

**APPLICATION CHECKLIST**

Portage County, Windham Twp.

Soinski: #1, Permit #

SWIW # 37

	Date	Initials
Enter on Agenda	4/2/12	AA
Completeness Review	6/13/12	AA
Date - Time Stamp	4-2-12	AA
Area of Review	6/13/12	AA
Site Evaluation	4-9-12	AA
Permitting Section		
Memo to Inspector	7-25-12	AA
Public Notice	08-01-12	720
Letter	08-01-12	
Date Run		
15 Days		
Review Public Notice		
Affidavit of Notification		
Objections Received	Yes _____ No _____	
Public Hearing Date		
Chief's Order, if Required		
Schematic	6/13/12	AA
Plot on Map	6/28/12	AA
Review by Geologist		
Permit Conditions (Same date as permit)		
Enter on Computer (Same or later date than Chief's Order)		
Enter on Master List	6-13-12	AA
EPA Form	7/6/12	AA
Mail Permit		
Update Agenda		
File		

**RECORD OF CONVERSATION**

- ~~no comment made to focus 1 & 203 to match~~

~~100% program shown on back of 203~~

- ~~Needs surface facility sketch~~

- Received 8-1-12

# DAILY ROUTE SLIP

Windham

APPLICATION NO. aAMY0000908 TYPE: Salt Water Injection Well

CONAME HARD ROCK DRILLING & PR API

WELL NAME /NO. SOINSKI 1

COUNTY 133 PORTAGE

INITIALS

DATE

DATE APPLICATION REC'D

AM

4/2/2012

PERMIT FEE AND CHECK NO.

\$1,000.00

1158

RUSH AMOUNT RUSH CHECK NO.

\$0.00

0

APPLICATION ENTERED

AM

4/2/2012

APPLICATIONS AND PLATS SENT FOR MINE APPROVAL

COAL APPROVAL RECEIVED

OIL/GAS AFFIDAVIT REC'D

URBANIZED AREA NOTIFICATION SENT

URBANIZED AREA NOTIFICATION SENT TO INSPECTOR/REC'D BACK

URBAN MAP REVIEW

SAMPLES: YES \_\_\_ /SPECIAL AREAS

GEOLOGIST APPROVAL

DATA ENTRY /ISSUED

PERMIT: TAKEN \_\_\_ MAILED \_\_\_

FAX TO: \_\_\_\_\_

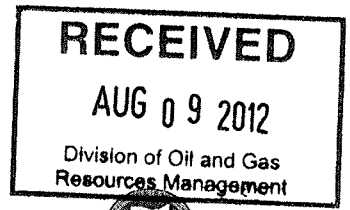
FINAL MAP CHECK

COMMENTS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# Proof Sheet

APPL NUMBER	aAMY0000908	URBANIZED AREA ? <input type="checkbox"/>
OWNER NUMBER	8837	NAME <span style="border: 1px solid black; display: inline-block; width: 300px; height: 15px;"></span>
OWNER NAME	HARD ROCK DRILLING & PROD LLC	
EXISTING WELL	0	
API PERMIT NO		DISPOSAL PLAN 1 <span style="border: 1px solid black; padding: 2px;">ND</span>
APPL TYPE	SWIW	DISPOSAL PLAN 2 <span style="border: 1px solid black; display: inline-block; width: 20px; height: 15px;"></span>
TYPE OF WELL	SWD	DISPOSAL PLAN 3 <span style="border: 1px solid black; display: inline-block; width: 20px; height: 15px;"></span>
VARIANCE REQUEST		DISPOSAL PLAN 4 <span style="border: 1px solid black; display: inline-block; width: 20px; height: 15px;"></span>
WELL NAME	SOINSKI #1 SWIW #77	DISPOSAL PLAN 5 <span style="border: 1px solid black; display: inline-block; width: 20px; height: 15px;"></span>
WELL NUMBER	1	MP Check # <span style="border: 1px solid black; display: inline-block; width: 150px; text-align: right;">0</span>
PREV/PROPOSED TD	4200	
DRILL UNIT ACRES	484.73	
TYPE OF TOOL	RTAF	<b>PROPOSED FORMATIONS</b>
WELL CLASS	SWIW	NEWBURG
FIRE PHONE	( ) - 911	
MEDICAL PHONE	( ) - 911	
COUNTY CODE	133	
COUNTY NAME	PORTAGE	
COAL (Y=-1/N=0)	0	
CIVIL TOWNSHIP	WINDHAM	TARG CIVIL TWP <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
SURF QUAD	GARRETTSVILLE	TARG QUAD <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
Nad 27 SURF ORIG X	2,405,632	Nad 27 TARG ORIG X <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
Nad 27 SURF ORIG Y	583,415	Nad 27 TARG ORIG Y <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
GROUND ELEVATION	925	TARG ELEV <span style="border: 1px solid black; display: inline-block; width: 100px; text-align: right;">0</span>
SURF SEC		TARG SECTION <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
SURF LOT	89	TARG LOT <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
SURF QTR TWP		TARG QTR TWP <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
SURF ALLOT		TARG ALLOT <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
SURF TRACT		TARG TRACT <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
SURF FRACTION		TARG FRACTION <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>



Ohio Department of Natural Resources  
Division of Mineral Resources Management  
2045 Morse Rd. Bldg. H-3 – Columbus OH 43229-6693



*SWIW Permit Conditions*

<b>Application Number</b>	<b>SWIW #37</b>	<b>Permit Number</b>	<b>Inspection Date</b>	08/02/12	<b>Modification Date (if applicable)</b>
<b>Company</b>	Hard Rock Drilling and Producing, LLC		<b>Lease Name/Well #</b>	Soinski #1	
<b>County</b>	Portage		<b>Township</b>	Windham	
<b>Section/Lot</b>	Lot 89		<b>Urban Area</b>	N/A	
<b>Inspected By</b>	Stephen Ochs				
<b>Accompanied By</b>	C.J. Cutter (Company) and Dale Soinski (Landowner)				

<b>Directions to Location</b>	US 422; 4.5 miles south on SR 534; 3 miles west on SR 82; access on the north side of road
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ITEM	LEASE ROAD, WELL SITE CONSTRUCTION	Comments:
1	Tree/Brush Removal/Disposition	N/A
2	Topsoil Removal/Stockpiles/Placement	N/A
3	Erosion/Sediment Control (Silt Fence, Berms)	Silt fence used where needed
4	Drainage Controls (Diversion Ditches, Culverts, Waterways, Crossings)	Existing drainage controls
5	Signage	As required by OAC 1501: 9-3-06
6	Apron/Culverts/Road Material	Existing access road
7	Pull Off Area	Well site
8	Parking	Well site
9	GPS – Access Road	41.25569 -81.02827
10	GPS – Well Stake	41.25873 -81.02443
11	GPS – Tank Battery	41.26170 -81.01926

ITEM	DRILLING CONSIDERATIONS	Comments:		
12	Noise Mitigation (Mufflers, Extra Frac Tanks, Tarps)	N/A		
13	Rig Type	Fluid and Air Rotary		
14	Is a Blow-out Preventor required?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	If No, explain:			
15	Equipment Placement/ Orientation (Rig/ Frac Tanks/ etc.)	N/A		
16	Drilling Pits (Placement/Orientation)	N/A		
17	Fencing (Pits/Entire Location)	N/A		
18	Flood Plain	Approx. 0.6 miles from Eagle Creek		
19	Mine Voids	None		
20	Verify Water Wells Within 300'	None		
21	Verify Structures Within 500'	Garage		
22	Verify Streams and Drainage	Drainage east toward Eagle Creek		

ITEM	RESTORATION	Comments:		
23	Pit Closure – (Standard/ Solidification/ Off-Site Disposal – state time frame)	Once total depth has been reached, the drilling equipment will be removed and pits will be closed within two months.		
24	Site Specific Time Frame For Restoration	All restoration will be completed within six months after drilling is commenced.		
25	Erosion/Sediment Control	Maintain until preliminary restoration is completed		
26	Drainage Control	Maintain until final restoration is completed		

