STATE OF OHIO. **DEPARTMENT OF NATURAL** RESOURCES

DIVISION OF MINERAL RESOURCES MANAGEMENT WELL PERMIT

API WELL NUMBER

34-013-2-0583-00-00

FORM 51 REVISED 3/01

OWNER NAME, ADDRESS

ENERGY SEARCH INC (Owner #: 3793) 88 PRODUCTS LANE

MARIETTA

PRODUCTS LANE

OH 45750

2109

DATE ISSUED 4/21/2006

PERMIT EXPIRES

AND ABANDON NEW WELL

4/21/2007

TELEPHONE NUMBER

(740) 373-3050

IS HEREBY GRANTED PERMISSION TO:

Drill New Well, horizontally

IF UNPRODUCTIVE

PURPOSE OF WELL: Oil & Gas

SUBSTANCE TO BE STORED OR COMPLETION DATE IF PERMIT TO PLUG:

Cmpltd Dt:

8

DESIGNATION AND LOCATION:

LEASE NAME WELL NUMBER BOAN/MARCUM

2-1

COUNTY

BELMONT WASHINGTON

CIVIL TOWNSHIP TRACT OR ALLOTMENT.

FOOTAGE LOCATION

SECTION

LOT

FRACTION

QUARTER TOWNSHIP

220'SL & 500'WL OF SEC 2

X:

2443443 684516

TYPE OF TOOLS:

Air Rotary/Fluid Rotary

6200 FEET

PROPOSED TOTAL DEPTH **GROUND LEVEL ELEVATION**

1310 FEET

GEOLOGICAL FORMATION(S):

DEVONIAN SHALE

SPECIAL PERMIT CONDITIONS: Permit is subject to the attached terms and/or conditions

Horizontal Drilling Well Permit Conditions

CONDITIONALLY APPROVED CASING PROGRAM (SUBJECT TO APPROVAL OF THE OIL AND GAS WELL INSPECTOR):

CONDUCTOR MINIMUM OF 60' (IF AIR)

13 3/8" MINIMUM OF 410' CEMENT CIRCULATED TO SURFACE

9 5/8 " APPROX. 2100 ' THRU BEREA

7 " OPERATIONAL

4 OR 5" PRODUCTION CASING CEMENTED IF PRODUCTIVE

"BLOW OUT PREVENTOR REQUIRED" HAZARDOUS CONDITIONS MAY BE ENCOUNTERED

ALL DUE PRECAUTIONS SHOULD BE TAKEN

This permit is NOT TRANSFERABLE and expires 365 days after issuance, unless drilling has commenced prior thereto. This permit, or an exact copy thereof, must be displayed in a conspicuous and easily accessible place at the well site before permitted activity commences and remain until the well is completed. Ample notification to inspector is necessary. All mudding, cementing, placing and removing casing, and plugging operations must be done under the supervision of

OIL AND GAS WELL INSPECTOR:

KAVAGE MIKE

P. O. BOX 224.

OLD WASHINGTON, OH 43768

Inspector's #: (740) 685-0713

District #:

(740) 439-9079

JOE HOERST - Supervisor

(740) 896-2850

DEPUTY MINE INSPECTOR: MUST BE NOTIFIED IF WELL IN A COAL-

BEARING TOWNSHIP IS TO BE PLUGGED AND ABANDONED.

FIRE AND EMERGENCY NUMBERS

FIRE:

() -911

MEDICAL SERVICE

() - 911

TARGET INFORMATION: 1620'SL & 952'ELOF SEC. 8

X= 2,442,048 Y= 685,968 ELEV.= 1170'

Michael L. Sponsler

CHIEF, DIVISION OF MINERAL RESOURCES

STATE OF OHIO
DEPARTMENT OF NATURAL
RESOURCES

DIVISION OF MINERAL RESOURCES MANAGEMENT WELL PERMIT

API WELL NUMBER

34-013-2-0583-00-00

FORM 51 REVISED 3/01

ENERGY SEARCH INC 88 PRODUCTS LANE PRODUCTS LANE MARIETTA, OH 45750-2109 The Ohio Department of Natural Resources
The Division of Mineral Resources Management
1855 Fountain Square Court, Building H-3
Columbus, Ohio 43224-1383

HORIZONTAL DRILLING PERMIT CONDITIONS

Within thirty (30) days of completion of drilling operations, the following items <u>must</u> be submitted to the Division of Mineral Resources Management:

- A copy of the bore hole deviation survey
- A revised surveyor's plat showing:
 - 1. Surface Location
 - 2. Actual entry into the producing formation
 - 3. Actual ending point of the bore hole in the producing formation
 - 4. X, Y coordinates of the above three points

Please also include a fifty-dollar (\$ 50.00) fee for the revised surveyor's plat.

DAILY ROUTE SLIP Washington

| APPLICATION NO. <u>aPATT009406</u> | TYPE: <u>Drill Nev</u> | Well, horizontal |
|---|----------------------------|------------------|
| CONAME ENERGY SEARCH INC | API | |
| WELL NAME /NO. BOAN/MARCUM | 2-1 | |
| COUNTY 13 BELMONT | <u>INITIALS</u> | DATE |
| DATE APPLICATION REC'D | -Pn | 3/23/2006 |
| PERMIT FEE AND CHECK NO. | <u>\$250.00</u> | 1190913117 |
| RUSH AMOUNT RUSH CHECK NO. | <u>\$0.00</u> | <u>0</u> |
| APPLICATION ENTERED | _ VN | 3/23/06 MM |
| APPLICATIONS AND PLATS SENT FOR MINE APPROVAL | - Pr | 3/23/06/1/ |
| COAL APPROVAL RECEIVED | | |
| OIL/GAS AFFIDAVIT REC'D | | |
| URBANIZED AREA NOTIFICATION SENT | | - |
| URBANIZED AREA NOTIFICATION SENT TO INSPECTOR/REC'D BACK | | |
| SAMPLES: YES/SPECIAL AREAS | | · |
| GEOLOGIST APPROVAL | \$ | 4-10 |
| DATA ENTRY /ISSUED | | |
| PERMIT: TAKEN MAILED | h c | 4.21 |
| FAX TO: 724 - 743 - 26 | 61 / 740-37 | 13-5272 |
| FINAL MAP CHECK | 5/2 | <i>9</i> 5 |
| COMMENTS: Mail Horizontal | Drill perni | + Conditions |
| Wanting on mine approval 4/10/ | 06 - AIT | endy |
| 1 | Paper | this |
| | $\mathcal{P}_{\mathbf{a}}$ | 44 |

