MAR 23 2005

Mr. Bill Potter  
President  
Performance Coal Company  
P. O. Box 69  
Naoma, WV  25140

Dear Mr. Potter:

Subject: Approved Gas Well Permit, Section 75.1700, 30 CFR 75, Upper Big Branch Mine-South, I.D. No. 46-08436, Performance Coal Company, Montcoal, Raleigh County, West Virginia, Permit No. 17325-T4

This will acknowledge receipt and approval of the subject permit for extracting coal and the request to mine through gas well No. POC 2A located on the subject mine property.

The permit is based upon an evaluation of the projected mine plan as shown on Form OG-45 dated February 21, 2005, which shows the well being plugged in accordance with the approved 101(c) Petition of Modification and is issued in accordance with provisions of Section 75.1700, 30 CFR.

Should you have any questions concerning this matter, please contact William L. Ross at (304) 877-3900/Ext. 142.

Sincerely,

/S/ JESSE P. COLE

Jesse P. Cole  
District Manager  
Coal Mine Safety and Health, District 4

cc: Mt. Hope Field Office  
Files/dac
MAR 23 2005

Mr. Bill Potter  
President  
Performance Coal Company  
P. O. Box 69  
Naoma, WV. 25140  

Dear Mr. Potter:

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Upper Big Branch Mine-South, I.D. No. 46-08436,  
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at (304) 877-3900/Ext. 142.

Sincerely,

Jesse P. Cole  
District Manager  
Coal Mine Safety and Health, District 4
STATE OF WEST VIRGINIA
OFFICE OF MINERS' HEALTH, SAFETY & TRAINING
1615 WASHINGTON ST. EAST
CHARLESTON, WV 25311-2126

PERMIT NUMBER: BOO-849
DATE: 03/08/2005

PERMIT
TO EXTEND MINE WORKINGS
WITHIN THE 200 FOOT RADIUS OF OIL OR GAS WELLS

COMPANY: PERFORMANCE COAL CO.  MINE PERMIT NUMBER: U00304292
MINE: UBBMC MONTCOAL EAGLE
SEAM: EAGLE
DISTRICT: CROOK
COUNTY: RALEIGH
ADDRESS: P O BOX 69
CITY: NAOMA
STATE: WV, ZIP: 25140

PERMISSION IS HEREBY GIVEN:

TO MINE INTO AND THROUGH THE NORTH RIVER ENERGY CORP.'S PLUGGED GAS WELL NO. POC 2A LOCATED ON THE WESTERN POCAHONTAS PROPERTIES LIMITED PARTNERSHIP FARM IN THE CROOK DISTRICT OF BOONE COUNTY AS SHOWN ON THE APPROVED ATTACHED MAP.

CONTINGENT UPON THE FOLLOWING:

1. MINING IS TO PERFORMED STRICTLY IN ACCORDANCE WITH THE MAP APPROVED BY THE DIVISION OF MINES HEALTH, SAFETY AND TRAINING HERETO.
2. A COPY OF THE PERMIT SHALL BE KEPT AT THE MINE.
3. THE PERMIT IS VOID UPON INSPECTOR’S RECOMMENDATION.
4. THE PERMIT IS NON-TRANSFERABLE.

WELL OPERATOR: NORTH RIVER ENERGY CORP.
WELL OPERATOR WELL NUMBER: P O C 2A
MINE OPERATOR WELL NUMBER: P O C 2A

BY:

[Signature]
DIRECTOR - WV MINERS' HEALTH,
SAFETY AND TRAINING

[Signature]
ADMINISTRATOR - WV MINERS' HEALTH,
SAFETY AND TRAINING

CCS:
NORTH RIVER ENERGY CORP.
REGION: 4
M.S.H.A. DISTRICT OFFICE
H.S. & T. FILE
COAL OPERATOR'S PLAN TO OPERATE
WITHIN 200 FEET OR TO MINE THROUGH A WELL

COAL OPERATOR: Performance Coal Company
Address: P.O. Box 99, Naoma, WV, 25140

ELEVATIONS:
- Surface: 1886.55
- Bottom of Coal: 1101.0
- Difierence: 785.55

MINE: Upper Big Branch, Section: Longwall #19
OVERBURDEN: SSISH
COAL SEAM: Eagle

ROOF: Shale
BOTTOM: Shale

WELL TYPE: Oil / Gas X / Liquid injection / Waste Disposal
(If "Gas", Production / Underground storage / Deep / Shallow X)