ITEM	PRODUCTION	Comments:		
27	Is the Access Road Gate required?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	If No, explain:			
28	Landscaping/Screening (Wellhead, Tank Battery) (Waiver Attached if applicable)	N/A		
29	Fencing (Wellhead, Tank Battery) (Waiver Attached if applicable)	N/A		

WAIVERS	Comments:		
Is the Company required to submit a waiver?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes, submit the following waiver requests:			

Is the Company required to submit revised drawings?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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**THE FOLLOWING ITEMS HAVE BEEN CHANGED FROM THE ORIGINAL APPLICATION:**



# Ohio Department of Natural Resources

JOHN R. KASICH, GOVERNOR

JAMES ZEHRINGER, DIRECTOR

## Division of Oil and Gas Resources Management

*Richard J. Simmers, Chief*

2045 Morse Road, Bldg. F-2

Columbus, OH 43229-6693

Phone: (614) 265-6633 Fax: (614) 265-7998

August 1, 2012

**Mr. Charles J. Cutter**

Hard Rock Drilling and Production, LLC

7646 Cedar Valley Road

West Salem, Ohio 44287

**RE: Public Notification for SWIW application for Portage County, Nelson Twp. and Windham Twp., seven new wells, Hard Rock Drilling and Production, LLC, Soinski #1, #21, #31, #41, #5, #6, and #7 injection wells.**

Dear **Mr. Cutter**:

As outlined in Rule 1501: 9-3-06 (H) (1) of the Ohio Administrative Code, please consider this letter as notification from the Division for you to proceed with the public notice. Enclosed, please find a copy of the notice you will need to have run in the newspaper of general circulation in the area of the proposed injection well. **The public notice must be run for no less than five consecutive days. After running this notice in the newspaper, please send me the original proof-of-publication from the newspaper as soon as possible.**

If you have any questions regarding this matter, please feel free to contact me at (614) 265-1032.

Sincerely,

  
**Tom Tomastik**, Geologist

UIC Section

Division of Oil and Gas Resources Management

2045 Morse Road, F-2

Columbus, Ohio 43229-6693

Cc: File

## PUBLIC NOTICE

Hardrock Drilling and Production, LLC, 7646 Cedar Valley Road, West Salem, Ohio (419) 846-3850 is applying to permit seven wells for the injection of brine water produced in association with oil and natural gas. The location of the proposed injection wells are: Soinski SWD #1 and #4I wells at Lot 89; Soinski SWD #2I and #3I wells at Lot 90 in Windham Township; Soinski SWD #5, #6 and #7 at Lot 45 in Nelson Township; Portage County, Ohio. The proposed wells will inject into Newburg dolomite at a depth of 4000 to 4200 feet. The average injection is estimated to be 800 barrels per day. The maximum injection pressure is estimated to be 920 psi. Further information can be obtained by contacting Hardrock Drilling and Production, LLC or the Division of Oil and Gas Resources Management. The address of the Division is: Ohio Department of Natural Resources, Division of Oil and Gas Resources Management, 2045 Morse Road, Building F-2, Columbus, Ohio 43229-6693, (614) 265-6633. For full consideration, all comments and objections must be received by the Division, in writing, within fifteen calendar days of the last date of this published legal notice.

**INTER-OFFICE MEMO**

**TO: Steve Ochs, Mineral Resources Inspector**  
**FROM: Andrew Adgate, Geologist** AA  
**SUBJECT: Application and Site Evaluation for a SWIW permit**  
**DATE: July 25, 2012**

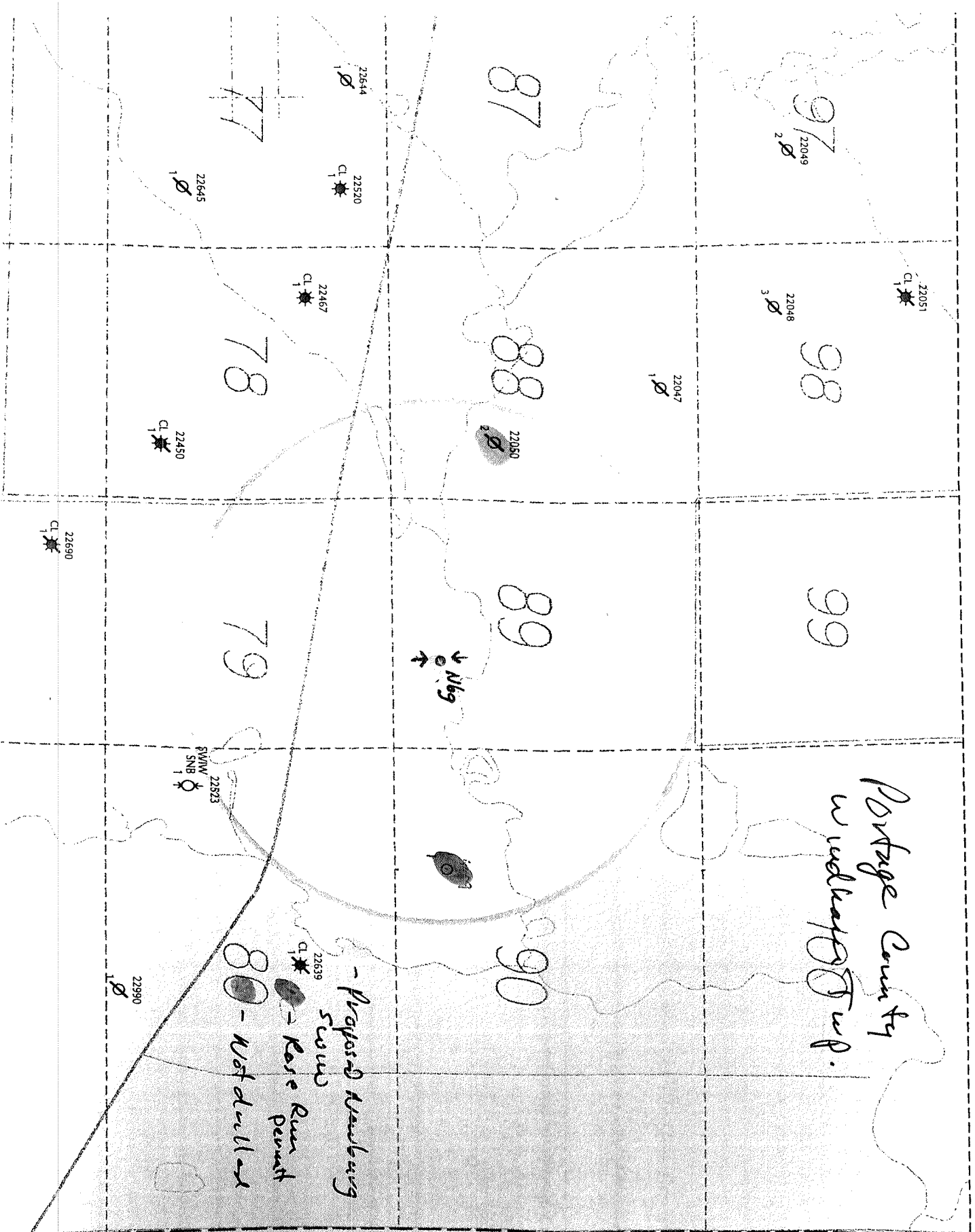
The Division of Oil and Gas Resources Management has received an application for the proposed saltwater injection well as described below:

**OPERATOR:** Hard Rock Drilling and Producing, LLC.  
**WELL NAME & NUMBER:** Soinski #1  
**PERMIT NUMBER:** Drill new well, SWIW #37  
**LOCATION:** 460' SL & 937' EL of Lot 89, Windham Twp., Portage County  
**PROPOSED INJECTION ZONE:** Newburg Dolomite  
**DATE RECEIVED:** April 2, 2012

Please inspect proposed site and evaluate for any potential water wells or surface bodies of water within close proximity that would require any additional permit conditions for the construction of the SWIW surface facilities. Please e-mail me a copy of the site inspection report with any recommendations.



Portage County  
w/ waterway Dept.