Proof Sheet

| APPL NUMBER | aPATT009406 | | _ |
|------------------|-------------------|-----------------|------------------------------|
| OWNER NUMBER | 3793 | URBANIZED AREA | ? 📙 |
| OWNER NAME | ENERGY SEARCH INC | | |
| EXISTING WELL | 0 | | |
| API PERMIT NO | | DISPOSAL PLAN 1 | ND |
| APPL TYPE | HX | DISPOSAL PLAN 2 | |
| TYPE OF WELL | OG | DISPOSAL PLAN 3 | |
| VARIANCE REQUEST | | DISPOSAL PLAN 4 | |
| WELL NAME | BOAN/MARCUM | DISPOSAL PLAN 5 | |
| WELL NUMBER | 2-1 | | |
| PREV/PROPOSED TD | 6200 | | |
| DRILL UNIT ACRES | 160 | | |
| TYPE OF TOOL | RTAF | PROPOSED FORMA | TIONS |
| WELL CLASS | EDPW | DEVONIAN SHALE | |
| FIRE PHONE | () -911 | | |
| MEDICAL PHONE | () -911 | | |
| COUNTY CODE | 13 | | |
| COUNTY NAME | BELMONT | | |
| COAL (Y=-1/N=0) | -1 | | |
| CIVIL TOWNSHIP | WASHINGTON | TARG CIVIL TWP | WASHINGTON 3020 |
| SURF QUAD | CAMERON | TARG QUAD | BIG8 CAMERON |
| SURF ORIG X | 2,443,443 | TARG ORIG X | 442,048 ^{2,443,097} |
| SURF ORIG Y | 684,516 | TARG ORIG Y | 685,968 684,877 |
| GROUND ELEVATION | 1310 | TARG ELEV | 1170 -0 |
| SURF SEC | 8 | TARG SECTION | 8 |
| SURF LOT | | TARG LOT | |
| SURF QTR TWP | | TARG QTR TWP | |
| SURF ALLOT | | TARG ALLOT | |
| SURF TRACT | | TARG TRACT | |
| SURF FRACTION | | TARG FRACTION | |

Proof Sheet

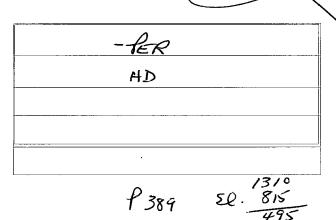
SURFACE FOOTAGE

TARGET FOOTAGE

| 220'SL & 500' WL of SEC. 2 | 1620 SL & 952 EL of Sec. 8 |
|----------------------------|----------------------------|
| | |
| | |
| | |

CASING PROGRAM

SPECIAL CONDITIONS/COMMENTS



| | De 1570 |
|--------------|---------|
| MPLETION DT | 1550 |
| NES APPROVAL | 2085 |
| | |



1620' SL = 952' EL of SEC. 8

X: 2,442,048

y: 685,968 Evev: 1170

APPLICATION FOR A PERMIT OHIO DEPARTMENT OF NATURAL RESOURCES DIVISION OF MINERAL RESOURCES MANAGEMENT

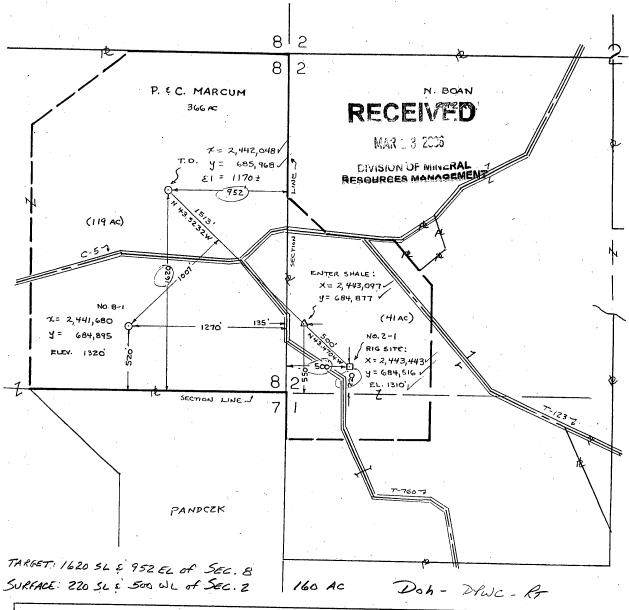
2045 Morse Road, Building H-3 COLUMBUS, OHIO 43229-6693

