matter and to bring with you the following:

a. All results of geophysical or seismic tests or operations conducted on or near the properties in which the Creston Respondents or any of them have any interest only as it pertains to formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) submitted by Chesapeake Appalachia, LLC in the Robey Knight unit, ;

b. All records showing production or the results of operations of the Applicant on any existing wells or properties in which the Creston Respondents or any of them have any interest including, but not limited to, wells designated as the W. L. Hershberger; the Kester K. Lowe; the J. C. Hively; the H. M. Vineyard, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

c. Any agreements entered into between the applicant providing for the exploration and joint development of any oil and gas located in Roane and surrounding counties in Central West Virginia with Norsk Hydro ASA, or Statoil ASA, their subsidiaries or associated companies including but not limited to the complete agreement including (1) all

financial terms, (2) any maps setting forth the "AMI", area of mutual interest, and (3) any limitations to the area of exploration, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

d. Any documents which set forth what participants in the deep well known as the "Dink" Well in Otter District of Clay County, West Virginia, paid for the right to participate in the drilling of said well, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

e. Any documents which set forth the terms of the Joint Participation Agreement between Columbia Natural Resources and Castle Gas Company, Inc., including the financial terms and any maps or attachments showing the area of mutual interest ("AMI"), only the formations listed in the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

f. Any documents which identify any applications filed before this Commission by the Applicant for forced pooling pursuant to West Virginia Code 22C-9-7(b) during the past five years, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

g. Any orders of the Commission entered during the past five years in forced pooling actions filed by the Applicant in which the Commission determined the proper compensation due oil and gas owners for the involuntary lease of their minerals.

h. All documents showing the consideration paid for the leasing of oil and gas during the year 2006-2009 in the following West Virginia counties: Roane, Calhoun, Jackson, Clay, Kanawha for the formations listed on the permit application only ((*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*).

i. Any documents showing the identity of any parties who are or who have been solicited as partners in the well described in the Application in this matter, but limited to the Roane, Calhoun, Jackson, Clay and Kanawha Counties.

j. Any documents showing the actual cost of the right to participate in the well or unit described in the Application in this matter.

k. Any documents showing any amount offered or solicited for the right to participate in the well or unit described in the Application in this matter.

This subpoena is issued upon application of Alvin Engelke, Creston Well Service, Inc., Garnet Gas Corp. et al, Respondents.

Dated: July 8, 2009

Cynthia Raines

WV Oil and Gas Conservation Commission

Prepared and Submitted by:
Thomas N. Whittier, Esquire
Attorney for the Respondents Alvin Engelke, et al
P. O. Box 7
Spencer, WV 25276

RECEIVED
JUL 14 2009
WV Oil and Gas
Conservation Commission

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION BY CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28 ACRE DRILLING UNIT AND POOLING OF UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA.

DOCKET NO. 195
CAUSE NO. 187

MOTION TO CONTINUE

Comes now Nancy Sergent-Long, pro se, and respectfully moves the Oil and Gas Conservation Commission to continue this matter which is set for July 22, 2009, at 9:00 a.m. on the grounds that Mrs. Long is required to be in the state of Florida because her condominium in Daytona, Florida is flooded because of a leak in her hot water heater and, as such, she cannot attend the hearing.

NANCY SERGENT-LONG
Pro Se

Nancy Sergent-Long
One Aerie Estate
Charleston, WV 25302

EXHIBIT #7
7-21-09
PENGAD 800-631-6989

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION BY CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28 ACRE DRILLING UNIT AND POOLING OF UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA.	DOCKET NO. 195 CAUSE NO. 187

CERTIFICATE OF SERVICE

I, Nancy Sergent-Long, do hereby certify that service of the Motion to Continue was made upon the West Virginia Oil and Gas Conservation Commission by mailing a true copy thereof on this the 10th day of July, 2009, addressed as follows:

West Virginia Oil and Gas Conservation Commission
601 57th Street SE
Charleston, West Virginia 25304

Nancy Sergent-Long
One Aery Estate
Charleston, WV 25302

west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

July 15, 2009

Ms. Nancy Sergent-Long
One Aerie Estate
Charleston, West Virginia 25302

RE: Motion to Continue
Docket 195, Cause 187

Dear Ms. Sergent-Long:

The West Virginia Oil and Gas Conservation Commission ("Commission") is in receipt of your "Motion to Continue"[1] the hearing set for July 22, 2009 at 9:00 a.m. As a courtesy to you, the Chairman of the Commission, Mr. Barry Lay, asked me to notify you of the Commission's intent to deny your request to continue the hearing. Said decision will be announced at the beginning of the hearing next week[2]. However, the Commission will allow the record to remain open for ten business days beyond the conclusion of the hearing to allow you, and any other party not available to attend the hearing, the opportunity to submit any information for the Commission to consider prior to making its' decision.

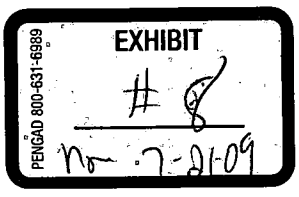
This matter that has been set for hearing for quite some time and has more than twenty-five interested parties. It would be extremely difficult, if not impossible, for the Commission to choose a date that would work for everyone involved. The Commission regrets that you may be unable to attend the hearing and it hopes that by this letter you will have an opportunity to make other arrangements, obtain counsel to represent you in your absence or plan to submit information for consideration before the close of the record which will be ten business days after the hearing is adjourned.

Thank you for your consideration in this matter.

Sincerely,

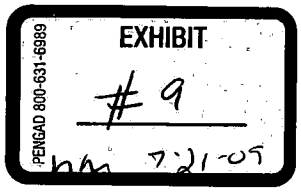
Wendy Radcliff

Wendy Radcliff (CR)
Assistant Attorney General



[1]The Commission notes, that the Commission was the only party served with the "Motion to Continue".

[2]This letter will also be enterd as an Exhibit to the administrative record at that time of the hearing.



ROBINSON
&McELWEE
PLLC

TIMOTHY M. MILLER
ATTORNEY AT LAW

P.O. BOX 1791
CHARLESTON, WV 25326

DIRECT DIAL: (304) 347-8336
E-MAIL: tmm@ramlaw.com

VIA FACSIMLE
AND U.S. MAIL

July 20, 2009

Thomas N. Whittier, Esquire
Hedges, Jones, Whittier and Hedges
Attorneys at Law
216 Market Street, Suite 201
Post Office Box 7
Spencer, WV 25276

Re: Chesapeake Appalachian;
Oil and Gas Conservation Commission;
Docket No. 195 – Cause No. 187

Dear Tom:

I have been contacted by Chesapeake Appalachia, LLC to represent them in connection with the Subpoena Duces Tecum that was issued on your behalf by the West Virginia Oil and Gas Conservation Commission. I have been instructed to and have filed the attached Petition to Quash the Subpoena pursuant to W.Va. Code § 29A-5-1(b).

It is my understanding that a hearing before the Commission is set for 9:00 a.m. on this Wednesday, July 22, 2009. Since we will be unable to obtain a ruling from the Circuit Court on our motion to quash the subpoena prior to Wednesday morning, it is my suggestion that we agree to a continuance of the Commission hearing. I am assuming that you will want time to review the documents, if any, if you prevail on our motion, and accordingly, suggest we have the court hearing, determine if any documents must be produced, and then schedule the hearing accordingly. Please advise if you are in agreement so I can inform Cindy Raines.

Sincerely,

Timothy M. Miller

TMM/paj
Cc: Cindy Raines ***(via facsimile/304-926-0452)***
(Oil and Gas Conservation Commission of West Virginia)

IN THE CIRCUIT COURT OF KANAWHA COUNTY, WEST VIRGINIA

IN RE:
SUBPOENA DUCES TECUM
ISSUED BY THE WEST VIRGINIA
OIL AND GAS CONSERVATION
COMMISSION UPON APPLICATION
OF ALVIN ENGELKE, CRESTON
WELL SERVICE, INC., GARNET
GAS CORP. et al.

Civil Action No. 09-MISC-255
Judge King

PETITION TO QUASH SUBPOENA DECUS TECUM ISSUED BY THE WEST VIRGINIA OIL AND GAS CONSERVATION COMMISSION

Petitioner, Chesapeake Appalachia, LLC ("Chesapeake"), by counsel, petitions this Court, pursuant to West Virginia Code Section 29A-5-1(b) and Rule 45(d)(3)(A) of the West Virginia Rules of Civil Procedure, to enter an Order to quash that certain Subpoena Decus Tecum dated July 8, 2009, issued by the West Virginia Oil and Gas Conservation Commission upon application of Alvin Engelke, Creston Well Service, Inc., Garnet Gas Corp. et al. In support of its Petition, Chesapeake states as follows:

1. Chesapeake submitted an application to the West Virginia Oil and Gas Conservation Commission pursuant to West Virginia Code Section 22C-9-7(b) for an Order establishing a 629.28 acre drilling unit and pooling the unleased tracts and interests of oil and gas owners and operators who have not entered into voluntary agreements allowing for the development and operation of the 629.28 acre unit (the "Robey Knight Well"), located in Walton District, Roane County, West Virginia (the "Application"). (*See* the Application attached hereto as Exhibit A).

2. On or about June 29, 2009, Creston Well Service, Inc., Georgia P. Sergent, Garnet Gas Corporation, Creston Company and Alvin L. Engelke (collectively

"Respondents"), by counsel, filed a Notice of Objection and Request for Hearing, thereby opposing Chesapeake's Application. (*See* the Notice of Objection and Request for Hearing attached hereto as Exhibit B).

3. On or about July 8, 2009, the West Virginia Oil and Gas Conservation Commission, upon application of Respondents, issued a Subpoena Duces Tecum commanding Chesapeake to appear on July 22, 2009 before the Oil and Gas Conservation Commission and to produce certain documents and records pertaining to the Application. (*See* the Subpoena Duces Tecum attached hereto as Exhibit C).

4. W.Va. Code § 29A-5-1(b) provides that a party which objects to a subpoena issued by an administrative agency may apply to the circuit court of the county where the subpoena was issued or the hearing is to be held, for a notice to quash or modify the subpoena pursuant to West Virginia Rules of Civil Procedure 45. Pursuant to Rule 45(d)(3)(A) of the West Virginia Rules of Civil Procedure, Chesapeake objects to Respondents' Subpoena Duces Tecum, and more specifically, in response to each paragraph in the Subpoena Duces Tecum, makes the following objections:

a. Paragraph "a" requires disclosure of privileged and confidential information. The seismic data requested is proprietary information and constitutes a trade secret.

b. Paragraph "b" is irrelevant and subjects Chesapeake to undue burden. The referenced wells do not produce from the formations listed in the drilling permit application for the Robey Knight well, and therefore do not bear any relevance to the dispute before the agency.

c. Paragraph "c" is irrelevant and subjects Chesapeake to undue burden. The referenced agreement does not cover any lands in the proposed unit for the Robey Knight Well. In addition, the Robey Knight

Well is a wildcat well, highly speculative in nature and not to be drilled to any of the formations for which data is requested. The Robey Knight Well is very high risk, in an unproven territory and not comparable to any well which has been drilled in the area. Conversely, the referenced agreement focuses on the development of the Marcellus Formation, which is considerably less risky and less speculative than the Robey Knight well. There is absolutely no correlation between lease values for the Marcellus Formation wells and lease values for the Robey Knight well.

d. Paragraph "d" is irrelevant and subjects Chesapeake to undue burden. Chesapeake does not operate the Dink well. In addition, the Robey Knight Well is a wildcat well, highly speculative in nature. It is very high risk, in unproven territory and not comparable to the Dink well. There is absolutely no correlation between lease values for the Dink well and lease values for the Robey Knight Well.

e. Paragraph "e" is irrelevant and subjects Chesapeake to undue burden.

f. Paragraph "f" is irrelevant and subjects Chesapeake to undue burden. The Robey Knight Well is a rank wildcat well, highly speculative in nature. It is very high risk, in unproven territory and not comparable to any well drilled in the area. There is absolutely no correlation between any evidence or findings in prior force pooling matters on lease values for the involved wells and lease values for the Robey Knight Well.

g. Paragraph "g" is irrelevant and subjects Chesapeake to undue burden. The Robey Knight Well is a wildcat well, highly speculative in nature. It is very high risk, in unproven territory and not comparable to any well drilled in the area. There is absolutely no correlation between any evidence or findings in prior force pooling matters on lease values for the involved wells and lease values for the Robey Knight Well.

h. Paragraph "h" is overly broad and subjects Chesapeake to undue burden. Lease values are dynamic and are time and area dependent. Consideration paid for leases outside the Robey Knight area and taken years ago bear no relationship to the current market value of leases for the Robey Knight Well.

i. Regarding Paragraph "i", no responsive documents exist.

j. Regarding Paragraph "j", Chesapeake provided a detailed cost projection called an Authorization for Expenditure ("AFE"). The AFE shows the estimated dry hole and completion costs for the Robey Knight well and is an exhibit to the Application. Any additional documents in response to Request "j" would be unnecessary, irrelevant, unduly burdensome and may require disclosure of proprietary and confidential information.

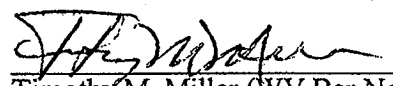
k. Regarding Paragraph "k", no responsive documents exist.

WHEREFORE, Chesapeake prays that the Court enter an Order to quash the Subpoena Decus Tecum in accordance with West Virginia Code Section 29A-5-1(b) and Rule 45(d)(3)(A) of the West Virginia Rules of Civil Procedure.

CHESAPEAKE APPALACHIA, L.L.C.

By Counsel

ROBINSON & MCELWEE PLLC



Timothy M. Miller (WV Bar No. 2564)
William D. Marcum (WV Bar No. 10131)
P. O. Box 1791
Charleston, West Virginia 25326
304-344-5800

Keith E. Moffatt (WV Bar No. 6488)
Senior Attorney
Chesapeake Appalachia, L.L.C.

900 Pennsylvania Avenue
Charleston, West Virginia 25302
Of Counsel

IN THE CIRCUIT COURT OF KANAWHA COUNTY, WEST VIRGINIA

IN RE:
SUBPOENA DUCES TECUM
ISSUED BY THE WEST VIRGINIA
OIL AND GAS CONSERVATION
COMMISSION UPON APPLICATION
OF ALVIN ENGELKE, CRESTON
WELL SERVICE, INC., GARNET
GAS CORP. et al.

Civil Action No. _____

CERTIFICATE OF SERVICE

I, Timothy M. Miller, counsel for Chesapeake Appalachia, L.L.C., do hereby certify that on this 20th day of July, 2009, I served **PETITION TO QUASH SUBPOENA DECUS TECUM ISSUED BY THE WEST VIRGINIA OIL AND GAS CONSERVATION COMMISSION** upon all counsel and parties of record ***via facsimile*** and by depositing true copies in the United States mail, postage fully paid, addressed as follows:

Oil and Gas Conservation Commission of West Virginia
Department of Environmental Protection
601 57th Street, S.E.
Charleston, WV 25304
Fax No. (304) 926-0452

Thomas N. Whittier, Esquire
Hedges, Jones, Whittier and Hedges
Attorneys at Law
216 Market Street, Suite 201
Post Office Box 7
Spencer, WV 25276
Fax No. 304-927-6050
Counsel for Alvin L. Engelke, Creston Well Service, Inc., Garnet Gas Corporation, Creston Company and Georgia P. Sergent (collectively the "Creston Respondents")

Timothy L. Miller

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, L.L.C. FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. _____

CAUSE NO. _____

APPLICATION

The Applicant, Chesapeake Appalachia, L.L.C. ("Applicant"), an Oklahoma limited liability company, avers and alleges the following:

1. This Application is filed pursuant to West Virginia Code, 22C-9-7(b), and the rules and regulations of the West Virginia Oil and Gas Conservation Commission ("Commission").

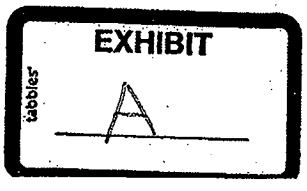
2. Applicant is an operator within the meaning of West Virginia Code, 22C-9-2(a)(4).

3. Applicant has filed an application for a drilling permit with the West Virginia Department of Environmental Protection for the drilling of Well No. 826848 inside the proposed 695.28-acre unit. The drilling permit application is attached hereto and made a part hereof as Applicant's Exhibit No. 1.

4. Applicant owns the surface tract of land upon which the proposed Well No. 826848 is to be drilled. A recorded copy of the Deed into Applicant is attached hereto and made a part hereof as Applicant's Exhibit No. 2.

5. Applicant proposes to drill Well No. 826848 to the basement (estimated total depth of 22,350 feet) in a unit containing 695.28 acres, more or less. To the best of the knowledge of Applicant, no operator other than the Applicant desires to operate Well No. 826848. Well No. 826848 is over 400 feet from the nearest unit or lease boundary and over 3000 feet from the nearest deep well.

6. If Well No. 826848 is successful, Applicant estimates reserves of 9.0 BCF and believes that the proposed 695.28-acre unit reasonably approximates the maximum area which will be economically and efficiently drained by that well.



7. An Authority for Expenditure showing the estimated dry hole and completion costs for Well No. 826848 is attached hereto and made a part hereof as Applicant's Exhibit No. 3.

8. Applicant has obtained voluntary lease agreements containing unitization provisions from the oil and gas owners and voluntary development agreements from operators, covering in total, more than 92% of the net acres within the proposed 695.28-acre unit.

9. Applicant has been unable to acquire leases, voluntary unitization agreements or voluntary development agreements from owners of oil and gas interests or operators in certain designated tracts within the proposed 695.28-acre unit, as described in Applicant's Exhibit No. 4, and shown by map on Applicant's Exhibit No. 5, attached hereto and made a part hereof.

10. Applicant has contacted, or made reasonable attempts to contact, (i) the oil and gas owners of unleased tracts; (ii) the oil and gas owners of leased tracts whose leases do not contain a voluntary pooling/unitization clause; and (iii) the uncommitted operators of oil and gas leases, for the purpose of obtaining voluntary agreements allowing for the development of the proposed unit, but these contacts and attempts have not met with success.

11. Applicant represents that unless an Order is entered by the Commission forming the 695.28-acre unit, designating Applicant as operator of Well No. 826848 and pooling the interests of (i) the oil and gas owners of unleased tracts; (ii) the oil and gas owners of leased tracts whose leases do not contain a voluntary pooling/unitization clause; and (iii) the uncommitted operators of oil and gas leases, the oil and gas within the proposed 695.28-acre unit will not otherwise be produced and developed.

12. Applicant respectfully represents that the granting of the relief requested in this Application will:

(a) Foster, encourage and promote development, production, utilization, and conservation of oil and gas resources;

(b) Prohibit waste of oil and gas resources;

(c) Encourage the maximum recovery of oil and gas in the proposed 695.28-acre unit; and,

(d) Protect the correlative rights of the oil and gas owners within the proposed 695.28-acre unit.

WHEREFORE, Applicant respectfully requests that the Commission enter an Order (i) forming the proposed 695.28-acre unit; (ii) designating Applicant as operator of proposed Well No. 826848; (iii) pooling the interests of (a) the oil and gas owners of unleased tracts; (b) the oil and gas owners of leased tracts whose leases do not contain

a voluntary pooling/unitization clause; and (c) the uncommitted operators of oil and gas leases, in the proposed 695.28-acre unit, consistent with and pursuant to the provisions of West Virginia Code, 22C-9-7(b), and (iv) granting such other relief, both general and special in nature, as the Commission deems just and fair.

CHESAPEAKE APPALACHIA, L.L.C.,
An Oklahoma Limited Liability Company
By Counsel

Keith E. Moffatt /hmb

KEITH E. MOFFATT
COUNSEL FOR APPLICANT
Chesapeake Appalachia, L.L.C.
P. O. Box 6070
Charleston, West Virginia 25362-0070

W:\Tinki\Force Pooling\Application.Knight2.doc

WW-2B

API Well#: 047- 087- _____
State County Permit

State of West Virginia
Department of Environmental Protection, Office of Oil and Gas
Well Work Permit Application

1) Well Operator: Chesapeake Appalachia, L.L.C. 2) Operator ID #: 494477557

3) Operator's Well #: 826848 4) Elevation: 1101'

5) County/District: 087-Roane / 7-Walton 6) Quadrangle: 500 - CLIO

7) Well Type: ☐ Oil ☒ Production ☒ Deep (More than 20 feet into Onondaga Group)
☒ Gas ☐ Storage ☐ Shallow (Less than 20 feet into Onondaga Group)

8) Proposed Target Formation(s): Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run
Copper Ridge, Conasauga, Rome, Basement

9) Proposed Total Depth: 22,401

10) Approximate fresh water depths: 316'

11) Approximate coal seam depths: None reported in offset wells

12) Approximate salt water depths: 1511'

13) Does land contain coal seams tributary to active mine? ☐ YES ☒ NO

14) Describe proposed well work: To drill & stimulate new well

15) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	Used For Drilling	Left in Well	Fill-Up (Cu. Ft.)
Conductor	36"	L.S.	282	As Needed	As Needed	Sanded In
Fresh Water	30"	L.S.	157	336'	336'	469
Intermediate	20"	J-55	117	2100'	2100'	2015
Intermediate	13 3/8"	P-110	85	9800'	9800'	4279
Intermediate	9 5/8"	Q-125	53.5	18,250'	18,250'	2437
Production	5.5"	Q-125	26	22,401'	22,401'	762
Tubing	2 3/8"	M-80	5.95		As Needed	

Check #: 7930001192
Amount: $900.00

Packers: Kind: _____
Sizes: _____
Depths Set: _____

EXHIBIT NO. 1
PAGE 1 of 18

WW-2A

1) Date: August 6, 2008

2) Operator's Well #: 826848

3) API Well #: 047- 087- (State / County / Permit)

State of West Virginia
Department of Environmental Protection, Office of Oil and Gas
Well Work Permit Application

4) Surface Owners to be served:
a) Name Chesapeake Appalachia, L.L.C.
Address P.O. Box 6070
City Charleston State WV Zip Code 25362-0070

b) Name
Address
City State Zip Code

6) Inspector:
Name Ed Gainer
Address P.O. Box 821
City Spencer State WV Zip Code 25276

5)(a) Coal Operator:
Name None
Address
City State Zip Code

b) Coal Owner with Declaration:
Name Chesapeake Appalachia, L.L.C.
Address P.O. Box 6070
City Charleston State WV Zip Code 25362-0070

c) Coal Lessee with Declaration:
Name None
Address
City State Zip Code

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 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: Chesapeake Appalachia, L.L.C.
Signed By:
Its: Vice President of Operations
Address P.O. Box 6070
City Charleston State WV Zip Code 25362
Phone Number: 304-353-5000

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
Betty J. Paolini
1900 Pine Manor Road
Charleston, WV 25301
My Commission Expires Nov. 18, 2008

Subscribed and sworn before me this 11th day of August, 2008

Betty J. Paolini
Notary Public

My Commission Expires: November 18, 2008

EXHIBIT NO. 1
PAGE 2 of 18

WW-2A SUPPLEMENT

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

West Virginia Department of Environmental Protection
Office of Oil and Gas

ADDITIONAL SURFACE OWNERS TO BE NOTICED

Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
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Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____

EXHIBIT NO. 1
PAGE 3 of 18

WW-2A SUPPLEMENT

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- ____
State County Permit

West Virginia Department of Environmental Protection
Office of Oil and Gas

ADDITIONAL COAL OWNERS/OPERATORS/LESSEES TO BE NOTICED

COAL OWNERS

Name Benjamin Jack Thomas & Alice F. Thomas	Name
Address 1686 Vineyard Ridge	Address
City Walton State WV Zip Code 25266	City State Zip Code
Name	Name
Address	Address
City State Zip Code	City State Zip Code

COAL OPERATORS

Name	Name
Address	Address
City State Zip Code	City State Zip Code
Name	Name
Address	Address
City State Zip Code	City State Zip Code

COAL LESSEES

Name	Name
Address	Address
City State Zip Code	City State Zip Code
Name	Name
Address	Address
City State Zip Code	City State Zip Code

EXHIBIT NO. 1
PAGE 4 of 18

WW-2A Surface Waiver

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

SURFACE OWNER WAIVER

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, WV 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons;
2) The soil erosion and sediment control plan is not adequate or effective;
3) Damage would occur to publicly owned lands or resources;
4) The proposed well work fails to protect fresh water sources or supplies;
5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials. I have no objection to the applicant drilling another well within 50 feet of this well should a problem arise during the drilling of this well. I also have no objection to drilling within 200 linear feet of my water well or dwelling.

FOR EXECUTION BY A NATURAL PERSON	FOR EXECUTION BY A CORPORATION, ETC.
Printed Name: _____	Company Name: _____
Signature: _____	Signed by: _____
Date: _____	Its: _____
	Signature: _____
	Date: _____

EXHIBIT NO. 1
PAGE 5 of 18

WW-2A Coal Waiver

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

COAL OWNER, OPERATOR, OR LESSEE WAIVER

INSTRUCTIONS TO COAL OWNER, OPERATOR, OR LESSEE

To the coal owner, or lessee named on page WW2-A. You are hereby notified that any objection you wish to make or are required to make by Code 22-6-15, 16 or 17, must be filed with the Chief of the Office of Oil and Gas within fifteen (15) days after the receipt of this application by the Office of Oil and Gas.

WAIVER

The undersigned coal operator _____/ owner _____/ lessee _____/ of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations. In addition, I have no objection to the applicant drilling another well within 50 feet of the proposed location if necessary due to difficulty drilling of this well.

FOR EXECUTION BY A NATURAL PERSON
Printed Name: _____
Signature: _____
Date: _____

FOR EXECUTION BY A CORPORATION, ETC.
Company Name: _____
Signed by: _____
Its: _____
Signature: _____
Date: _____

EXHIBIT NO. 1
PAGE 6 of 18

WW-2A-1

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

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 List		1/8	

Well Operator: Chesapeake Appalachia, L.L.C.

Signed by (print): Michael John

Its: Vice President of Operations

Signature: [signature]

Date: 8/11/08

EXHIBIT NO. 1
PAGE 7 of 18

826848

* **Lease Information**

Lease #1235568-001, lease effective date 02/21/2007, recorded Book 226, Page 461
Original Lessor: Georgia Ann Shafer — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-002, lease effective date 02/21/2007, recorded Book 226, Page 458
Original Lessor: William M. Young — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-003, lease effective date 02/22/2007, recorded Book 226, Page 455
Original Lessor: Mary M. Hively — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-004, lease effective date 02/26/2007, recorded Book 238 **Page** 741 recorded 8/14/08
Original Lessor: Eloise G. Montgomery — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-005, lease effective date 02/12/2007, recorded Book 235, Page 200
Original Lessor: Charla D. Casey — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-006, lease effective date 04/02/2008, recorded Book 238, Page 276
Original Lessor: Bernice McKean — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-007, lease effective date 04/02/2008, recorded Book 238, Page 277
Original Lessor: Monetta L. Yost — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235582-001, lease effective date 02/12/2007, recorded Book 235, Page 203
Original Lessor: Charla D. Casey — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1006098-000, lease effective date 04/16/1906, recorded Book 10, Page 63
Original Lessor: J. G. Westfall et ux — Original Lessee: South Penn Oil Company

Lease #1012494-000, lease effective date 08/06/1914, recorded Book 26, Page 378
Original Lessor: C. C. Denham et ux — Original Lessee: United Fuel Gas Co

EXHIBIT NO. 1
PAGE 8 of 18

WW-2B-1

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

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 Reic Labs or Sturm Labs

☐ Well operator's private laboratory

Well Operator: Chesapeake Appalachia, L.L.C.

Address P.O. Box 6070

City Charleston State WV Zip Code 25362

Phone Number: 304-353-5000

FOR OPERATOR'S USE ONLY: 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.

☐ No water wells or springs within 1000 feet.

☒ Water wells or springs are present within 1000 feet of the proposed location.
See attached sheet for names and addresses of surface owners with water sources within 1000 feet.