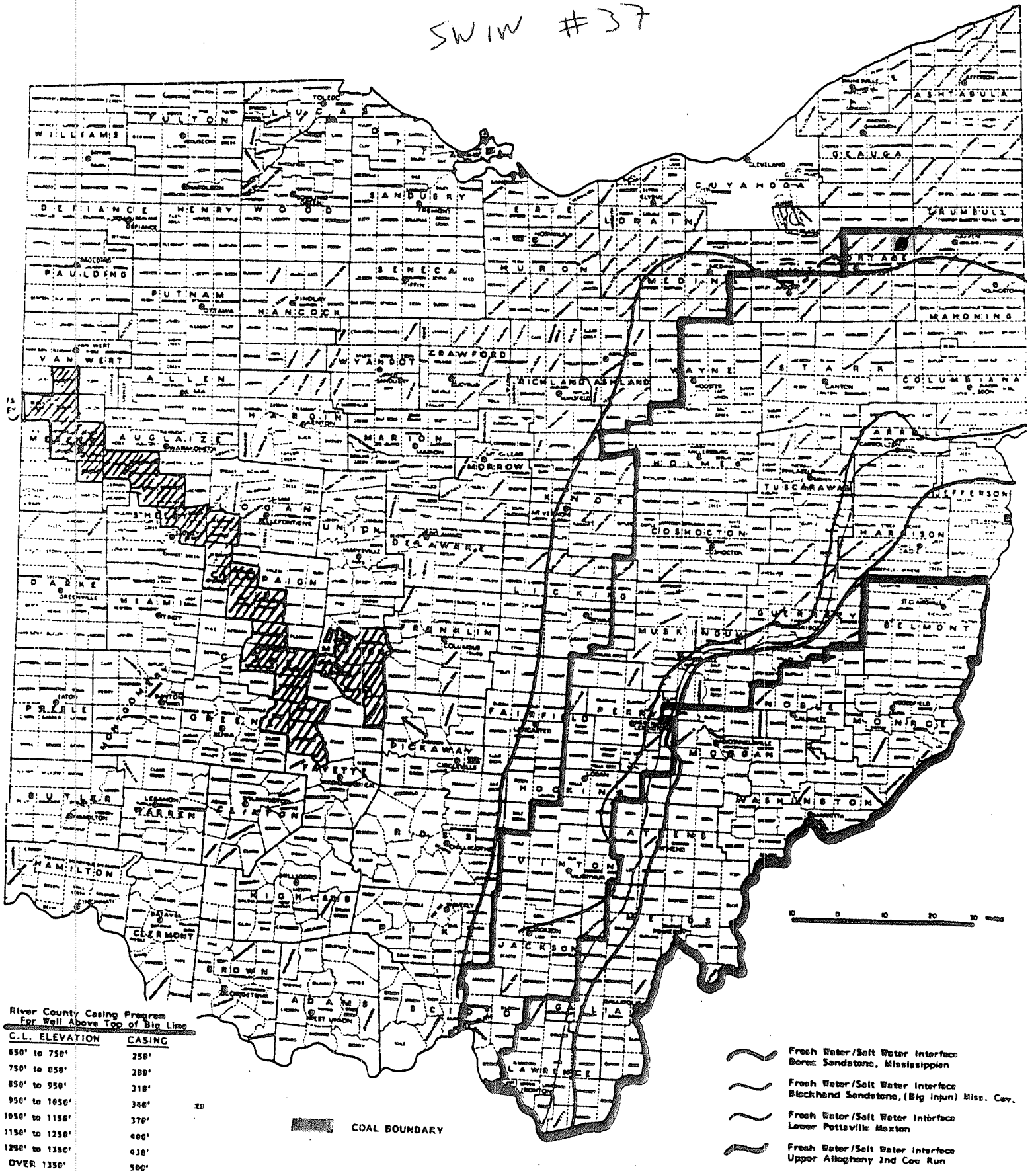




Portage County, Windham Twp.

Soinski #1 Permit #

SWIN #37



**Tomastik, Tom**

**From:** RC [rc@raypandertrucking.com]  
**Sent:** Wednesday, March 07, 2012 11:11 AM  
**To:** Tomastik, Tom  
**Subject:** FW: Soinski  
**Attachments:** Soinski\_Injection\_1\_Feb13.pdf; ATT00001.htm; Soinski\_Injection\_2\_Feb13.pdf; ATT00002.htm; Soinski\_Injection\_3\_Feb13.pdf; ATT00003.htm; Soinski\_Injection\_4\_Feb13.pdf; ATT00004.htm

Tom,

I hope all is well (or as good as it can be). I have been trying not to bother you. I know you are very busy because it seems in all of the meetings I have been having lately my colleagues tell me that they have spoken with you in the last few days. Nathan Harris(PGE), Bruce Levin(Frac Support Services), Steve Young(Eureka Resources), David Patrick(Wells Fargo), and Andy Spencer(Shortfuse Trucking) just to name a few. I'm afraid once the moratorium is lifted I will need you on speed dial. We are hoping to complete another 5 or 6 injection wells this year and I'm sure you have heard I am planning on working with CJ Cutter (Buckeye Disposal) on drilling another 10 - 15 injection wells (investor funded) that I will be responsible for operating.

Attached is the data on 4 injection wells we (Buckeye Disposal) have staked and are hoping to drill when the moratorium is lifted. These are just north west of the miller disposal well so I'm not anticipating any issues with surrounding wells. I was hoping you could provide us with an area of review so we can submit the applications.

Also, My Dad was looking at the newburg section on our Plum Creek Disposal well and mentioned that we could perforate a section of the newburg that wasn't originally done to hopefully lower our injection pressures there. Can I go ahead and schedule a perf job there or do I need something from the state before we proceed. I don't want to raise the top perf. I am hoping to find some space below what was originally done.

Thanks,  
 RC

*This message may contain information that is considered to be sensitive or confidential and may not be forwarded or disclosed to any other party without the permission of the sender.*

**From:** CJ Cutter [mailto:cjcutter@cutteroil.com]  
**Sent:** Tuesday, March 06, 2012 11:53 AM  
**To:** RC <rc@raypandertrucking.com>  
**Subject:** Fwd: Soinski

CJ Cutter

Begin forwarded message:

**From:** "Ed Gasbarre" <eddieg2@combarqmail.com>  
**To:** "CJ Cutter" <cjcutter@cutteroil.com>  
**Subject:** Soinski

3/7/2012

**Tomastik, Tom**

**From:** Eggert, Michael [michael.eggert@epa.state.oh.us]  
**Sent:** Tuesday, June 19, 2012 3:08 PM  
**To:** Tomastik, Tom  
**Cc:** Taliaferro, Lindsay; Lowe, Chuck; Smith, Craig  
**Subject:** Review of 5 Class II Injection Well Permit Applications  
**Attachments:** ODNR\_ClassII\_PermitReview\_Jun19\_2012.doc; Soinski\_Wells\_1-4 (2).pdf; Evrol-Kelly\_Disposal\_Well.pdf

Tom,

Please see attached documents with Ohio EPA's review of the proposed Class II Injection Well permit applications.

Contact Chuck Lowe or Craig Smith if you have any questions.

**Michael Eggert**

Assistant Chief, DDAGW  
Ohio Environmental Protection Agency  
50 West Town Street, *Suite* 700  
Columbus, Ohio 43215

Phone: 614.644.2767

E-mail: [michael.eggert@epa.state.oh.us](mailto:michael.eggert@epa.state.oh.us)

Web: <http://www.epa.state.oh.us/home.aspx>

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This message was secured by Zix (R).

6/21/2012

**To:** Tom Tomastik, ODNR-DOGRM  
**From:** Michael Eggert, Assistant Chief, Ohio EPA-DDAGW  
**Date:** June 19, 2012  
**Subject:** Class II Injection Well Permit Reviews

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Ohio EPA Division of Drinking and Ground Waters has completed its review of five (5) Class II underground injection well permits.

Our review of the Class II permits focused on well construction relative to the protection of underground sources of drinking water (USDW) and the location of the surface facilities relative to public water system source water protection areas and other sensitive hydrogeologic settings.

Our review indicated no major problems that should cause a delay in approving the permits. However, the following technical issues should be addressed by the applicants prior to well construction.