| 井 | 119091312 | 1 |
|---|-----------|---|
| | 25000 | |

| | nr.state.oh.us/mineral/index.html |
|---|---|
| INSTRUCTIONS ON REVERSE SIDE | FORM 1: Rev. 9/2004/mpm |
| I, We (applicant) ENERGY SEARCH, INC. (address) 88 Products Lane, Marietta, OH 45750 hereby apply this date March 22, 20 06 for a permit to: | , 2. Owner # D-3739 Phone # 740/373-3050 |
| Reissue (check appropriate blank) Revis Drill New Well Plug l | |
| | and Abandon Reopen an Well Program |
| 3. TYPE OF WELL: X Oil & GasAnr | nular Disposal Saltwater Injection |
| Other (explain): | orage of: |
| | covery* * check appropriate box below |
| | Production/Extraction |
| 4. MAIL PERMIT TO: Energy Search, Inc., 88 Products Lane, Marietta, OH 45750 | 20. TYPE OF TOOLS: Cable Air Rotary Cable & Air Rotary X Air & Fluid Rotary Cable & Fluid Rotary Fluid Rotary Cable & Air Rotary & Fluid Rotary |
| 5 COUNTY: Belmont | 21. PROPOSED CASING PROGRAM: |
| 6. CIVIL TOWNSHIP: Washington 7. SECTION: 2 8. LOT: | 20" conductor to 60ft 13 3/8" to 700ft (if mine encountered) |
| 9. FRACTION: 10. QTR. TWP: | 9 5/8" to ~2500ft (through Berea) |
| 11. TRACT/ALLOT: 12. WELL #: 2-1 | 4 1/2" or 5 1/2" to T.D. 8000' Possible 7" through curve |
| 13. LEASE NAME: Boan / Marcum | |
| 14. PROPOSED TOTAL DEPTH: 6200' TVD - 8000' MD 15. PROPOSED GEOLOGICAL FORMATION: Devonian Shale | |
| 16. DRILLING UNIT IN ACRES(must be same as acres | 22. FIRE AND MEDICAL DEPARTMENT TELEPHONE NUMBERS: (closest to well site) |
| indicated on plat): 160 | FIRE: <u>911</u> MEDICAL: <u>911</u> |
| 17. IF PERMITTED PREVIOUSLY: | 23. MEANS OF INGRESS & EGRESS: |
| API #: 34 0000 OWNER: | Township Road 760 (Walters Road) |
| WELL #: | County Road Municipal Road |
| LEASE NAME: | State Highway |
| TOTAL DEPTH: GEOLOGICAL FORMATION: | 24. IS THE WELL LOCATION OR PRODUCTION FACILITIES WITHIN AN URBANIZED AREA AS DEFINED BY 1509.03? |
| 18. IF SURFACE RIGHTS ARE OWNED BY THE OHIO | Yes X No |
| DEPARTMENT OF NATURAL RESOURCES: | 25. WILL THE PROPOSED LOCATION OF THIS WELL |
| Division Name: Division Phone: | REQUIRE THE NOTICE SPECIFIED UNDER 1509.06 (I) ? Yes (Submit Copies) No |
| 19. LANDOWNER ROYALTY INTEREST: | L Yes (Submit Copies) 以 No |
| Is There An Attached List? Yes X Name Helen M. Walter | No |
| Address 54457 Clover Ridge Road, Powhatten Point, OH 43942 | RECEIVED |
| Name Nancy J. Boan and Randy L. Boan | |
| Address 48485 E. Captina Hwy., Jacobsburg, OH 43933 Name Patricia J. Marcum and Clifford Marcum Jr. | MAR 2 3 2006 |
| Address 47715 SR556, Beallsville, OH 43716 | DIVISION OF MINERAL |
| I, the undersigned, being first duly sworn, depose and state under penalties of law, that I am under my supervision and direction, and that the facts stated herein are true, correct, and co | omplete, to the best of my knowledge. |
| I, the undersigned, further depose and state that I am the person who has the right to drill or the oil or gas that I produce therefrom either for myself or others as described in this applica at this time that I am not liable for any final nonappealable order of a court for damage to str Section 5577.12 of the Ohio Revised Code (ORC), and that the notice required under Sectic a well, I hereby certify that the written notices, as required in Section 1509.13, ORC, have be | ation. And furthermore, I the undersigned, being duly sworn, depose and state eets, roads, highways, bridges, culverts, or drainage ways pursuant to part 1509.06 (I) ORC has been given. If applying for a partial to give and about a significant to the partial state. |
| That I hereby agree to conform with all provisions of Chapter 1509, ORC, and to all orders a | |
| Signature of Owner/Authorized Agent |) |
| Name (Type or Print) R.A. Green Title If signed by Authorized Agent, a certificate of appointment of agent must be on file. | Production Foreman |
| Sworn to and subscibed before me this the 22nd day of March , 2006. | Lini h. Julico |
| DNR 5619 (rev. 9/04/mpm) OFFICIAL SEAL NOTARY PURIE, STATE OF WEST VIR DAVID W. PERKINSON 131 SCENIC HILLS PARKERSBURG, WV 26101 MY COMMISSION EXPIRES JUNE 11 | 11-Jun-10 (Date Commission Expires) |

PLAT SHOWING BOAN/MARCUM UNIT \$2-1 (HORIZONTAL WELL)

MARCUM # B-1 (MONITOR WELL)



I hereby certify that all drilling or producing wells within 1000 feet and all buildings and streams within 200 feet have been shown, there are no drilling unit lines nearer than 500 feet, that this plat is true and correct and was prepared according to the current State of Ohio, Department of Natural Resources, Division of Oil and Gas Regulations.

| ADDRESS BE FRODUCTS LAWE MARIETTA, ONIO 45750 SURFACE BOAN / MARCUM LANDOWNER MINERALS BOAN / MARCUM WELL NO. 2-1 : 8-1 DRILLING UNIT AC. 160 COUNTY BELMONT TWP. WASHINGTON QUAD. CAMERON X ABOVE | SCALE 1"=400' SUBDIVISION CEVEL TWP. " TWP. 5500 RANGE |
|--|---|
|--|---|