EXHIBIT NO. 1
PAGE 9 of 18

WW-2B-1 SUPPLEMENT

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- ____
State County Permit

West Virginia Department of Environmental Protection
Office of Oil and Gas

SURFACE OWNERS WITH WATER SOURCES WITHIN 1000 FEET

Name Danny Welch et ux
Address 1886 Vineyard Ridge
City Walton State WV Zip Code 25286

Name Benjamin Jack Armstrong et ux
Address 1686 Vineyard Ridge
City Walton State WV Zip Code 25286

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

Name ____
Address ____
City ____ State ____ Zip Code ____

EXHIBIT NO. 1
PAGE 10 of 18

WW-9

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- (State / County / Permit)

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

1) Well Operator: Chesapeake Appalachia, L.L.C. 2) Operator ID #: 494477557

3) Watershed: Beelick Run of Johnson Creek 4) Elevation: 1101'

5) County/District: 087-Roane / 7-Walton 6) Quadrangle: 300 - CLIO

7) Description of anticipated Pit Waste: Drilling and Completion Fluids

8) Will a synthetic liner be used in the pit? ☒ Yes ☐ No

9) Proposed Disposal Method for Treated Pit Waste:

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

10) Proposed Work For Which Pit Will Be Used:

☒ Drilling ☐ Plugging ☐ Swabbing ☐ Workover
☐ Other (Explain: _____

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION CONTROL PERMIT issued on December 31, 1999, 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: _____

Company Official (Typed Name): Michael John

Company Official Title: Vice President of Operations

Subscribed and sworn before me this 11th day of August, 2008

_____ Notary Public

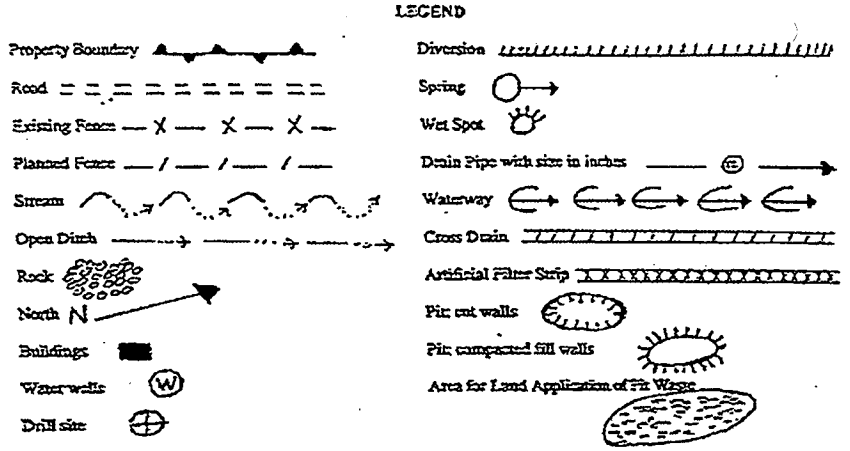
My Commission Expires: November 18, 2008

EXHIBIT NO. 1
PAGE 11 of 18

WW-9 (Page 2)

API Well #: 047- 087- _____
State County Permit

LEGEND



Proposed Revegetation Treatment: Acres Disturbed: 9.0 Prevegetation pH: N/A

Lime 2 Tons/acre or to correct to pH: 6.5-7.0 Mulch: Paper @ 0.8 Tons / Acre

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

Area I		Area II	
Seed Type	lbs/acre	Seed Type	lbs/acre
Red Top	15	Red Top	15
Orchard Grass & Fescue	25 Each	Orchard Grass & Fescue	25 Each
Per Rye & Crimson Red Clover	25 Each	Per Rye & Crimson Red Clover	25 Each

Attach to this form:
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: _____ Date: _____

Field Reviewed: ☐ YES ☐ NO

EXHIBIT NO. 1
PAGE 12 of 18

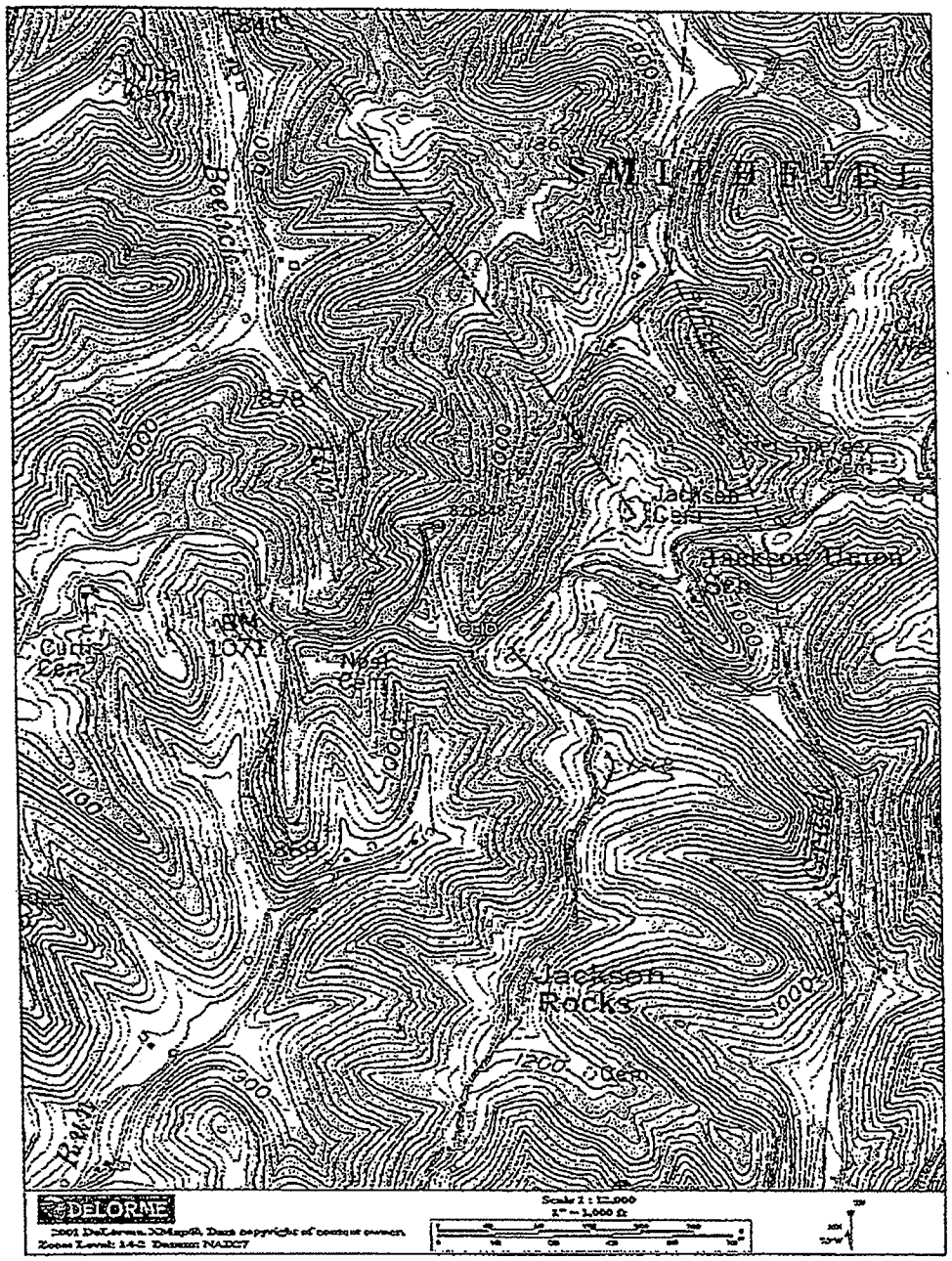
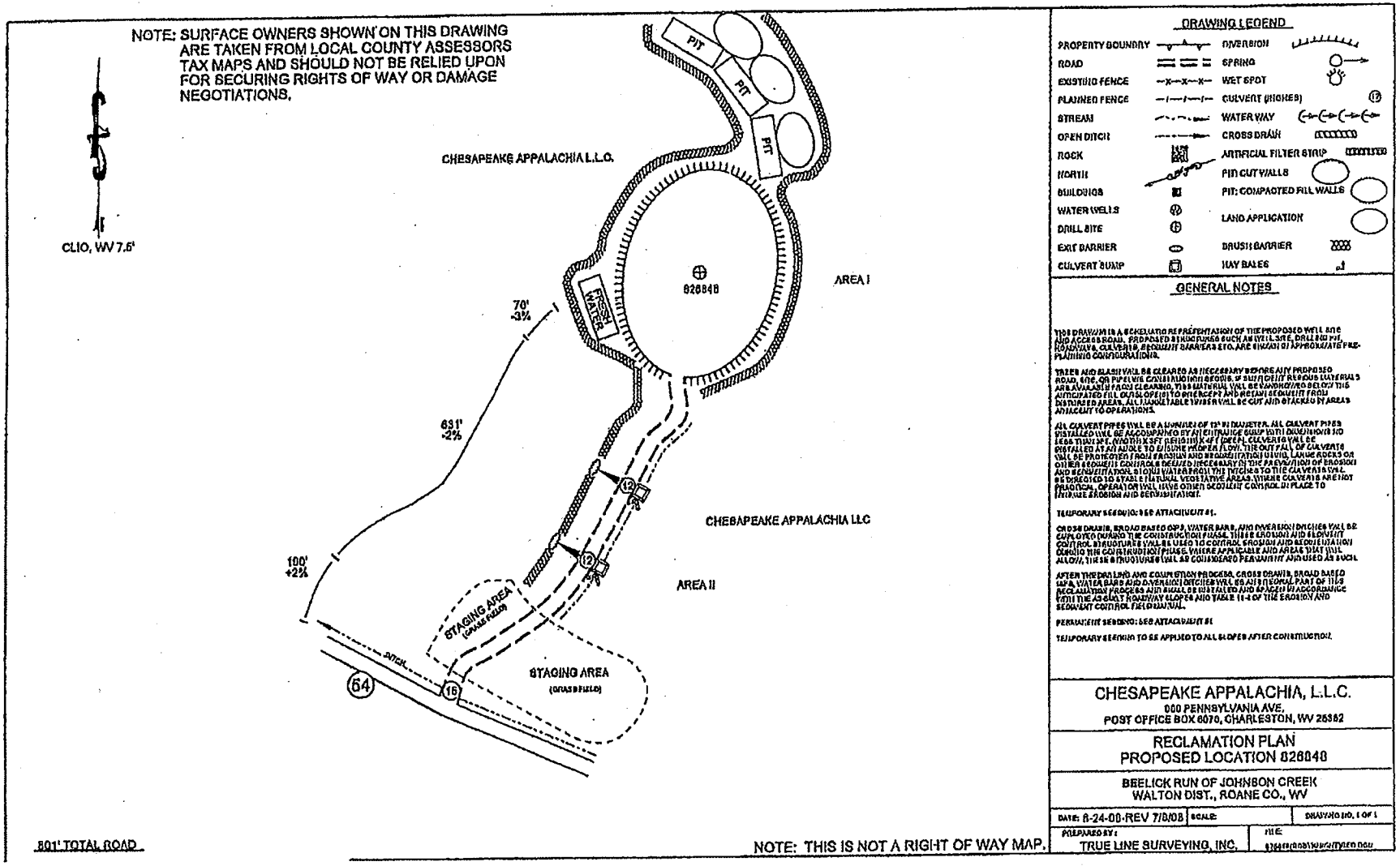


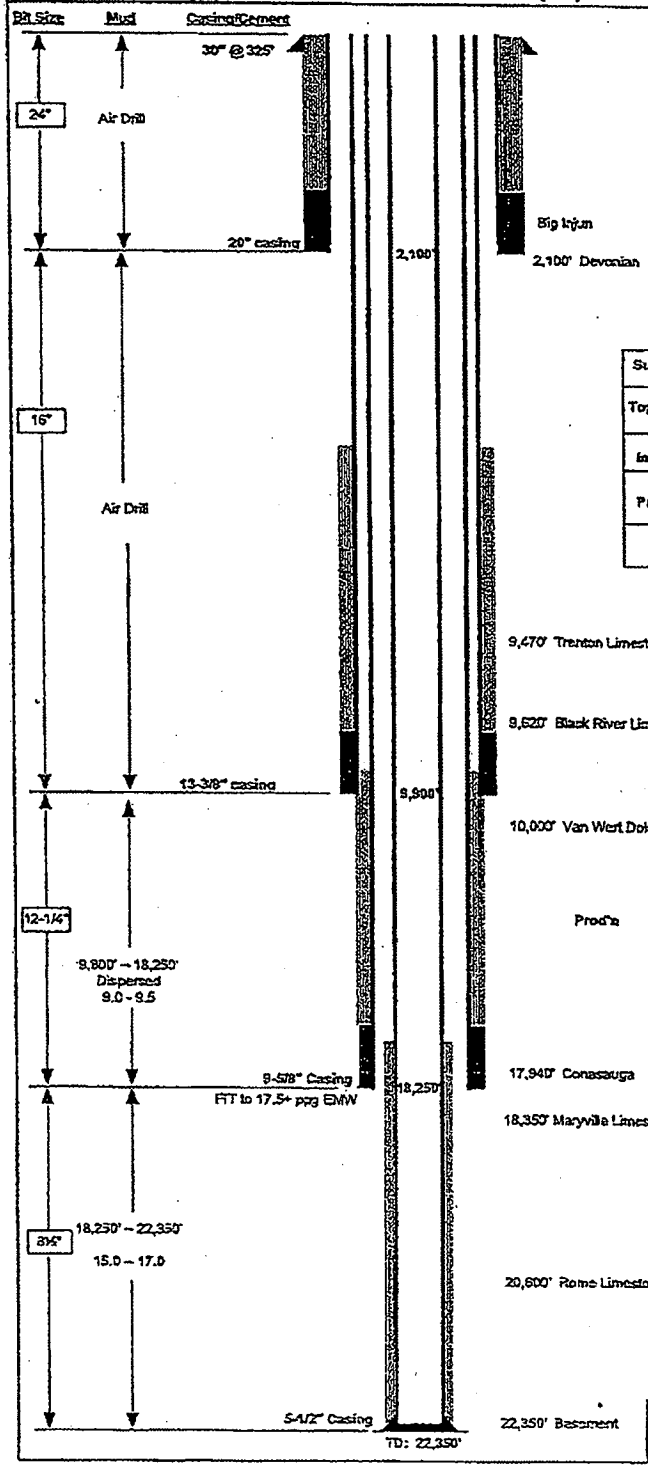
EXHIBIT NO. 1
PAGE 13 of 18


NOTE: SURFACE OWNERS SHOWN ON THIS DRAWING ARE TAKEN FROM LOCAL COUNTY ASSESSORS TAX MAPS AND SHOULD NOT BE RELIED UPON FOR SECURING RIGHTS OF WAY OR DAMAGE NEGOTIATIONS.
CLIO, WV 7.5'
CHESAPEAKE APPALACHIA L.L.C.
PIT
PIT
PIT
FRESH WATER
826848
AREA I
70' -3%
631' -2%
100' +2%
CHESAPEAKE APPALACHIA LLC
AREA II
STAGING AREA (GRASS FIELD)
STAGING AREA (GRASS FIELD)
DITCH
64
16
12
12
801' TOTAL ROAD
NOTE: THIS IS NOT A RIGHT OF WAY MAP.
DRAWING LEGEND
PROPERTY BOUNDRY
ROAD
EXISTING FENCE
PLANNED FENCE
STREAM
OPEN DITCH
ROCK
NORTH
BUILDINGS
WATER WELLS
DRILL SITE
EXIT BARRIER
CULVERT SUMP
DIVERSION
SPRING
WET SPOT
CULVERT (INCHES)
WATER WAY
CROSS DRAIN
ARTIFICIAL FILTER STRIP
PIT CUT WALLS
PIT: COMPACTED FILL WALLS
LAND APPLICATION
BRUSH BARRIER
HAY BALES
GENERAL NOTES
TEMPORARY SEEDING: SEE ATTACHMENT #1.
PERMANENT SEEDING: SEE ATTACHMENT #1
TEMPORARY SEEDING TO BE APPLIED TO ALL SLOPES AFTER CONSTRUCTION.
CHESAPEAKE APPALACHIA, L.L.C.
000 PENNSYLVANIA AVE.
POST OFFICE BOX 6070, CHARLESTON, WV 25362
RECLAMATION PLAN
PROPOSED LOCATION 826848
BEELICK RUN OF JOHNSON CREEK
WALTON DIST., ROANE CO., WV
DATE: 8-24-08-REV 7/8/08
SCALE:
DRAWING NO. 1 OF 1
PREPARED BY:
TRUE LINE SURVEYING, INC.
FILE:

Chesapeake Operating Inc	Proposed Drilling Program

Well : Roby Knight
Field : Cottontree – Cambrian Prospect
County : Roane State: WV
Location: Lat. 38.613378 Long. 81.307421
KB Elev : Grd Elev: 1170' (est)

Engineer : Kevin Ashley
Drlg. Sup't.: John Melville
Geologist : B. J. Carney
Dist Man. : Dave Gocke
Land :



Wellhead Equipment

Xmas Tree:	7", 20M
Tubing Spool:	11", 15M x 7-1/16", 20M
DSA Packoff	11", 15M x 11", 15M
Section 'C'	13-5/8", 10M x 11", 15M
Section 'B'	16¾", 5M x 13-5/8", 10M
Section 'A'	16¾", 5M SOW

Tubular Details

	Size	Wt	Grd	Conn.	Depth From	Depth To
Surface	20"	117.0	J55	Butt	0'	2,100'
Top Hole	13-3/8"	65.0	P-110	Butt	0'	9,800'
Interm.	9-5/8"	53.5	Q125	SLX	0'	18,250'
Prod'n	5½"	26.0	Q125	HYS63	0'	22,350'

Drawn by:	Date:
Kevin Ashley	08/11/08

EXHIBIT NO. 1
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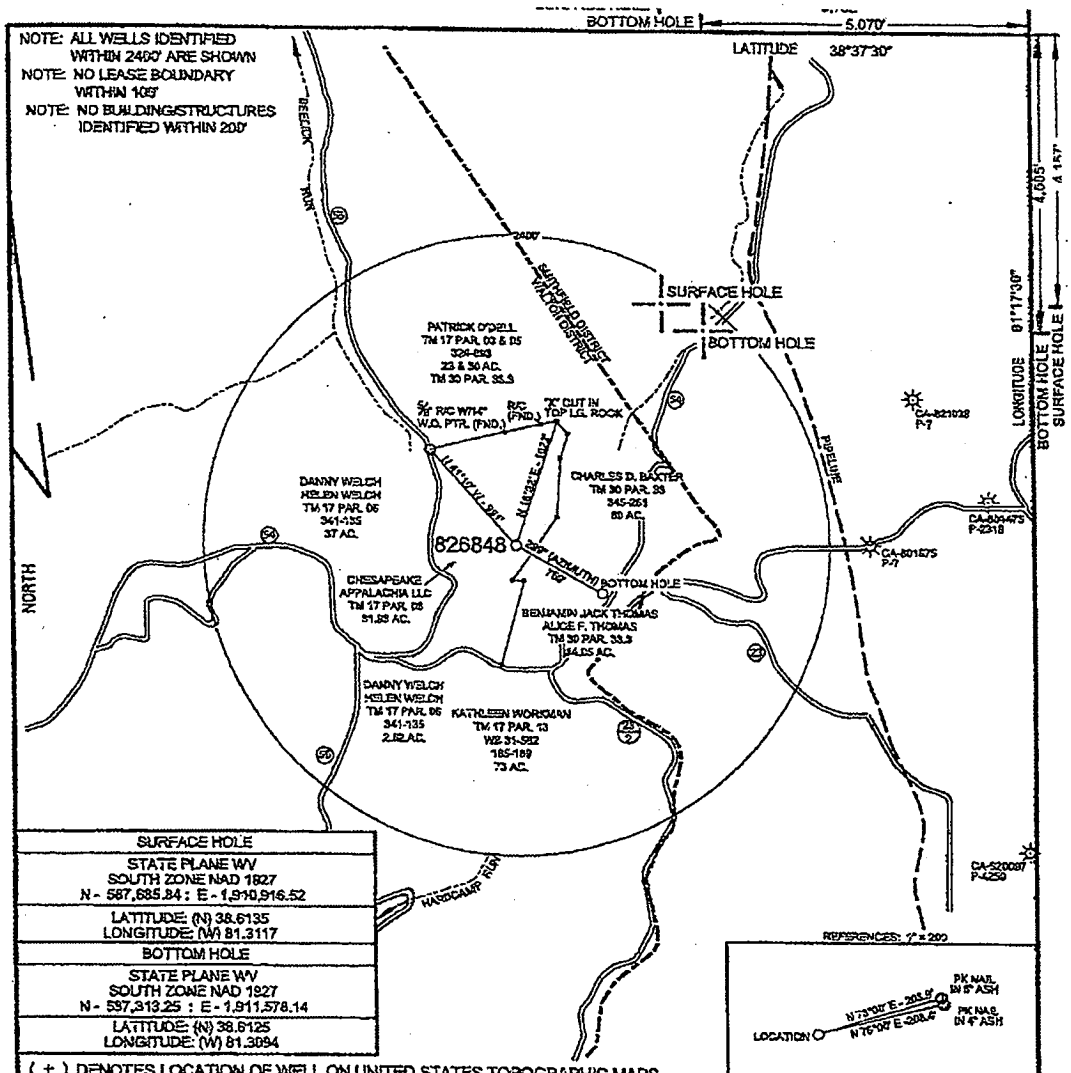

SURFACE HOLE
STATE PLANE WV SOUTH ZONE NAD 1927 N - 587,685.84 : E - 1,910,916.52
LATITUDE: (N) 38.6135 LONGITUDE: (W) 81.3117
BOTTOM HOLE
STATE PLANE WV SOUTH ZONE NAD 1927 N - 587,313.25 : E - 1,911,578.14
LATITUDE: (N) 38.6125 LONGITUDE: (W) 81.3094

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO. CA826848(ROSYKNIGHT.DGN
DRAWING NO. CA 826848
SCALE 1" = 1000'
MINIMUM DEGREE OF ACCURACY 1 : 200
PROVEN SOURCE OF ELEVATION MAPPING GRADE GPS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

(SIGNED) Paul E. Miller

P.E. ____ L.L.S. 647

PAUL E. MILLER LICENSED No. 647 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

PLACE SEAL HERE

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OIL AND GAS DIVISION

DATE AUGUST 08, 20 08
OPERATOR'S WELL NO. 826848
API WELL NO.
47 087 ____
STATE COUNTY PERMIT

FORM WW-6

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___
(IF "GAS,") PRODUCTION X STORAGE ___ DEEP X SHALLOW ___
LOCATION: ELEVATION 1101' WATER SHED BEELICK RUN OF JOHNSON CREEK
DISTRICT WALTON COUNTY ROANE
QUADRANGLE CLIO, WV 7.5'
SURFACE OWNER CHESAPEAKE APPALACHIA, L.L.C. ACREAGE 31.93
OIL & GAS ROYALTY OWNER GEORGIA ANN SHAFER et al LEASE ACREAGE 31.93
LEASE NO. 1-235588-001
PROPOSED WORK: DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) ____
PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___
TARGET FORMATION BASEMENT AND ABOVE ESTIMATED DEPTH 22,443'
WELL OPERATOR CHESAPEAKE APPALACHIA, L.L.C. DESIGNATED AGENT MIKE JOHN
ADDRESS P.O. BOX 6070, CHARLESTON, WV 25362 ADDRESS SAME

COUNTY NAME
PERMIT

EXHIBIT NO. 1
PAGE 16 of 18

Reference Number	Description	1196
	Permit application fee: 826848	

CLIENT No.	CHECK No.	CHECK DATE	TOTAL
288496-01	7930001192	08/05/2008	$900.00

Chesapeake
Natural Gas
Natural Advantage

BANK OF OKLAHOMA
OKLAHOMA CITY, OK

CHECK NUMBER
7930001192

DATE
08/05/2008

CHECK TOTAL
**$900.00

PAY Nine Hundred DOLLARS and Zero CENTS

To The Order Of
WV DIV OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL & GAS
601 57TH STREET SE
CHARLESTON, WV 25304

NOT NEGOTIABLE AFTER 180 DAYS
NO THIRD PARTY ENDORSEMENTS

Security features. Details on back.

EXHIBIT NO. 1
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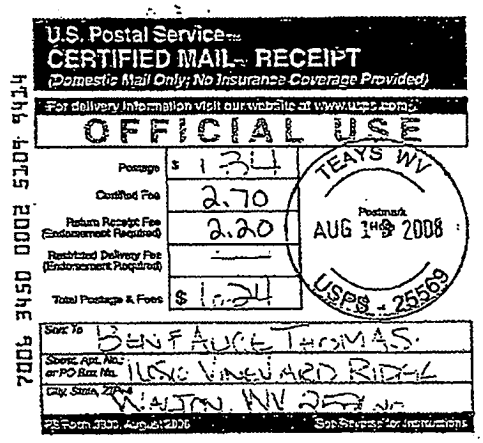


EXHIBIT NO. 1
PAGE 18 of 18

BOOK 455 PAGE 300

1259790

THIS DEED, Made and entered into this 26th day of February, 2008, by and between DANNY L. WELCH and HELEN M. WELCH his wife, parties of the first part, and CHESAPEAKE APPALACHIA, L.L.C., an Oklahoma limited liability company, party of the second part;

Witnesseth:

That for and in consideration of the sum of $10.00, cash in hand paid, and other good and valuable consideration not set out herein, the receipt of all of which is hereby acknowledged, the said parties of the first part do hereby grant, bargain, sell and convey, with covenants of GENERAL WARRANTY, unto the party of the second part, that certain tract or parcel of land situate on the waters of Bee Lick of Johnson Creek, in Walton District, Roane County, West Virginia, being more particularly described as follows:

Beginning in the center of Local Service Route 54, thence with the center of said road for twenty-three (23) bearings and distances thence, N 58-17 W – 29.16', thence N 58-18 W – 114.96', thence N 59-34 W – 49.75', thence N 63-35 W – 50.37', thence N 70-29 W – 30.67', thence N 79-03 W – 31.13', thence S 86-29 W – 30.31', thence S 76-06 W – 32.25', thence S 62-04 W – 28.94', thence S 52-52 W – 49.92', thence S 52-56 W – 70.97', thence S 55-29 W – 33.19', thence S 68-09 W – 94.45', thence S 81-16 W – 33.39', thence S 87-35 W – 35.92', thence N 70-54 W – 91.10', thence N 67-12 W – 48.95', thence N 71-54 W – 32.58', thence N 80-24 W – 36.11', thence N 89-58 W – 94.50', thence N 83-36 W – 49.05', thence N 74-50 W – 45.00', thence N 62-25 W – 49.28' to the intersection of Local Service Route 56, thence with the center of said road the following thirty-nine (39) bearings and distances; N 87-01 E – 36.40', thence N 83-00 E – 50.98', thence S 88-25 E – 48.17', thence S 83-40 E – 111.76', thence N 87-40 E – 81.47', thence N 88-30 E – 29.83', thence N 77-09 E – 37.15', thence N 63-04 E – 31.17', thence N 53-25 E – 32.06',thence N 46-19 E – 30.60', thence N 27-15 E – 47.59', thence N 18-32 E – 150.92', thence N 22-02 E – 46.63', thence N 29-11 E – 51.94', thence N 34-17 E – 127.12', thence N 27-31 E – 49.84', thence N 10-56 E – 34.13', thence N 20-08 W – 33.64', thence N 44-34 W – 31.20', thence N 61-35 W – 43.92', thence N 66-02 W – 48.70', thence N 54-00 W – 40.90', thence N 33-32 W – 34.89', thence N 14-31 W – 47.14', thence N 01-17 W – 155.70', thence N 06-08 E – 59.48', thence N 12-44 E – 51.47', thence N 13-04 E – 80.98', thence N 17-00 E – 58.89', thence N 10-54 E – 98.08', thence N 04-33 E – 45.21', thence North – 35.72', thence N 06-55 W – 19.61', thence N 15-14 W – 21.61', thence N 17-30 W – 98.29', thence N 16-53 W – 50.29', thence N 19-19 W – 36.79', thence N 25-05 W – 65.28', thence N 76-54 E – 25.17' to 5/8" rebar/cap (found) being a common corner to the lands of Patrick and Faye O'Dell (324/693) thence with said O'Dell, N 76-54 E – 619.37' to a stump (found) in the turn of a fence, thence continuing with O'Dell, N 77-20 E – 285.59' to a 5/8" rebar/cap marked "Gunnoe RPS", thence N 81-41 E – 128.04' to a "X" cut on top of a large rock and being a common corner to the lands of Charles D. Baxter (345/261), thence leaving the lands of O'Dell and with

Ret. to: Chesapeake Energy Corp.
P.O. Box 6070
Charleston, WV 25362-0900

EXHIBIT NO. 2
PAGE 1 of 5

the lands of Baxter, S 41-08 E – 127.70' to a "X" cut on a large rock, thence S 18-01 W – 197.78' to a "X" cut on a large rock, thence S 04-48 W – 460.23' to a "X" cut on a large rock and a 12" Chestnut Oak pointer (both found), thence S 27-13 W – 560.41' to a ½" iron pipe (found) and being a common corner to the lands of Benjamin Jack Thomas and Alice F. Thomas, thence leaving the lands of said Baxter and with the lands of Thomas, N 88-42 W – 85.99' to a 5/8" rebar/cap (set) by a 40" Red Oak, thence S 08-22 W – 672.37' passing a ½" iron pipe (found) in all 687.88' to the place of beginning, containing by survey 31.93 acres, more or less.

And being a part or all of the same tracts (Second Tract, Third Tract and part of Fourth Tract) conveyed to Danny Welch and Helen Welch, his wife, by deed dated the 4th day of December, 1992, and of record in the office of the Clerk of the County Commission of Roane County, West Virginia in Deed Book 341, at page 135.

This conveyance is made subject to the outstanding title to the minerals in and under lying the said lot, together with such mineral operating rights, rights of way and privileges as are not owned by the owners of such minerals.

This conveyance is made expressly subject to all prior reservations, restrictions, exceptions and conditions contained in former conveyances in the chain of title as if the same were specifically set out herein.

DECLARATION OF CONSIDERATION OR VALUE

The parties of the first part hereby declare that the consideration paid or to be paid for the property conveyed by this document is Forty-Five Thousand Dollars ($45,000.00)

WITNESS the following signatures and seals:

_____ (SEAL)
DANNY L. WELCH

_____ (SEAL)
HELEN M. WELCH

EXHIBIT NO. 2
PAGE 2 of 5

BOOK 455 PAGE 302

STATE OF WEST VIRGINIA,
COUNTY OF ROANE, TO-WIT:

I, Ronnie D. Cunningham, a Commissioner in and for said county and state, do hereby certify that DANNY L. WELCH and HELEN M. WELCH, whose names are signed to the writing above and hereto annexed, bearing date of the 26th day of Febuary, 2008, have this day acknowledged the same before me in my said county.

Given under my hand this 26th day of February, 2008.

My commission expires May 4, 2008.

Ronnie D Cunningham
COMMISSIONER

COMMISSIONER FOR W. VA.
P.O. BOX
RONNIE DEE CUNNINGHAM
CHARLESTON, WV 25301
COMM. EXPIRES MAY 4, 2008

Prepared by:

Chesapeake Appalachia, L.L.C.
900 Pennsylvania Avenue
Charleston, WV 25302

This instrument was presented to the Clerk of the County Commission of Roane County, West Virginia; and the same is admitted to record.