LOCATION:
- Elevation: 1886.55
- Watershed: James Creek of West Fork of Little Coal River
- District: Crook County: Boone
- Quadrangle: Whitesville
- Farm: Western Pocahontas
- Tract: 2357
- Acres (Lease No.: 20)

STATUS: Active X / Abandoned / Drilling
Date completed or abandoned: November 7, 1997

Date: February 21, 2006
STATE OF WEST VIRGINIA

DEPARTMENT OF ENERGY, DIVISION OF MINES AND MINERALS

COAL OPERATOR'S PETITION TO OPERATE
WITHIN 200 FEET OR TO MINE THROUGH A WELL

WELL TYPE: Oil X / Gas X / Liquid Injection / Waste Disposal / Underground storage / Deep / Shallow

LOCATION: Elevation: 1896.55 / Watershed: James Creek of West Fork of Little Coal River
District: Crook / County: Boone Quadrangle: Whitenvilla

WELL OPERATOR: North River Energy Corp / DESIGNATED AGENT: Tim Comer
Address: P.O. Box 1867 / Address: P.O. Box 1867
Charleston, WV 25327 / Charleston, WV 25327

The undersigned coal operator hereby petitions for leave to do the following:
X Mine within 200 feet of said well.
X Mine through said well when the same is properly plugged.

On the reverse side hereof is a copy of the map and plan of the undersigned coal operator showing its projected mine workings within 500 feet of said well.

The undersigned coal operator hereby represents that it will file updated or new maps and plans with the Department every six months, until mining within 500 feet of the well has ceased or until the well has been mined through.

Prior to the actual mining through of said well, the undersigned coal operator will submit the Form WR-13, “Well Operator’s Report of Drilling, Fracturing and/or Stimulation of Physical Changes” and the Form WR-18, “Affidavit of Plugging and Filling Well”, to show that the well has been properly plugged in a manner to permit the safe mining through of the well.

Copies of this petition and enclosed maps and plans have been sent by registered mail to the well operator, as required by Code 25A-2-75.

Performance Coal Company
Coal Operator
By
It's Mining Engineer

STATE OF West Virginia,
COUNTY OF Raleigh, TO WIT:

George T. Levo, being first duly sworn, deposes and says that
he is Mining Engineer of the coal operator named above, that he is familiar
with the facts set out both in the petition and on the accompanying maps and plans; and that
the same are true.

Subscribed and sworn to before me this February 21, 2005.


Notary Public
STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
SECTION OF OIL AND GAS

AFFIDAVIT OF PLUGGING AND FILLING WELL

AFFIDAVIT SHOULD BE IN TRIPlicate, one copy mailed to the Division, one copy to be retained by the Well Operator and the third copy (and extra copies if required) should be mailed to each Coal Operator at their respective addresses.

Farm name: WESTERN POCAHONTAS CORP. Operator Well No.: EUNICE 2-A

LOCATION:
- Elevation: 1,852.00
- Quadrangle: WHITESVILLE
- County: BOONE
- District: Creek
- Latitude: 700 Feet South of 37 Deg. 26 Min. 0 Sec.
- Longitude: 7500 Feet East of 81 Deg. 32 Min. 30 Sec.

Well Type: OIL __ __ GAS __ X

Company: Easke Energy, Inc. __ __
- P. O. Box 88
- Ravenswood, WV 26164

Agent: Thomas L. Liberatore __ __

Permit Issued: 10/07/97

STATE OF WEST VIRGINIA,
County of Boone

and are being first duly sworn according to law, depose and say that they are experienced in the work of plugging and filling oil and gas wells and were employed by the above named well operator, and participated in the work of plugging and filling the above well. And that

Richard Campbell, Coal Operator, Bethlehem Mines Corp.
- Coal Operator
- P. O. Box 750
- Huntingdon, WV 25854

and

Michael Wilcox, Gas Inspector representing the Director, say that said work work

commenced on the 4th day of November, 1977; and that

the well was plugged and filled in the following manner:

| Solid mech bldr plug  | 3720' | Thixotropic cement  | 4-1/2" |
| 6" Grd | 2737' | 2085' | 9-5/8" |
| 6" Grd | 2737' | 1985' | 7" |
| Class A Cement | 1985' | 1050' | - |
| 6" Grd | 1050' | 650' | - |

and that the work of plugging and filling said well was completed on the 17th day of November, 1977.