RESTORATION PLAN

OHIO DEPARTMENT OF NATURAL RESOURCES

DIVISION OF MINERAL RESOURCES MANAGEMENT, 1855 FOUNTAIN SQ. CT., H-3, COLUMBUS, OH 43224-1383

| 1. DATE OF APPLICATION: | FORM 4: Revised 08/00/sly |
|--|--|
| 2. OWNER NAME, ADDRESS, & TELEPHONE NO.: | 3. API#: 3 4 14 _ |
| | 4. WELL#: 2-1 |
| | C LEAGE MANG |
| | 6 0000000 |
| | 7 COUNTY |
| · | 8. CIVIL TOWNSHIP: WASHINGTON |
| | 9. SECTION: Z 10. LOT: |
| 11. CURRENT LAND USE: | 17. TYPE OF WELL: |
| Cropland Commercial | |
| A Pasture Idle Land | X_Oil X_Gas Other |
| Wellands Recreational | 18. STEEPEST SLOPE GRADIENT CROSSING SITE: |
| ResidentialIndustrial | See See E S. Visient Shooding Sire. |
| Unreclaimed strip mine | |
| Woodland: (Circle Broad-leaved or Needlelike) | 10.1 to 24% greater than 24% |
| 12. SLOPE GRADIENT & LENGTH DETERMINED FROM: | 19. LENGTH OF STEEPEST SLOPE CROSSING SITE: |
| Ground Measurement | The state of the s |
| x_ U.S. Geological Survey Topographical Maps | 1 to 100 ft |
| Other (explain) | 201 to 400 ft greater than 400 ft. |
| 13. TYPE OF FALL VEGETAL COVER: | |
| Little or no vegetal cover | 20. RESTORATION OF DRILLING PITS: ** |
| <u>✓</u> Short grasses | X_Haul drilling fluids and fill pitsUse steel circulating tanks |
| Tall weeds or short brush (1 to 2 ft.) | Proposed alternative |
| Brush or bushes (2 to 6 ft.) RECEIVE | Troposcu anemanye |
| Agricultural crops . | 21. BACKFILLING AND GRADING AT SITE: |
| Trees with sparse low brush MAR 2 3 2006 | Construct diversions channeled to naturally established |
| Trees with dense low brush | drainage systems |
| 14. SOIL & RESOILING MATERIAL AT WESOURCES MANAGE X. Slockpile and project longer to be used when | AL Construct towns |
| X Slockpile and protect topsoil to be used when | MENT Construct terraces across slopes |
| preparing seedbed | Grade to approximate original contour |
| Use of soil additives (e.g., lime, fertilizer) | Grade to minimize erosion & control offsite runoff Proposed alternative |
| No resoiling planned | |
| Proposed alternative | 22. VEGETATIVE COVER TO BE ESTABLISHED AT SITE: |
| | Seeding plan Sod |
| 15. DISPOSAL PLAN FOR TREES AND TREE STUMPS: | Agricultural crops Trees and/or Bushes |
| No trees disturbed Haul to landfill | Proposed alternative |
| Cut into firewood Sell to lumber company | 23. ADDITIONAL HOLES: |
| Bury with landowner's approval | X Ral/Mouse, if used, will be plugged |
| Mulch small trees and branches, erosion control | 24. PROPOSED OR CURRENT LENGTH OF ACCESS ROAD: |
| ✓ Use for wildlife habitat with landowner approval – | 100 ft. or less 101 to 500 ft. |
| Proposed alternative | |
| 16. SURFACE AND SUBSURFACE DRAINAGE FACILITIES: | 25. CURRENT LAND USE OF PATH OF ACCESS ROAD: |
| | Construct No. |
| and/or subsurface water | Table 1 - 1 |
| Tile drainage system underlying land to be disturbed | Idle land Wetlands Recreational Industrial Residential |
| Drain pipe(s) underlying land to be disturbed | Unreclaimed strip mine |
| Surface drainage facilities on land to be disturbed | Woodland: (Circle <u>Broad-leaved</u> or <u>Needlelike</u>) |
| | Tourist Diodu-Isaved of Mesolisike) |

REQUIRED BY SECTION 1509.06 (L), OHIO REVISED CODE - FAILURE TO SUBMIT MAY RESULT IN AN ASSESSMENT OF CRIMINAL FINES NOT LESS THAN \$100.00 NOR MORE THAN \$2,000.00 OR CIVIL PENALTIES NOT LESS THAN \$4,000.00. "PITS MUST BE FILLED WITHIN FIVE MONTHS AFTER COMMENCEMENT OF THE WELL.

| 26. SURFACING MATERIAL FOR ACCESS ROAD: | 29. STEEPEST SLOPE GRADIENT ON ACCESS ROAD: |
|--|--|
| Gravel Brick and/or tile waste | |
| Slag Crushed stone | <u>¥</u> 0 to 5% 6 to 10% greater than 10% |
| No surfacing material to be used | |
| Proposed alternative | 30. APPROXIMATE LENGTH OF STEEPEST SLOPE ON ROAD: |
| 1 Toposed diterritative | 30. ALT NOVIMATE LENGTH OF STEEPEST SLOPE ON ROAD: |
| | <u>X</u> 0 to 100 ft 101 to 200 ft. |
| 27. PATH OF ACCESS ROAD TO BE DETERMINED BY: | 201 to 400 ft greater than 400 ft. |
| | |
| Landowner Contractor | 31. HAS LANDOWNER RECEIVED A COPY OF THIS RESTOR- |
| Existing access road Operator | ATION PLAN? |
| 28. GRADING AND EROSION CONTROL PRACTICE ON ROAD: | Yes No |
| | |
| × Diversions Water breaks Drains | |
| Outsloping of road Open Top Culverts | |
| Pipe Culverts Filter Strips Riprap | |
| Proposed alternative | |
| | |
| , | |
| | |
| The undersigned hereby agrees to implement all restoration operations i | |
| of the Ohio Revised Code, and to all Orders and rules issued by the Chic | ef, Division Mineral Resources Management. |
| | |
| $\widehat{}$ | |
| | |
| Signature of Owner/Authorized Agent | 01. |
| Signature of Owner/Authorized Agent | |
| | |
| | een Date 3-22-06 |
| Name (Typed or Printed) ** CKe +. Tr | Date |
| \rightarrow | |
| | |

RESTORATION PLAN MUST BE SUBMITTED TO THE DIVISION IN DUPLICATE.

17.7 17.88

ROUTE SLIP FOR CORRECTION/CHANGE OF EXISTING PERMITS DATE: 8/14/06 PERMIT # 583 PERSON RECEIVING REQUEST FOR CHANGE TO HY N co: Belmont TWP: WAShington OWNER/OPERATOR: E09 Resources, Inc LEASE NAME: BOON / MACCUM WELL NO: 2-1 **CHANGES**: change in acreage/drill unit and/or_____ as drilled plat for Directional Drill ___ unit configuration only (new plat submitted: ____yes (fee required: (check number: 1190962399) correction to footage description __ change in type of tool ___ surface ____target) _____change in lease name/well number change in formation/total depth _____ change in casing program correction to x,y coordinates (____surface ___target) other (specify)_____ CORRECTION SHOULD READ: TARGET LOCATION: 1775 SL & 1120 EL of SEC. 8 X: 2,441,817 y: 686,075 CHANGES AUTHORIZED BY: (GEOLOGIST) DATE: 5-25 HAS MINES BEEN NOTIFIED OF CHANGE: (where applicable) ____ yes ____ no by:_____ DATA ENTERED INTO COMPUTER/ISSUED BY:______DATE:_____ REISSUE PERMIT: ____yes _____no ADD CORRECTION TO PERMIT LIST: ____yes _____no DATE CORRECTION NEEDED:______TO BE: _____MAILED _____FAXED ? FAX NUMBER:_____COMMENTS:____



EOG Resources, Inc. 88 Products Lane Marietta, OH 45750 Telephone (740) 373-3050 Fax (740) 373-5272

August 11, 2006

#583

Attn: Patty Nicklaus Ohio Department of Natural Resources Division of Oil and Gas 2045 Morse Road, Building H-3 Columbus, OH 43229-6693

VIA CERTIFIED MAIL

Re: Final Plat: Boan/Marcum #2-1, Belmont County, OH

Dear Patty:

Enclosed herein, please find Final Plat (1 original & 2 copies) and a check in the amount of \$50.00 for your review and further handling.