Teste: Charles B. White, Jr. - Clerk
Roane County Commission

ROANE COUNTY CLERK
DEED Clerk 01
Date/Time: 07/18/2008 13:05
Inst #: 2865475
Book/Page: 455- / 302-
Recd/Tax: 234.00 218.00

EXHIBIT NO. 2
PAGE 3 of 5

LINE TABLE

L1-	N 58°17' W -	29.16'
L2-	N 58°18' W -	114.96'
L3-	N 59°34' W -	49.75'
L4-	N 63°35' W -	50.37'
L5-	N 70°29' W -	30.67'
L6-	N 79°03' W -	31.13'
L7-	S 86°29' W -	30.31'
L8-	S 76°06' W -	32.25'
L9-	S 62°04' W -	28.94'
L10-	S 52°52' W -	49.92'
L11-	S 52°56' W -	70.97'
L12-	S 55°29' W -	33.19'
L13-	S 68°09' W -	94.45'
L14-	S 81°16' W -	33.39'
L15-	S 87°35' W -	35.92'
L16-	N 70°54' W -	91.10'
L17-	N 67°12' W -	48.95'
L18-	N 71°54' W -	32.58'
L19-	N 80°24' W -	36.11'
L20-	N 89°58' W -	94.50'
L21-	N 83°36' W -	49.05'
L22-	N 74°50' W -	45.00'
L23-	N 62°25' W -	49.28'
L24-	N 87°01' E -	36.40'
L25-	N 83°00' E -	50.98'
L26-	S 88°25' E -	48.17'
L27-	S 83°40' E -	111.76'
L28-	N 87°40' E -	81.47'
L29-	S 87°40' E -	81.47'
L30-	N 88°30' E -	29.83'
L31-	N 77°09' E -	37.15'
L32-	N 63°04' E -	31.17'
L33-	N53°25' E -	32.06'
L34-	N 46°19' E -	30.60'
L35-	N 27°15' E -	47.59'
L36-	N 18°32' E -	150.92'
L37-	N 22°02' E -	46.63'
L38-	N 29°11' E -	51.94'
L39-	N 34°17' E -	127.12'
L40-	N 27°31' E -	49.84'
L41-	N 10°56' E -	34.13'
L42-	N 20°08' W -	33.64'
L43-	N 44°34' W -	31.20'
L44-	N 61°35' W -	43.92'
L45-	N 65°02' W -	48.70'
L46-	N 54°00' W -	40.90'
L47-	N 33°32' W -	34.89'
L48-	N 14°31' W -	47.14'
L49-	N 01°17' W -	155.70'
L50-	N 06°08' E -	59.48'
L51-	N 12°44' E -	51.47'
L52-	N 13°04' E -	80.98'
L53-	N 17°00' E -	58.89'
L54-	N 10°54' E -	98.08'
L55-	N 04°33' E -	45.21'
L56-	N 00°00' E -	35.72'
L57-	N 06°55' W -	19.61'
L58-	N 15°14' W -	21.61'
L59-	N 17°30' W -	98.29'
L60-	N 16°53' W -	50.29'
L61-	N 19°19' W -	36.79'
L62-	N 25°05' W -	65.28'
L63-	N 76°54' E -	25.07'

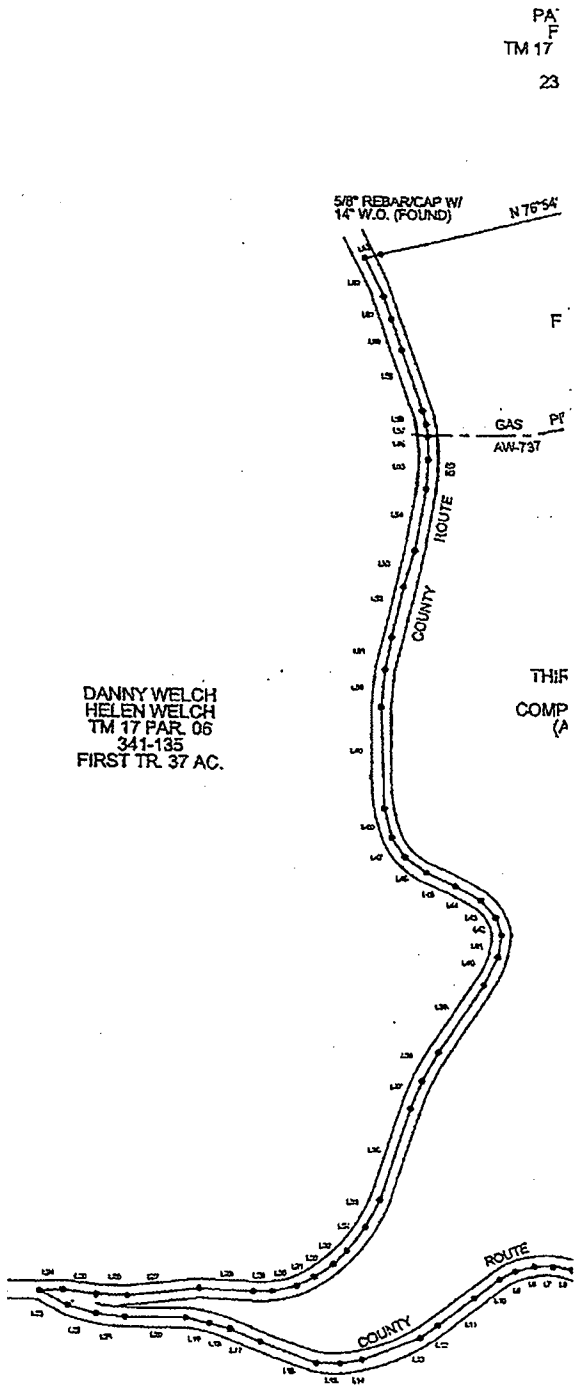


EXHIBIT NO. 2
PAGE 4 of 5

PAUL E. MILLER

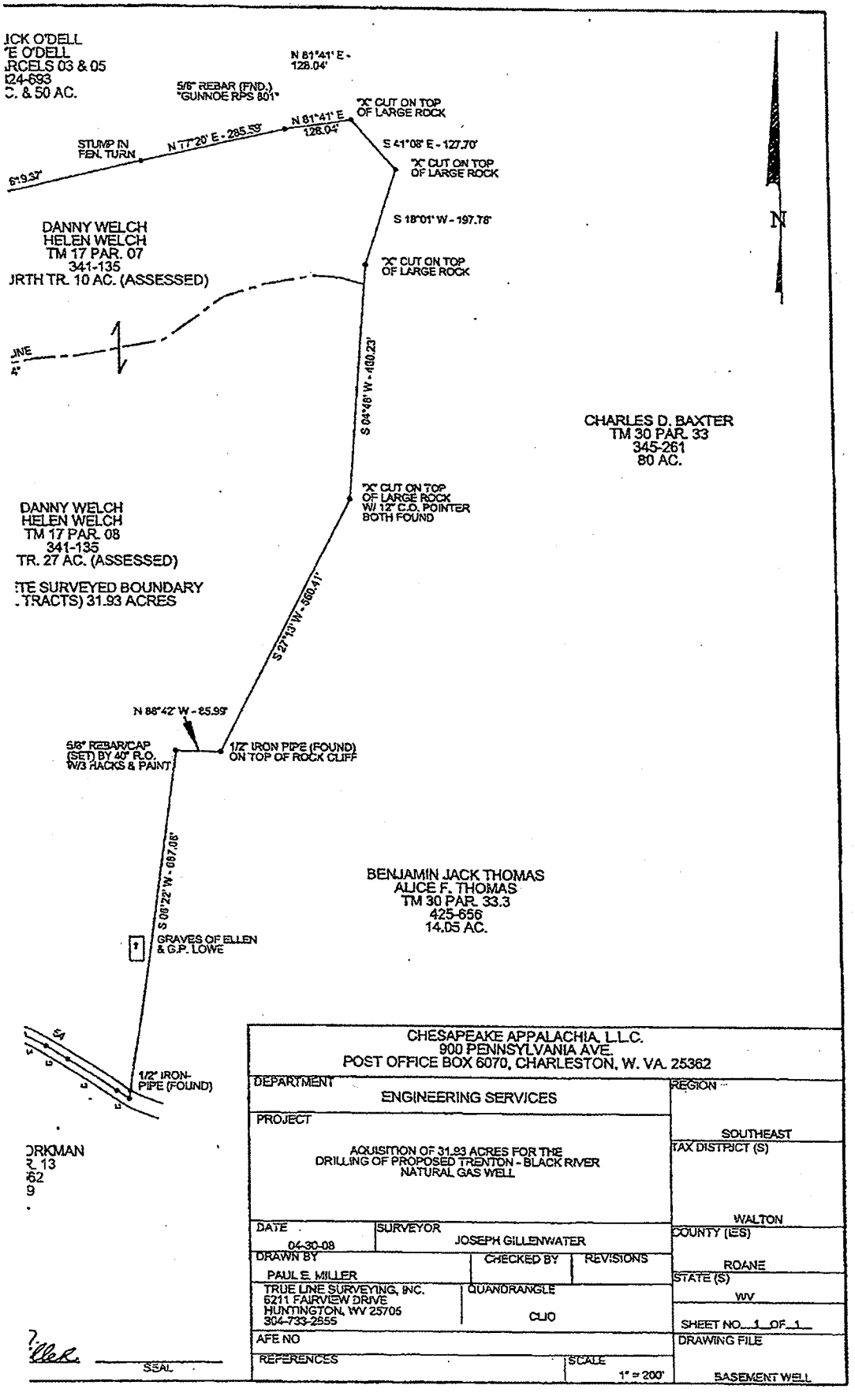


EXHIBIT NO. 2
PAGE 5 of 5

CHESAPEAKE OPERATING, INC.

AUTHORIZATION FOR EXPENDITURE

Project Area:
Well Name: Roby Knight
Operator: Chesapeake Operating, Inc.
AFE #:
Spacing Unit:

County, State: Roane,
Date:
Total Depth: 22,350'
Formation: Basement
Property #:

CODE	INTANGIBLE COSTS	WORK DESCRIPTION	DRY HOLE	PRODUCER
233400	Location:	Roads, Location, Pits	$500,000.00	$500,000.00
233401		Damages	$0.00	$0.00
233402		Governmental Filings	$50,000.00	$50,000.00
233404		Seismic Costs	$0.00	$0.00
233405		Reclamation	$150,000.00	$150,000.00
233406		Top Drive	$0.00	$0.00
233408	Drilling:	Pipeline Construction	$0.00	$100,000.00
233409		Fuel	$1,645,000.00	$1,785,000.00
233410		Drilling Contractor: 235/255 days @ $23000 per day	$5,405,000.00	$5,865,000.00
233411		Directional Services	$220,000.00	$220,000.00
233413		Rig Mobilization/Demobilization	$1,000,000.00	$1,000,000.00
233414		Contract Labor	$553,000.00	$935,000.00
233415		Bits	$450,000.00	$450,000.00
233416		Supplies and Utilities	$30,000.00	$30,000.00
233425		Cement Conductor	$5,000.00	$5,000.00
233417		Cement Surface Casing	$90,000.00	$90,000.00
233420		Cement Intermediate Casing	$125,000.00	$125,000.00
233424		Cement Production Casing	$0.00	$225,000.00
233425		Cement Drilling Liner	$0.00	$0.00
233452		Cement Production Liner	$200,000.00	$200,000.00
233418		Mud Logging	$224,000.00	$224,000.00
233419		Drilling Fluids, Mud, Chem.	$1,500,000.00	$1,500,000.00
233421		Drill String Inspection	$100,000.00	$100,000.00
233423		Open Hole Logging	$350,000.00	$350,000.00
233427		Fishing	$0.00	$0.00
233428		Downhole Rental Equipment	$353,000.00	$369,000.00
233430		Completion Unit	$0.00	$100,000.00
233431	Completion:	Cased Hole Services/Perforating	$0.00	$100,000.00
233433		Jetting	$0.00	$0.00
233434		Formation Stimulation	$0.00	$1,000,000.00
233437		Surface Equipment Rental	$588,000.00	$668,000.00
233438	General:	Transportation	$500,000.00	$750,000.00
233440		Flowback Hauloff	$0.00	$50,000.00
233442		Blowout/Emergencies	$0.00	$0.00
233443		Supervision	$141,000.00	$153,000.00
233439		Technical Labor	$94,000.00	$102,000.00
233435		Direct Labor	$118,000.00	$128,000.00
233444		Consultants	$576,000.00	$700,000.00
233446		Company Overhead	$83,000.00	$90,000.00
233447		Insurance	$91,000.00	$91,000.00
233450		Plug to Abandon	$0.00	$0.00
		20% Contingency	$3,029,000.00	$3,641,000.00
TOTAL	INTANGIBLES	Total Intangible Costs	$18,170,000.00	$21,846,000.00

CODE	TANGIBLE COSTS	WORK DESCRIPTION				
230099	Tubulars:	Conductor:	30"	325'	$26,000.00	$26,000.00
230100		Surface Casing:	20"	2,100'	$119,000.00	$119,000.00
230101		Intermediate Casing:	13-3/8"	8,550'	$691,000.00	$691,000.00
230102		Production Casing:	5-1/2"	22,350'	$0.00	$754,000.00
230103		Drilling Liner:			$0.00	$0.00
230109		Production Liner:	9-5/8"	18,250'	$1,126,000.00	$1,126,000.00
230104		Rods Equipment			$75,000.00	$95,000.00
230105		Tubing:	2-7/8"	21,000'	$0.00	$314,000.00
230106	Lease Equipment:	Wellhead Equipment			$130,000.00	$130,000.00
230107		Downhole Equipment			$0.00	$150,000.00
230111		Artificial Lift-Pumping Unit			$0.00	$0.00
230113		Production Equipment			$0.00	$150,000.00
230115		Compressor/Compression			$0.00	$0.00
230116		Pipeline Equipment			$0.00	$0.00
230120		Non-Controllable Equipment			$0.00	$0.00
		20% Contingency			$434,000.00	$711,000.00
TOTAL	TANGIBLES	Total Tangible Costs			$2,601,000.00	$4,266,000.00
		Total Costs			$20,771,000.00	$26,112,000.00

Prepared by: DKA 5/12/09 Approved by: _____

OPERATOR'S APPROVAL: _____ DATE: _____
Operations/Geology

OPERATOR'S APPROVAL: _____ DATE: _____
Land/Accounting

NON-OPERATOR'S APPROVAL: _____ DATE: _____

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well, as modified by the following Accounting Procedure Exception: On title examination and regulatory work, operator may use in-house attorneys and support staff and charge the Joint Account at rates not to exceed average commercial rates currently prevailing in the immediate area. The Operator may contract with an affiliated entity to drill the well at prevailing rates in the area. Participant shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in amounts acceptable to the Operator by the date of spud.

EXHIBIT NO. 3

07/20/2009 MON 17:23 FAX 3043449566 RAMLAW CHARLESTON B 036/046

Exhibit No. 4

Ownership Tabulation for Uncommitted or Unleased Interests (5/12/2009)

MAP INDEX	TAX MAP/ PARCEL	COUNTY	DISTRICT	OIL & GAS OWNER / OPERATOR	ADDRESSES	GROSS ACRES IN UNIT TRACT	INTEREST OWNED	NET ACRES IN UNIT TRACT	OVERALL UNIT CONTRIBUTION
1	30-30 & 30.1	Roane	Smithfield	North Coast Energy Eastern, Inc.	Attn: Frank Rotunda P.O. Box 8 Ravenswood, WV 26164	12.94	0.20489875	2.65138983	0.38134130%
3	30-38	Roane	Smithfield	Creston Well Service, c/o Alvin L. Engelke	P. O. Box 143 Creston, WV 26141	14.37	7/320	0.31434375	0.04521110%
				Garnet Gas Corp.	PO Box 143 Creston, WV 26141	14.37	1/160	0.08981250	0.01291746%
				Creston Company	PO Box 143 Creston, WV 26141	14.37	3/80	0.53887500	0.07750475%
				BRC Appalachian Minerals, LLC	3070 Lakecrest Circle, Suite 400-PMB, Lexington, KY 40513	14.37	1/40	0.35925000	0.05166983%
4-A	30-37	Roane	Smithfield	Harrison-Ritchie Oil & Gas Co., c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/12	2.92000000	0.41997469%
				William Y. & Virginia Morris Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				Robert H. & Lois T. Morris Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				John R. & Jean D. Morris Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				William C. Watson Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/192	0.18250000	0.02624842%
				Nancy C. Sanders Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/192	0.18250000	0.02624842%
				I.L. Morris, c/o Ernest L. Arbuckle	P.O. Box 658 Haines City, FL 3844	35.04	1/48	0.73000000	0.10499367%
				William C. Kerns Under the John W. Kerns Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				Robert M. Kerns Under the John W. Kerns Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				Mary Loretta Kerns Clark Under the John W. Kerns Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
				Delvera Kerns Johnson Under the John W. Kerns Trust, c/o Chase Bank successor trustee	P.O. Box 659 Wichita Falls, TX 76307	35.04	1/96	0.36500000	0.05249684%
4-B	30-p/o 37	Roane	Smithfield	Ronald Eugene Kincaid	1087 Foley Drive, St. Albans, WV 25177	0.5	1/5	0.10000000	0.01438269%
				Creston Well Service, c/o Alvin L. Engelke	P. O. Box 143, Creston, WV 26141	0.5	1/66	0.00761697	0.00109553%

07/20/2009 MON 17:23 FAX 3043449566 RAMLAW CHARLESTON B 037/046

Exhibit No. 4

Ownership Tabulation for Uncommitted or Unleased Interests (5/12/2009)

MAP INDEX	TAX MAP/ PARCEL	COUNTY	DISTRICT	OIL & GAS OWNER / OPERATOR	ADDRESSES	GROSS ACRES IN UNIT TRACT	INTEREST OWNED	NET ACRES IN UNIT TRACT	OVERALL UNIT CONTRIBUTION
9	30-p/o33 &33.3	Roane	Smithfield	Harrison-Ritchie Oil & Lands Co.	P.O. Box 659 Wichita Falls, TX 76307	27.21	1/12	2.26750000	0.32612760%
				Will E. Morris Estate, c/o ICG	P O Box 659, Wichita Falls, TX 76307	27.21	1/24	1.13375000	0.16306380%
				John W. Kems Estate Trust, c/o ICG	P O Box 659, Wichita Falls, TX 76307	27.21	1/24	1.13375000	0.16306380%
				Georgia P. Sergent	966 Johnson Creek, Walton, WV 25286	27.21	1/12	2.26750000	0.32612760%
				Nancy Sergent Long	#1 Aerie Estate, Charleston WV 25302	27.21	1/6	4.53500000	0.65225521%
12	17-6, 7, 8	Roane	Walton	Creston Well Service, c/o Alvin L. Engelke	P. O. Box 143 Creston, WV 26141	63.21	7/288	1.53635417	0.22096913%
				The Creston Company	PO Box 143 Creston, WV 26141	63.21	1/36	1.75583333	0.25253615%
14	17-p/o 9	Roane	Walton	Alvin L. Engelke	P. O. Box 143, Creston, WV 26141	37.77	1/45	0.83933333	0.12071875%
				Creston Company, c/o Alvin L. Engelke	P. O. Box 143, Creston, WV 26141	37.77	2/15	5.03600000	0.72431251%
15	18-41	Roane	Walton	Creston Well Service, c/o Alvin L. Engelke	P. O. Box 143, Creston, WV 26141	17.66	13/16	14.34875000	2.06373691%
18	21-7, 21-7.1	Roane	Walton	Nancy Sergent Long	#1 Aerie Estate, Charleston WV 25302	12.36	1/3	4.12000000	0.59256702%
							TOTAL	49.60505888	7.13454420%

038/046

Exhibit No. 4

Lease Modifications Required for HBP Properties (5/12/09)

MAP INDEX	TAX MAP/ PARCEL	COUNTY	DISTRICT	OIL & GAS OWNER / OPERATOR	ADDRESSES	GROSS ACRES IN UNIT TRACT	INTEREST OWNED	NET ACRES IN UNIT TRACT	OVERALL UNIT CONTRIBUTION
19	12-9.2	Roane	Geary	Georgia P. Sergent	966 Johnson Creek Walton, WV 25286	12.36	1/6	2.06000004	0.29628352%
							TOTAL	2.06000004	0.29628352%

07/20/2009 MON 17:23 FAX 3043449566 RAMLAW CHARLESTON B

Unit Tract No.	Acres in Unit
1	12.94
2	0.74
3	14.37
4A	35.04
4B	0.5
5	46.5
6	46.75
7	23.16
8	5.27
9	37.21
10	27.43
11	238.33
12	63.21
13	55.56
14	37.77
15	17.66
16	4.19
17	1.27
18	17.74
19	12.36
20	7.29
Total:	695.28

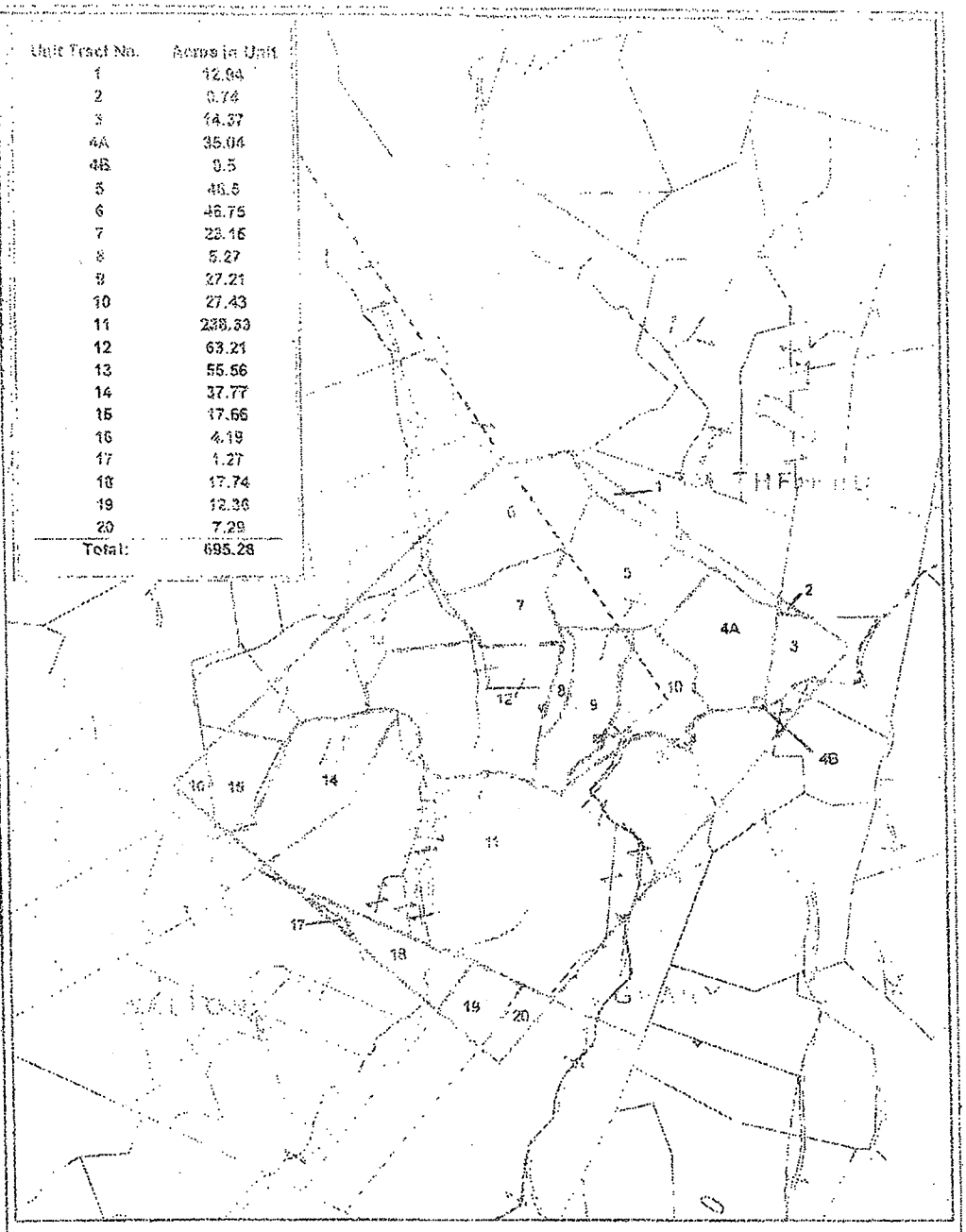


Exhibit No. 5

Chesapeake

Well Number: 8268481 Robey Knight No. 11
County: Roane State: West Virginia
Area in Unit: 695.28 acres Date: May 14, 2009
Scale: 1 inch equals 1500 feet

Legend

- Top Hole
- Bottom Hole
- Robey Knight No 1 Unit

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195
CAUSE NO. 187

NOTICE OF OBJECTION AND REQUEST FOR HEARING

Come now Garnet Gas Corporation, Creston Company, Creston Well Service, Inc., Georgia P. Sergent and Alvin L. Engelke, Respondents, and hereby give notice that they oppose the application for the establishment of the 695.28-acre unit and/or the forced pooling of interests in oil and gas and request that a pre-hearing conference be held at the time and place set forth in the notice of pre-hearing conference filed herein.

These respondents further request that discovery, as described in the West Virginia Rules of Civil Procedure, be permitted in this matter and in support thereof make known to the Commission the following:

1. This is a complex matter involving force pooling in which the Commission is charged by statute to determine the fair value of mineral leases. At present this is a particularly difficult task given the fluctuations in the market and the values paid by participants to join in ventures for the development of natural gas in the Appalachian Basin.

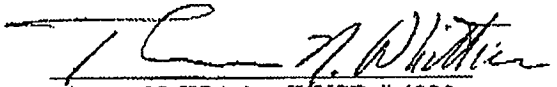
EXHIBIT
tabbies
B

2. Respondents have requested, or anticipate requesting, subpoenas for voluminous materials which would otherwise be discoverable in the normal course of civil litigation. If the material requested is produced at pre-hearing, it will require delay of the pre-hearing to allow a reasonable time for examination and organization and review to determine which materials are or not to be presented in evidence at hearing.

3. Allowing a reasonable time for discovery would provide an orderly, efficient process, or review and organization of documents and witnesses which would save hearing time for the commission and expedite the hearing process. Hearing would be untenable and potentially significantly delayed if all relevant materials are produced only on the day of hearing. Testimony at hearing could be substantially reduced if discovery is permitted.

4. Justice demands that respondents, who have significant property interests at issue, be afforded.

Creston Well Service, Inc.
Georgia P. Sergent
Garnet Gas Corporation,
Creston Company and
Alvin L. Engelke,
Respondents,
By Counsel.



Thomas N. Whittier, WVSB # 4029
HEDGES, JONES, WHITTIER & HEDGES
Attorneys at Law
P.O. Box 7
Spencer, West Virginia 25276
Counsel for Respondents

CERTIFICATE OF SERVICE

I, Thomas N. Whittier, hereby certify that I have this day served the foregoing and hereto annexed Notice of Objection and Request for Hearing upon Keith Moffatt, Esquire, Attorney for Chesapeake Appalachia, LLC, by mailing postpaid a true copy thereto to him at the following address: 900 Pennsylvania Avenue, Charleston, West Virginia, 25302.

Dated this the 24th day of June, 2009.

Thomas N. Whittier, WVSB #4029
HEDGES, JONES, WHITTIER & HEDGES
Attorneys at Law
P. O. Box 7
Spencer, WV 25276

SUBPOENA DUCES TECUM

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195
CAUSE NO. 187

To the Sheriff of Kanawha County

IN THE NAME OF THE STATE OF WEST VIRGINIA:

To Chesapeake Appalachia, LLC, 900 Pennsylvania Avenue, Charleston, WV 25302

You are hereby commanded to appear before the Oil and Gas Conservation Commission of the State of West Virginia at the offices of the Department of Environmental Protection, Oil and Gas Conservation Commission, Canaan Valley Conference Room, 601 57th Street, S. E., Charleston, West Virginia, on the 22nd day of July, 2009, at 9:00 a.m. to testify in the above-noted matter and to bring with you the following:

a. All results of geophysical or seismic tests or operations conducted on or near the properties in which the Creston Respondents or any of them have any interest only as it pertains to formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) submitted by Chesapeake Appalachia, LLC in the Robey Knight unit, ;

b. All records showing production or the results of operations of the Applicant on any existing wells or properties in which the Creston Respondents or any of them have any interest including, but not limited to, wells designated as the W. L. Hershberger; the Kester K. Lowe; the J. C. Hively; the H. M. Vineyard, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

c. Any agreements entered into between the applicant providing for the exploration and joint development of any oil and gas located in Roane and surrounding counties in Central West Virginia with Norsk Hydro ASA, or Statoil ASA, their subsidiaries or associated companies including but not limited to the complete agreement including (1) all

financial terms, (2) any maps setting forth the "AMI", area of mutual interest, and (3) any limitations to the area of exploration, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

d. Any documents which set forth what participants in the deep well known as the "Dink" Well in Otter District of Clay County, West Virginia, paid for the right to participate in the drilling of said well, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

e. Any documents which set forth the terms of the Joint Participation Agreement between Columbia Natural Resources and Castle Gas Company, Inc., including the financial terms and any maps or attachments showing the area of mutual interest ("AMI"), only the formations listed in the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

f. Any documents which identify any applications filed before this Commission by the Applicant for forced pooling pursuant to West Virginia Code 22C-9-7(b) during the past five years, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

g. Any orders of the Commission entered during the past five years in forced pooling actions filed by the Applicant in which the Commission determined the proper compensation due oil and gas owners for the involuntary lease of their minerals.

h. All documents showing the consideration paid for the leasing of oil and gas during the year 2006-2009 in the following West Virginia counties: Roane, Calhoun, Jackson, Clay, Kanawha for the formations listed on the permit application only ((*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*).

i. Any documents showing the identity of any parties who are or who have been solicited as partners in the well described in the Application in this matter, but limited to the Roane, Calhoun, Jackson, Clay and Kanawha Counties.

j. Any documents showing the actual cost of the right to participate in the well or unit described in the Application in this matter.

k. Any documents showing any amount offered or solicited for the right to participate in the well or unit described in the Application in this matter.

This subpoena is issued upon application of Alvin Engelke, Creston Well Service, Inc., Garnet Gas Corp. et al, Respondents.

Dated: July 8, 2009

Cynthia Raines

WV Oil and Gas Conservation Commission

Prepared and Submitted by:
Thomas N. Whittier, Esquire
Attorney for the Respondents Alvin Engelke, et al
P. O. Box 7
Spencer, WV 25276

ROBINSON
&McELWEE

WILLIAM D. MARCUM
ATTORNEY AT LAW
ADMITTED IN WV & DC

P.O. BOX 1791
CHARLESTON, WV 25326

DIRECT DIAL: (304) 347-8303
E-MAIL: wdm@ramlaw.com

July 20, 2009

VIA HAND-DELIVERY

Cathy Gatson, Clerk
Circuit Court of Kanawha County
2nd Floor, Judicial Annex Building
111 Court Street
Charleston, WV 25301

Re: Petition to Quash Subpoena Duces Tecum

Dear Ms. Gatson:

Enclosed for filing on behalf of Chesapeake Appalachia, LLC, please find the following:

1. Civil Case Information Statement;

2. Petition (1 original and 1 copy); and

4. This firm's check in the amount of $145.00, representing the filing fee for this request.

Please file these documents in your office in the usual manner. Please time stamp the extra copy of the Petition to me.