The **Evrol #1 Evrol LLC** (Portage Co., Atwater Twp., Lot 98) has the following concerns:

- The surface casing and cement appear adequate. However, the type of cement (Class A is recommended) to be used and the placement of centralizers should be specified.
- The proposed injection zone is an open hole completion in the Newburg Dolomite. Atwater Twp. has been heavily drilled, with eight (8) Clinton Sandstone wells within the area of review (1/2 mile). Review of the cementing practices for the completion casing shows that the industry standard was to place cement over the producing (Clinton) interval with the cement top below the Newburg. Surface casing was set below the lowermost USDW and cemented to surface. However, the interval between the top of the Clinton cement and the base of the USDW is open. The potential for fluid movement out of the Newburg exists through these un-cemented well bores.
- The requested maximum injection pressure (1103 psi) exceeds the calculated value (958 psi) using a specific gravity of 1.2.

The **Hard Rock Drilling & Producing Soinski Wells 1-I, 2-I, 3-I and 4-I** (Portage Co., Windham Twp. Lots 89 & 90) have the following questions:

- The proposed depth of the surface casing listed for each well in the proposed casing program (No. 21) does not agree with the depths shown in the well construction and operation (No. 32) and the well schematic (No. 37). The latter are considered to be the correct depths. The type of cement to be used (Class A is recommended) and the placement of centralizers should be specified.
- A description of the surface facility for each well was given, but the locations were not shown. It is assumed that a single unloading facility was envisioned by Hard Rock Drilling, but not specified. If this is the case, then the locations of the flow lines and any stream crossings should be shown.
- The requested maximum injection pressure (1000 psi) exceeds the calculated value (968 psi).

Tomastik  
June 19, 2012  
Page 2 of 2

Attachment A is a summary of source water protection comments and two figures of the injection wells location in relation to public water systems. None of the proposed Class II injection wells are within one half mile of a public water system well or within a source water protection area. Note our review did not evaluate the location of private water system wells.

If you have any questions, please contact either Chuck Lowe or Craig Smith.

#### Attachments

cc: Chuck Lowe, DDAGW  
Craig Smith, DDAGW

## Attachment A

The Division of Drinking and Ground Waters has reviewed the UIC Class II injection well permits submitted for the Kelly Disposal Well (Evrol, LLC) and the Soinski #11, #21, #31 and #41 Wells (Hard Rock Drilling & Production, LLC) with regard to the following features within ½ mile:

Public water system wells and intakes;  
Drinking water source protection areas for surface and ground water sources;  
Federally-designated Sole Source Aquifers;  
Unconsolidated aquifers capable of producing 100 or more gallons per minute;  
Sand and gravel aquifers; and  
Other glaciated areas covered by less than 25 feet of glacial material.

The following provide the results of this review:

### **Evrol (Kelly Disposal Well) (Evrol, LLC)**

- No public water system wells or intakes are located within ½ mile of the proposed well location.
- No drinking water source protection area for a public water system using a ground water source extends to within ½ miles of the proposed well location.
- The proposed well location is within the corridor management zone determined for the City of Alliance's Dale Walborn Reservoir and Deer Creek Lake intakes. The corridor management zone for the intake extends 1,000 feet inland from the Mahoning River and 500 feet from each bank of tributary streams. The corridor management zone extends ten miles upstream of the intake. The project area is approximately 5.6 river miles upstream of the Dale Walborn Reservoir intake and 10 river miles upstream of the Deer Creek Lake intake. Based on the distance between the proposed well and the City of Alliance's intakes there is a very low probability that proper operation of a Class II injection well will impact Alliance's water quality.
- The proposed well location does not lie over a Federally-designated sole source aquifer.
- The well location is over the sand and gravel deposits of the Mahoning Buried Valley Aquifer.
- The well location does not lie over an unconsolidated aquifer capable of producing 100 or more gallons per minute or other glaciated areas covered by less than 25 feet of glacial material.

### **Soinski #11, Soinski #21, Soinski #31 & Soinski #41 (Hard Rock Drilling & Production, LLC):**

- No public water system wells or intakes are located within ½ mile of the proposed well locations.
- No drinking water source protection area extends to within ½ miles of the proposed well locations.



- The proposed well locations do not lie over a Federally-designated sole source aquifer.
- The proposed well locations are over the sand and gravel deposits of the Mahoning Buried Valley Aquifer.
- The proposed well locations do not lie over an unconsolidated aquifer capable of producing 100 or more gallons per minute.
- Glacial deposits less than 25 feet thick, Alliance Thin Upland, are located within ½ mile of the proposed well locations.

The attached maps show the spatial relationships of these features to the Kelly Disposal Well and the Soinski #11, #21, #31 and #41 Wells and are provided for your files.

**RESTORATION PLAN (Form 4)**

Ohio Department of Natural Resources

Division of Oil and Gas Resources Management, 2045 Morse Road, Bldg. H-3, Columbus OH 43229-6693

1. DATE OF APPLICATION: 21-Mar-12	
2. OWNER NAME, ADDRESS, & TELEPHONE NO.: Hard Rock Drilling & Producing LLC, 7646 Cedar Valley Road, West Salem, Ohio 44287 (419) 846-3850	3. API #: 4. WELL #: 1 5. LEASE NAME: Soinski 6. PROPERTY OWNER: Dale Soinski 7. COUNTY: Portage 8. CIVIL TOWNSHIP: Windham 9. SECTION: 10. LOT: 89
11. CURRENT LAND USE: <input type="checkbox"/> Cropland <input type="checkbox"/> Commercial <input type="checkbox"/> Pasture <input type="checkbox"/> Idle Land <input type="checkbox"/> Wetlands <input checked="" type="checkbox"/> Recreational <input type="checkbox"/> Residential <input type="checkbox"/> Industrial <input type="checkbox"/> Unreclaimed strip mine <input type="checkbox"/> Woodland: <input type="checkbox"/> Broadleaf <input type="checkbox"/> Needlelike	17. TYPE OF WELL: <input type="checkbox"/> Oil <input type="checkbox"/> Gas <input checked="" type="checkbox"/> Other 18. STEEPEST SLOPE GRADIENT CROSSING SITE: <input type="checkbox"/> 0 to 2% <input checked="" type="checkbox"/> 2.1 to 8% <input type="checkbox"/> 8.1 to 10% <input type="checkbox"/> 10.1 to 24% <input type="checkbox"/> greater than 24%
12. SLOPE GRADIENT & LENGTH DETERMINED FROM: <input checked="" type="checkbox"/> Ground Measurement <input type="checkbox"/> U.S. Geological Survey Topographical Maps <input type="checkbox"/> Other: (explain) _____	19. LENGTH OF STEEPEST SLOPE CROSSING SITE: <input type="checkbox"/> 1 to 100 ft. <input type="checkbox"/> 101 to 200 ft. <input checked="" type="checkbox"/> 201 to 400 ft. <input type="checkbox"/> greater than 400 ft.
13. TYPE OF FALL VEGETAL COVER: <input checked="" type="checkbox"/> Little or no vegetal cover <input type="checkbox"/> Short grasses <input type="checkbox"/> Tall weeds or short brush (1 to 2 ft.) <input type="checkbox"/> Brush or bushes (2 to 6 ft.) <input type="checkbox"/> Agricultural crops <input type="checkbox"/> Trees with sparse low brush <input type="checkbox"/> Trees with dense low brush	20. RESTORATION OF DRILLING PITS: ** <input checked="" type="checkbox"/> Haul drilling fluids and fill pits <input type="checkbox"/> Use steel circulating tanks <input type="checkbox"/> Proposed alternative _____ 21. BACKFILLING AND GRADING AT SITE: <input type="checkbox"/> Construct diversions channeled to naturally established drainage systems <input type="checkbox"/> Construct terraces across slopes <input checked="" type="checkbox"/> Grade to approximate original contour <input type="checkbox"/> Grade to minimize erosion & control offsite runoff <input type="checkbox"/> Proposed alternative _____
14. SOIL & RESOILING MATERIAL AT WELLSITE: <input checked="" type="checkbox"/> Stockpile and protect topsoil to be used when preparing seedbed <input type="checkbox"/> Use of soil additives (e.g., lime, fertilizer) <input type="checkbox"/> No resoiling planned <input type="checkbox"/> Proposed alternative _____	22. VEGETATIVE COVER TO BE ESTABLISHED AT SITE: <input checked="" type="checkbox"/> Seeding plan <input type="checkbox"/> Sod <input type="checkbox"/> Agricultural crops <input type="checkbox"/> Trees and/or Bushes <input type="checkbox"/> Proposed alternative _____
15. DISPOSAL PLAN FOR TREES AND TREE STUMPS: <input checked="" type="checkbox"/> No trees disturbed <input type="checkbox"/> Haul to landfill <input type="checkbox"/> Cut into firewood <input type="checkbox"/> Sell to lumber <input type="checkbox"/> Bury with landowner's approval      company <input type="checkbox"/> Mulch small trees and branches, erosion control <input type="checkbox"/> Use for wildlife habitat with landowner approval <input type="checkbox"/> Proposed alternative _____	23. ADDITIONAL HOLES: <input checked="" type="checkbox"/> Rat/Mouse, if used, will be plugged 24. PROPOSED OR CURRENT LENGTH OF ACCESS ROAD: <input checked="" type="checkbox"/> 100 ft. or less <input type="checkbox"/> 101 to 500 ft. <input type="checkbox"/> 501 to 1500 ft. <input type="checkbox"/> greater than 1500 ft.
16. SURFACE AND SUBSURFACE DRAINAGE FACILITIES: <input checked="" type="checkbox"/> No existing drainage facilities for removal of surface and/or subsurface water <input type="checkbox"/> Tile drainage system underlying land to be disturbed <input type="checkbox"/> Drain pipe(s) underlying land to be disturbed <input type="checkbox"/> Surface drainage facilities on land to be disturbed	25. CURRENT LAND USE OF PATH OF ACCESS ROAD: <input type="checkbox"/> Cropland <input type="checkbox"/> Pasture <input type="checkbox"/> Commercial <input type="checkbox"/> Idle land <input type="checkbox"/> Wetlands <input checked="" type="checkbox"/> Recreational <input type="checkbox"/> Industrial <input type="checkbox"/> Residential <input type="checkbox"/> Unreclaimed strip mine <input type="checkbox"/> Woodland: <input type="checkbox"/> Broadleaf <input type="checkbox"/> Needlelike