If you have any questions or need any additional information, please feel free to contact me at 740/525-5166.

Sincerely

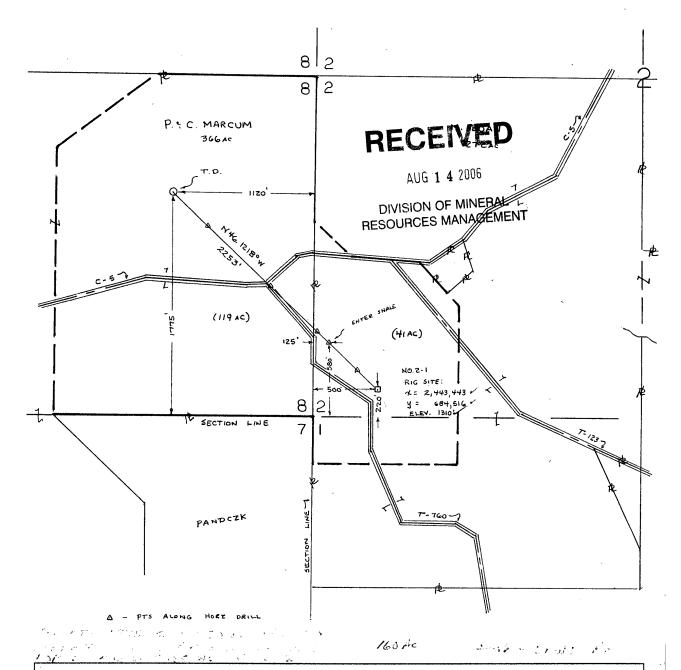
DAVE PERKINSON

Landman

RECEIVED

AUG 1 4 2006

DIVISION OF MINERAL RESOURCES MANAGEMENT

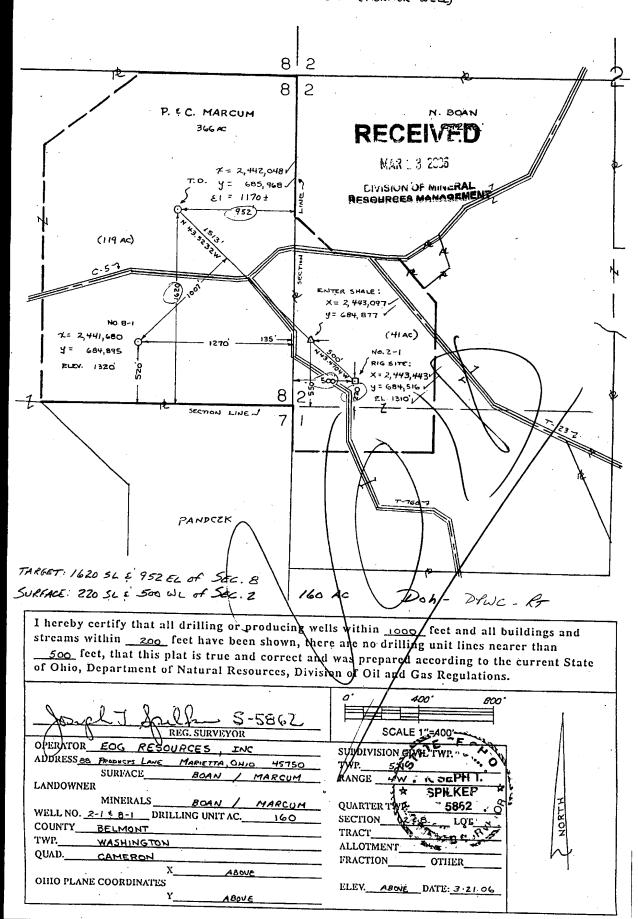


I hereby certify that all drilling or producing wells within 1000 feet and all buildings and streams within 200 feet have been shown, there are no drilling unit lines nearer than 500 feet, that this plat is true and correct and was prepared according to the current State of Ohio, Department of Natural Resources, Division of Oil and Gas Regulations.

| Joseph Jally 5-5862 | SCALE 1"=400" 600. |
|--|---|
| OPERITOR EOG RESOURCES, INC. ADDRESS 88 Products Lane Marietta, Onio 45750 SURVACE BOAN / MARCUM | SUBDIVISION CIVIL TWY. SEPH T. TWP. 5N * SPU KEP RANGE 4W 55852 |
| LANDOWNER MINERALS BOAN / MARCOM WELL NO. 2-1 DRILLING UNIT AC. 160 COUNTY BELMONT | QUARTER TWP. SECTION 2:8 LOT CONTRACT TRACT |
| TWP. WASHINGTON | ALLOTMENT |
| QUAD. CAMERON | FRACTIONOTHER |
| OIHO PLANE COORDINATES Y | //90 ± ELEV. N/A DATE: 8 8 06 |

PLAT SHOWING BOAN/MARCUM UNIT \$2-1 (HORIZONTAL WELL)

\$
MARCUM \$8-1 (MONITOR WELL)



34-013-2-0583

INTER-OFFICE COMMUNICATION

TO: Tom Tugend, Deputy Chief, Division of Mineral Resources Management

FROM: Thomas J. Hines, Division of Mineral Resources Management

DATE April 21, 2006

RE: Application #PATT9406

As the designee of the Chief, I have reviewed the attached Permit Application and find there are no affected mines in the area referred to on the attached map.

Therefore, pursuant to 1509.08 of the Ohio Revised Code, I am recommending approval of the permit application #PATT9406.

Attachment



Ohio Department of Natural Resources

BOB TAFT, GOVERNOR

SAMUEL W. SPECK, DIRECTOR

Division of Mineral Resources Management

Michael L. Sponsler • Chief 2045 Morse Road - Bldg. H-3 Columbus, Ohio 43229-6693 Telephone (614) 265-6633 Fax: (614) 265-7998

April 4, 2006

Certified Mail Return Receipt Requested No. 7000 0600 0027 4731 1909

American Energy Corporation 43521 Mayhugh Hill Road Beallsville, OHIO 43716

RE: Energy Search Inc. 88 Products Lane Marietta, Ohio Washington Township #PATT9406

Dear Sir:

Pursuant to Ohio Revised Code 1509.08, the Division of Mineral Resources Management is required immediately to notify the owner or lessee of an affected mine that an application has been filed for a permit to drill, reopen, or convert a well. Two copies of the location of the well map is included for your examination.