If you should have questions with regard to the filing of the Petition, please feel free to contact me at 344-5800.

Sincerely,

William D. Marcum

WDM/kag
Enclosures (as stated)

ROBINSON & McELWEE PLLC

Post Office Box 1791
400 Fifth Third Center
Charleston, West Virginia 25326

Telephone: (304) 344-5800
Facsimile: (304) 344-9566

FACSIMILE COVER SHEET

DATE: July 20, 2009

TO: Tom Whittier, Esquire (Madison) **FAX#:** 304-927-6050
Cindy Raines (Oil & Gas Cons. Com. of WV) **FAX#:** 304-926-0452

CLIENT/MATTER: NEW/99999/Chesapeake/tmm/

FROM: Timothy M. Miller, Esquire

NO. OF PAGES (INCLUDING COVER): 46

The information contained the FAX message is intended only for the personal and confidential use of the designated recipients named above. This message may be an attorney-client communication, and as such is privileged and confidential. If the reader of this message is not the intended recipient or an agent responsible for delivering it to the intended recipient, you are hereby notified that you have received this document in error, and that any review, dissemination, distribution, or copying of this message is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us by mail. **THANK YOU.**

COMMENTS:

PLEASE CONTACT Penny Johnson AT (304) 344-5800, EXTENSION 8438 IF ANY PROBLEMS OCCUR IN RECEIVING THIS FACSIMILE TRANSMISSION

PLEASE DELIVER THIS FAX **IMMEDIATELY** UPON RECEIPT.

HEDGES, JONES, WHITTIER AND HEDGES
ATTORNEYS AT LAW
POST OFFICE BOX 7
SPENCER, WEST VIRGINIA 25276

GROVER F. HEDGES (1885-1955)
G. F. HEDGES, JR. (1914-1986)

ORTON A. JONES
THOMAS N. WHITTIER
CHRISTINE M. HEDGES

216 MARKET STREET, SUITE 201
FIRST NATIONAL BANK BUILDING
TELEPHONE (304) 927-3790
FACSIMILE (304) 927-6050

July 17, 2009

West Virginia Department of Environmental Protection
Attn: Cindy Raines
Oil and Gas Conservation Commission
601 57th Street, SE
Charleston, West Virginia 25304

Re: Docket No. 195
Cause No. 187

Dear Ms. Raines:

Enclosed herewith please find the following originals:

1. Return of Subpoena Duces Tecum issued by West Virginia Secretary of State

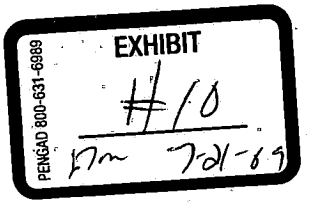
2. Return of Subpoena Duces Tecum issued by the Kanawha County Sheriff.

Please file same accordingly.

Yours truly,

Thomas N. Whittier

TNW/ll
Enclosures



Ck #11583

SUBPOENA DUCES TECUM

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195
CAUSE NO. 187

Executed the Within Process Sub Duces Tecum
On the 15 Day of July 2009 Time 11:00
Personal Service to
Family Member at Place Of Abode
Accepted For James Grey (PE./PS.) for Chesapeake Appalachia LLC.
Not Found ____ Attempts
A True Copy Thereof in Kanawha County
By Mike Rutherford KSD
Remarks:

To the Sheriff of Kanawha County

IN THE NAME OF THE STATE OF WEST VIRGINIA:

To Chesapeake Appalachia, LLC, 900 Pennsylvania Avenue, Charleston, WV 25302

You are hereby commanded to appear before the Oil and Gas Conservation Commission of the State of West Virginia at the offices of the Department of Environmental Protection, Oil and Gas Conservation Commission, Canaan Valley Conference Room, 601 57th Street, S. E., Charleston, West Virginia, on the 22nd day of July, 2009, at 9:00 a.m. to testify in the above-noted matter and to bring with you the following:

a. All results of geophysical or seismic tests or operations conducted on or near the properties in which the Creston Respondents or any of them have any interest only as it pertains to formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) submitted by Chesapeake Appalachia, LLC in the Robey Knight unit, ;

b. All records showing production or the results of operations of the Applicant on any existing wells or properties in which the Creston Respondents or any of them have any interest including, but not limited to, wells designated as the W. L. Hershberger; the Kester K. Lowe; the J. C. Hively; the H. M. Vineyard, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

c. Any agreements entered into between the applicant providing for the exploration and joint development of any oil and gas located in Roane and surrounding counties in Central West Virginia with Norsk Hydro ASA, or Statoil ASA, their subsidiaries or associated companies including but not limited to the complete agreement including (1) all

financial terms, (2) any maps setting forth the "AMI", area of mutual interest, and (3) any limitations to the area of exploration, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

d. Any documents which set forth what participants in the deep well known as the "Dink" Well in Otter District of Clay County, West Virginia, paid for the right to participate in the drilling of said well, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

e. Any documents which set forth the terms of the Joint Participation Agreement between Columbia Natural Resources and Castle Gas Company, Inc., including the financial terms and any maps or attachments showing the area of mutual interest ("AMI"), only the formations listed in the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

f. Any documents which identify any applications filed before this Commission by the Applicant for forced pooling pursuant to West Virginia Code 22C-9-7(b) during the past five years, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

g. Any orders of the Commission entered during the past five years in forced pooling actions filed by the Applicant in which the Commission determined the proper compensation due oil and gas owners for the involuntary lease of their minerals.

h. All documents showing the consideration paid for the leasing of oil and gas during the year 2006-2009 in the following West Virginia counties: Roane, Calhoun, Jackson, Clay, Kanawha for the formations listed on the permit application only ((*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*).

i. Any documents showing the identity of any parties who are or who have been solicited as partners in the well described in the Application in this matter, but limited to the Roane, Calhoun, Jackson, Clay and Kanawha Counties.

j. Any documents showing the actual cost of the right to participate in the well or unit described in the Application in this matter.

k. Any documents showing any amount offered or solicited for the right to participate in the well or unit described in the Application in this matter.

This subpoena is issued upon application of Alvin Engelke, Creston Well Service, Inc., Garnet Gas Corp. et al, Respondents.

Dated: July 8, 2009

Cynthia Raines

WV Oil and Gas Conservation Commission

Prepared and Submitted by:
Thomas N. Whittier, Esquire
Attorney for the Respondents Alvin Engelke, et al
P. O. Box 7
Spencer, WV 25276

Office of the Secretary of State
Building 1 Suite 157-K
1900 Kanawha Blvd E
Charleston, WV 25305

Natalie E. Tennant
Secretary of State
Telephone: 304-558-6000
Toll Free: 866-SOS-VOTE
www.wvsos.com

ControlNumber: 280520
Defendant: Chesapeake Appalachia, L.L.C.

Thomas N Whittier, Esquire
PO Box 7
Spencer WV 25276

7/14/2009
Civil Action: Subpoena
Certified: 91719237900010001111121

I am enclosing:

____ summons	____ affidavit	____ summons and complaint
____ notice	____ answer	____ summons returned from post office
____ order	____ cross-claim	____ summons and amended complaint
____ petition	____ counterclaim	____ 3rd party summons and complaint
____ motion	____ request	____ no return from post office
____ suggestions	____ certified return receipt	____ notice of mechanic's lien
____ interrogatories	____ request for production	____ suggestee execution
____ original	____ request for admissions	____ Other
1 subpeona duces tecum		

which was served on the Secretary at the State Capitol as your statutory attorney-in-fact. According to law, I have accepted service of process in your name and on your behalf.

Please note that this office has no connection whatsoever with the enclosed documents other than to accept service of process in your name and on behalf as your attorney-in-fact. Please address any questions about this document directly to the court or the plantiff's attorney, shown in the enclosed paper. Please do not call the Secretary of State's office.

Sincerely,

Natalie E Tennant

Natalie E. Tennant
Secretary of State

SUBPOENA DUCES TECUM

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195
CAUSE NO. 187

To the Sheriff of Kanawha County

IN THE NAME OF THE STATE OF WEST VIRGINIA:

To Chesapeake Appalachia, LLC, 900 Pennsylvania Avenue, Charleston, WV 25302

You are hereby commanded to appear before the Oil and Gas Conservation Commission of the State of West Virginia at the offices of the Department of Environmental Protection, Oil and Gas Conservation Commission, Canaan Valley Conference Room, 601 57th Street, S. E., Charleston, West Virginia, on the 22nd day of July, 2009, at 9:00 a.m. to testify in the above-noted matter and to bring with you the following:

a. All results of geophysical or seismic tests or operations conducted on or near the properties in which the Creston Respondents or any of them have any interest only as it pertains to formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) submitted by Chesapeake Appalachia, LLC in the Robey Knight unit, ;

b. All records showing production or the results of operations of the Applicant on any existing wells or properties in which the Creston Respondents or any of them have any interest including, but not limited to, wells designated as the W. L. Hershberger; the Kester K. Lowe; the J. C. Hively; the H. M. Vineyard, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

c. Any agreements entered into between the applicant providing for the exploration and joint development of any oil and gas located in Roane and surrounding counties in Central West Virginia with Norsk Hydro ASA, or Statoil ASA, their subsidiaries or associated companies including but not limited to the complete agreement including (1) all

financial terms, (2) any maps setting forth the "AMI", area of mutual interest, and (3) any limitations to the area of exploration, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

d. Any documents which set forth what participants in the deep well known as the "Dink" Well in Otter District of Clay County, West Virginia, paid for the right to participate in the drilling of said well, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

e. Any documents which set forth the terms of the Joint Participation Agreement between Columbia Natural Resources and Castle Gas Company, Inc., including the financial terms and any maps or attachments showing the area of mutual interest ("AMI"), only the formations listed in the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

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g. Any orders of the Commission entered during the past five years in forced pooling actions filed by the Applicant in which the Commission determined the proper compensation due oil and gas owners for the involuntary lease of their minerals.

h. All documents showing the consideration paid for the leasing of oil and gas during the year 2006-2009 in the following West Virginia counties: Roane, Calhoun, Jackson, Clay, Kanawha for the formations listed on the permit application only ((*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*).

i. Any documents showing the identity of any parties who are or who have been solicited as partners in the well described in the Application in this matter, but limited to the Roane, Calhoun, Jackson, Clay and Kanawha Counties.

j. Any documents showing the actual cost of the right to participate in the well or unit described in the Application in this matter.

k. Any documents showing any amount offered or solicited for the right to participate in the well or unit described in the Application in this matter.

This subpoena is issued upon application of Alvin Engelke, Creston Well Service, Inc., Garnet Gas Corp. et al, Respondents.

Dated: July 8, 2009

Cynthia Raines

WV Oil and Gas Conservation Commission

Prepared and Submitted by:
Thomas N. Whittier, Esquire
Attorney for the Respondents Alvin Engelke, et al
P. O. Box 7
Spencer, WV 25276

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

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
dep.wv.gov

NOTICE OF RETURNED PERMIT APPLICATION

March 08, 2010

CHESAPEAKE APPALACHIA, L.L.C.
POST OFFICE BOX 6070
CHARLESTON, WV 25362

Re: 826848 API Number:8704645

Oil and Gas Operator:

Please be advised that the Office of Oil and Gas is returning your Well Work Permit Application for the above referenced well either at your request or due to the application remaining incomplete.

Please call Gene Smith at 304-926-0499, extension 1652 if you have any questions.

Sincerely,

Laura L. Adkins

Permitting Section
Office of Oil and Gas

Unit Tract No.	Acres in Unit
1	12.94
2	0.74
3	14.37
4A	35.04
4B	0.5
5	46.5
6	46.75
7	23.15
8	5.27
9	27.21
10	27.43
11	238.33
12	63.21
13	55.56
14	37.77
15	17.66
16	4.19
17	1.27
18	17.74
19	12.36
20	7.29
Total:	695.28

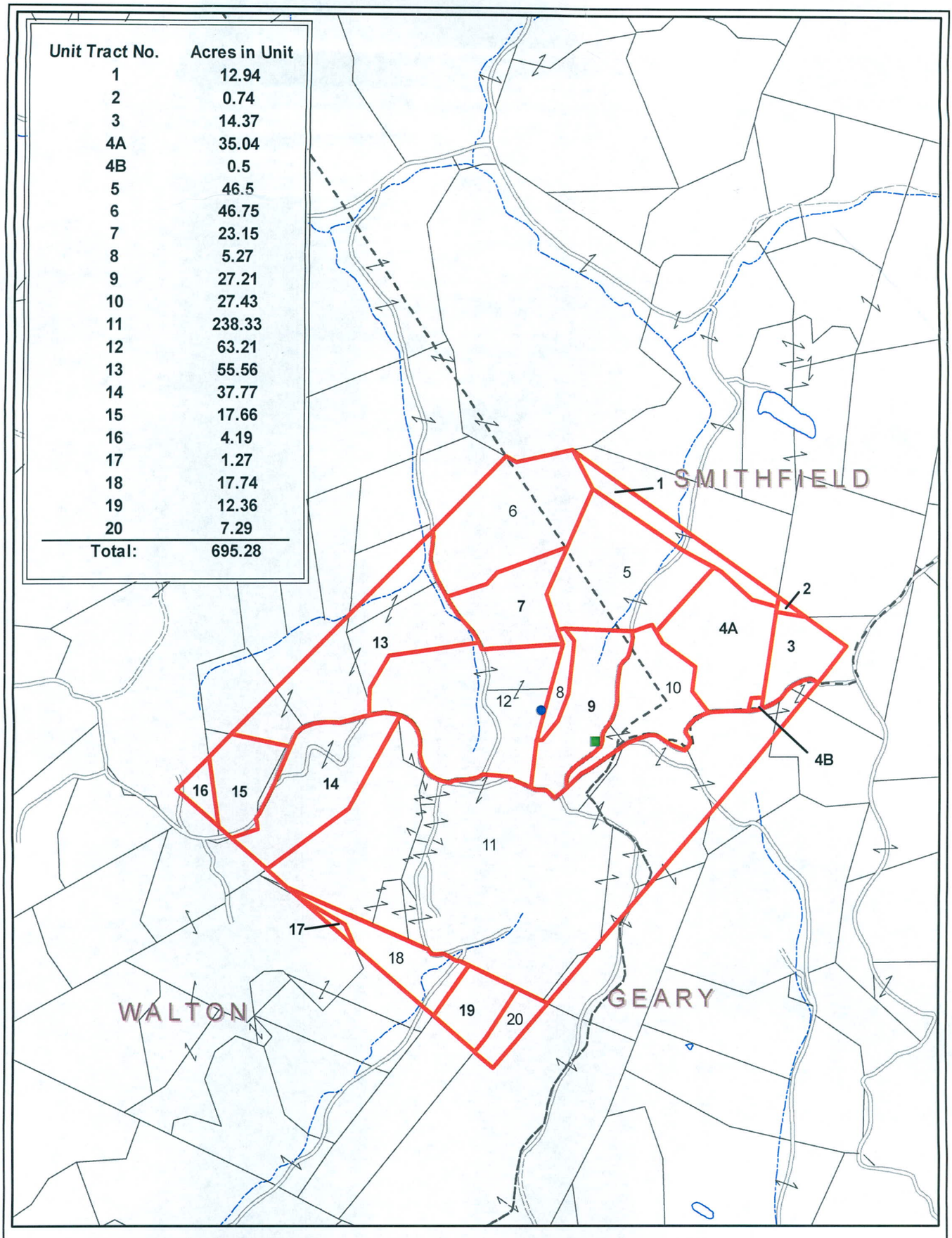


Exhibit No. 5

Well Number: 826848 (Robey Knight No. 1)
County: Roane **State:** West Virginia
Area in Unit: 695.28 acres **Date:** May 14, 2009
Scale: 1 inch equals 1500 feet

NOTICE
This map/plat reflects only the approximate location of the depicted natural gas facilities (including property lines, lease and lease boundary lines). Neither Chesapeake Appalachia, L.L.C. nor any of its employers or contractors make any warranty, expressed or implied with respect to the accuracy or completeness of the document.

Furthermore, this map/plat is the property of Chesapeake Appalachia, L.L.C. and may contain confidential and/or proprietary information. It may not be copied or otherwise made available to any party without the prior written consent of Chesapeake Appalachia, L.L.C.

Chesapeake Appalachia, L.L.C. expressly disclaims responsibility for any action, activity, or decision by a third party on the basis of the information depicted on this map/plat.

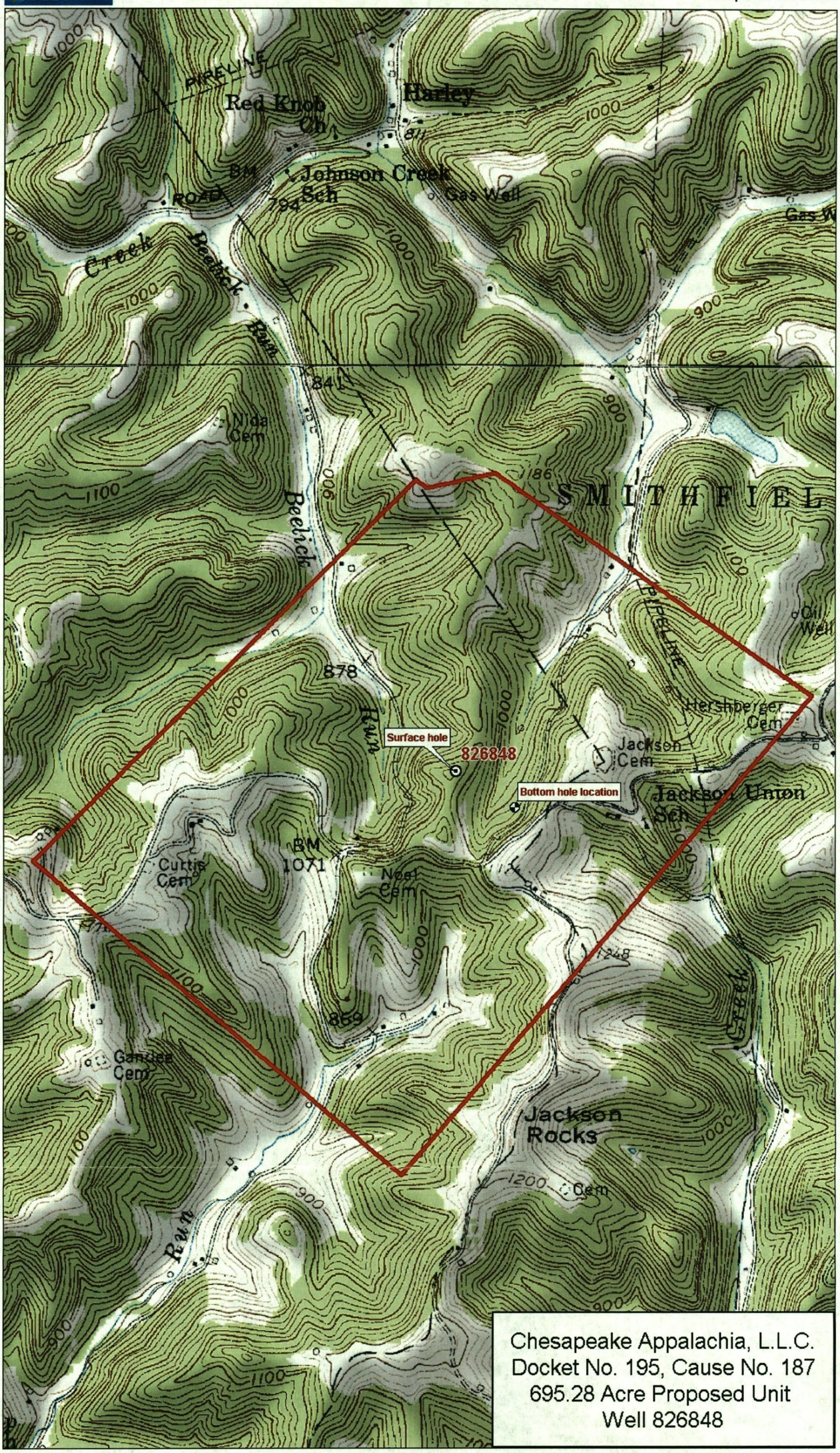
Call or Write:

Manager, Technical Services
Chesapeake Appalachia, L.L.C. P.O. Box 6070
Charleston, WV 25362-0070
(304) 353-5000

Legend

- Top Hole
- Bottom Hole
- Robey Knight No.1 Unit

W:\Prospects\LAND\MattTroup\Robey Unit\Robey_Unit_Sketch_9-09-08.mxd



Chesapeake Appalachia, L.L.C.
Docket No. 195, Cause No. 187
695.28 Acre Proposed Unit
Well 826848

Data use subject to license.
© DeLorme. XMap® 5.2 GIS Editor.
www.delorme.com

MN (7.6° W)

0 400 800 1200 1600 2000 ft
Data Zoom 13-7

Chesapeake ENERGY

LAW DEPARTMENT

October 10, 2008

Tinki M. Baker
Paralegal
900 Pennsylvania Avenue
P. O. Box 6070
Charleston, WV 25362-0070
DD: 304.353.5180
Fax: 304.353.5234
Email: tinki.baker@chk.com

Ms. Cindy Raines
WV Oil & Gas Conservation Commission
601 57th Street
Charleston, WV 25304

Re: Docket No. 195, Cause No. 187
IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, L.L.C. FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b)

Dear Ms. Raines:

Enclosed for filing with the West Virginia Oil & Gas Conservation Commission ("Commission") is Chesapeake Appalachia, L.L.C.'s Application (including exhibits) requesting an Order from the Commission to establish a 695.28-acre drilling unit and pooling interests for the above-captioned matter. Please schedule a hearing in this matter and advise me of the time and date.

Thank you for your assistance in this matter. Should you have any questions, feel free to call me.

Sincerely,

Tinki M. Baker

Attachment

cc: Brett Loflin – Chesapeake Appalachia, L.L.C.
Matt Troup – Chesapeake Appalachia, L.L.C.
Keith E. Moffatt – Chesapeake Appalachia, L.L.C.

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BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, L.L.C. FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. _____

CAUSE NO. _____

APPLICATION

The Applicant, Chesapeake Appalachia, L.L.C. ("Applicant"), an Oklahoma limited liability company, avers and alleges the following:

1. This Application is filed pursuant to West Virginia Code, 22C-9-7(b), and the rules and regulations of the West Virginia Oil and Gas Conservation Commission ("Commission").

2. Applicant is an operator within the meaning of West Virginia Code, 22C-9-2(a)(4).

3. Applicant has filed an application for a drilling permit with the West Virginia Department of Environmental Protection for the drilling of Well No. 826848 inside the proposed 695.28-acre unit. The drilling permit application is attached hereto and made a part hereof as Applicant's Exhibit No. 1.

4. Applicant owns the tract of land upon which the proposed Well No. 826848 is to be drilled. A recorded copy of the Deed into Applicant is attached hereto and made a part hereof as Applicant's Exhibit No. 2.

5. Applicant proposes to drill Well No. 826848 to the basement (estimated total depth of 22,443 feet) in a unit containing 695.28 acres, more or less. To the best of the knowledge of Applicant, no operator other than the Applicant desires to operate Well No. 826848. Well No. 826848 is over 400 feet from the nearest unit or lease boundary and over 3000 feet from the nearest deep well.

6. If Well No. 826848 is successful, Applicant estimates reserves of 9.0 BCF and believes that the proposed 695.28-acre unit reasonably approximates the maximum area which will be economically and efficiently drained by that well.

7. An Authority for Expenditure showing the estimated dry hole and completion costs for Well No. 826848 is attached hereto and made a part hereof as Applicant's Exhibit No. 3.

8. Applicant has obtained voluntary lease agreements with unitization provisions or voluntary development agreements from over 91% of the oil and gas owners and operators in the proposed 695.28-acre unit.

9. Applicant has been unable to acquire leases, voluntary unitization agreements or voluntary development agreements from owners of oil and gas interests or operators in certain designated tracts within the proposed 695.28-acre unit, as described in Applicant's Exhibit No. 4, and shown by map on Applicant's Exhibit No. 5, attached hereto and made a part hereof.

10. Applicant has contacted, or made reasonable attempts to contact, (i) the oil and gas owners of unleased tracts; (ii) the oil and gas owners of leased tracts whose leases do not contain a voluntary pooling/unitization clause; and (iii) the uncommitted operators of oil and gas leases, for the purpose of obtaining voluntary agreements allowing for the development of the proposed unit, but these contacts and attempts have not met with success.

11. Applicant represents that unless an Order is entered by the Commission forming the 695.28-acre unit, designating Applicant as operator of Well No. 826848 and pooling the interests of (i) the oil and gas owners of unleased tracts; (ii) the oil and gas owners of leased tracts whose leases do not contain a voluntary pooling/unitization clause; and (iii) the uncommitted operators of oil and gas leases, the oil and gas within the proposed 695.28-acre unit will not otherwise be produced and developed.

12. Applicant respectfully represents that the granting of the relief requested in this Application will:

(a) Foster, encourage and promote development, production, utilization, and conservation of oil and gas resources;

(b) Prohibit waste of oil and gas resources;

(c) Encourage the maximum recovery of oil and gas in the proposed 695.28-acre unit; and,

(d) Protect the correlative rights of the oil and gas owners within the proposed 695.28-acre unit.

WHEREFORE, Applicant respectfully requests that the Commission enter an Order (i) forming the proposed 695.28-acre unit; (ii) designating Applicant as operator of proposed Well No. 826848; (iii) pooling the interests of (a) the oil and gas owners of unleased tracts; (b) the oil and gas owners of leased tracts whose leases do not contain a voluntary pooling/unitization clause; and (c) the uncommitted operators of oil and gas

leases, in the proposed 695.28-acre unit, consistent with and pursuant to the provisions of West Virginia Code, 22C-9-7(b), and (iv) granting such other relief, both general and special in nature, as the Commission deems just and fair.

CHESAPEAKE APPALACHIA, L.L.C.,
An Oklahoma Limited Liability Company
By Counsel

Keith E. Moffatt

KEITH E. MOFFATT
COUNSEL FOR APPLICANT
Chesapeake Appalachia, L.L.C.
P. O. Box 6070
Charleston, West Virginia 25362-0070

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Chesapeake ENERGY

LAW DEPARTMENT

Tinki M. Baker
Paralegal
900 Pennsylvania Avenue
P. O. Box 6070
Charleston, WV 25362-0070
DD: 304.353.5180
Fax: 304.353.5234
Email: tinki.baker@chk.com

October 29, 2008

Ms. Cindy Raines
WV Oil & Gas Conservation Commission
601 57th Street
Charleston, WV 25304

Re: Docket No. 195, Cause No. 187
Request by Chesapeake Appalachia, L.L.C. for
An Order Establishing a 695.28-Acre Drilling Unit
And Pooling the Interests of Oil and Gas Owners
And Operators who have not entered into Voluntary
Agreements, Walton District, Roane County, WV

Dear Ms. Raines:

Enclosed you will find a "Notice of Prehearing Conference" and map for the captioned matter. For your information, this prehearing conference notice was sent by certified mail to the owners and operators shown on the attached list as well as to the following newspapers for Class 2 publication and circulation on November 6 and 13, 2008: Roane County Reporter and The Times Record.

Should you have any questions, feel free to call me.

Sincerely,

Tinki M. Baker

Enclosure

cc: Brett Loflin – Chesapeake Appalachia, L.L.C.
Dora Goff-Parsons – Chesapeake Appalachia, L.L.C.
Keith E. Moffatt – Chesapeake Appalachia, L.L.C.

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BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, L.L.C. FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195

CAUSE NO. 187

NOTICE OF PREHEARING CONFERENCE

Please be advised that Chesapeake Appalachia, L.L.C. ("Chesapeake"), an Oklahoma limited liability company, has made application to the Oil and Gas Conservation Commission ("Commission") for the establishment of a 695.28-acre drilling unit in the Walton District, Roane County, West Virginia, for the drilling of its proposed Well No. 826848 as more particularly shown and identified on the attached map.

Chesapeake proposes to drill Well No. 826848 to the basement (estimated total depth of 22,443 feet) in a unit containing 695.28 acres, more or less. To the best of the knowledge of Chesapeake, no operator other than Chesapeake desires to operate Well No. 826848. Chesapeake has obtained lease agreements with voluntary unitization provisions or development agreements from over 91% of the oil and gas owners in the proposed 695.28-acre unit. Chesapeake has been unable to acquire leases or voluntary unitization agreements from approximately 9% of the owners or operators of interests within the proposed 695.28-acre unit. Chesapeake has contacted, or made reasonable attempts to contact (i) the oil and gas owners of unleased tracts; (ii) the oil and gas owners of leased tracts whose leases do not contain a voluntary pooling/unitization clause; and (iii) the uncommitted operators of oil and gas leases, for the purpose of obtaining voluntary agreements allowing for the development of the proposed unit, but these contacts and attempts have not met with success. Accordingly, as part of its Application, Chesapeake is requesting that the Commission pool the interests of such owners and operators in the proposed 695.28-acre unit for development and operation.

A prehearing conference relating to Chesapeake's request for the establishment of the 695.28-acre unit and pooling of the interests therein has been scheduled for the following date and time:

Date: December 2, 2008
Time: 10:00 a.m.
Where: West Virginia Oil and Gas Conservation Commission
601 57th Street SE
Charleston, WV 25304

Any opponent to the Application for the establishment of this 695.28-acre unit and/or pooling of interests must file written notice with the Commission within ten (10) days of the date of this pre-hearing notice or the pre-hearing conference will not be held. A complete copy of Chesapeake's Application in this matter may be obtained from the Commission. This pre-hearing notice is hereby made and dated this 29th day of October, 2008.