And further deponents saith not.

Sworn and subscribed before me this 23rd day of November, 1977.

My commission expires: March 17, 2001

Notary Public:

Oil and Gas Inspector:
PLUGGING 005-1383

EUNICE 2-A (PRODUCING WELL)

BY T. COOPER

DATE 5/8/05

EAGLE 873-850

7 7/8" Bottom 9 5/8" GTS
7 7/8" 16.8# SLUG
16 1/2" 10.4# LAZER
FEEFLOCATE 1 SHOT 110' 1440-2400
2012 CIPGC 1050

2012 BOTTOM OF 7" (GTS)
2122 - 2422
2800 - 2800
CUT 7" @ 2800'
2800, TOP OF 6" FEE FLOCATE

PUMP Z 2 1/4 CARB. SEAD ON GEA
SET G.E.P. @ 3320' F

2810 - 2430
350' Bottom of 4 1/4"
13500 T.I.D.
March 26, 1998

Tim Greene
Division of Environmental Protection
#10 McJunkin Road
Nitro, WV 25143-2506

Dear Tim,

Please find enclosed plugging affidavits for the following wells:

<table>
<thead>
<tr>
<th>Well Name</th>
<th>Number</th>
<th>API</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eunice</td>
<td>8A</td>
<td>5-01436-P</td>
</tr>
<tr>
<td>Eunice</td>
<td>7A</td>
<td>5-01522-P</td>
</tr>
<tr>
<td>Eunice</td>
<td>3A</td>
<td>5-01420-P</td>
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<tr>
<td>Eunice</td>
<td>2A</td>
<td>5-01383-P</td>
</tr>
<tr>
<td>*Eunice</td>
<td>2AA</td>
<td>5-01383-P</td>
</tr>
</tbody>
</table>

*Eunice 2AA was the original Eunice 2A which was plugged on 09/21/82, after casing was lost in the 6 3/4 hole. The drilling rig was skidded and a new hole was drilled. The original "2AA" was re-plugged to 1135' to satisfy coal operator who had purchased the well.

Please call me at our Ravenswood Office with any questions.

Sincerely,

[Signature]

Jon Ullom
Drilling Supervisor

cc: Richard Campbell

Enclosures

JAU/phil
New River Energy Corporation

TO:       Mike Milam
FROM:     Tim Comer
DATE:     February 25, 2003
SUBJECT:  WELL 047-006-01383 (Eunice #2 – Peake)

Per our earlier discussion today, this is the wellsite with two wellbores. During drilling, Peake lost a string of 4 1/2” downhole, plugged back, skidded the drill rig over and drilled a new well.

I plugged these on Peake’s permit in 1997, using Arrow Well Services. Both bores were plugged to 101-C specs. The “abandoned” well was the one furthest downstream, and the “producing” well was upstream.

I am enclosing copies of my design sketches and the deviation surveys for both bores, and the WR-38 for the “producing” well. I think that, because Peake was the permittee, no WR-38 was filed for the “abandoned” well. However, Mike Wine, who supervised the work for Arrow and signed the WR-38, now manages GasSearch’s service rigs and does work for us.

The “abandoned” well was plugged as shown on the design sketch. If you need any further documentation (i.e., a WR-38 for the other bore), give me a call.

Cc:       Allen Pettey
DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC.

Perforated Well 3410-19 (21 holes) and 3427-30 (12 holes).

Fractured using 13,000 ft 80/100 sand and 45,000 ft 20/50 sand; 1,000 gal. 15% acid; 50 gal. 7-73; 850 ft J-26; 44 ft J-218. Breakdown pressure 2100#, average treating pressure 500#, instant shut in pressure 200#, hydraulic horsepower 307, average rate 25 BPM. Used 3½# of sand per gallon.