As owner or lessee of an affected mine, you have the right to object to the location, or any location within fifty feet of the original location, as a possible site for relocation of the well. Any such objection shall be in writing to the Chief of the Division of Mineral Resources Management and clearly identify reasons for the objection. If applicable, the letter of objection shall also include a map with indications of the particular location(s) to which you object as a site for possible relocation of the well. Objections must be sent to the Chief within six (6) days following the receipt of this notice. If no objections are received within ten (10) days of receipt of this notice or if objections are unfounded, the Chief shall notify you of his findings and decision.

As either lessee or owner of the affected mine, you will have fifteen (15) days from the receipt of the Chief's findings and decision to appeal those findings and decision to the

Reclamation Commission in accordance with Section 1513.13 O.R.C.. At this hearing, you have the right to either appear on your own or be represented by counsel. You also have the right to present documents, witnesses, or other material relevant to the hearing and examine any witnesses, documents, or other materials used by the Chief in his decision.

If no objection is filed with the Reclamation Commission within fifteen (15) days after the receipt of the Chief's findings and decision, the Chief will approve the application to drill, reopen, plug or abandon and return the application and copy to the Chief of the Division of Mineral Resources Management.

Your prompt attention to this matter will be greatly appreciated.

Sincerely,

Thomas J. Hines, Manager

Permitting, Hydrology & Bonding

attachments



Ohio Department of Natural Resources

BOB TAFT, GOVERNOR

SAMUEL W. SPECK, DIRECTOR

Division of Mineral Resources Management

Michael L. Sponsler • Chief 2045 Morse Road - Bldg. H-3 Columbus, Ohio 43229-6693 Telephone (614) 265-6633 Fax: (614) 265-7998

April 4, 2006

Certified Mail
Return Receipt Requested
No. 7000 0600 0027 4731 1855

Attn: David Bartsch Ohio Valley Coal Company 56854 Pleasant Ridge Road Alledonia, Ohio43902

RE: Energy Search Inc. 88 Products Lane Marietta, Ohio Washington Township #PATT9406

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As owner or lessee of an affected mine, you have the right to object to the location, or any location within fifty feet of the original location, as a possible site for relocation of the well. Any such objection shall be in writing to the Chief of the Division of Mineral Resources Management and clearly identify reasons for the objection. If applicable, the letter of objection shall also include a map with indications of the particular location(s) to which you object as a site for possible relocation of the well. Objections must be sent to the Chief within six (6) days following the receipt of this notice. If no objections are received within ten (10) days of receipt of this notice or if objections are unfounded, the Chief shall notify you of his findings and decision.

As either lessee or owner of the affected mine, you will have fifteen (15) days from the receipt of the Chief's findings

and decision to appeal those findings and decision to the Reclamation Commission in accordance with Section 1513.13 O.R.C.. At this hearing, you have the right to either appear on your own or be represented by counsel. You also have the right to present documents, witnesses, or other material relevant to the hearing and examine any witnesses, documents, or other materials used by the Chief in his decision.

If no objection is filed with the Reclamation Commission within fifteen (15) days after the receipt of the Chief's findings and decision, the Chief will approve the application to drill, reopen, plug or abandon and return the application and copy to the Chief of the Division of Mineral Resources Management.

Your prompt attention to this matter will be greatly appreciated.

Sincerely,

Thomas J. Hines, Manager

Permitting, Hydrology & Bonding

attachments



WELL COMPLETION RECORD (Form 8)

| | | | | | | AUG 18 | 2006 |
|--|---|-----------------------|-----------|--|-----------------|-----------------------|--------------|
| | , | WELL COMPLE | TION RE | CORD (Form 8) | L | | _ 4 |
| Dhio Department of Natur Division of Mineral Resou 1945 Morse Road, Bldg. H Telephone: 614-265-6633 | irces Management I-3, Columbus, OH 4 | | permit ha | rt is due in duplicate 30 is expired and the well ide, and return to our o | was not drilled | , check the box be | low, sign on |
| 1. Owner #: 3793 | Fax: 614-265-79 | 198 | 3. API # | 4. 34-013-2-0583 | | | |
| 2. Owner name, address | s and telephone nu | mbers. | | of Permit: New We | i | | |
| o mor namo, adaros. | and totophono na | | • | ty: Belmont | | | |
| | | | L | Township: Washingt | on | | |
| | | | | age 500'FWL & 20 | | | |
| | | | 7. 1.00% | ige DOOF WL & 20 | or SL | | • |
| nergy Search, Inc. 88 Pro . Type of Well Oil & G | | ta, OH 45750 | - | | | | |
| | | 4548 | 24 Data | | FINANCE | | |
| 9. X surf 2443443 | Y: surf: 68- | +0 10 | | drilling commenced: | | | |
| 0. Quad: | 40.1-4 | | | drilling completed: | b///2006 | | |
| 1. Section: 8 | 12. Lot: | | | put into production. | | | |
| 3. Fraction: | 14. Qtr.Twp. | | | plugged if dry: | | | |
| 5. Tract: | | | | ucing formation: Ma | | | |
| 5. Allot | | | | | rcellus Shale | | |
| 7. Weli #: #2-1 | | | | er's total depth: 7803 | | | |
| Boan Boan Boan | /Marcum Unit | | 28. Logg | jer's total depth: Schl | umberger Lo | g TD 5330ft | |
| 9 PTD | 20. Drilling Unit: | | 29. Lost | hole at fee | et. | | |
| 0. Type of tools: | Air Rotary | | _ | of completion: Open Hole | 32. Elev | vation: und Level1 | 310 |
| Fluid Rotary | ✓ Air/Fluid Rotary | | _ | Through Casing | | ick Floor13 | |
| Cable/Air Rotary | Service Rig | | | Slotted Liner | | Bushing13 | I |
| Cable/Fluid Rotary | Cable/Air Rotan | /Fluid Rotary | | Socied Eller | 11011 | , Dasimingic | 720 |
| 3 Perforated intervals a | | | 7409-758 | IGM/D: Stane 2: 22sh | nts 7080-726 | OMD: | |
| | Stage 3 22shots 6 | | | | 313 7000-720 | OIVID, | |
| Method of shot, acid, | | | | | dum (Frac F | rocedure) | |
| HOT: A | CID: | FLUID. | | SAND: | PRESS | URES (psi): | |
| | als7000 | | _ | Lbs622,000 | Break | down | _ |
| | ype:HCl | | | Sx | | | _ |
| ype: P | ercent:7.5 | | | | | | _ |
| | | N2: | MSCF | | | SIP | - |
| - Manual Entrado | | | Dathala | -1 | Avg. R | ate | BPM |
| 5. Mouse hole plugged: | | □ NA | Yes | plugged: | | □ NA | |
| 3 Amount of initial prod | Sacks | (MCF.) | res | (Bbls.) | Sacks (Bbls | | |
| • | s of gas & oil | (MCI'.) Gas | | Oil | Brine _ | ., | |
| | till testing | | s 750 | Oil | Brine | | |
| | umber of Tanks | | | e Capacity of all Tan | | | |
| Casing and tubing red | | dicate which is used | | | | | |
| Туре | Size | Feet Used in Drilling | • | mount of Cement or Mu | ıd Fe | et Left in Well | |
| anductor/Drive Pine: | 30" | 17' | | Sudo Crout | | | |
| onductor/Drive Pipe: | | 17' | | 6yds. Grout | | 17' | - |
| | 20" | 78' | | 35sks Sak | | 78' | |
| urface: | 13 3/8" | 735' | | 550sks (& 25Bbl | s grout) | 735' | _ |
| termediate: | 9 5/8" | 2396' | | 372 sks | | 2396' | _ |
| oduction: | 5 1/2" | 7775' MD | | 775 sks | | 7775' MD | _ |
| ıbıng: | 2 7/8" | | | | | 5251' | - |
| omments. | | | | | | | - |
| | noton Heles Dell's | / (ID)) Bi- 454 | | | | · | = |
| Name of drilling contri Type of electrical and It loss must be submitted. | d/or radioactivity log | | y, Neutro | n, Density, caliper, L | aterolog, MV | VD | |
| all logs must be submitte | | - 000 | | | | | |
|). Name of logging com | pany: Schlumberge | er, DDC | | | | | |
| IVISION USE ONLY: | 7.NI | /-II OI- | PWC | | | | 1 |
| • | 7N V 7N | Vell Class: | | A/C | l. | | |