North Coast Energy Eastern, Inc.
ATTN: Frank Rotunda
P.O. Box 8
Ravenswood, WV 26164

Harrison-Richie Oil & Land Co.
c/o ICG
P.O. Box 659
Witchita Falls, TX 76307

Union National Bank of WV
Trustee for William Y. & Virginia Morris
c/o ICG
P.O. Box 659
Witchita Falls, TX 76307

Union National Bank of WV
Trustee for Robert H. & Lois T. Morris
c/o ICG
P.O. Box 659
Witchita Falls, TX 76307

Union National Bank of WV
Trustee for John R. & Jean D. Morris
c/o ICG
P.O. Box 659
Witchita Falls, TX 76307

Union National Bank of WV
Trustee for William C. Watson
c/o ICG
P.O. Box 659
Witchita Falls, TX 76307

Union National Bank of WV
Trustee for Nancy S. Saunders
c/o ICG
P.O. Box 659
Witchita Falls, TX 76307

I.L. Morris
c/o Ernest L. Arbuckle
P.O. Box 658
Haines City, FL 33844

Ed Broome, Inc.
4622 WV Highway 5-E
Glenville, WV 26351

William C. Kerns
Under the John W. Kerns Trust
c/o ICG
P.O. Box 659
Witchita Falls, TX 76307

Robert M. Kerns
Under the John W. Kerns Trust
c/o ICG
P.O. Box 659
Witchita Falls, TX 76307

Mary Loretta Kerns Clark
Under the John W. Kerns Trust
c/o ICG
P.O. Box 659
Witchita Falls, TX 76307

Delvera Kerns Johnson
Under the John W. Kerns Trust
c/o ICG
P.O. Box 659
Witchita Falls, TX 76307

Alvin L. Engelke
P.O. Box 143
Creston, WV 26141

The Creston Company
c/o Alvin L. Engelke
P.O. Box 143
Creston, WV 26141

Richard M. Curtis
24 Gypsy Lane
Camarillo, CA 93010

Spectrum Land Development Company
c/o John Julian Whited
5570 Union Mills Road
Troy, VA 22974-4102

R & A Production
P.O. Box 153
Creston, WV 26141

Kirk Hershberger
1404 Koening St.
Cincinnati, OH 45215

WACO Oil and Gas
P.O. Box 800
Glenville, WV 26351

Will E. Morris Heirs Irrevocable Trust
JP Morgan Chas Bank, N.A.
P.O. Drawer 99084
Fort Worth, TX 76199-0084

John W. Kerns Heirs
JP Morgan Chase Bank, N.A.
P.O. Drawer 99084
Fort Worth, TX 76199-0084

Roger Kelly, Jr.
415 Donna Dr.
St. Albans, WV 25177

Michelle Staley
532 Comfort Road
Ridgeland, NC 28574

Georgia P. Sergent
966 Johnson Creek
Walton, WV 25286

WW-2B

API Well#: 047- 087- _____
State County Permit

State of West Virginia
Department of Environmental Protection, Office of Oil and Gas
Well Work Permit Application

1) Well Operator: Chesapeake Appalachia, L.L.C. 2) Operator ID #: 494477557

3) Operator's Well #: 826848 4) Elevation: 1101'

5) County/District: 087-Roane / 7-Walton 6) Quadrangle: 300 - CLIO

7) Well Type: ☐ Oil ☒ Production ☒ Deep (More than 20 feet into Onondaga Group)
☒ Gas ☐ Storage ☐ Shallow (Less than 20 feet into Onondaga Group)

8) Proposed Target Formation(s): Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run
Copper Ridge, Conasauga, Rome, Basement

9) Proposed Total Depth: 22,401

10) Approximate fresh water depths: 316'

11) Approximate coal seam depths: None reported in offset wells

12) Approximate salt water depths: 1511'

13) Does land contain coal seams tributary to active mine? ☐ YES ☒ NO

14) Describe proposed well work: To drill & stimulate new well

15) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	Used For Drilling	Left in Well	Fill-Up (Cu. Ft.)
Conductor	36"	L.S.	282	As Needed	As Needed	Sanded In
Fresh Water	30"	L.S.	157	336'	336'	469
Intermediate	20"	J-55	117	2100'	2100'	2015
Intermediate	13 3/8"	P-110	85	9800'	9800'	4279
Intermediate	9 5/8"	Q-125	53.5	18,250'	18,250'	2437
Production	5.5"	Q-125	26	22,401'	22,401'	762
Tubing	2 3/8"	M-80	5.95		As Needed	

Check #: 7930001192
Amount: $900.00

Packers: Kind: _____
Sizes: _____
Depths Set: _____

EXHIBIT NO. 1
PAGE 1 of 18

WW-2A

1) Date: Augus 6, 2008

2) Operator's Well #: 826848

3) API Well #: 047- 087- _____
State County Permit

State of West Virginia
Department of Environmental Protection, Office of Oil and Gas
Well Work Permit Application

4) Surface Owners to be served:
a) Name Chesapeake Appalachia, L.L.C.
Address P.O. Box 6070
City Charleston State WV Zip Code 25362-0070

b) Name _____
Address _____
City _____ State _____ Zip Code _____

5)(a) Coal Operator:
Name None
Address _____
City _____ State _____ Zip Code _____

b) Coal Owner with Declaration:
Name Chesapeake Appalachia, L.L.C.
Address P.O. Box 6070
City Charleston State WV Zip Code 25362-0070

6) Inspector:
Name Ed Gainer
Address P.O. Box 821
City Spencer State WV Zip Code 25276

c) Coal Lessee with Declaration:
Name None
Address _____
City _____ State _____ Zip Code _____

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 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: Chesapeake Appalachia, L.L.C.
Signed By: _____
Its: Vice President of Operations
Address P.O. Box 6070
City Charleston State WV Zip Code 25362
Phone Number: 304-353-5000

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
Betty J. Paolini
1900 Pine Manor Road
Charleston, WV 25301
My Commission Expires Nov. 18, 2008

Subscribed and sworn before me this 11th day of August, 2008

_____ Notary Public

My Commission Expires: November 18, 2008

EXHIBIT NO. 1
PAGE 2 of 18

WW-2A SUPPLEMENT

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

West Virginia Department of Environmental Protection
Office of Oil and Gas

ADDITIONAL SURFACE OWNERS TO BE NOTICED

Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____
Name _____	Name _____
Address _____	Address _____
City _____ State ____ Zip Code _____	City _____ State ____ Zip Code _____

EXHIBIT NO. 1
PAGE 3 of 18

WW-2A SUPPLEMENT

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

West Virginia Department of Environmental Protection
Office of Oil and Gas

ADDITIONAL COAL OWNERS/OPERATORS/LESSEES TO BE NOTICED

COAL OWNERS

Name Benjamin Jack Thomas & Alice F. Thomas	Name
Address 1686 Vineyard Ridge	Address
City Walton State WV Zip Code 25266	City State Zip Code
Name	Name
Address	Address
City State Zip Code	City State Zip Code

COAL OPERATORS

Name	Name
Address	Address
City State Zip Code	City State Zip Code
Name	Name
Address	Address
City State Zip Code	City State Zip Code

COAL LESSEES

Name	Name
Address	Address
City State Zip Code	City State Zip Code
Name	Name
Address	Address
City State Zip Code	City State Zip Code

EXHIBIT NO. 1
PAGE 4 of 18

WW-2A Surface Waiver

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

SURFACE OWNER WAIVER

INSTRUCTIONS TO SURFAC OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, WV 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons;
2) The soil erosion and sediment control plan is not adequate or effective;
3) Damage would occur to publicly owned lands or resources;
4) The proposed well work fails to protect fresh water sources or supplies;
5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials. I have no objection to the applicant drilling another well within 50 feet of this well should a problem arise during the drilling of this well. I also have no objection to drilling within 200 linear feet of my water well or dwelling.

FOR EXECUTION BY A NATURAL PERSON

Printed Name: _____

Signature: _____

Date: _____

FOR EXECUTION BY A CORPORATION, ETC.

Company Name: _____

Signed by: _____

Its: _____

Signature: _____

Date: _____

EXHIBIT NO. 1
PAGE 5 of 18

WW-2A Coal Waiver

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

COAL OWNER, OPERATOR, OR LESSEE WAIVER

INSTRUCTIONS TO COAL OWNER, OPERATOR, OR LESSEE

To the coal owner, or lessee named on page WW2-A. You are hereby notified that any objection you wish to make or are required to make by Code 22-6-15, 16 or 17, must be filed with the Chief of the Office of Oil and Gas within fifteen (15) days after the receipt of this application by the Office of Oil and Gas.

WAIVER

The undersigned coal operator _____/ owner _____/ lessee _____/ of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations. In addition, I have no objection to the applicant drilling another well within 50 feet of the proposed location if necessary due to difficulty drilling of this well.

FOR EXECUTION BY A NATURAL PERSON

Printed Name: _____

Signature: _____

Date: _____

FOR EXECUTION BY A CORPORATION, ETC.

Company Name: _____

Signed by: _____

Its: _____

Signature: _____

Date: _____

EXHIBIT NO. 1
PAGE 6 of 18

WW-2A-1

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

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 List		1/8	

Well Operator: Chesapeake Appalachia, L.L.C.

Signed by (print): Michael John

Its: Vice President of Operations

Signature: [signature]

Date: 8/11/08

EXHIBIT NO. 1
PAGE 7 of 18

826848

*** Lease Information**

Lease #1235568-001, lease effective date 02/21/2007, recorded Book 226, Page 461
Original Lessor: Georgia Ann Shafer — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-002, lease effective date 02/21/2007, recorded Book 226, Page 458
Original Lessor: William M. Young — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-003, lease effective date 02/22/2007, recorded Book 226, Page 455
Original Lessor: Mary M. Hively — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-004, lease effective date 02/26/2007, recorded Book 238 **Page** 741 recorded 8/14/08
Original Lessor: Eloise G. Montgomery — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-005, lease effective date 02/12/2007, recorded Book 235, Page 200
Original Lessor: Charla D. Casey — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-006, lease effective date 04/02/2008, recorded Book 238, Page 276
Original Lessor: Bernice McKean — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235568-007, lease effective date 04/02/2008, recorded Book 238, Page 277
Original Lessor: Monetta L. Yost — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1235582-001, lease effective date 02/12/2007, recorded Book 235, Page 203
Original Lessor: Charla D. Casey — Original Lessee: Chesapeake Appalachia, L.L.C.

Lease #1006098-000, lease effective date 04/16/1906, recorded Book 10, Page 63
Original Lessor: J. G. Westfall et ux — Original Lessee: South Penn Oil Company

Lease #1012494-000, lease effective date 08/06/1914, recorded Book 26, Page 378
Original Lessor: C. C. Denham et ux — Original Lessee: United Fuel Gas Co

EXHIBIT NO. 1
PAGE 8 of 18

WW-2B-1

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

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 Reic Labs or Sturm Labs

☐ Well operator's private laboratory

Well Operator: Chesapeake Appalachia, L.L.C.

Address P.O. Box 6070

City Charleston State WV Zip Code 25362

Phone Number: 304-353-5000

FOR OPERATOR'S USE ONLY: 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.

☐ No water wells or springs within 1000 feet.

☒ Water wells or springs are present within 1000 feet of the proposed location.
See attached sheet for names and addresses of surface owners with water sources within 1000 feet.

EXHIBIT NO. 1
PAGE 9 of 18

WW-2B-1 SUPPLEMENT

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- 087- _____
State County Permit

West Virginia Department of Environmental Protection
Office of Oil and Gas

SURFACE OWNERS WITH WATER SOURCES WITHIN 1000 FEET

Name Danny Welch et ux
Address 1886 Vineyard Ridge
City Walton State WV Zip Code 25286

Name
Address
City State Zip Code

Name Benjamin Jack Armstrong et ux
Address 1686 Vineyard Ridge
City Walton State WV Zip Code 25286

Name
Address
City State Zip Code

Name
Address
City State Zip Code

Name
Address
City State Zip Code

Name
Address
City State Zip Code

Name
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City State Zip Code

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City State Zip Code

Name
Address
City State Zip Code

Name
Address
City State Zip Code

Name
Address
City State Zip Code

EXHIBIT NO. 1
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WW-9

Operator: Chesapeake Appalachia, L.L.C.

Operator's Well #: 826848

API Well #: 047- (State) 087- (County) _____ (Permit)

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

1) Well Operator: Chesapeake Appalachia, L.L.C. 2) Operator ID #: 494477557

3) Watershed: Beelick Run of Johnson Creek 4) Elevation: 1101'

5) County/District: 087-Roane / 7-Walton 6) Quadrangle: 300 - CLIO

7) Description of anticipated Pit Waste: Drilling and Completion Fluids

8) Will a synthetic liner be used in the pit? ☒ Yes ☐ No

9) Proposed Disposal Method for Treated Pit Waste:

☒ Land Application
☐ Underground Injection at UIC Permit Number: _____
☐ Reuse at API Number: _____
☐ Off Site Dispposal (Supply form WW-9 for disposal location)
☐ Other (Explain): _____

10) Proposed Work For Which Pit Will Be Used:

☒ Drilling ☐ Plugging ☐ Swabbing ☐ Workover
☐ Other (Explain: _____

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION CONTROL PERMIT issued on December 31, 1999, 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: _____

Company Official (Typed Name): Michael John

Company Official Title: Vice President of Operations

Subscribed and sworn before me this 11th day of August, 2008

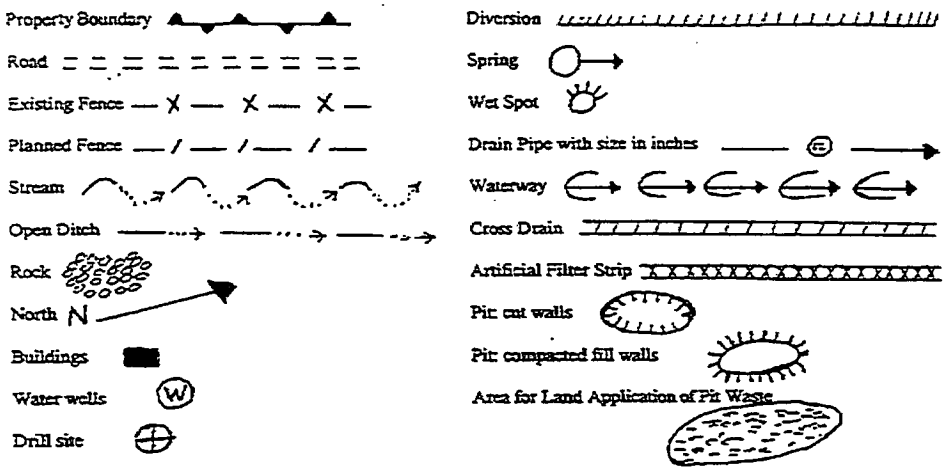
_____ Notary Public

My Commission Expires: November 18, 2008

EXHIBIT NO. 1
PAGE 11 of 18

API Well #: 047- (State) 087- (County) _____ (Permit)

LEGEND



Proposed Revegetation Treatment: Acres Disturbed: 9.0 Prevegetation pH: N/A

Lime 2 Tons/acre or to correct to pH: 6.5-7.0 Mulch: Paper @ 0.8 Tons / Acre

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

Area I		Area II	
Seed Type	lbs/acre	Seed Type	lbs/acre
Red Top	15	Red Top	15
Orchard Grass & Fescue	25 Each	Orchard Grass & Fescue	25 Each
Per Rye & Crimson Red Clover	25 Each	Per Rye & Crimson Red Clover	25 Each

Attach to this form:
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: _____ Date: _____

Field Reviewed: ☐ YES ☐ NO

EXHIBIT NO. 1
PAGE 12 of 18

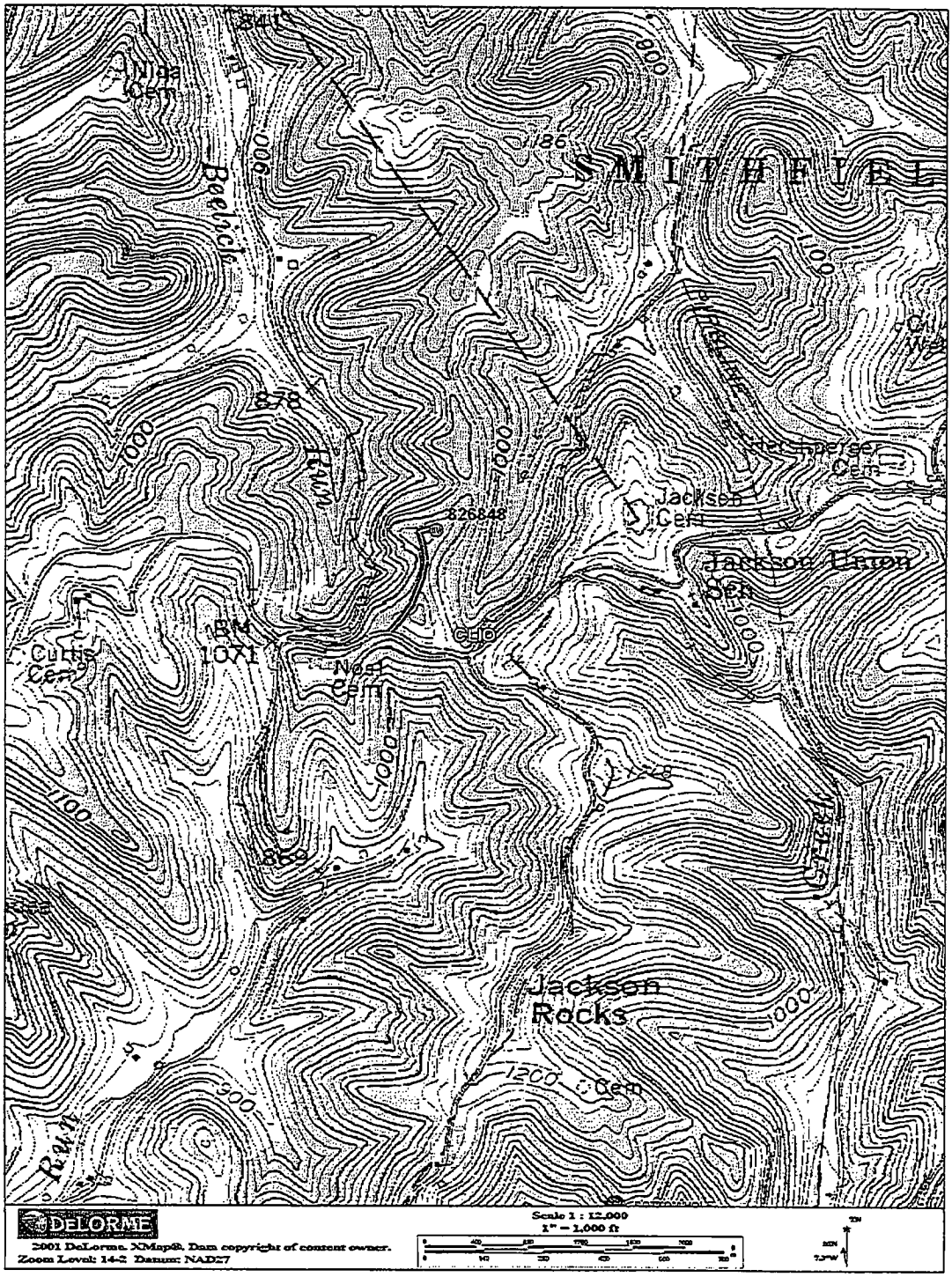


EXHIBIT NO. 1
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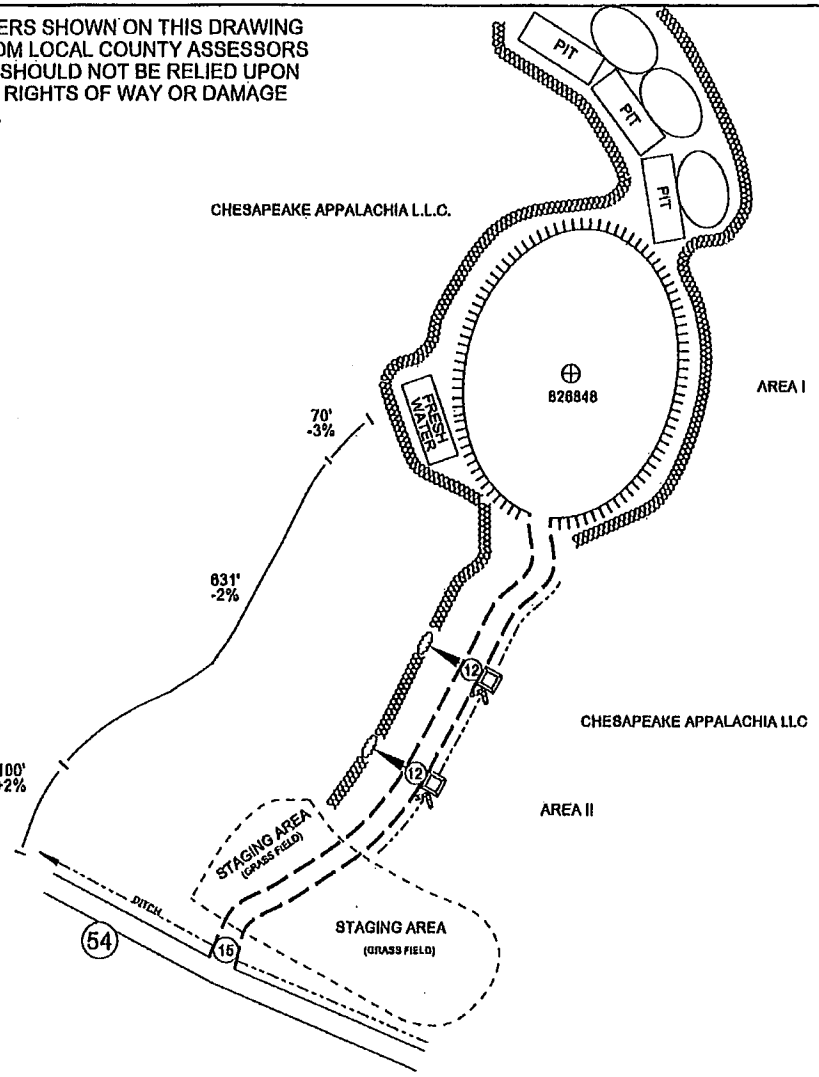
NOTE: SURFACE OWNERS SHOWN ON THIS DRAWING ARE TAKEN FROM LOCAL COUNTY ASSESSORS TAX MAPS AND SHOULD NOT BE RELIED UPON FOR SECURING RIGHTS OF WAY OR DAMAGE NEGOTIATIONS.

CLIO, WV 7.5'



801' TOTAL ROAD

NOTE: THIS IS NOT A RIGHT OF WAY MAP.

DRAWING LEGEND

PROPERTY BOUNDRY		DIVERSION	
ROAD		SPRING	
EXISTING FENCE	-X-X-X-	WET SPOT	
PLANNED FENCE	-/-/-/-	CULVERT (INCHES)	(12)
STREAM		WATER WAY	
OPEN DITCH		CROSS DRAIN	
ROCK		ARTIFICIAL FILTER STRIP	
NORTH		PIT: CUT WALLS	
BUILDINGS		PIT: COMPACTED FILL WALLS	
WATER WELLS		LAND APPLICATION	
DRILL SITE			
EXIT BARRIER		BRUSH BARRIER	
CULVERT SUMP		HAY BALES	

GENERAL NOTES

THIS DRAWING IS A SCHEMATIC REPRESENTATION OF THE PROPOSED WELL SITE AND ACCESS ROAD. PROPOSED STRUCTURES SUCH AS WELL SITE, DRILLING PIT, ROADWAYS, CULVERTS, SEDIMENT BARRIERS ETC. ARE SHOWN IN APPROXIMATE PRE-PLANNING CONFIGURATIONS.

TREES AND SLASH WILL BE CLEARED AS NECESSARY BEFORE ANY PROPOSED ROAD, SITE, OR PIPELINE CONSTRUCTION BEGINS. IF SUFFICIENT RESIDUE MATERIALS ARE AVAILABLE FROM CLEARING, THIS MATERIAL WILL BE WINDROWED BELOW THE ANTICIPATED FILL OUTSLOPE(S) TO INTERCEPT AND RETAIN SEDIMENT FROM DISTURBED AREAS. ALL MARKETABLE TIMBER WILL BE CUT AND STACKED IN AREAS ADJACENT TO OPERATIONS.

ALL CULVERT PIPES WILL BE A MINIMUM OF 12" IN DIAMETER. ALL CULVERT PIPES INSTALLED WILL BE ACCOMPANIED BY AN ENTRANCE SUMP WITH DIMENSIONS NO LESS THAN 3FT. (WIDTH) X 3FT (LENGTH) X 4FT (DEEP). CULVERTS WILL BE INSTALLED AT AN ANGLE TO ENSURE PROPER FLOW. THE OUT FALL OF CULVERTS WILL BE PROTECTED FROM EROSION AND SEDIMENTATION USING LARGE ROCKS OR OTHER SEDIMENT CONTROLS DEEMED NECESSARY IN THE PREVENTION OF EROSION AND SEDIMENTATION. STORM WATER FROM THE DITCHES TO THE CULVERTS WILL BE DIRECTED TO STABLE NATURAL VEGETATIVE AREAS. WHERE CULVERTS ARE NOT PRACTICAL, OPERATOR WILL HAVE OTHER SEDIMENT CONTROL IN PLACE TO MINIMIZE EROSION AND SEDIMENTATION.

TEMPORARY SEEDING: SEE ATTACHMENT #1.

CROSS DRAINS, BROAD BASED DIPS, WATER BARS, AND DIVERSION DITCHES WILL BE EMPLOYED DURING THE CONSTRUCTION PHASE. THESE EROSION AND SEDIMENT CONTROL STRUCTURES WILL BE USED TO CONTROL EROSION AND SEDIMENTATION DURING THE CONSTRUCTION PHASE. WHERE APPLICABLE AND AREAS THAT WILL ALLOW, THESE STRUCTURES WILL BE CONSIDERED PERMANENT AND USED AS SUCH.

AFTER THE DRILLING AND COMPLETION PROCESS, CROSS DRAINS, BROAD BASED DIPS, WATER BARS AND DIVERSION DITCHES WILL BE AN INTEGRAL PART OF THIS RECLAMATION PROCESS AND SHALL BE INSTALLED AND SPACED IN ACCORDANCE WITH THE AS-BUILT ROADWAY SLOPES AND TABLE 11-1 OF THE EROSION AND SEDIMENT CONTROL FIELD MANUAL.

PERMANENT SEEDING: SEE ATTACHMENT #1

TEMPORARY SEEDING TO BE APPLIED TO ALL SLOPES AFTER CONSTRUCTION.