**\*\*PITS MUST BE FILLED WITHIN TWO MONTHS AFTER COMMENCEMENT OF THE WELL AND WITHIN FOURTEEN DAYS AFTER COMMENCEMENT OF THE WELL IN AN URBANIZED AREA.**

**RECEIVED**

**REQUIRED BY SECTION 1509.06 (A)(10), OHIO REVISED CODE -- FAILED 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.**

APR 02 2012

26. SURFACING MATERIAL FOR ACCESS ROAD: <input type="checkbox"/> Gravel <input type="checkbox"/> Brick and/or tile waste <input type="checkbox"/> Slag <input checked="" type="checkbox"/> Crushed stone <input type="checkbox"/> No surfacing material to be used <input type="checkbox"/> Proposed alternative _____	29. STEEPEST SLOPE GRADIENT ON ACCESS ROAD: <input checked="" type="checkbox"/> 0 to 5% <input type="checkbox"/> 6 to 10% <input type="checkbox"/> greater than 10%
27. PATH OF ACCESS ROAD TO BE DETERMINED BY: <input type="checkbox"/> Landowner <input type="checkbox"/> Contractor <input type="checkbox"/> Existing access road <input checked="" type="checkbox"/> Operator	30. APPROXIMATE LENGTH OF STEEPEST SLOPE ON ROAD: <input checked="" type="checkbox"/> 0 to 100 ft. <input type="checkbox"/> 101 to 200 ft. <input type="checkbox"/> 201 to 400 ft. <input type="checkbox"/> greater than 400 ft.
28. GRADING AND EROSION CONTROL PRACTICE ON ROAD: <input type="checkbox"/> Diversions <input type="checkbox"/> Filter strips <input type="checkbox"/> Drains <input type="checkbox"/> Riprap <input type="checkbox"/> Open top culverts <input type="checkbox"/> Water breaks <input checked="" type="checkbox"/> Outsloping of road <input type="checkbox"/> Pipe culverts <input type="checkbox"/> Proposed alternative _____	31. HAS LANDOWNER RECEIVED A COPY OF THIS RESTORATION PLAN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

The undersigned hereby agrees to implement all restoration operations identified on this form, and conform to all provisions of Section 1509.072 of the Ohio Revised Code, and to all Orders and rules issued by the Chief, Division of Oil and Gas Resources Management.

Signature of Owner/Authorized Agent                     *Charles J. Coffer*                      \_\_\_\_\_

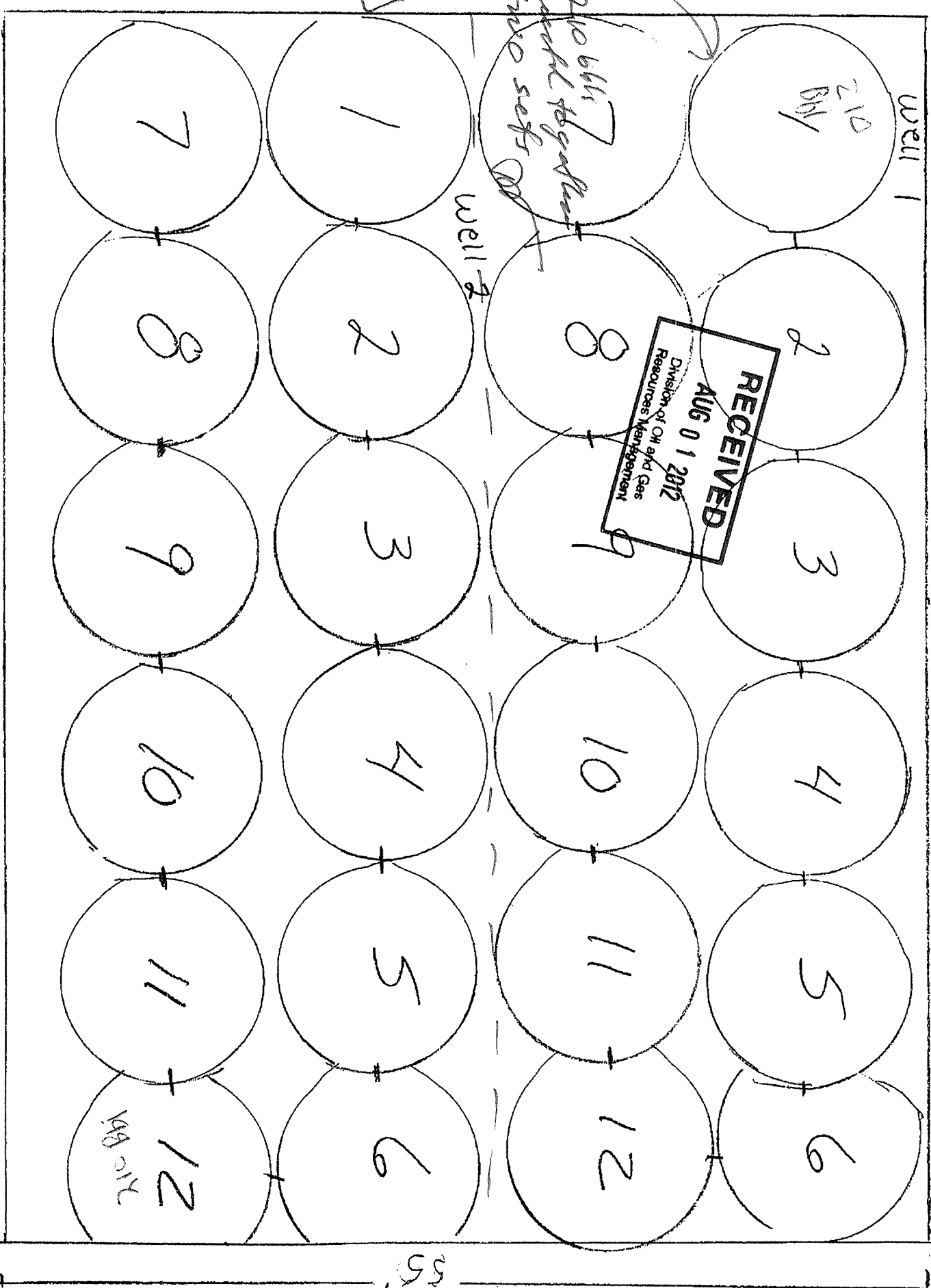
Name (Typed or Printed)                     Charles J Coffer                      \_\_\_\_\_                      Date                     3-28-12                      \_\_\_\_\_

RESTORATION PLAN MUST BE SUBMITTED TO THE DIVISION IN DUPLICATE.