Shows of oil, gas, fresh water, or brine; TOP BASE FORMATION REMARKS indicate depth or interval Freshwater Strata Glacial Deposits Coal Seams 1st Cow Run Buell Run 2nd Cow Run Salt Sand Maxton Sand Keener Sand Big Injun Sand 1968 Squaw Sand Mississippian Shale Weir Sand Berea Sand 2130 2148 2330 2333 Bedford Shale

| 2nd Berea | | | | |
|---------------------------------|--|-------------|------------------------------|--|
| Ohio Shale | 2333 | 7803MD | | |
| Gantz | | , 000 | | |
| Thirty Foot | 1 | | | |
| Gordon | | | | |
| Cinnamon | 1 | | | |
| Big Lime | | | | |
| Olg Lillo | | | | |
| Sylvania | | | | |
| Oriskany | 1 | | | |
| Bass Island | | | | |
| Salina | | | | |
| Salt Section | | | | |
| Newburg | | | | |
| | | | | |
| Lockport | - | | | |
| 1 241 - 14 | | | | |
| Little Lime | | | | |
| Packer Shell | | | | |
| Stray Clinton | | | | |
| Red Clinton | | | | |
| White Clinton | | | | |
| Medina | | | | |
| | | | | |
| Queenston | | | | |
| Utica | | | | |
| Trenton | | | | |
| Black River | | | | |
| Gull River | | | | |
| Glenwood Shale | | | | |
| Knox Unconformity | | | | |
| Beekmantown | | | | |
| Rose Run | | | | |
| | | | | |
| Trempealeau/Copper Ridge | | | | |
| "B" Zone | | | | |
| Krysik | | | | |
| Kerbel | | | | |
| Conasauga | | | | |
| Rome | | | | |
| Mt. Simon | | | | |
| Granite Wash | - | | | |
| Middle Run | | | | |
| Granite | | | | |
| Granite | L | | | |
| I certify that the above inform | ation is true | and correct | to the best of my knowledge: | DG |
| NAME (typed or printed) k | (ent C. Stewa | art | TITLE Geologist | |
| REPRESENTINGEOG | Resources, | Inc | | |
| | | P | age 2 of 2 | ONR 5607 (Rev.4/0 |
| | | | | , |