CHESAPEAKE APPALACHIA, L.L.C.
900 PENNSYLVANIA AVE.
POST OFFICE BOX 6070, CHARLESTON, WV 25362

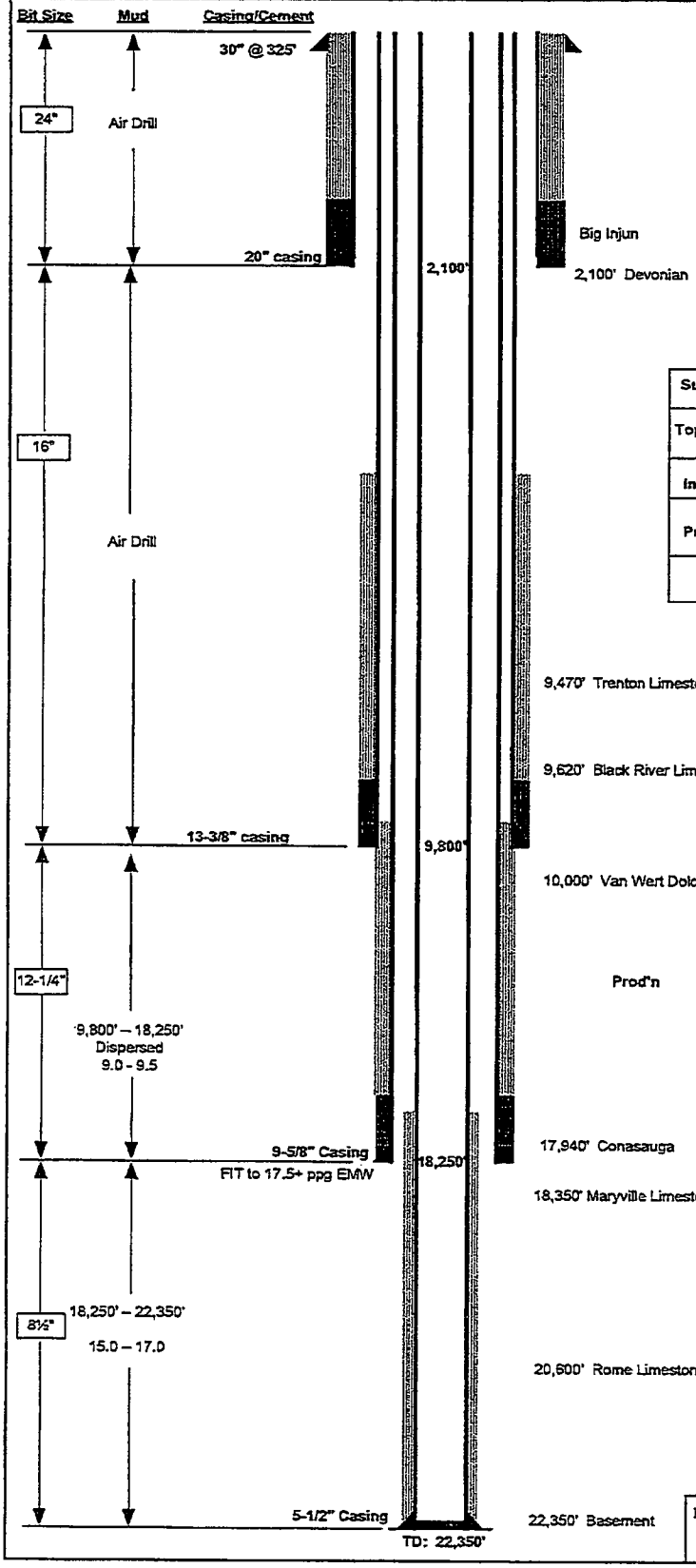
RECLAMATION PLAN
PROPOSED LOCATION 826848

BEELICK RUN OF JOHNSON CREEK
WALTON DIST., ROANE CO., WV

DATE: 6-24-08-REV 7/8/08	SCALE:	DRAWING NO. 1 OF 1
PREPARED BY: TRUE LINE SURVEYING, INC.	FILE: 826848(ROBYKNIGHTREC.DGN	

Chesapeake Operating Inc	Proposed Drilling Program

Well :	**Roby Knight**	**Engineer** :	**Kevin Ashley**
Field :	**Cottontree – Cambrian Prospect**	**Drlg. Sup't.:**	**John Melville**
County :	**Roane** **State: WV**	**Geologist** :	**B. J. Carney**
Location:	**Lat. 38.613378 Long. 81.307421**	**Dist Man.** :	**Dave Gocke**
KB Elev :	**Grd Elev: 1170' (est)**	**Land** :	



Wellhead Equipment

Xmas Tree:	7", 20M
Tubing Spool:	11", 15M x 7-1/16", 20M
DSA Packoff	11", 15M x 11", 15M
Section 'C'	13-5/8", 10M x 11", 15M
Section 'B'	16¾", 5M x 13-5/8", 10M
Section 'A'	16¾", 5M SOW

Tubular Details

	Size	Wt	Grd	Conn.	Depth From	Depth To
Surface	20"	117.0	J55	Butt	0'	2,100'
Top Hole	13-3/8"	85.0	P-110	Butt	0'	9,800'
Interm.	9-5/8"	53.5	Q125	SLX	0'	18,250'
Prod'n	5½"	26.0	Q125	HY563	0'	22,350'

Drawn by:	Date:
Kevin Ashley	08/11/08

EXHIBIT NO. 1
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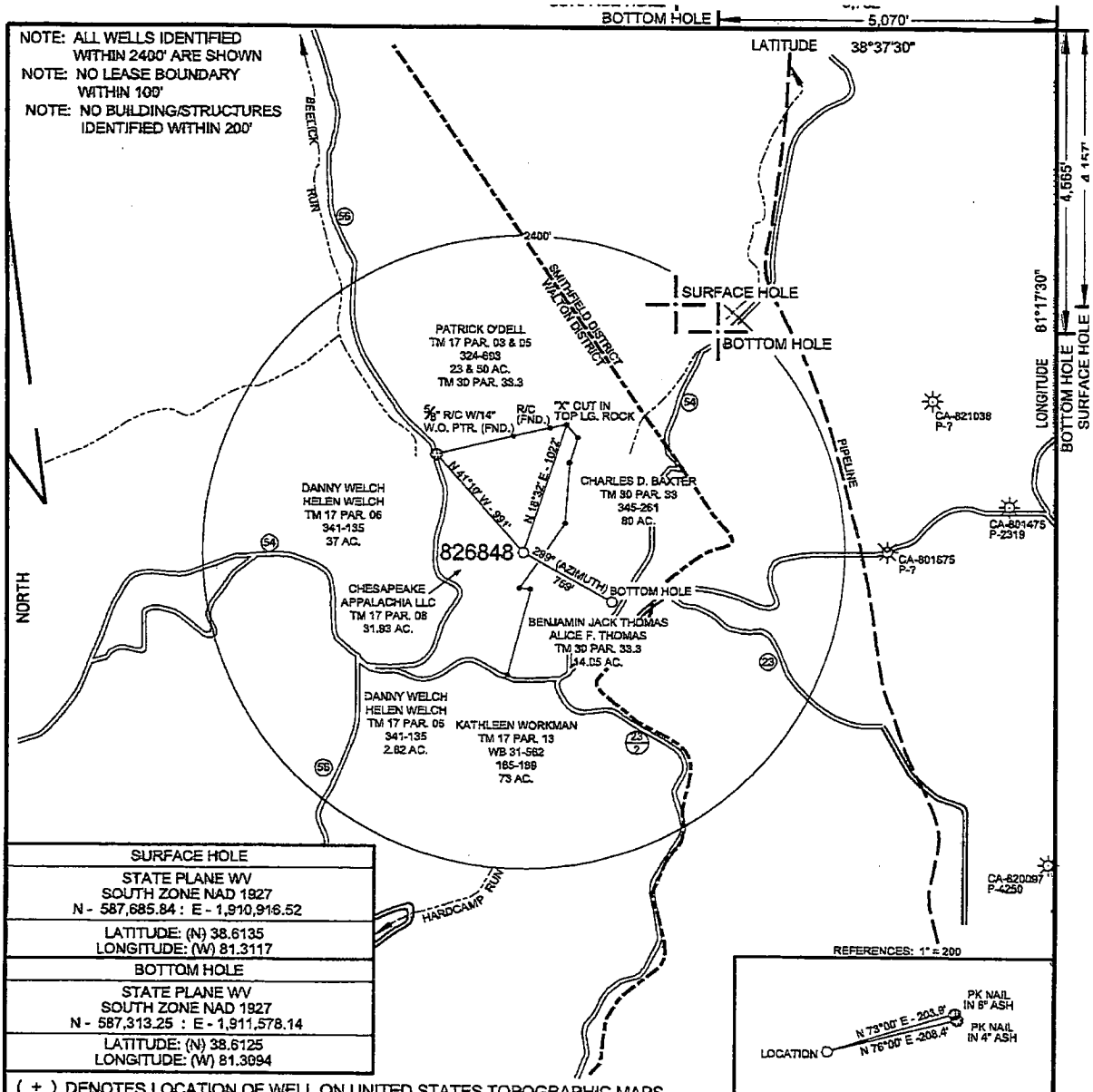

SURFACE HOLE
STATE PLANE WV SOUTH ZONE NAD 1927 N - 587,685.84 : E - 1,910,916.52
LATITUDE: (N) 38.6135 LONGITUDE: (W) 81.3117
BOTTOM HOLE
STATE PLANE WV SOUTH ZONE NAD 1927 N - 587,313.25 : E - 1,911,578.14
LATITUDE: (N) 38.6125 LONGITUDE: (W) 81.3094

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO. CA826848(ROBYKNIGHT.DGN
DRAWING NO. CA 826848
SCALE 1" = 1000'
MINIMUM DEGREE OF ACCURACY 1 : 200
PROVEN SOURCE OF ELEVATION MAPPING GRADE GPS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

(SIGNED) Paul E. Miller

R.P.E. _____ L.L.S. 647

PAUL E. MILLER LICENSED No. 647 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

PLACE SEAL HERE

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OIL AND GAS DIVISION

DATE AUGUST 08, 20 08
OPERATOR'S WELL NO. 826848
API WELL NO.
47 (STATE) 087 (COUNTY) _____ (PERMIT)

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

LOCATION: ELEVATION 1101' WATER SHED BEELICK RUN OF JOHNSON CREEK
DISTRICT WALTON COUNTY ROANE
QUADRANGLE CLIO, WV 7.5'

SURFACE OWNER CHESAPEAKE APPALACHIA, L.L.C. ACREAGE 31.93
OIL & GAS ROYALTY OWNER GEORGIA ANN SHAFER et al LEASE ACREAGE 31.93
LEASE NO. 1-235568-001

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

PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___

TARGET FORMATION BASEMENT AND ABOVE ESTIMATED DEPTH 22,443'
WELL OPERATOR CHESAPEAKE APPALACHIA, L.L.C. DESIGNATED AGENT MIKE JOHN
ADDRESS P.O. BOX 6070, CHARLESTON, WV 25362 ADDRESS SAME

FORM WW-6

COUNTY NAME

PERMIT

EXHIBIT NO. 1
PAGE 16 of 18

Reference Number	Description	1196
	Permit application fee: 826848	

CLIENT No.	CHECK No.	CHECK DATE	TOTAL
288496-01	7930001192	08/05/2008	$900.00

Chesapeake
Natural Gas.
Natural Advantages.

BANK OF OKLAHOMA
OKLAHOMA CITY, OK

CHECK NUMBER
7930001192

DATE
08/05/2008

65-3
1039

CHECK TOTAL
**$900.00

PAY Nine Hundred DOLLARS and Zero CENTS**********

To The Order Of
WV DIV OF ENVIRONMENTAL PROTECTION

OFFICE OF OIL & GAS
601 57TH STREET SE
CHARLESTON, WV 25304

NOT NEGOTIABLE AFTER 180 DAYS
NO THIRD PARTY ENDORSEMENTS

Security features. Details on back.

EXHIBIT NO. 1
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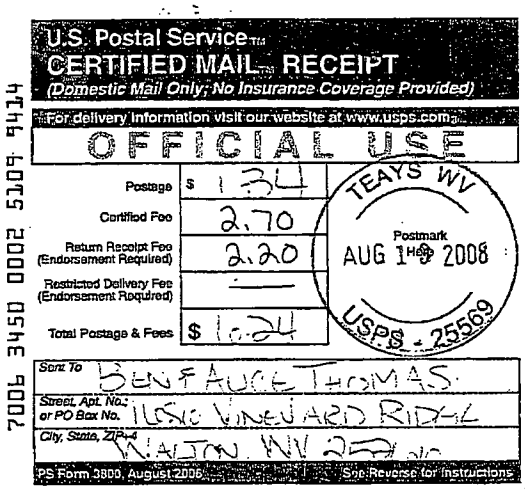

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Sent To BENFAUCE THOMAS
Street, Apt. No.; or PO Box No. 1656 VINEYARD RIDGE
City, State, ZIP+4 WAYNE, WV 25570

PS Form 3800, August 2006 See Reverse for Instructions

EXHIBIT NO. 1
PAGE 18 of 18

1259790

Ret. to: Chesapeake Energy Corp.
P.O. Box 6070
Charleston, WV 25362-9900

THIS DEED, Made and entered into this 26th day of February, 2008, by and between DANNY L. WELCH and HELEN M. WELCH his wife, parties of the first part, and CHESAPEAKE APPALACHIA, L.L.C., an Oklahoma limited liability company, party of the second part;

Witnesseth:

That for and in consideration of the sum of $10.00, cash in hand paid, and other good and valuable consideration not set out herein, the receipt of all of which is hereby acknowledged, the said parties of the first part do hereby grant, bargain, sell and convey, with covenants of GENERAL WARRANTY, unto the party of the second part, that certain tract or parcel of land situate on the waters of Bee Lick of Johnson Creek, in Walton District, Roane County, West Virginia, being more particularly described as follows:

Beginning in the center of Local Service Route 54, thence with the center of said road for twenty-three (23) bearings and distances thence, N 58-17 W – 29.16', thence N 58-18 W – 114.96', thence N 59-34 W – 49.75', thence N 63-35 W – 50.37', thence N 70-29 W – 30.67', thence N 79-03 W – 31.13', thence S 86-29 W – 30.31', thence S 76-06 W – 32.25', thence S 62-04 W – 28.94', thence S 52-52 W – 49.92', thence S 52-56 W – 70.97', thence S 55-29 W – 33.19', thence S 68-09 W – 94.45', thence S 81-16 W – 33.39', thence S 87-35 W – 35.92', thence N 70-54 W – 91.10', thence N 67-12 W – 48.95', thence N 71-54 W – 32.58', thence N 80-24 W – 36.11', thence N 89-58 W – 94.50', thence N 83-36 W – 49.05', thence N 74-50 W – 45.00', thence N 62-25 W – 49.28' to the intersection of Local Service Route 56, thence with the center of said road the following thirty-nine (39) bearings and distances; N 87-01 E – 36.40', thence N 83-00 E – 50.98', thence S 88-25 E – 48.17', thence S 83-40 E – 111.76', thence N 87-40 E – 81.47', thence N 88-30 E – 29.83', thence N 77-09 E – 37.15', thence N 63-04 E – 31.17', thence N 53-25 E – 32.06',thence N 46-19 E – 30.60', thence N 27-15 E – 47.59', thence N 18-32 E – 150.92', thence N 22-02 E – 46.63', thence N 29-11 E – 51.94', thence N 34-17 E – 127.12', thence N 27-31 E – 49.84', thence N 10-56 E – 34.13', thence N 20-08 W – 33.64', thence N 44-34 W – 31.20', thence N 61-35 W – 43.92', thence N 66-02 W – 48.70', thence N 54-00 W – 40.90', thence N 33-32 W – 34.89', thence N 14-31 W – 47.14', thence N 01-17 W – 155.70', thence N 06-08 E – 59.48', thence N 12-44 E – 51.47', thence N 13-04 E – 80.98', thence N 17-00 E – 58.89', thence N 10-54 E – 98.08', thence N 04-33 E – 45.21', thence North – 35.72', thence N 06-55 W – 19.61', thence N 15-14 W – 21.61', thence N 17-30 W – 98.29', thence N 16-53 W – 50.29', thence N 19-19 W – 36.79', thence N 25-05 W – 65.28', thence N 76-54 E – 25.17' to 5/8" rebar/cap (found) being a common corner to the lands of Patrick and Faye O'Dell (324/693) thence with said O'Dell, N 76-54 E – 619.37' to a stump (found) in the turn of a fence, thence continuing with O'Dell, N 77-20 E – 285.59' to a 5/8" rebar/cap marked "Gunnoe RPS", thence N 81-41 E – 128.04' to a "X" cut on top of a large rock and being a common corner to the lands of Charles D. Baxter (345/261), thence leaving the lands of O'Dell and with

EXHIBIT NO. 2
PAGE 1 of 5

the lands of Baxter, S 41-08 E – 127.70' to a "X" cut on a large rock, thence S 18-01 W – 197.78' to a "X" cut on a large rock, thence S 04-48 W – 460.23' to a "X" cut on a large rock and a 12" Chestnut Oak pointer (both found), thence S 27-13 W – 560.41' to a ½" iron pipe (found) and being a common corner to the lands of Benjamin Jack Thomas and Alice F. Thomas, thence leaving the lands of said Baxter and with the lands of Thomas, N 88-42 W – 85.99' to a 5/8" rebar/cap (set) by a 40" Red Oak, thence S 08-22 W – 672.37' passing a ½" iron pipe (found) in all 687.88' to the place of beginning, containing by survey 31.93 acres, more or less.

And being a part or all of the same tracts (Second Tract, Third Tract and part of Fourth Tract) conveyed to Danny Welch and Helen Welch, his wife, by deed dated the 4th day of December, 1992, and of record in the office of the Clerk of the County Commission of Roane County, West Virginia in Deed Book 341, at page 135.

This conveyance is made subject to the outstanding title to the minerals in and under lying the said lot, together with such mineral operating rights, rights of way and privileges as are not owned by the owners of such minerals.

This conveyance is made expressly subject to all prior reservations, restrictions, exceptions and conditions contained in former conveyances in the chain of title as if the same were specifically set out herein.

DECLARATION OF CONSIDERATION OR VALUE

The parties of the first part hereby declare that the consideration paid or to be paid for the property conveyed by this document is Forty-Five Thousand Dollars ($45,000.00)

WITNESS the following signatures and seals:

Danny L. Welch (SEAL)
DANNY L. WELCH

Helen M. Welch (SEAL)
HELEN M. WELCH

EXHIBIT NO. 2
PAGE 2 of 5

STATE OF WEST VIRGINIA,
COUNTY OF ROANE, TO-WIT:

I, Ronnie D. Cunningham, a Commissioner in and for said county and state, do hereby certify that DANNY L. WELCH and HELEN M. WELCH, whose names are signed to the writing above and hereto annexed, bearing date of the 26th day of February, 2008, have this day acknowledged the same before me in my said county.

Given under my hand this 26th day of February, 2008.

My commission expires May 4, 2008.

COMMISSIONER FOR W. VA.
P.O. BOX 1002
RONNIE DEE CUNNINGHAM
CHARLESTON, WV 25302
COMM. EXPIRES MAY 4, 2008

Ronnie D Cunningham
COMMISSIONER

Prepared by:

Chesapeake Appalachia, L.L.C.
900 Pennsylvania Avenue
Charleston, WV 25302

This instrument was presented to the Clerk of the County Commission of Roane County, West Virginia; and the same is admitted to record.

Teste: Charles B. White, Jr. - Clerk
Roane County Commission

ROANE COUNTY CLERK
DEED Clerk 01
Date/Time: 07/18/2008 13:05
Inst #: 2065475
Book/Page: 455- / 308-
Recd/Tax: 234.00 218.00

EXHIBIT NO. 2
PAGE 3 OF 5

LINE TABLE		
L1-	N 58°17' W -	29.16'
L2-	N 58°18' W -	114.96'
L3-	N 59°34' W -	49.75'
L4-	N 63°35' W -	50.37'
L5-	N 70°29' W -	30.67'
L6-	N 79°03' W -	31.13'
L7-	S 86°29' W -	30.31'
L8-	S 76°06' W -	32.25'
L9-	S 62°04' W -	28.94'
L10-	S 52°52' W -	49.92'
L11-	S 52°56' W -	70.97'
L12-	S 55°29' W -	33.19'
L13-	S 68°09' W -	94.45'
L14-	S 81°16' W -	33.39'
L15-	S 87°35' W -	35.92'
L16-	N 70°54' W -	91.10'
L17-	N 67°12' W -	48.95'
L18-	N 71°54' W -	32.58'
L19-	N 80°24' W -	36.11'
L20-	N 89°58' W -	94.50'
L21-	N 83°36' W -	49.05'
L22-	N 74°50' W -	45.00'
L23-	N 62°25' W -	49.28'
L24-	N 87°01' E -	36.40'
L25-	N 83°00' E -	50.98'
L26-	S 88°25' E -	48.17'
L27-	S 83°40' E -	111.76'
L28-	N 87°40' E -	81.47'
L29-	S 87°40' E -	81.47'
L30-	N 88°30' E -	29.83'
L31-	N 77°09' E -	37.15'
L32-	N 63°04' E -	31.17'
L33-	N53°25' E -	32.06'
L34-	N 46°19' E -	30.60'
L35-	N 27°15' E -	47.59'
L36-	N 18°32' E -	150.92'
L37-	N 22°02' E -	46.63'
L38-	N 29°11' E -	51.94'
L39-	N 34°17' E -	127.12'
L40-	N 27°31' E -	49.84'
L41-	N 10°56' E -	34.13'
L42-	N 20°08' W -	33.64'
L43-	N 44°34' W -	31.20'
L44-	N 61°35' W -	43.92'
L45-	N 66°02' W -	48.70'
L46-	N 54°00' W -	40.90'
L47-	N 33°32' W -	34.89'
L48-	N 14°31' W -	47.14'
L49-	N 01°17' W -	155.70'
L50-	N 06°08' E -	59.48'
L51-	N 12°44' E -	51.47'
L52-	N 13°04' E -	80.98'
L53-	N 17°00' E -	58.89'
L54-	N 10°54' E -	98.08'
L55-	N 04°33' E -	45.21'
L56-	N 00°00' E -	35.72'
L57-	N 06°55' W -	19.61'
L58-	N 15°14' W -	21.61'
L59-	N 17°30' W -	98.29'
L60-	N 16°53' W -	50.29'
L61-	N 19°19' W -	36.79'
L62-	N 25°05' W -	65.28'
L63-	N 76°54' E -	25.07'

PA
F
TM 17

23

5/8" REBAR/CAP W/
14" W.O. (FOUND)

N 76°54'

F

GAS PI
AW-737

ROUTE 56

COUNTY

THIF

COMP
(A

DANNY WELCH
HELEN WELCH
TM 17 PAR. 06
341-135
FIRST TR. 37 AC.

ROUTE

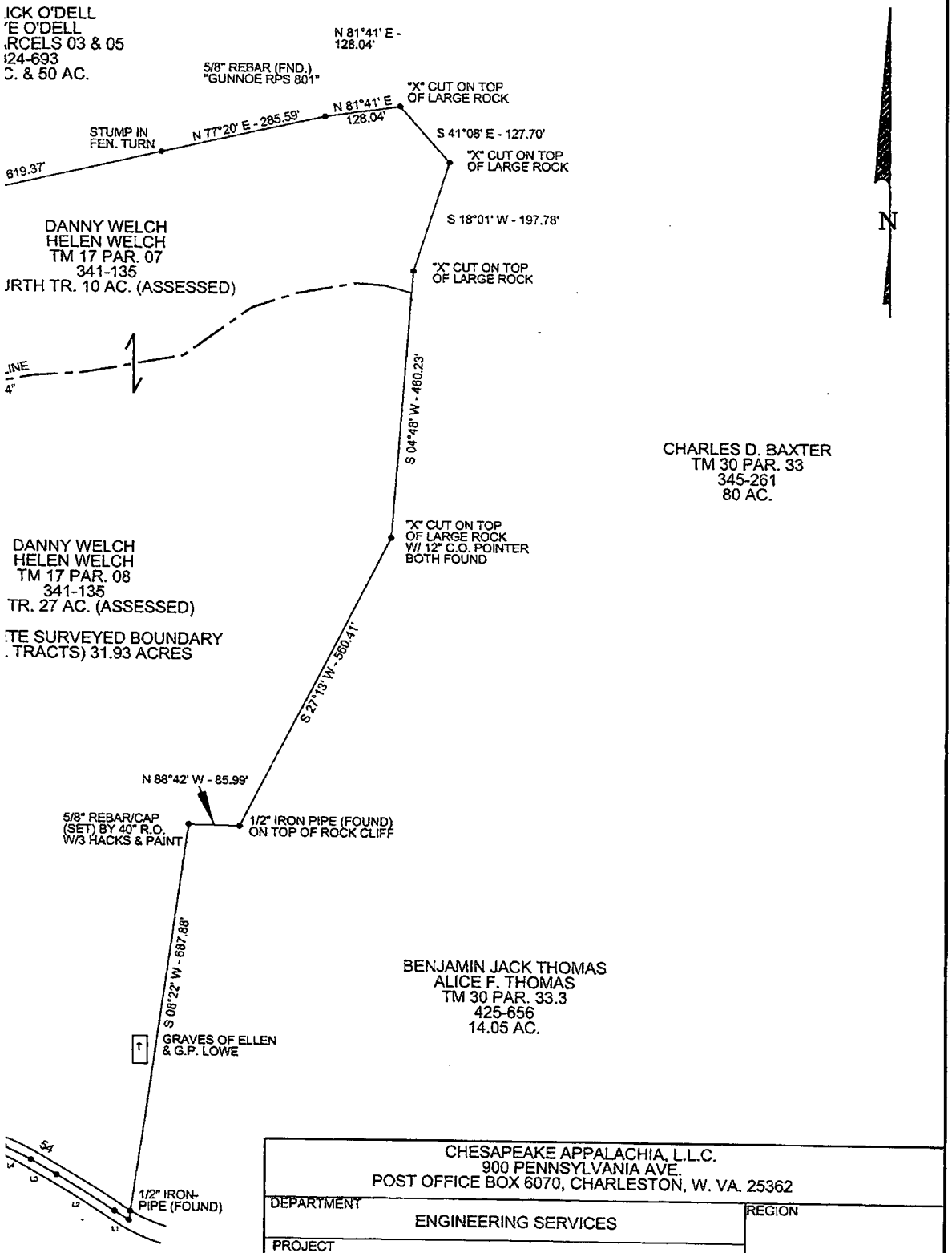
COUNTY

DANNY WELCH
HELEN WELCH
TM 17 PAR. 06
341-135
SECOND TR. 2.62 AC.

KATHLEEN
TM 17 P
WB 3
165-
73 /

EXHIBIT NO. 2
PAGE 4 OF 5

PAUL E. MILLER



CHESAPEAKE APPALACHIA, L.L.C.
900 PENNSYLVANIA AVE.
POST OFFICE BOX 6070, CHARLESTON, W. VA. 25362

DEPARTMENT: ENGINEERING SERVICES	REGION: SOUTHEAST
PROJECT: AQUISITION OF 31.93 ACRES FOR THE DRILLING OF PROPOSED TRENTON - BLACK RIVER NATURAL GAS WELL	TAX DISTRICT (S): WALTON
DATE: 04-30-08 / SURVEYOR: JOSEPH GILLENWATER	COUNTY (IES): ROANE
DRAWN BY: PAUL E. MILLER / CHECKED BY / REVISIONS	STATE (S): WV
TRUE LINE SURVEYING, INC. 6211 FAIRVIEW DRIVE HUNTINGTON, WV 25705 304-733-2655 / QUANDRANGLE: CLIO	SHEET NO. 1 OF 1
AFE NO	DRAWING FILE: BASEMENT WELL
REFERENCES / SCALE: 1" = 200'	

SEAL

EXHIBIT NO. 2
PAGE 5 OF 5

CHESAPEAKE APPALACHIA LLC.
Authorization For Expenditure

WELL NO.	826848	WELL BORE		AFE No.	826848
MISC ASSIGNMENT#					
TWP/Dist.	Walton	County	Roane	State	West Virginia
Est. Start Date		Est Completion Date		Est. T.D.	22443'
Formation	Conasauga	Lease(Name-No. Co.)	Roby Knight		
Region	SouthEast	Operator	CHK		
Prospect/Field	Cotton Tree	Updated By		Update Date	
Net Rev Interest		Working Int.	100%	Description & Justification	

Intangibles

Cost Category	Unit Amt	Unit	Cost	Unit	Dry Hole	Completion	Total	Net
Lease/Location Fee					40,000	-	40,000	40,000
Title Opinion						-		-
Title Curative					100,000	-	100,000	100,000
Contract Drilling	-	FEET	-	$/Day	-	-		-
Contract Day Work	235	Days	28,000	$/Day	6,580,000	560,000	7,140,000	7,140,000
Rig Fuel	-		-		2,632,000	224,000	2,856,000	2,856,000
Rig Crew Bonus	-	Days	-	$/Day		-		-
Mobilization					1,000,000	-	1,000,000	1,000,000
Contract Day Work Log/Perf/Comp/Coring	-	Days	-	$/Day	-	-		-
Cementing Materials and Services					420,000	225,000	645,000	645,000
Company Labor						-		-
Contract Labor					1,129,000	506,000	1,635,000	1,635,000
Engineering (consulting)	-	Days	-	$/Day		-		-
Directional Drilling Services	-	Days	-	$/Day	220,000	-	220,000	220,000
Drill Stem Test Tools	-	Days	-	$/Day	-	-		-
Road and Location - Contract Services					800,000	-	800,000	800,000
Road and Location - Materials						-		-
Reclamation					150,000	-	150,000	150,000
Damages						-		-
Fluid Disposal					-	50,000	50,000	50,000
Environmental					-	-		-
Trucking and Hauling					500,000	250,000	750,000	750,000
Rental of Equipment					941,000	96,000	1,037,000	1,037,000
Service Rig		Days		$/Day	-	100,000	100,000	100,000
Logging					350,000	-	350,000	350,000
Mud Logger	-	Days	-	$/Day	104,000	-	104,000	104,000
Perforating/Wireline/Coring						100,000	100,000	100,000
Acidize/Fracturing					-	1,000,000	1,000,000	1,000,000
Permits and Surveys					50,000	-	50,000	50,000
Drilling Bits					450,000	-	450,000	450,000
Mud and Chemicals					1,500,000	-	1,500,000	1,500,000
Blowout Insurance					91,000	-	91,000	91,000
Other Expendables/Miscellaneous					3,706,000	913,000	4,619,000	4,619,000
Overheads/Labor					436,000	37,000	473,000	473,000
TOTAL INTANGIBLES					**21,199,000**	**4,061,000**	**25,260,000**	**25,260,000**

TANGIBLES

Cost Category	Length	Size	Weight	Grade	Price/ft	Dry Hole	Completion	Total	Net
Casing 1	325'	30"			-	28,000		28,000	28,000
Casing 2	2100'	20"			-	132,000		132,000	132,000
Casing 3	9800'	13-3/8"	85.0	P-110	-	889,000		889,000	889,000
Casing 4	18250'	9-5/8"	53.5	Q-125	-	1,250,000		1,250,000	1,250,000
Casing 5	-	-	-	-	-			-	-
Casing 6	23455'	5-1/2"	26.0	Q-125			800,000	800,000	800,000
Tubing	21000'	2-7/8	7.9	P-110			314,000	314,000	314,000
Wellhead Assembly						130,000	250,000	380,000	380,000
Downhole Equipment						75,000	-	75,000	75,000
Non-Controllable Equipment						-	-	-	-
TOTAL TANGIBLES						**2,504,000**	**1,364,000**	**3,868,000**	**3,868,000**
TOTAL WELL COST						**23,703,000**	**5,425,000**	**29,128,000**	**29,128,000**
Pipeline			-		0.00	-	-	-	-
Pipeline 2	-	-	-	-	0.00	-	-	-	-
Pipeline 3	-	-	-	-	0.00	-	-	-	-
Pipeline Permits and Survey	-	-	-	-	0.00	-	-	-	-
Pipeline Rights of Way		-	-	-	0.00	-	-	-	-
Pipeline Environmental	-	-	-	-	0.00	-	-	-	-
Pipeline Installation Cost		-	-	-	0.00	-	-	-	-
Production/Surface Equipme	-	-	-	-	0.00	-	-	-	-
Meter Costs						-	-	-	-
Balance Adjustment						-	-	-	-
Other Costs						-	-	-	-
TOTAL LINE AND PRODUCTION EQUIPMENT COST						-	-	-	-
TOTAL WELL TANGIBLE AND PRODUCTION EQUIPMENT						**2,504,000**	**1,364,000**	**3,868,000**	**3,868,000**
TOTAL PROJECT COST						**23,703,000**	**5,425,000**	**29,128,000**	**29,128,000**

Exhibit No. 4

Ownership Tabulation for Uncommitted or Unleased Interests (10/09/08)