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85' SURVEY SERVICE FACILITY



12-210 bbls considered together in two sets

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AUG 01 2012  
Division of Oil and Gas  
Resources Management

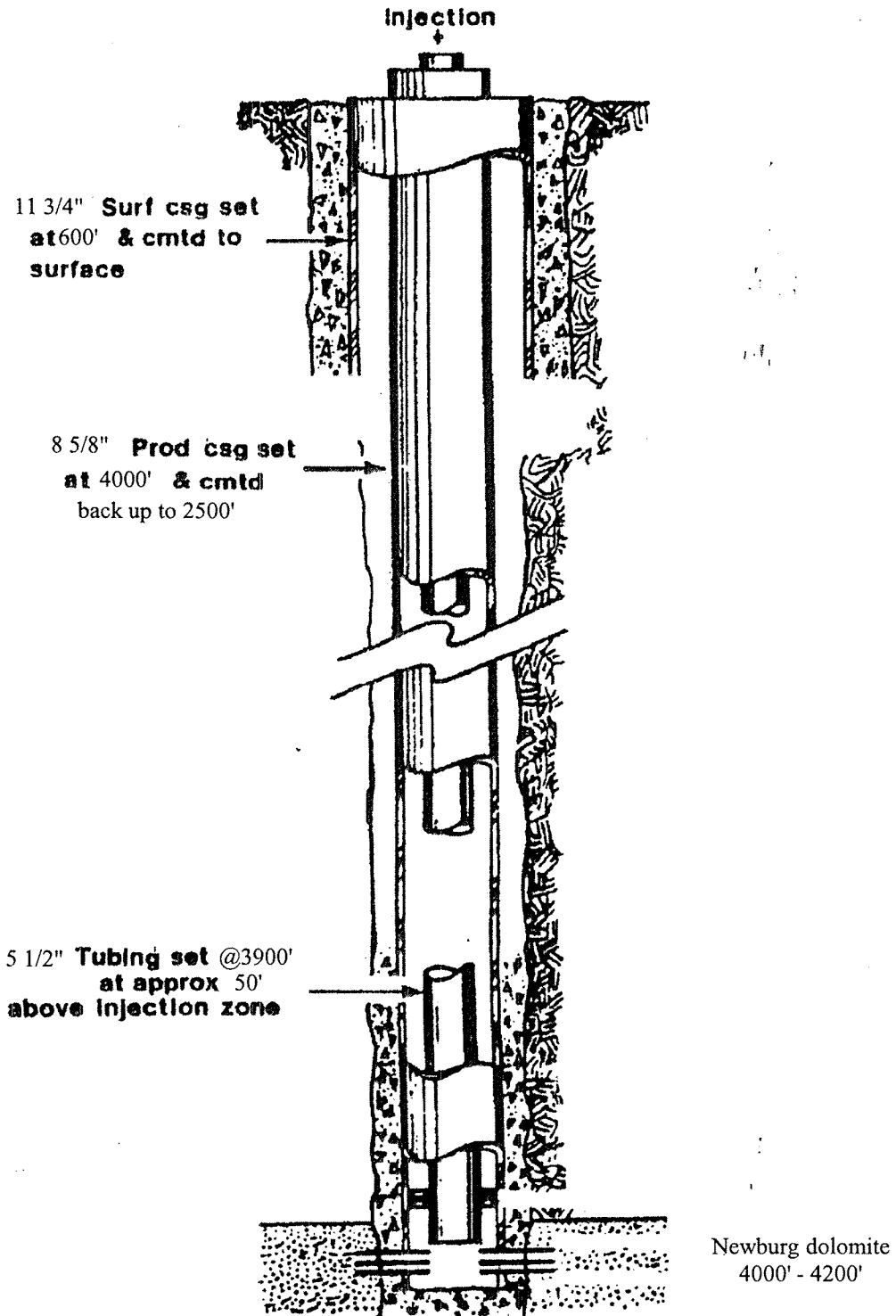
12 x 210 bbls  
= 2520 bbls.

85' x 55' x 0.048 = 69.19 bbls. per inch X 40" in height  
= 2767 bbls. capacity

Portage County, Windham Twp., SWIW # 37  
Soinski SWD # 1

**Subsurface Construction  
For Injection Well**

**Maximum Injection Pressure: 920 psi**



**Total Depth: 4200'**

**APPLICATION FOR A PERMIT (Form 1)**  
 OHIO DEPARTMENT OF NATURAL RESOURCES  
 DIVISION OF OIL AND GAS RESOURCES MANAGEMENT  
 2045 Morse Road, Building H-3  
 COLUMBUS, OHIO 43229-6693  
 (614) 265-6633

**SEE INSTRUCTIONS ON PAGE 2 (BACK)**

1. I, We (applicant) <u>Hard Rock Drilling &amp; Producing LLC</u>		2. Owner #: <u>8837</u>
(address) <u>7646 Cedar Valley Road, West Salem, Ohio 44287</u>		Phone #: <u>419-846-3850</u>
hereby apply this date <u>21-Mar</u> , 20 <u>12</u> for a permit to:		
<input type="checkbox"/> Reissue (check appropriate blank)	<input type="checkbox"/> Revised Location	<input type="checkbox"/> Convert
<input checked="" type="checkbox"/> Drill New Well	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Deepen
<input type="checkbox"/> Drill Directionally	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Reopen
<input type="checkbox"/> Drill Horizontally	<input type="checkbox"/> Orphan Well Program	<input type="checkbox"/> Temporary Inactive
3. TYPE OF WELL:		
<input type="checkbox"/> Oil & Gas	<input type="checkbox"/> Annular Disposal	<input checked="" type="checkbox"/> Saltwater Injection
<input type="checkbox"/> Stratigraphic Test	<input type="checkbox"/> Gas Storage	<input type="checkbox"/> Other (explain): _____
<input type="checkbox"/> Solution Mining*	<input type="checkbox"/> Enhanced Recovery* (* if checked, select appropriate box below)	
<input type="checkbox"/> Input/Injection	<input type="checkbox"/> Water Supply	<input type="checkbox"/> Observation <input type="checkbox"/> Production/Extraction
4. MAIL PERMIT TO: Hard Rock Drilling & Producing LLC, 7646 Cedar Valley Road, West Salem, Ohio 44287		20. TYPE OF TOOLS:
		<input type="checkbox"/> Cable <input type="checkbox"/> Air Rotary
		<input type="checkbox"/> Cable / Air Rotary <input checked="" type="checkbox"/> Air / Fluid Rotary
		<input type="checkbox"/> Cable / Fluid Rotary <input type="checkbox"/> Fluid Rotary
		<input type="checkbox"/> Cable / Air / Fluid Rotary <input type="checkbox"/> Service Rig
5. COUNTY: <u>Portage</u>	21. PROPOSED CASING PROGRAM:	
6. CIVIL TOWNSHIP: <u>Windham</u>		
7. SECTION: _____ 8. LOT: <u>89</u>		
9. FRACTION: _____ 10. QTR TWP: _____		
11. TRACT / ALLOT: _____	16" Conductor cement to surface, 11 3/4 surface to <sup>600' AA</sup> 350' cement to surface, 8 5/8 surface to 4200', 5 1/2 tubing set on packer within 100' of top of perf approximately 4000'	
12. WELL #: <u>1</u>		
13. LEASE NAME: <u>Soinski</u>		
14. PROPOSED TOTAL DEPTH: <u>4200</u>		
15. PROPOSED GEOLOGICAL FORMATION: <u>Newburg</u>	22. FIRE AND MEDICAL DEPARTMENT TELEPHONE NUMBERS: (closest to well site)	
16. DRILLING UNIT IN ACRES (must be same as acres indicated on plat): <u>484.73</u>	Fire: <u>911</u>	
	Medical: <u>911</u>	
17. IF PERMITTED PREVIOUSLY:	23. MEANS OF INGRESS & EGRESS:	
API #: _____	Township Road: _____	
OWNER: _____	County Road: _____	
WELL #: _____	Municipal Road: _____	
LEASE NAME: _____	State Highway: <u>St. Rt. 82</u>	
TOTAL DEPTH: _____		
GEOLOGICAL FORMATION: _____		
18. IF SURFACE RIGHTS ARE OWNED BY THE OHIO DEPARTMENT OF NATURAL RESOURCES	24. IS THE WELL LOCATION OR PRODUCTION FACILITIES WITHIN AN URBANIZED AREA AS DEFINED BY 1509.01(Y) ?	
Division Name: _____	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Division Phone: _____		
19. LANDOWNER ROYALTY INTEREST:		
Is There An Attached List? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Name: <u>Dale Soinski</u>		
Address: <u>10218 Silica Sand Road, Garrettsville, Ohio 44231</u>		
Name: _____		
Address: _____		
Name: _____		
Address: _____		