| DATE8.15.04 | |
|---------------------|--|
| TITLE Geologist | |
| | |

Activity at Report Time: FILLING TANKS FOR FRAC 3 AND 4

PROCEDURE

| Activity at Report Time: FILLING TANKS FOR FRAC 3 AND 4 | | | | |
|---|-------|---|--|--|
| Start | End | Hrs Activity Description | | |
| 06 00 | 11:00 | 5.0 RU BJ SERVICES TO FRAC | | |
| 11 00 | 11:30 | 0.5 TEST LINES TO 5K PSIG | | |
| 11 30 | 16:00 | 4.5 FRAC FIRST STAGE, 6 HOLES 7589.35, 4 HOLES 7545.11, 4 HOLES 7500.08, 4 HOLES 7455.08, 4 HOLES 7409.94. FRAC AS FOLLOWS PUMP 12 BBLS WTR, 24 BBLS 7 5% HICL ACID, 12 BBLS WTR W/ 10 BIOBALLS, 12 BBLS 7.5% HICL, 12 BBLS WTR W/ 10 BIOBALLS, 12 BBLS 7.5% HICL AND FLUSH TO PERFS W/ WTR. 500 PSI INC FROM BIOBALLS, SD, ISIP—2800 PSIG, FG—0.91, RESUME PUMPING AND PUMP 1430 BBLS WTR TO EST ACCEPTABLE RATE AND PRESSURE, FRAC W/TOTAL OF 2707 BBLS WTR AND 152,282 # 100 MESH SAND. FINAL ISIP—2350, FG—0.84, AVG RATE—32.1BPM, MAX RATE—32.6, AVG PSI—4401, MAX PSI—5359—TOTAL FLUID PUMPFD—4962 BBLS | | |
| 16:00 | 18:00 | 2.0 SECOND STAGE SET-UPRU BASIC WL AND RIH W/ HALLIBURTON &K COMPOSITE FRAC PLUG AND FIVE 3 3/8 PERF GUNS, SET PLUG @ 7,335', PU, POSITION AND PERF 5 - L2" CSG @ 7260' W/6 SHTS, 7215' W/4 SHTS, 7170' W/4 SHTS, 7125' W/4 SHTS AND 7080' W/4 SHTS. POOH, PLUG SFT AND ALL GUNS FIRED. LAY LUB OFF TO SIDE | | |
| | | WTR USED IN PUMPDOWN156 BBLS | | |
| | | WTR USED TO DATE5118 BBLS | | |
| 18:00 | 22;00 | 4.0 SECOND STAGE TREATMENT—OPEN WH, WELL PSI—1726, DROP 2.1/4 " FRAC BALL AND PUMP 2000 GAL 7.5% ACID IN THREE STAGES W/ TWO 12 BBL WTR SPACERS W/ 10 BIOBALLS IN EACH SPACER. FLUSH ACID AND BALLS TO PERFS, 1200 PSI INC FROM FRAC BALL AND 300 PSI INC FROM BIOBALLS. SD, ISIP—2450, FG 0.85, RESUME PUMPING AND FRAC W/ 3,914 BBLS WTR AND 151,410 # 100 MESH SAND, FINAL ISIP—2320, FG 0.83, AVG RATE—29.6 BPM, MAX RATE—31.8 BPM, AVG PSI -3751, MAX PSI5400 | | |
| | | TOTAL FLUID PUMPED4171 BBLS | | |
| | | TOTAL FLUID PUMPED TO DATE——9289 BBLS | | |
| 22:00 | 00:30 | 2.5 THIRD STAGE SFT-UPRU BASIC WL AND RIH W/HALLIBURTON 8K COMPOSITE FRAC PLUG AND FIVI 3 3/8 PERF GUNS SET PLUG @ 7005, PU, POSITION AND PERF 5 -1/2" CSG @ 6930' W/6 SHTS, 6885' W/ 4 SHTS, 6840' W/ 4 SHTS, 6795' W/ 4 SHTS AND 6756' W/ 4 SHTS POOH, PLUG SET AND ALL GUNS FIRED. LAY LUB OFF TO SIDE. | | |
| | | WTR USFD IN PUMPDOWN132 BBLS | | |
| 09 45 | 13:15 | WTR USED TO DATE9421 BBLS 3.5 THIRD STAGE TREATMENT OPEN WH, WELL PSI1800, DROP 2 1/4 FRAC BALL AND PUMP 2000 GAL 7.5% ACID IN THREE STAGES WITWO 12 BBL WTR SPACERS WITO BIOBALLS IN EACH SPACER. FLUSH ACID AND BALLS TO PERFS, 2100 PSI INC FROM FRAC BALL AND 300 PSI INC FROM BIOBALLS. SD, ISIP2450, FG0.85, RESUME PUMPING AND FRAC WITH 4103 BBLS WTR AND 151,039 # 100 MESH SAND, FINAL ISIP2230 FG0.82 AVG RATE -27.4 BPM, MAX RATE31.0 BPM, AVG PSI3974, MAX PSI5400 | | |
| | | TOTAL FLUID PUMPED4103 BBLS | | |
| 13 15 | 15:15 | TOTAL FLUID PUMPED TO DATE——13524 BBLS 2.0 FOURTH STAGE SET—UP—— RU BASIC WL AND RIH W/ HALLIBURTON 8K COMPOSITE FRAC PLUG AND FIVE 3 3/8 PERF GUNS. SET PLUG @ 6675 PU, POSITION AND PERF 5—1/2" CSG @ 6600' W/6 SHTS, 6555' W/4 SHTS, 6510' W/ 4 SHTS, 6465' W/ 4 SHTS AND 6420' W/ 4 SHTS. POOH, PLUG SET AND ALL GUNS FIRED. LAY LUB OFF TO SIDE. | | |
| | | WTR USED IN PUMPDOWN74 BBLS | | |
| | | WTR USED TO DATE 13598 BBLS | | |
| 15:15 | 19:30 | 4.25 FOURTH STAGE TREATMENTOPEN WH, WELL PSI—1903, DROP 2 1/4 " FRAC BALL AND PUMP 2000 GAI 7.5% ACID IN THREE STAGES W/ TWO 12 BBL WTR SPACERS W/ 10 BIOBALLS IN EACH SPACER. FLUSH ACID AND BALLS TO PERFS, 2000 PSI INC FROM FRAC BALL AND 400 PSI INC FROM BIOBALLS. SD, ISIP—2455 FG—0.85 RESUME PUMPING AND FRAC W/ 5578 BBLS WTR AND 180,000 # 100 MESH SAND, FINAL ISIP—2300, FG —0.83 AVG RATE—27.0 BPM, MAX RATE—27.4 BPM, AVG PSI—3994 MAX PSI—5400 | | |
| | | TOTAL FLUID PUMPED 5578 BBLS | | |
| | | TOTAL FLUID PUMPED TO DATE19176 BBLS | | |
| 19:30 | 21:30 | 2.0 RU BASIC WE AND RIH W/ HALLIBURTON COMPOSITE BRIDGE PLUG SET PLUG @ 5505, POOH AND RD BASIC WE, SECURE WELL FOR NIGHT, TOTAL FLUID PUMPED 19,300 BBLS TOTAL SAND 622000 | | |



EOG Resources, Inc. 88 Products Laire Manetta, OH 45750 Telephone (740) 373-3050 Fax (740) 373-5272

August 16, 2006

Mr. Steve Opritza, Geologist Technical Review Section Ohio Dept. of Natural Resources Division of Oil and Gas 1855 Fountain Square Dr., Ct. H-3, Columbus, Ohio 43224

Please find enclosed the following: Logs and Completion Report for the Boan/Marcum #2-1 well in Belmont County/Washington Twp. - API# 34-013-2-0583-00-00

Please feel free to contact our office if you have any questions or need additional information. You can contact me @ 740-373-3050 ext.1008

Sincerely,

EOG Resources, Inc.

Kent C. Stewart

Geologist