MAP INDEX	TAX MAP/ PARCEL	COUNTY	DISTRICT	OIL & GAS OWNER OR LESSEE	ADDRESSES	GROSS ACRES IN UNIT TRACT	INTEREST OWNED	NET ACRES IN UNIT TRACT	OVERALL UNIT CONTRIBUTION
1	30-30 & 30.1	Roane	Smithfield	North Coast Energy Eastern, Inc.	Attn: Frank Rotunda P.O. Box 8 Ravenswood, WV 26164	12.94	1/4 of 7/8	2.830625	0.40712015%
2	30-31	Roane	Smithfield	ExxonMobil Production Company	Attn: Derek A. Riffe P.O. Box 4610 Houston, TX 77210-4610	0.74	1/2 of 7/8	0.32375	0.04656397%
4	30-37	Roane	Smithfield	Harrison-Richie Oil & Lands Co., c/o ICG	P.O. Box 659 Wichita Falls, TX 76307	35.54	1/12	2.961666667	0.42596748%
4	30-37	Roane	Smithfield	Union National Bank of WV, Trustee for William Y. & Virginia Morris, c/o ICG	P.O. Box 659 Wichita Falls, TX 76307	35.54	1/96	0.370208333	0.05324593%
4	30-37	Roane	Smithfield	Union National Bank of WV, Trustee for Robert H. & Lois T. Morris, c/o ICG	P.O. Box 659 Wichita Falls, TX 76307	35.54	1/96	0.370208333	0.05324593%
4	30-37	Roane	Smithfield	Union National Bank of WV, Trustee for John R. & Jean D. Morris, dec., c/o ICG	P.O. Box 659 Wichita Falls, TX 76307	35.54	1/96	0.370208333	0.05324593%
4	30-37	Roane	Smithfield	Union National Bank of WV, Trustee for William C. Watson, c/o ICG	P.O. Box 659 Wichita Falls, TX 76307	35.54	1/192	0.185104167	0.02662297%
4	30-37	Roane	Smithfield	Union National Bank of WV, Trustee for Nancy C. Sanders, c/o ICG	P.O. Box 659 Wichita Falls, TX 76307	35.54	1/192	0.185104167	0.02662297%
4	30-37	Roane	Smithfield	I.L. Morris, c/o Ernest L. Arbuckle	P.O. Box 658 Haines City, FL 3844	35.54	1/48	0.740416667	0.10649187%
4	30-37	Roane	Smithfield	Ed Broome, Inc.	4622 WV Hwy 5 E Glenville, WV 26351	35.54	1/48	0.740416667	0.10649187%
4	30-37	Roane	Smithfield	William C. Kerns Under the John W. Kerns Trust, c/o ICG	P.O. Box 659 Wichita Falls, TX 76307	35.54	1/96	0.370208333	0.05324593%
4	30-37	Roane	Smithfield	Robert M. Kerns Under the John W. Kerns Trust, c/o ICG	P.O. Box 659 Wichita Falls, TX 76307	35.54	1/96	0.370208333	0.05324593%
4	30-37	Roane	Smithfield	Mary Loretta Kerns Clark Under the John W. Kerns Trust, c/o ICG	P.O. Box 659 Wichita Falls, TX 76307	35.54	1/96	0.370208333	0.05324593%
4	30-37	Roane	Smithfield	Delvera Kerns Johnson Under the John W. Kerns Trust, c/o ICG	P.O. Box 659 Wichita Falls, TX 76307	35.54	1/96	0.370208333	0.05324593%

Exhibit No. 4

Ownership Tabulation for Uncommitted or Unleased Interests (10/09/08)

MAP INDEX	TAX MAP/ PARCEL	COUNTY	DISTRICT	OIL & GAS OWNER OR LESSEE	ADDRESSES	GROSS ACRES IN UNIT TRACT	INTEREST OWNED	NET ACRES IN UNIT TRACT	OVERALL UNIT CONTRIBUTION
7	17-5	Roane	Walton	Melvin E. Garrett c/o Nelson Garrett	6812 WV Hwy 47 W Cox's Mill 26342	23.15	1/20	1.1575	0.16647969%
13	17-2	Roane	Walton	ExxonMobil Production Company	Attn: Derek A. Riffe P.O. Box 4610 Houston, TX 77210-4610	55.56	1/4 of 7/8	12.15375	1.74803676%
14	17-p/o 9	Roane	Walton	Alvin L. Engelke	P. O. Box 143, Creston, WV 26141	37.77	1/45	0.839333333	0.12071875%
14	17-p/o 9	Roane	Walton	Creston Company, c/o Alvin L. Engelke	P. O. Box 143, Creston, WV 26141	37.77	2/15	5.036000000	0.72431251%
14	17-p/o 9	Roane	Walton	Richard M. Curtis	24 Gypsy Lane Camarillo, CA 93010	37.77	1/15	2.518000000	0.36215625%
15	16-41	Roane	Walton	Spectrum Land Development Company, c/o John Julian Whited	5570 Union Mills Road Troy, VA 22974-4102	17.66	100%	17.660000000	2.53998389%
17	21-5.1	Roane	Walton	ExxonMobil Production Company	Attn: Derek A. Riffe P.O. Box 4610 Houston, TX 77210-4610	1.27	1/2 of 7/8	0.555625	0.07991385%
							TOTAL	**50.47875**	**7.26020452%**

Exhibit No. 4

Lease Modifications Required for HBP Properties (10/09/08)

MAP INDEX	TAX MAP/ PARCEL	COUNTY	DISTRICT	OIL & GAS OWNER	ADDRESSES	GROSS ACRES IN UNIT TRACT	INTEREST OWNED	NET ACRES IN UNIT TRACT	OVERALL UNIT CONTRIBUTION
3	30-38	Roane	Smithfield	Creston Company	P.O. Box 143 Creston, WV 26141	14.37	1/60	0.23950000	0.03444655%
3	30-38	Roane	Smithfield	R & A Production	P.O. Box 153 Creston, WV 26141	14.37	1/60	0.23950000	0.03444655%
3	30-38	Roane	Smithfield	Kirk Hershberger	1404 Koening Street Cincinnati, OH 45215	14.37	5/399	0.18007519	0.02589966%
3	30-38	Roane	Smithfield	WACO Oil and Gas	P.O. Box 800 Glenville, WV 26351	14.37	19/758	0.36019789	0.05180616%
9	30-p/o33 &33.3	Roane	Smithfield	Harrison Ritchie Oil & Gas Co.	JPMorgan Chase Bank, N.A. P.O. Drawer 99084 Fort Worth, TX 76199-0084	27.21	1/12	2.26750000	0.32612760%
9	30-p/o33 &33.3	Roane	Smithfield	Will E. Morris Heirs Irrevocable Trust	JPMorgan Chase Bank, N.A. P.O. Drawer 99084 Fort Worth, TX 76199-0084	27.21	1/24	1.13375000	0.16306380%
9	30-p/o33 &33.3	Roane	Smithfield	John W. Kerns Heirs	JPMorgan Chase Bank, N.A. P.O. Drawer 99084 Fort Worth, TX 76199-0084	27.21	1/24	1.13375000	0.16306380%
16	16-23/39/39.1	Roane	Walton	Roger Kelly, Jr.	415 Donna Drive St. Albans, WV 25177	4.19	1/60	0.06983333	0.01004392%
16	16-23/39/39.1	Roane	Walton	Michelle Staley	532 Comfort Road Ridgeland, NC 28574	4.19	1/60	0.06983333	0.01004392%
19	12-9.2	Roane	Geary	Georgia P. Sergent	966 Johnson Creek Walton, WV 25286	12.36	1/6	2.06000000	0.29628351%
							TOTAL	**7.75393974**	**1.11522548%**

Unit Tract No.	Acres in Unit
1	12.94
2	0.74
3	14.37
4	35.54
5	46.50
6	46.75
7	23.15
8	5.27
9	27.21
10	27.43
11	238.33
12	63.21
13	55.56
14	37.77
15	17.66
16	4.19
17	1.27
18	17.74
19	12.36
20	7.29
Total:	**695.28**

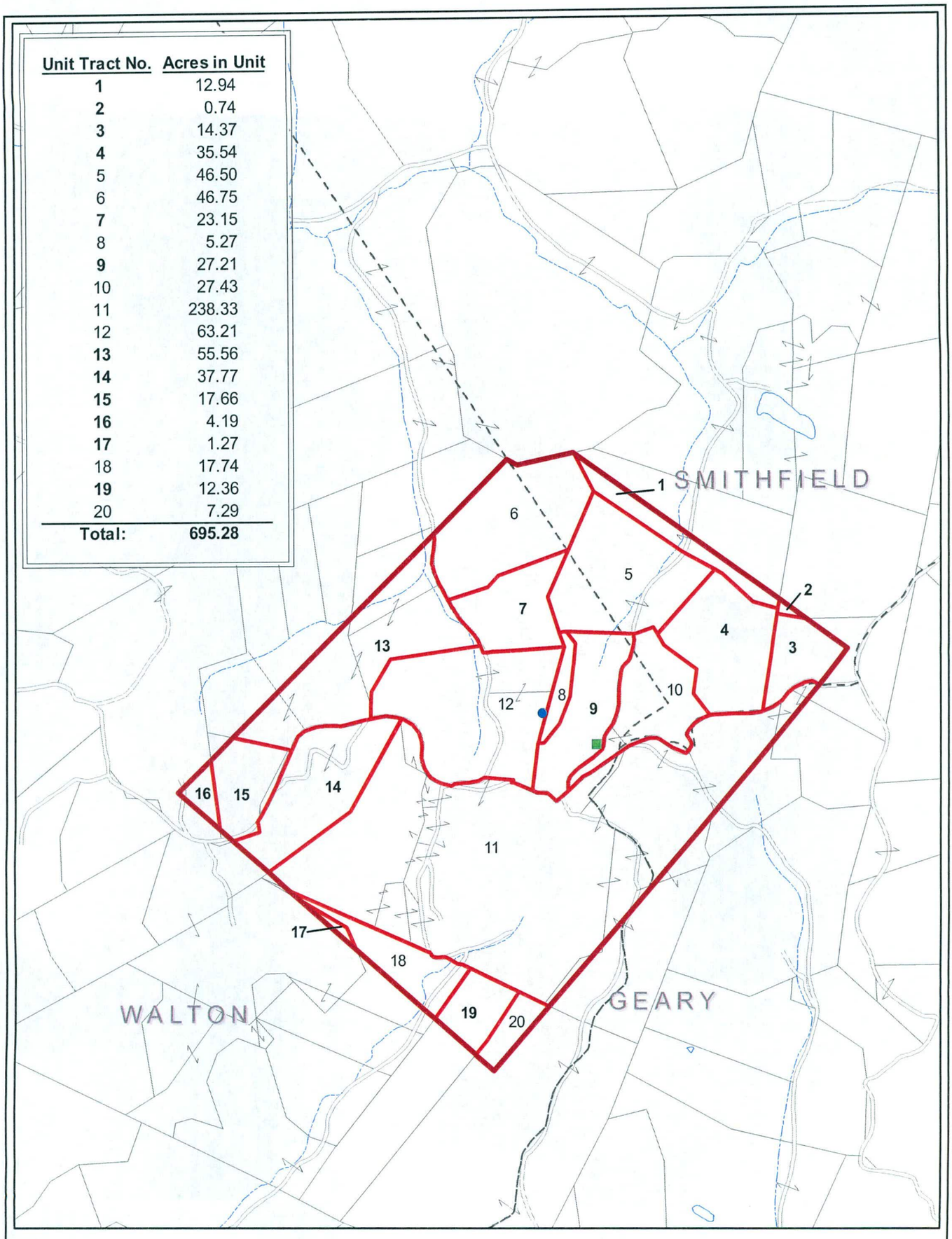


Exhibit No. 5

Chesapeake ENERGY

NOTICE
This map/plat reflects only the approximate location of the depicted natural gas facilities (including property lines, lease and lease boundary lines). Neither Chesapeake Appalachia, L.L.C. nor any of its employers or contractors make any warranty, expressed or implied with respect to the accuracy or completeness of the document.

Furthermore, this map/plat is the property of Chesapeake Appalachia, L.L.C. and may contain confidential and/or proprietary information. It may not be copied or otherwise made available to any party without the prior written consent of Chesapeake Appalachia, L.L.C.

Chesapeake Appalachia, L.L.C. expressly disclaims responsibility for any action, activity, or decision by a third party on the basis of the information depicted on this map/plat.

Call or Write:
Manager, Technical Services
Chesapeake Appalachia, L.L.C. P.O. Box 6070
Charleston, WV 25362-0070
(304) 353-5000

Well Number: 826848 (Robey Knight No. 1)
County: Roane **State:** West Virginia
Area in Unit: 695.28 acres **Date:** September 9, 2008
Scale: 1 inch equals 1500 feet

Legend

- Top Hole
- Bottom Hole
- Robey Knight No.1 Unit

W:\Prospects\LAND\GiannyDiaz\Robey Unit\Robey_Unit_Sketch_9-09-08.mxd

SIGN IN SHEET

Docket 195-187

NAME	COMPANY	E-MAIL ADDRESS	TELEPHONE NUMBER
James S. Canterbury	Self	jcanterbury@summit-engr.com	(304)744-9549
Talmadge Hager	Chesapeake	talmadge.hager@chk.com	(304)353-5160
Jason E. Stidham	Chesapeake	jason.stidham@chk.com	(304) 391-5548
BRETT LOFLIN	Chesapeake	brett.loflin@chk.com	391-5518

HEDGES, JONES, WHITTIER AND HEDGES
ATTORNEYS AT LAW
POST OFFICE BOX 7
SPENCER, WEST VIRGINIA 25276

GROVER F. HEDGES (1885-1955)
G. F. HEDGES, JR. (1914-1986)

ORTON A. JONES
THOMAS N. WHITTIER
CHRISTINE M. HEDGES

216 MARKET STREET, SUITE 201
FIRST NATIONAL BANK BUILDING
TELEPHONE (304) 927-3790
FACSIMILE (304) 927-6050

December 1, 2008

West Virginia Department of Environmental Protection
Attn: Cindy Raines
Oil and Gas Conservation Commission
601 57th Street, SE
Charleston, West Virginia 25304

Re: Docket No. 195
Cause No. 187

Dear Ms. Raines:

Enclosed herewith please find the following originals:

1. Objection To Pre-Hearing;
2. Objection; and
3. Motion For Discovery

Please file same accordingly.

Yours truly,

Thomas N. Whittier

TNW/ll
Enclosures

west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

October 22, 2008

The Roane County Reporter
Attention: Legal Advertisement
210 East Main Street
Spencer, WV 25276

RE: Class 11 - Legal Advertisement
Docket No. 195-187

Dear Sir:

Please print the enclosed Notice of Hearing as a Class 11 legal advertisement in the Roane County Reporter newspaper, twice prior to December 2, 2008, and send affidavit of publication and invoice to me at the address above.

If you should have any questions, please call me at 304-926-0499 ext. 1656

Sincerely,

Cindy Raines

Cindy Raines
Exe. Secretary

encl:

P.O. Box 92
Elizabeth, WV 26143
Tel. (304) 275-6574
November 17, 2008

Mr. James Martin
Chief – WV Office of Oil and Gas
601- 57th Street, SE
Charleston, WV 25304-2345

Col. David L. Lemmon
Superintendent
West Virginia State Police
725 Jefferson Road
South Charleston, WV 25309-1698

Mr. Aubrey K. McClendon
Chairman and CEO
Chesapeake Energy Corp.
P.O. Box 18496
Oklahoma City, OK 73154-0496

George M. Scott, Esq.
Attorney-at-Law
P.O. Box 230
Spencer, WV 25276

RE: Chesapeake Energy well #826848
WV Oil and Gas Division docket #195, case # 187
Walton District, Roane Co., WV

Via CERTIFIED MAIL

Gentlemen:

Please be advised that, with regard to the above-referenced matter, we need to get a thing or two straight.

The use of the forced pooling statutes by the Office of Oil and Gas, if it in fact takes place, on behalf of Chesapeake Energy to impose lease terms on unwilling parties which have been found to be based on a fraud scheme by the Roane County Circuit Court, will constitute the crime of extortion, both on the part of Chesapeake Energy and of the Office of Oil and Gas. Further, any collusion between these two entities to impose this and to use the Oil and Gas Office's law enforcement powers to this end will constitute a criminal conspiracy.

On October 31 I sent a letter to Cindy Raines of the Office of Oil and Gas concerning this subject, to which I have received no reply. However, I know that it was received, as its contents were summarized in a story in the online newspaper Hur Herald.

This sort of activity follows a pattern of forced agreements which is becoming clear. Not only is there my experience of the "settlement agreement" in my Eastern American lawsuit, but there is also a set of allegations in the Roane County case "Helmick vs. CGTCO" about coercion in getting releases signed which, for some strange reason, it is impossible to find anything out about.

At the present time, in "Tawney vs. CNR", whose jury verdict is referred to above, there is a settlement agreement before the Roane County Circuit Court which would, in effect, commute the fraud findings of the jury to the payment of protection money. The presiding judge has previously upheld the jury's findings. Please be advised that the jury's findings of fraud cannot be commuted by lawyer agreements without setting aside the 7th Amendment to the U.S. Constitution. Please take note in connection herewith that if any corporate entity, regulatory entity, or law enforcement agency intends to exercise extra-Constitutional powers in connection with setting aside jury trial rights, those representing that entity should recognize that their conduct will invite retaliation.

Obviously, if 1) Chesapeake Energy would commit itself to abiding by the "Tawney" jury's findings with regard to the Walton District Unit acreage, or 2) the Office of Oil and Gas would use its authority to uphold this verdict with regard to this situation, the analysis given above would change. There's still a little time for everyone involved in this to think things over- but not a lot of time.

Yours very truly,

Thorn C. Roberts

cc : all other attorneys of record
as representing the "Tawney" heirs
J. Thomas Lane, Esq.
Ancil Ramey, Esq.
Janice Cooper
Lela Goff
Cindy Raines

P.O. Box 92
Elizabeth, WV 26143
Tel. (304) 275-6574
October 31, 2008

Ms. Cindy Raines
Office of Oil and Gas
West Virginia Dep't. of Environmental Protection
601 Fifty-seventh Street, SE
Charleston, WV 25304

mailed 11/6/08

CR

RE: Chesapeake Energy hearing of Dec. 2

Dear Ms. Raines:

Please send me a copy of the notice of the hearing on the application of the forced pooling statutes to a proposed Chesapeake Energy drilling unit for a (very) deep well involving 695.28 acres in Walton District, Roane County. This hearing is scheduled for 10AM on December 2. This is on docket 195, and is either cause 167 or 187- I can't read my own handwriting here.

I am not directly involved with property in the affected area, but do plan on attending the hearing. I hope that others present raise some basic objections to what Chesapeake is trying to do, but, if they don't, I am interested in doing so myself.

I frankly think that what Chesapeake is trying to do is totally brazen. Faced with a jury trial verdict in the same county as the proposed unit is located saying that they had engaged in fraudulent payment practices, they have gone out and taken many leases in Roane County using forms which legitimatize those very practices. However, inevitably there were certain people who refused to sign these "industry standard" forms. What they are seeking to do, in involving the Oil and Gas Division with the forced pooling statutes, is to use law enforcement powers to enforce their fraudulent practices. It is putting the Oil and Gas Division in the position of being an active participant in a fraud scheme. If the Oil and Gas Division has gone along with this sort of thing in other similar cases in the recent past without giving the matter much thought, now is time for its officers to wake up.

In any case, I would appreciate your sending me a copy of the notice of the hearing. Thank you in advance.

Yours very truly,

Thorn C. Roberts

Thorn C. Roberts

HEDGES, JONES, WHITTIER AND HEDGES
ATTORNEYS AT LAW
POST OFFICE BOX 7
SPENCER, WEST VIRGINIA 25276

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CHRISTINE M. HEDGES

216 MARKET STREET, SUITE 201
FIRST NATIONAL BANK BUILDING
TELEPHONE (304) 927-3790
FACSIMILE (304) 927-6050

November 3, 2008

West Virginia Oil & Gas Conservation Commission
601 57th Street, S.E.
Charleston, WV 25304

ATTN: Cindy Raines

Re: Docket No. 195
Cause No. 187

Dear Ms. Raines:

Enclosed for entry please find a Notice of Appearance, Request and Notice of Objection and Request for Hearing in the above-numbered cause.

Very truly yours,

Thomas N. Whittier

TNW/rrg

Enclosure

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195

CAUSE NO. 187

NOTICE OF OBJECTION AND REQUEST FOR HEARING

Come now Garnet Gas Corporation, Creston Company, and Alvin L. Engelke, Respondents, and hereby give notice that they oppose the application for the establishment of the 695.28-acre unit and/or the pooling of interests in oil and gas and request that a pre-hearing conference be held at the time and place set forth in the notice of pre-hearing conference filed herein.

Garnet Gas Corporation,
Creston Company and
Alvin L. Engelke,
Respondents,
By Counsel.

Thomas N. Whittier, West Virginia State Bar Number 4029
HEDGES, JONES, WHITTIER & HEDGES
P.O. Box 7
Spencer, West Virginia 25276
Counsel for Respondents

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

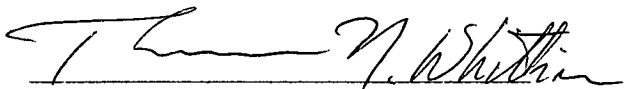
DOCKET NO. 195

CAUSE NO. 187

NOTICE OF APPEARANCE

Comes now Thomas N. Whittier of Hedges, Jones, Whittier & Hedges and notices his appearance on behalf of Respondents, Garnet Gas Corporation, Creston Company, and Alvin L. Engelke, in the aforementioned matter. All further pleadings and correspondence should be forwarded to the undersigned.

Garnet Gas Corporation,
Creston Company and
Alvin L. Engelke,
Respondents,
By Counsel.



Thomas N. Whittier, West Virginia State Bar Number 4029
HEDGES, JONES, WHITTIER & HEDGES
P.O. Box 7
Spencer, West Virginia 25276
Counsel for Respondents

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195

CAUSE NO. 187

OBJECTION TO PRE-HEARING

Come now the Respondents, Garnet Gas Corporation, Creston Company, and Alvin L. Engelke, and object to the holding of a pre-hearing because of the notice requirements of the West Virginia Code and of the rules and procedures for this Honorable Commission have not been complied with. In support of said objection the Respondents make known to this Commission as follows:

A. This is a contested case as defined under the West Virginia State Administrative Procedures Act. Said Act provides in West Virginia Code Chapter 29A, Article 5, Section 1(a), that in any contested case all parties shall be afforded an opportunity for hearing after at least ten days written notice.

B. In this case notices were sent to many land owners within the unit entitled to notice. The Applicant represented to the Commission that they had included in its Application lists of all mineral owners who owned oil and gas within the unit not under lease or with leases not modified to allow for unitization. Said representation by the Applicant to this Commission were incorrect.

C. There exists within the proposed unit a tract of ½ acre oil and gas where the following is true:

1. The tract is not held by production;

2. The mineral owners have not entered into leases with the Applicant;

3. The owners or their lessees have not been provided notice as required by law;

4. The tract is no where shown within the maps or papers filed by the Applicant.

5. The acreage is not taken into account in the Applicant's computations in regard to the acreage of the unit or different respondents ownership percentage in the unit.

D. Said 1/2-acre tract was previously leased to United Fuel Gas Company, predecessor of the Applicant. In 2002 Columbia Natural Resources plugged said well and filed notice of said plugging as required by law with the West Virginia Department of Environmental Protection. In said filing the location of said well was pin-pointed on a topographic map. A comparison of said topographic map with the maps filed in this action leads that said tract is within the unit.

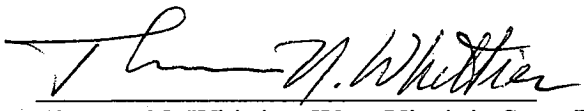
E. Within its application for plugging, a copy of which is attached hereto as Exhibit A, Columbia Natural Resources, Applicant's predecessor by merger, listed the parties it believed owned the minerals underlying said tract. One of those parties was Georgia Carper. Georgia Carper is now deceased. Georgia Carper devised her interest in oil and gas unto her nephews, John S. Lowe and David L. Lowe, who in turn leased their interest in said oil and gas unto Creston Company. Neither John Lowe nor David L. Lowe are listed within the Application. Neither John Lowe nor David L. Lowe received notice of this hearing as required

by law.

F. A review of the application reveals that none of the other owners listed by Columbia Natural Resources in 2000 received any notice in connection with the 1/2-acre tract.

G. All necessary parties have not been provided notice as required by law. Therefore no proceeding should be held in the matter until all parties are properly notified.

Garnet Gas Corporation,
Creston Company and
Alvin L. Engelke,
Respondents,
By Counsel.



Thomas N. Whittier, West Virginia State Bar Number 4029
HEDGES, JONES, WHITTIER & HEDGES
P.O. Box 7
Spencer, West Virginia 25276
Counsel for Respondents

'orm WW-4(A)
)bverse
:6/94)

1) Date: February 24, 2000
Operator's
2) Well No. 801675
3) API Well No: 47- 087 - 2306
State County Permit

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION - OFFICE OF OIL AND GAS

NOTICE OF APPLICATION TO PLUG AND ABANDON A WELL

) SURFACE OWNER(S) OF RECORD TO BE SERVED

i) Name Romie L. Taylor
Address Rt. Box 253
Walton, WV 25286

(ii) Name
Address

iii) Name
Address

5 (i) COAL OPERATOR
Address

5 (ii) COAL OWNER(S) WITH DECLARATION ON RECORD:
Name Mary A. Martin
Address P. O. Box 851
Mount Dora, Florida 32756

5(iii) COAL LESSEE WITH DECLARATION ON RECORD:
Name
Address

SEE ATTACHED PAGE TWO FOR ADDITIONAL NAMES

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

(1) The Application to Plug and Abandon a Well on Form WW-4(B), which sets out the parties involved in the work and describes the well and its location and the plugging work order; and

(2) The plat (surveyor's map) showing the well location on Form WW-6.

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

Take notice 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 Division 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 COLUMBIA NATURAL RESOURCES
By
Its REGION MANAGER
Address P. O. Box 6070
Charleston, WV 25362-0070
Telephone (304) 353-5000

ie truth of the information on the Notice and
)plication is verified and sworn to and the
)tice is signed on behalf of the Well Operator
i my County and State by

David Gocke,

is 2nd day of March, 2000.

commission expires April 25, 2000

Kay Hillabold
tary Public, County,

ate of West Virginia.

Form WW-4(A)
Reverse
(6/94)

INSTRUCTIONS TO APPLICANT

CONCERNING THE LINE ITEMS:

) Date of Notice.

) Your well name and number.

) To be completed by the Office of Oil and Gas

If necessary a separate sheet may be used to complete Sections 4 and 5.

) Surface owner(s) of record to be served with Notice and Application. However, see also Code 22-6-9(b) if "more than three tenants in common or other co-owners of interest described in subsection (a) of this section hold interests in such lands".

) (i) "Coal Operator" means any person, firm, partnership, partnership association or corporation that proposes to or does operate a coal mine.

(ii) See Code §22-6-36.

(iii) See Code §22-6-36.

CONCERNING THE REQUIRED COPIES FOR FILING AND SERVICE:

Filing. Code §22-6-6 and Regulation 38CSR18-5.2 provide that the original and two copies of the Application must be filed with the Director, accompanied by (i) an original and four copies of the Notice, (ii) an original and four copies of a plat in the form prescribed by Regulation 11, and (iii) a bond in one of the forms prescribed by Regulation 12, or in lieu thereof the other security allowed by Code §22-6-26.

Service. In addition, service must be made on the surface owner(s) and the person(s) with an interest in the coal. See Code §22-6-9 and §22-6-23.

Form WW-4(A)
Obverse
(6/94)

Date: February 24, 2000
Operator's
Well No. 801675
API Well
No. 47-087-2306

NOTICE OF APPLICATION TO PLUG AND ABANDON WELL
PAGE TWO

5 (ii) COAL OWNER(S) WITH DECLARATION ON RECORD:

Charles H. Light
2909 Fitzwater Drive
South Charleston, WV 25303

John W. Stone, Jr.
P. O. Box 339
Spencer, WV 25276

Eugene Kincaid
1087 Foley Drive
St. Albans, WV 25177

Georgia Ann Carper
65 Little Left Hand Road
Aumma, WV 25005

Bradford Stone and Freda Stone
Box 11
Looneyville, WV 25259

Otis G. Gandee
Box 524
Clendenin, WV 25045

Otmer R. Gandee, Jr.
Box 131
Clendenin, WV 25045

Charles M. Hall
901 Ann Street
Ravenswood, WV 26164

Kathleen and George Shanks
3990 Pharris Road
Cookville, TN 38501

Gordon Harlow
720 Marietta Road
Pt. Pleasant, WV 25550

FORM WW-4(B)
Observe
File Copy
(Rev. 9/94)

1) Date 6-2, XX 2000
2) Operator's Well No. 801675
3) API Well No. 47-087-2306

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

4) Well Type: Oil ____ / Gas X / Liquid injection ____ / Waste disposal ____ /
(If "Gas, Production X or Underground storage ____) Deep ____ / Shallow ____

5) Location: Elevation 1152 Watershed Johnson Creek
District Smithfield County Roane Quadrangle Clio

6) Well Operator Columbia Natural Resources
Address 900 Pennsylvania Ave.
Charleston, WV 25302

7) Designated Agent W.A. Watson, Jr.
Address 900 Pennsylvania Ave.
Charleston, WV 25302

8) Oil and Gas Inspector to be notified
Name Homer Dougherty
Address Linden Rt, Box A
Looneyville, WV 25259
543-0781

9) Plugging Contractor
Name ____
Address ____

10) Work Order: The work order for the manner of plugging this well is as follows:

1.) Run tubing to 2020' and pump a 200' cement plug
2.) Free point 7" csg. cut and pull
3.) Run tubing to cut and pump a 100' cement plug
4.) Pull up to 1450' and pump 100' cement plug
5.) Pull up to 950' and pump 100' cement plug
6.) Pull up tp 600' and pump 100' cement plug
7.) Pull up to 100' and pump cement to surface
8.) Erect monument in accordance with state regulations

OFFICE USE ONLY

PLUGGING PERMIT

Permit Number ____ Date ____, 19____

This permit covering the well and well location shown below is evidence of permission granted to plug in accordance with the pertinent legal requirements subject to the conditions contained herein and on the reverse hereof. Notification must be given to the District Oil and Gas Inspector 24 Hours before actual permitted work has commenced.

The permitted work is as described in the Notice and Application, plat, subject to any modifications and conditions on the reverse hereof.

Permit expires ____ unless plugging is commenced prior to that date and prosecuted with due diligence.

Bond: ____ Agent: ____ Plat: ____ Casing: 24, 22, 0, 6/6/00 WPCP: ____ Other: ____

Chief, Office of Oil and Gas

NOTE: Keep one copy of this permit posted at the plugging location.

See the reverse side of the APPLICANT'S COPY for instructions to the well operator.

INSTRUCTION TO SURFACE OWNERS AND EXPLANATION OF METHODS AND TIME LIMITS TO COMMENT ON WELL PLUGGING PERMIT

The well operator named in the Notice and this application and the attached materials is applying for a permit from the State to plug and abandon a well. You are being served with these materials because surface owners have the right to file comments before the permit is issued. (NOTE: If the surface tract is owned by more than three persons, e.g., in multiple heirship, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22B, Article 1 of the WV Code. Permits are valid for 24 months.