**RECEIVED**

APR 02 2012

I, the undersigned, being first duly sworn, depose and state under penalties of law, that I am authorized to make this application, that this application was prepared by me or under my supervision and direction, and that the facts stated herein are true, correct, and complete, to the best of my knowledge.

I, the undersigned, further depose and state that I am the person who has the right to drill on the tract or drilling unit and to drill into and produce from a pool and to appropriate the oil or gas that I produce therefrom either for myself or others as described in this application. And furthermore, I the undersigned, being duly sworn, depose and state at this time that I am not liable for any final nonappealable order of a court for damage to streets, roads, highways, bridges, culverts, or drainage ways pursuant to Section 5577.12 of the Ohio Revised Code (ORC). I, the undersigned, further depose and state that all notices required by 1509.06 (A) (9) ORC for this application have been duly provided by me. If applying for a permit to plug and abandon a well, I hereby certify that the written notices, as required in Section 1509.13, ORC, have been given.

That I hereby agree to conform with all provisions of Chapter 1509., ORC, and Chapter 1501., OAC, and all orders and conditions issued by the Chief, Division of Oil and Gas Resources Management.

Signature of Owner/Authorized Agent Charles J. Cutter

Name (Type or Print) Charles J. Cutter Title Pres

If signed by Authorized Agent, a certificate of appointment of agent must be on file.

Sworn to and subscribed before me this the 28 day of March



KRISTIN L. CUTTER  
 Notary Public, State of Ohio  
 My Commission Expires  
 April 1, 2012

Kristin L. Cutter  
 (Notary Public)

April 1, 2012

(Date Commission Expires)

Before this application can be processed, an Authority and Organization Form (Form 9), indicating the exact owner name on this form, and proof of compliance with the surety and insurance requirements of Chapter 1509.07, Ohio Revised Code, must be on file with the Division of Oil and Gas Resources Management. The signature of owner/authorized agent must correspond with the signature(s) listed on the Form 9 on file with the Division.

All information requested on this form must be provided unless exempted by the instructions below. Incomplete applications may be returned to the applicant. An application for a permit requires the following:

**1. Drill, Reopen, Deepen and Plug Back an Oil and Gas Well (non-urban valid for 24 months; urban valid for 12 months)**

- a. Original and two (2) copies of Application for a Permit (Form 1);
- b. Original and four (4) copies of an Ohio registered surveyor's plat;
- c. Original and one (1) copy of the Restoration Plan (Form 4);
- d. Reopen, deepen, plug back and convert will require three (3) copies of the Well Completion Record (Form 8);
- e. \$500.00 check or money order payable to the Division of Oil and Gas Resources Management and;
- f. If requesting an expedited review, an additional \$250 fee is required; and an Oil & Gas Affidavit (if the proposed well location is in a coal-bearing township).
- g. For an **urbanized area** new well drilling permit, the fee is as follows: \$500 for a township with a population up to 9,999; \$750 for a township with a population of 10,000 to 14,999; \$1,000 for a township with a population exceeding 15,000; and \$1,000 for all municipal corporations regardless of population.
- h. For **mandatory pooling**, an additional \$5,000.

**2. Reissue or Revised Location**

- a. Same as above: 1(a), (b), (c), (d), (f);
- b. \$250 check or money order payable to the Division of Oil and Gas Resources Management.

**3. Plug and Abandon (valid for 24 months)**

- a. Original copy of Application for a Permit (Form 1);
- b. Two (2) copies of the Ohio registered surveyor's plat originally filed, or modified, if available;
- c. Three (3) copies of the Well Completion Record (Form 8) if available; if there is no Well Completion Record on file with the Division, provide any drilling information that is available;
- d. \$250 check or money order payable to the Division of Oil and Gas Resources Management;
- e. If requesting an expedited review, an additional \$500 fee is required.

**4. Drill, Reissue, Reopen, Deepen, Plug Back or Convert a Well to Saltwater Injection**

- a. Same as above: 1(a), (b), (c), (d); and
- b. \$1,000 check or money order payable to the Division of Oil and Gas Resources Management.

**5. Temporary Inactive (valid for 12 months)**

- a. Original and one (1) copy of Application for a Permit (Form 1);
- b. A map, on a scale not smaller than four hundred feet to the inch, that shows the location of the well and the tank battery, that includes the latitude and longitude of the well;
- c. A written statement that the well is of future utility, and that there is a viable plan to use the well within a reasonable period of time and the well poses no threat to the health or safety of persons, property or the environment;
- d. For first application, \$100 check or money order payable to the Division of Oil and Gas Resources Management;
- e. For first renewal, \$250 check or money order payable to the Division of Oil and Gas Resources Management;
- f. For subsequent renewals, \$500 check or money order payable to the Division of Oil and Gas Resources Management; additional bonding may be required.

Item 1. Permit holder's name - as it appears on Form 9. Indicate the type of or combination of activities to be permitted.

Item 2. Indicate owner number, if the owner number is not known, please contact the Division.

Item 3. Indicate the type of well for which the application is being submitted.

Item 4. Provide name, address, city, state and zip code where the permit is to be mailed.

Items 5-11. Indicate drilling location.

Items 12-16. Provide requested information.

Item 17. Complete when application is for a permit to reopen, deepen, reissue, plug back, convert, or plug and abandon. If the well was never permitted, list "NONE" under permit #; all other wells require the permit number.

Item 18. Complete if surface rights are owned by the Ohio Department of Natural Resources.

Item 19. List names and addresses of all landowner royalty interest holders. Names must coincide with those shown on the designated unit or subject tract on the surveyor's plat or an explanation must be included. Additional sheets may be attached (overriding royalty and working interests are not required).

Item 20. Indicate type of tools that may be used.

Item 21. Indicate size and amount of casing to be used, and/or formations to be cased off.

Item 22. Indicate fire and medical department emergency telephone numbers closest to the well site.

Item 23. List all county, township, and/or municipal roads, streets and highways by name or number that applicant anticipates to use as means of ingress and egress to and from the well site.

Item 24. An "urbanized area" is a municipal corporation or a township that has an unincorporated population of more than five thousand, as defined under Section 1509.01 (Y) of the Ohio Revised Code. Notice must be provided by regular mail to the owner of each parcel of real property that is located within five hundred feet of the surface location of the well, and to either the executive authority of the municipal corporation or the board of township trustees (see 1509.06 (A) (9)).

**SUPPLEMENT TO APPLICATION**  
**PERMIT FOR AN ENHANCED RECOVERY PROJECT (Form 203)**

Ohio Department of Natural Resources, Division of Oil and Gas Resources Management  
2045 Morse Road, Bldg H3  
Columbus, OH 43229-6693

AREA OF REVIEW. An application for an Enhanced Recovery Project (ERP) will be evaluated on the basis of an "area of review" surrounding the proposed input wells for the project. The area of review for projects in which injection of greater than two hundred barrels per day per well is proposed shall be the area circumscribed by a circle with one center point at the location of each input well and a radius of one-half mile. The area of review for projects in which a maximum injection of two hundred barrels per day per well or less is proposed shall be the area circumscribed by a circle with the center point at the location of each input well and a radius of one-quarter mile. Projects in which gas is the proposed injection fluid will have an area of review consisting of an area circumscribed by a circle with the center point at the location of each input well and a radius of one-quarter mile.