**WELL LOG**

<table>
<thead>
<tr>
<th>FORMATION</th>
<th>COLOR HARD OR SOFT</th>
<th>TOP FEET</th>
<th>BOTTOM FEET</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sandstone &amp; Shale</td>
<td></td>
<td>0</td>
<td>691</td>
<td>Hole wet at 2600'</td>
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<tr>
<td>Open mine and broken formation</td>
<td></td>
<td>493</td>
<td>713</td>
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<tr>
<td>Shale sand</td>
<td></td>
<td>713</td>
<td>800</td>
<td></td>
</tr>
<tr>
<td>Sandy shale</td>
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</tr>
<tr>
<td>Sand</td>
<td></td>
<td>2603</td>
<td>2436</td>
<td></td>
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<tr>
<td>Sand &amp; shale</td>
<td></td>
<td>2436</td>
<td>2469</td>
<td></td>
</tr>
<tr>
<td>Sand</td>
<td></td>
<td>2469</td>
<td>2530</td>
<td></td>
</tr>
<tr>
<td>Sand &amp; shale</td>
<td></td>
<td>2530</td>
<td>2636</td>
<td></td>
</tr>
<tr>
<td>Sand</td>
<td></td>
<td>2636</td>
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<td>Shale</td>
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<td>Big Lime</td>
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<td>2921</td>
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<td>Wait</td>
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<td>3409</td>
<td>Gas checks:</td>
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<td>Sand &amp; shale</td>
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<td>3409</td>
<td>3438</td>
<td>2905 N/S</td>
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<td>3438</td>
<td>3364 24 MCFD</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>T. D.</td>
<td>3489 33 MCFD</td>
</tr>
</tbody>
</table>

**DTD** 3760
**LTD** 3350

(Attach separate sheets as necessary)

**Peake Operating Company**

**11 Operator**

By: [Signature]

Date: Jan 24, 1983

**Note:** Regulation 2.02(i) provides as follows: "The term 'log' or 'well log' shall mean a systematic detailed geological record of all formations, including oil, encountered in the drilling of a well."
**State of West Virginia**

**DEPT. OF MINES**

**Oil & Gas Division**

**WELL OPERATOR'S REPORT OF DRILLING, FRACTURING AND/OR STIMULATING, OR PHYSICAL CHANGE**

**WELL TYPE:** Oil / Gas / Liquid Injection / Waste Disposal / (If "Gas," Production x / Underground Storage / Deep / Shallow X/)

**LOCATION:** Elevation: 1852' Watershed: James Creek of New York

**Company:** Paake Operating Company

**Address:** Suite 423 Charleston National Plaza

**Designated Agent:** Floyd B. Wilcox

**Address:** Suite 423 Charleston National Plaza

**Surface Owner:** Western Pocahontas Corporation

**Address:** P.O. Box 2827, Huntington, W.V. 25727

**Mineral Rights Owner:** Western Pocahontas Corp.

**Address:** P.O. Box 2827, Huntington, W.V. 25727

**OIL AND GAS INSPECTOR FOR THIS WORK:** Arthur St. Clair

**Address:** Brenton, W. Va.

**Permit Issued:** April 10, 1983

**Drilling Commenced:** September 25, 1982

**Drilling Completed:** October 11, 1982

**If applicable:** Plugging of Dry Hole on Continuous Progression from Drilling or Reworking. Verbal permission obtained on.

**Geological Target Formation:** Unit

**Depth of completed well:** 2560 feet

**Rotary X:** / Cable Tools

**Water strata depth:** Fresh feet; Salt feet

**Coal seam depth:**

**Is coal being mined in the area?** No

**Open Flow Data**

**Producing formation:** Unit

**Pay zone depth:** 3410-19 feet

**Gas:** Initial open flow **11** Mcf/d

**Final open flow:** 1,750 Mcf/d

**Time of open flow between initial and final tests:** 3.5 hours

**Static rock pressure:** 800 psig (surface measurement) after hours shut in

**Oil:** Initial open flow **Bbl/d**

**Final open flow:** **Bbl/d**

**Time of open flow between initial and final tests:** hours

**Second producing formation**

**Pay zone depth:** feet

**Gas:** Initial open flow **Mcf/d**

**Final open flow:** **Mcf/d**

**Time of open flow between initial and final tests:** hours

**Static rock pressure:** psig (surface measurement) after hours shut in