If you do not own any interest in the surface tract, please forward these materials to the true owner immediately - if you know their identity. Also, please notify the well operator named in the materials and the Chief of the Office of Oil and Gas in the West Virginia Division of Environmental Protection immediately.

NOTE: You are not required to file any comment at all.

Where to file comments and obtain additional information:

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL & GAS
NITRO, WEST VIRGINIA 25143

304-759-0518

Who may file comments? If you wish to file comments, you must be an owner of record of (1) an interest in the surface tract on which the well already is or is about to be located, or (2) an interest in any other surface tract under the same oil or gas lease which will be utilized for roads or other land disturbances.

Time limits for comments. The law requires these materials to be delivered on or before the date the operator files his application. You have FIVE (5) DAYS after the filing date to file your comments as provided in Methods for Filing Comments below. You may call the Chief's office at the above telephone number to be sure of the date. However, if you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to any of the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

Methods for filing comments. Comments must be filed in person or received in the mail at the Chief's office by the time stated above. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling.

The Chief for the Office of Oil and Gas has the power to deny or condition a well work permit based on the following grounds:

"The proposed well work will constitute a hazard to the safety of persons; or...

"Damage would occur to publicly owned lands or resources; or....

"The proposed well work fails to protect fresh water sources or supplies."

If you want a copy of the permit as finally issued, or a copy of the order denying the permit, you should request a copy from the Chief.

VOLUNTARY STATEMENT OF NO OBJECTION

(For execution by natural person) (For execution by corporation, etc.)

_____ Date _____
(Signature)

Name _____
By _____
Its _____ Date _____

_____
(Signature) Date _____

FORM WW-9
Rev. 10/94

Page 1 of 2
API Number 47 - 087 - 2306
Operator's Well No. 801675

STATE OF WEST VIRGINIA
DIVISION 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 Columbia Natural Resources OP Code 10460

Watershed Johnson Creek Quadrangle Clio

Elevation 1152' County Roane District Smithfield

Description of anticipated Pit Waste: Gel and cement water

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

Proposed Disposal Method For Treated Pit Wastes:

- X Land Application
- _____ Underground Injection (UIC Permit Number_____)
- _____ Reuse (at API Number_____)
- _____ Off Site Disppposal (Supply form WW-9 for disposal location)
- _____ Other (Explain_____)

Proposed Work For Which Pit Will Be Used:

- _____ Drilling
- _____ Workover
- _____ Other (Explain_____)
- _____ Swabbing
- X Plugging

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on June 14, 1994, by the Office of Oil and Gas of the West Virginia Division 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 _____

Company Official (Typed Name) J.D. Gocke

Company Official Title Regional Manager

Subscribed and sworn before me this 7th day of June, 2000

Kelly D. Peyton Notory Public

My commission expires September 2, 2007

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
KELLY D. PEYTON
COLUMBIA NATURAL RESOURCES, INC.
P. O. BOX 6070
CHARLESTON, WV 25362-0070
My Commission Expires September 2, 2007

LEGEND

Property Boundary

Road

Existing Fence

Planned Fence

Stream

Open Ditch

Rock

North N

Buildings

Water wells W

Drill site

Diversion

Spring

Wet Spot

Drain Pipe with size in inches 12

Waterway

Cross Drain

Artificial Filter Strip

Pit: cut walls

Pit: compacted fill walls

Area for Land Application of Pit Waste

Proposed Revegetation Treatment: Acres Disturbed _____ 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 Hay/Straw Tons/acre

Seed Mixtures

Area I		Area II	
Seed Type	lbs/acre	Seed Type	lbs/acre
Columbia Wildlife Mix 50#		Columbia Wildlife Mix 50#	

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

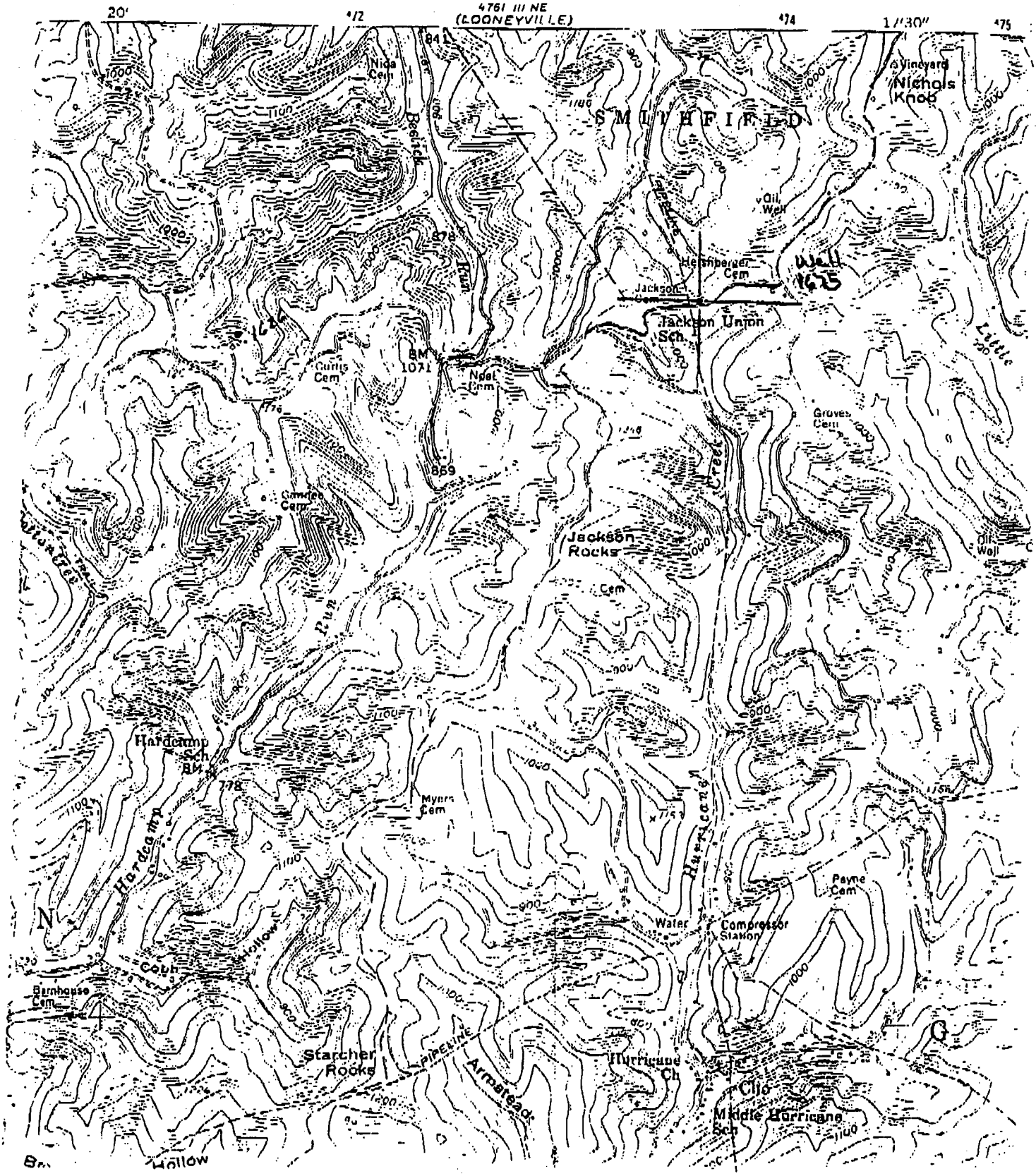
Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: Hi Th Dougherty

Title: District Inspector Date: 6/6/08

Field Reviewed? (✓) Yes ( ) No

STATE OF WEST VIRGINIA
REPRESENTED BY THE
STATE OF WEST VIRGINIA GEOLOGICAL SURVEY
AND OTHER STATE AGENCIES



UNITED FUEL GAS COMPANY
(INCORPORATED)

Serial Well No. 1675 Lease No. Map Square

RECORD OF WELL No. on the
Hively Farm of Acres
in Smithfield District
Roan County
Field, State of W.Va.

Rig Commenced 192
Rig Completed 192
Drilling Commenced Oct 19 1926 192
Drilling Completed Nov 20 1926 192
Drilling to cost per foot
Contractor is: Ramsey & Thompson
Address:

Driller's Names R.P.Pickens
C.R.Allen

CASING AND TUBING

Size	Used in Drilling	Left in Well
16		
13		
10		
8 1/4	645	19
6 5/8	1886	1885
5 3/16		
4 7/8		
4		
3		
2		

SHUT IN
Date 12/9/26
3" Tubing or Casing
Size of Packer 5 3/16 X 3"
Kind of Packer
1st Perf. Set from
2nd Perf. Set from

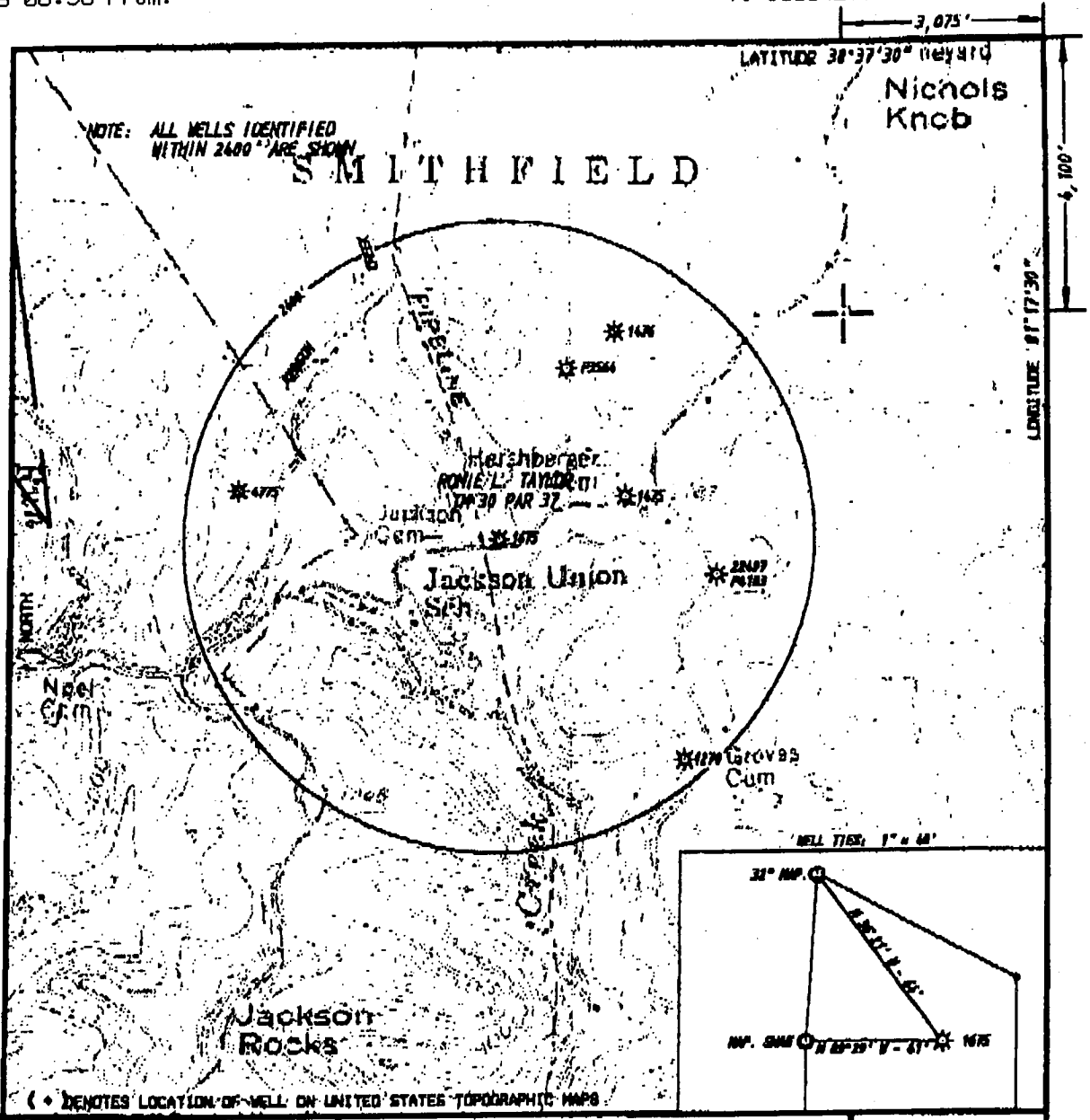
TEST BEFORE SHOT
15 1" of Water in inch
10ths
of Merc. in inch
10ths
Volume Cu. ft

TEST AFTER SHOT
13 2" of Water in inch
10ths
of Merc. in inch
10ths
Volume Cu. ft
Rock pressure
Date shot 12/1/26
Size of Torpedo 30 qts
Oil Flowed bbls. 1st 24 hrs.
Oil Pumped bbls. 1st 24 hrs.

Well abandoned and
Plugged 19

DRILLER'S RECORD

Formation	Top	Bottom	Thickness	Remarks
Red Rock	0	16		6 5/8 Casing 1886 S.L.
Sand	16	100		
Slate	100	160		8 1/4 X 6 5/8 B.H.packer
Sand	160	200		
Red Rock	200	260		Reduced Hole at 1956 ft
Sand	260	280		
Slate- Shell,s	280	325		
Red Rock	325	400		Well Shot 12/1/26
Sand	400	420		From 2020-2027
Red Rock	420	460		
Slate	460	500		
Sand	500	525		Gas in Big Lime 1935
Red Rock	525	540		
Sand	540	790		
Slate	790	1050		Gas In Big Injin 2020 = 2025
Sand	1050	1100		
Slate	1100	1240		
Sand	1240	1320		
Slate	1320	1400		
Lime	1400	1450		
Salt Sand	1450	1700		
Lime	1700	1730		
Slate	1730	1785		
Lime	1785	1800		
Slate	1800	1805		
Little Lime	1805	1840		
Slate	1840	1850		
Lime Shell	1850	1860		
Penoil Cave	1860	1875		
Big Lime	1875	1988		
Big Injin	1988	2025		
Slate	2025	2020		
Sand	2020	2027		
Slate- Shell,s	2027	2069		Total Depth S.L.



FILE NO. PRA1675.DGN
DRAWING NO. PRA 1675
SCALE 1" = 1000'
MINIMUM DEGREE OF ACCURACY 1:200
PROVEN SOURCE OF ELEVATION OPERATOR'S WELL RECORDS

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 ENERGY.

(SIGNED) _____

R.P.E. _____ L.L.S. 647

PLACE SEAL HERE

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OIL AND GAS DIVISION

DATE DECEMBER 8, 19 99
OPERATOR'S WELL NO. 1675
API WELL NO.
47 (STATE) 087 (COUNTY) 2306 (PERMIT)

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___
(IF 'GAS,') PRODUCTION X STORAGE ___ DEEP ___ SHALLOW X

LOCATION: ELEVATION 1152' WATER SHED JOHNSON CREEK
DISTRICT SMITHFIELD COUNTY ROANE
QUADRANGLE CLIO WV 7.5'

SURFACE OWNER ROMIE L. TAYLOR ACREAGE _____
OIL & GAS ROYALTY OWNER _____ LEASE ACREAGE 0.5
LEASE NO. 15178

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 X CLEAN OUT AND REPLUG ___

TARGET FORMATION _____ ESTIMATED DEPTH _____
WELL OPERATOR COLUMBIA NATURAL RESOURCES, INC. DESIGNATED AGENT W.A. WATSON, JR.
ADDRESS P.O. BOX 6070, CHARLESTON, WV 25362 ADDRESS SAME

FOR WV-6

COUNTY NAME

PERMIT

$801475 on Tract

acquired by J.C. Hinely
from R.P. Reynolds

½ acre tract - Paid $2.38 yearly

Currently paid up to May 1, 2001
6/19/00 Talked to Tony Phiser - unsure
if CNR plans to surrender

BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195

CAUSE NO. 187

OBJECTION

Come now the Respondents, Garnet Gas Corporation, Creston Company, and Alvin L. Engelke, and object to the consideration of the permit application for the reason that the statutory conditions for the establishment of a "unit"have not been met by the Applicant. In support hereof the Respondents make known to this Honorable Commission the following:

A. West Virginia Code Chapter 22C, Article 7, Section 7, provides for the formation of drilling units and the pooling of interests in drilling units in connection with deep oil or gas wells. In sub-section A, entitled *Drilling Units*, in section 1, it provides in relevant part as follows:

"*After one discovery deep well has been drilled establishing a pool, an application to establish drilling units may be filed with the Commission by the operator of such discovery deep well or by the operator of any lands directly or immediately affected by the drilling of such discovery deep well or subsequent deep wells in said pool...*"

B. In this instance the application states that the proposed target depth is 22,401 feet and that the proposed target formations are: "Newburg, Tuscarora, Trenton, Black

River, Beckmantown, Rose Run, Copper Ridge, Conasauga, Rome and Basement". The proposed well is what is commonly referred to as a "test well", testing deep formations not previously drilled. A pool exists for the Newburg, Tuscarora, Trenton and Black River formations and encountered during the course of drilling. However, no pool exists for the Beckmantown, Rose Run, Copper Ridge, Conasauga, Rome or the Basement.

C. No test or discovery wells have been drilled in Roane County to the Beckmantown, Rose Run, Copper Ridge, Conasauga, Rome or to the Basement. The proposed well is more than 10,000 feet deeper than any well within a radius of more than ten (10) miles from the proposed well. This well would thence also be termed a discovery well and as required in the above quoted statute, one discovery deep well has not been drilled to the Beckmantown, Rose Run, Copper Ridge, Conasauga, Rome or the Basement in the area of the well application.

WHEREFORE, the above-named Respondents object to the holding of a pre-hearing because no discovery well has been drilled or pool established as required by statute.

Garnet Gas Corporation,
Creston Company and
Alvin L. Engelke,
Respondents,
By Counsel.

Thomas N. Whittier, West Virginia State Bar Number 4029
HEDGES, JONES, WHITTIER & HEDGES
P.O. Box 7
Spencer, West Virginia 25276
Counsel for Respondents

BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195

CAUSE NO. 187

MOTION FOR DISCOVERY

Come now the Respondents, Garnet Gas Corporation, Creston Company, and Alvin L. Engelke, and move that this Honorable Commission enter an order permitting discovery in this action for the following reasons:

1. Respondents, who are subject to "forced pooling" may be compelled to convey a substantial property right to the applicant. To protect their property rights, Respondents need to know prior to hearing what witnesses applicant will present and what evidence applicant seeks to adduce. Since Respondents have substantial property rights at issue "trial by ambush" is not appropriate.

2. In many cases discovery is not applicable to administrative proceedings. However, where there has been a showing of substantial bad faith by the applicant, discovery may be allowed. West Virginia Advocates for the Developmentally Disabled v. Casey, 364 S.E. 2nd 8, 178 W.Va. 682, 1987.

3. Applicant has demonstrated substantial bad faith in this case as follows:

A. Applicant has omitted from the list of landowners affected by this action the owners of an unleased 1/2-acre lying within the proposed unit.

B. The Applicant should have known of the existence of said tract, inasmuch as the Applicant's predecessor by merger, Columbia Natural Resources, and prior to that United Fuel Gas, operated a well on said tract and paid royalties to the owners for an extended period of time.

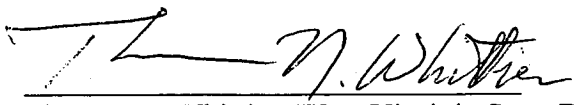
C. The ownership interests in the unit calculated by the Applicant are all erroneous in that they did not take into account the aforesaid 1/2-acre tract and the owners thereof.

D. The Applicant has knowingly allowed these proceedings to go forward despite being informed for more than ten (10) days ago of the existence of said tract.

E. Had the above-noted Respondents brought this matter to the attention of the Commission, the Commission could have entered an order permitting the unitization of the oil and gas in the proposed unit and approved the division of the proceeds of the oil and gas produced from said unit, which did not include the owners of said 1/2-acre, thus approving an unlawful and larcenous taking of said oil and gas.

Given the above the Respondents should be entitled to reasonable discovery and ask that this Commission enter an order allowing discovery and setting forth a time table for discovery prior to hearing.

Garnet Gas Corporation,
Creston Company and
Alvin L. Engelke,
Respondents,
By Counsel.



Thomas N. Whittier, West Virginia State Bar Number 4029
HEDGES, JONES, WHITTIER & HEDGES
P.O. Box 7
Spencer, West Virginia 25276
Counsel for Respondents

SIGN IN SHEET

Docket 195-187

NAME	COMPANY	E-MAIL ADDRESS	TELEPHONE NUMBER
R. J. Wright	Self	6224 Walnut Hoo Fruit Q, W.Va	736-8413
Tinki Baker	Chesapeake	tinki.baker@chk.com	353-5180
Brad Claypool	Chesapeake	brad.claypool@chk.com	353-5189
Greg Franz	Chesapeake	gfranz@chkenergy.com	353-5105
Anne Tawney Goff	self	#	927-3643 / 757-9295
Thora C. Roberts	self	tcroberts2002@yahoo.com	(304) 275-6574
Thomas N. Whittier	attorney for Alvin Engelke, Creston Co Garnett Gas, Georgia Sergent	tnwihjwh@yahoo.com	304-927-3790
Alvin L. Engelke	Creston Company Garnet Gas & Creston Wildlife	alvinengelke@hotmail.com	275-1151
W.H. Schenerlein III	Creston Co.	Scheny2x@yahoo.com	304-481-3746
Dave Yaussy	Robinson & McElwee	dly@ramlaw.com	304 347-8358
Darryl Griwatz	Honor Resources Co.	Darryl@HonorResourcesCompany.com	(304) 273-0008
Michael Brown	Honor Resources Co.	Mike@HonorResourcesCompany	304-273-0008
Jeannie Johnson	Chesapeake	jeannie.johnson@chk.com	(304) 353-5159
Gianny Diaz	Chesapeake	gianny.diaz@chk.com	(304) 353-5175
David McMahon	self	wvdand@wvdand.net	415-4288

west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION BY CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28 ACRE DRILLING UNIT AND POOLING OF UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA.

DOCKET NO. 195
CAUSE NO. 187

NOTICE OF HEARING

Chesapeake Appalachia, LLC ("Chesapeake") has requested the Commission review and approve a 695.28 acre drilling unit and pooling of unleased tracts and interests of operators for the development and operation of the unit in Roane County, West Virginia, pursuant to Chapter 22C-9-7(b).

The matter has been scheduled for **prehearing** at 10:00 with hearing immediately thereafter.

DATE: December 2, 2008

TIME: immediately following the pre-hearing

PLACE: Department of Environmental Protection
Office of Oil and Gas
601 57th Street, SE
Charleston, WV 25304

IN THE NAME OF THE STATE OF WEST VIRGINIA

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

By: Barry K. Lay
Barry K. Lay, Chairman

Dated this 22nd day of October, 2008, at Charleston, West Virginia.

Ck #11583

SUBPOENA DUCES TECUM

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195
CAUSE NO. 187

Executed the Within Process Subp Duces Tecum
On the 13 Day of July 2009 Time 11:00
Personal Service to
Family Member at Place Of Abode
Accepted For James Grey (P.E./P.S.) For Chesapeake Appalachia LLC.
Not Found ____ Attempts
A True Copy Thereof in Kanawha County
By Mike Rutherford KSD
Remarks:

To the Sheriff of Kanawha County

IN THE NAME OF THE STATE OF WEST VIRGINIA:

To Chesapeake Appalachia, LLC, 900 Pennsylvania Avenue, Charleston, WV 25302

You are hereby commanded to appear before the Oil and Gas Conservation Commission of the State of West Virginia at the offices of the Department of Environmental Protection, Oil and Gas Conservation Commission, Canaan Valley Conference Room, 601 57th Street, S. E., Charleston, West Virginia, on the 22nd day of July, 2009, at 9:00 a.m. to testify in the above-noted matter and to bring with you the following:

a. All results of geophysical or seismic tests or operations conducted on or near the properties in which the Creston Respondents or any of them have any interest only as it pertains to formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) submitted by Chesapeake Appalachia, LLC in the Robey Knight unit, ;

b. All records showing production or the results of operations of the Applicant on any existing wells or properties in which the Creston Respondents or any of them have any interest including, but not limited to, wells designated as the W. L. Hershberger; the Kester K. Lowe; the J. C. Hively; the H. M. Vineyard, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

c. Any agreements entered into between the applicant providing for the exploration and joint development of any oil and gas located in Roane and surrounding counties in Central West Virginia with Norsk Hydro ASA, or Statoil ASA, their subsidiaries or associated companies including but not limited to the complete agreement including (1) all

This subpoena is issued upon application of Alvin Engelke, Creston Well Service, Inc., Garnet Gas Corp. et al, Respondents.

Dated: July 8, 2009

Cynthia Raines

WV Oil and Gas Conservation Commission

Prepared and Submitted by:
Thomas N. Whittier, Esquire
Attorney for the Respondents Alvin Engelke, et al
P. O. Box 7
Spencer, WV 25276

Office of the Secretary of State
Building 1 Suite 157-K
1900 Kanawha Blvd E
Charleston, WV 25305

Natalie E. Tennant
Secretary of State
Telephone: 304-558-6000
Toll Free: 866-SOS-VOTE
www.wvsos.com

ControlNumber: 280520
Defendant: Chesapeake Appalachia, L.L.C.

Thomas N Whittier, Esquire
PO Box 7
Spencer WV 25276

7/14/2009
Civil Action: Subpoena
Certified: 91719237900010001111121

I am enclosing:

____ summons	____ affidavit	____ summons and complaint
____ notice	____ answer	____ summons returned from post office
____ order	____ cross-claim	____ summons and amended complaint
____ petition	____ counterclaim	____ 3rd party summons and complaint
____ motion	____ request	____ no return from post office
____ suggestions	____ certified return receipt	____ notice of mechanic's lien
____ interrogatories	____ request for production	____ suggestee execution
____ original	____ request for admissions	____ Other
1 subpeona duces tecum		

which was served on the Secretary at the State Capitol as your statutory attorney-in-fact. According to law, I have accepted service of process in your name and on your behalf.

Please note that this office has no connection whatsoever with the enclosed documents other than to accept service of process in your name and on behalf as your attorney-in-fact. Please address any questions about this document directly to the court or the plantiff's attorney, shown in the enclosed paper. Please do not call the Secretary of State's office.

Sincerely,

/s/Natalie E. Tennant

Natalie E. Tennant
Secretary of State

SUBPOENA DUCES TECUM

IN THE MATTER OF THE APPLICATION OF CHESAPEAKE APPALACHIA, LLC FOR AN ORDER FROM THE COMMISSION ESTABLISHING A 695.28-ACRE DRILLING UNIT AND POOLING THE UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE 695.28-ACRE UNIT, WALTON DISTRICT, ROANE COUNTY, WEST VIRGINIA, PURSUANT TO WEST VIRGINIA CODE 22C-9-7(b).

DOCKET NO. 195
CAUSE NO. 187

To the Sheriff of Kanawha County

IN THE NAME OF THE STATE OF WEST VIRGINIA:

To Chesapeake Appalachia, LLC, 900 Pennsylvania Avenue, Charleston, WV 25302

You are hereby commanded to appear before the Oil and Gas Conservation Commission of the State of West Virginia at the offices of the Department of Environmental Protection, Oil and Gas Conservation Commission, Canaan Valley Conference Room, 601 57th Street, S. E., Charleston, West Virginia, on the 22nd day of July, 2009, at 9:00 a.m. to testify in the above-noted matter and to bring with you the following:

a. All results of geophysical or seismic tests or operations conducted on or near the properties in which the Creston Respondents or any of them have any interest only as it pertains to formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) submitted by Chesapeake Appalachia, LLC in the Robey Knight unit, ;

b. All records showing production or the results of operations of the Applicant on any existing wells or properties in which the Creston Respondents or any of them have any interest including, but not limited to, wells designated as the W. L. Hershberger; the Kester K. Lowe; the J. C. Hively; the H. M. Vineyard, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

c. Any agreements entered into between the applicant providing for the exploration and joint development of any oil and gas located in Roane and surrounding counties in Central West Virginia with Norsk Hydro ASA, or Statoil ASA, their subsidiaries or associated companies including but not limited to the complete agreement including (1) all

financial terms, (2) any maps setting forth the "AMI", area of mutual interest, and (3) any limitations to the area of exploration, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

d. Any documents which set forth what participants in the deep well known as the "Dink" Well in Otter District of Clay County, West Virginia, paid for the right to participate in the drilling of said well, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

e. Any documents which set forth the terms of the Joint Participation Agreement between Columbia Natural Resources and Castle Gas Company, Inc., including the financial terms and any maps or attachments showing the area of mutual interest ("AMI"), only the formations listed in the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

f. Any documents which identify any applications filed before this Commission by the Applicant for forced pooling pursuant to West Virginia Code 22C-9-7(b) during the past five years, only the formations listed on the permit application (*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*) in the Robey Knight unit;

g. Any orders of the Commission entered during the past five years in forced pooling actions filed by the Applicant in which the Commission determined the proper compensation due oil and gas owners for the involuntary lease of their minerals.

h. All documents showing the consideration paid for the leasing of oil and gas during the year 2006-2009 in the following West Virginia counties: Roane, Calhoun, Jackson, Clay, Kanawha for the formations listed on the permit application only ((*Newburg, Tuscarora, Trenton, Black River, Beckmantown, Rose Run, Copper Ridge, Consasauga, Rome, Basement*).

i. Any documents showing the identity of any parties who are or who have been solicited as partners in the well described in the Application in this matter, but limited to the Roane, Calhoun, Jackson, Clay and Kanawha Counties.

j. Any documents showing the actual cost of the right to participate in the well or unit described in the Application in this matter.

k. Any documents showing any amount offered or solicited for the right to participate in the well or unit described in the Application in this matter.

This subpoena is issued upon application of Alvin Engelke, Creston Well Service, Inc., Garnet Gas Corp. et al, Respondents.

Dated: July 8, 2009

Cynthia Raines

WV Oil and Gas Conservation Commission

Prepared and Submitted by:
Thomas N. Whittier, Esquire
Attorney for the Respondents Alvin Engelke, et al
P. O. Box 7
Spencer, WV 25276

Chesa request for hearing dated May 14