31. **PROPOSED INJECTION ZONE**

Geological Formation: Newburg  
Injection Interval: From: ~~4050~~ 4000 AA feet to 4200  
Geologic description of injection zone: Dolomite

32. **WELL CONSTRUCTION AND OPERATION**

- A. Description of the proposed casing and cement program for new wells, or of the casing, cementing or sealing with prepared clay for existing wells to be converted:  
1 1/4 casing surface to 600', 8 5/8 casing surface to 4000' open hole with 1500' of cement fill up.  
5 1/2 tubing set on a packer at approx. 3900'. Well will be bond logged to show cement top.
- B. Proposed method for testing the casing:  
Pressure test to be done after cementing of longstring. A bond log to show integrity and cement top.  
Pressure up on longstring after cementing before open hole.
- C. Description of the proposed method for completion and operation of the injection well:  
5 1/2 tubing set on a packer at approx. 3900'
- D. Description of the proposed unloading, surface storage, and spill containment facilities:  
The unloading area will be concrete with a concrete vault to hold any spillage. The water will be stored in 210 or 400 BBL tanks which will be placed on a concrete pad with concrete walls. This dike will be of sufficient size to contain all water in case of tank failure.  
Trucks will unload through a strainer/ filter into the tanke. Water will be filtered to the injection pump.
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33. **PROPOSED INJECTION VOLUMES**

- A. Indicate the estimated amount of saltwater to be injected into the proposed injection well per day:  
AVERAGE: 800 MAXIMUM: 1600
- B. Indicate the method to be used to measure the actual amount of saltwater injected into the well:  
Paperwork turned in by drivers. Electronics on unload station to monitor trucks & amount of water with flowmeter

34. **PROPOSED INJECTION PRESSURES**

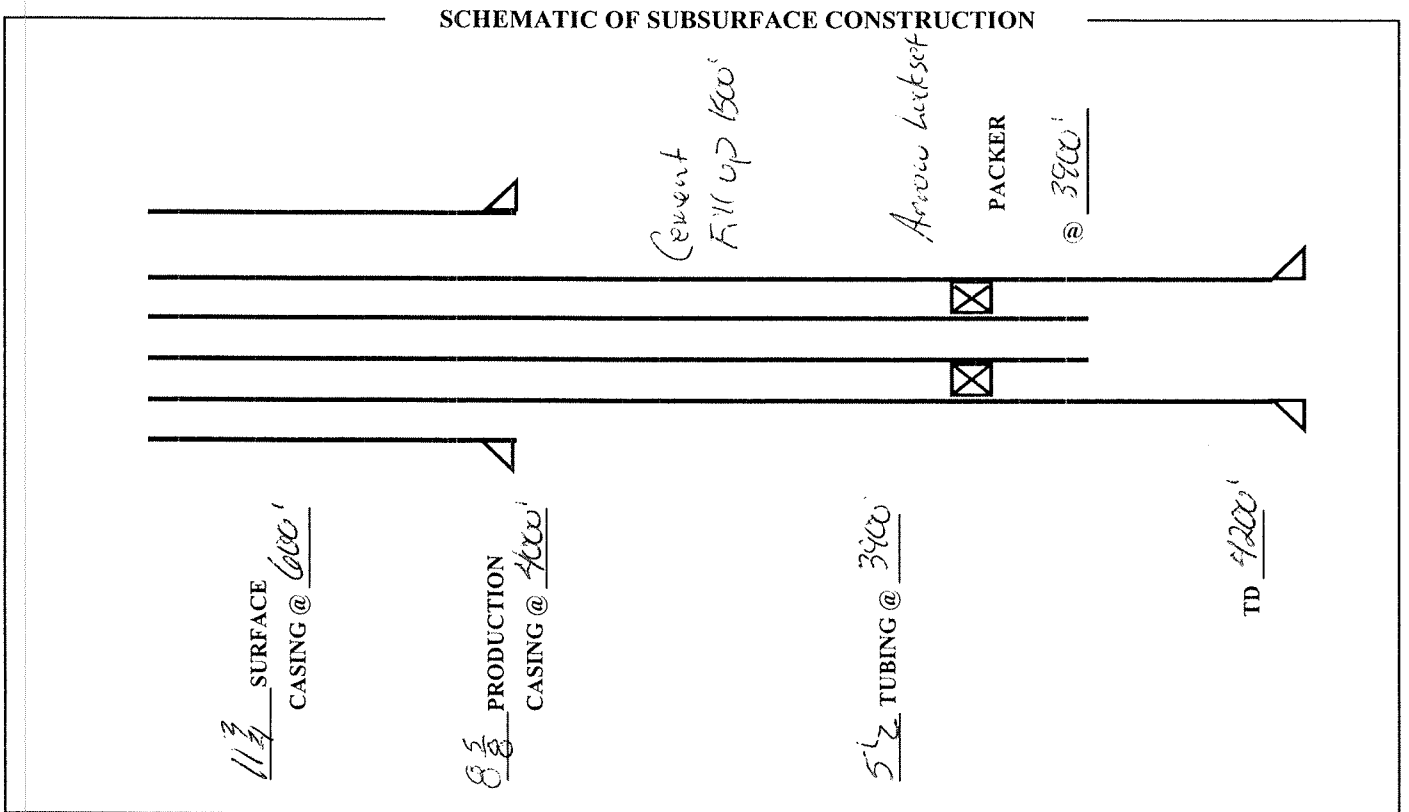
- A. Indicate the estimated pressure to be used for injection of saltwater into the proposed injection well:  
AVERAGE: 800 MAXIMUM: ~~1000~~ 920 psi AA
- B. Indicate the method to be used to measure the actual daily injection pressure:  
Guages on wellhead recorded be well tender and electronics on the well with transducers

35. **PROPOSED CORRECTIVE ACTION**

Explain any corrective action proposed for wells penetrating the proposed injection formation or zone within the area of review.  
The only well within the area of review is an existing disposal well



36. **MAP.** Each application for a permit shall be accompanied by a map or maps showing and containing the following information:
- A. The subject area trace or tracts of land and their owners upon which the proposed enhanced recovery operations are to be conducted;
  - B. The location and designation of all input, withdrawal, or observation wells on the tract or tracts to be utilized in the enhanced recovery project.
  - C. The geographic location of all wells, penetrating the formation proposed for injection regardless of status, within the area of review;
  - D. All holders of the land owner's royalty interest of record, or holders of the severed oil and gas mineral estates of record in the subject area.
  - E. All owners or operators of wells producing from or injecting into the same formation proposed as the injection formation.
37. **SCHEMATIC DRAWING OF SUBSURFACE CONSTRUCTION.** Label the schematic drawing below indicating size and setting depth of surface casing, intermediate (if any) and production casings; amount of cement used, measured or calculated tops of cement; size and setting depth of tubing; type and setting depth of packer; geologic name of injection zone showing top and bottom of injection interval. If the proposed input well design is substantially different from the schematic below, attach on a separate sheet a schematic of your proposal labeled with the above information.



38. Public notice of an application for an enhanced recovery project is required by law. In addition, the applicant must submit, on an attached sheet, a list of the names and address of those persons required to receive personal notice in accordance with Rule 1501:9-5-05(E)(1), of the Ohio Administrative Code.

After submitting the application, and after a determination by the Division that it is complete as required by the rules of the Division, a legal notice must be published by the applicant in a newspaper of general circulation in the area of review. The legal notice must contain the information described in Rule 1501:9-5-05(E)(1) of the Ohio Administrative Code. A copy of the notice must be delivered to all owners or operators of wells within the area of review producing from or injecting into the same formation proposed as the injection formation. Proof of publication, publication date, and an oath as to the delivery to those entitled to receive personal notice under this method must be filed with the Division within thirty days after the Division determines that the application is complete.

In addition, notice of all applications for enhanced recovery projects will be published in the Division's Weekly Circular.

The undersigned hereby agrees to comply with all provisions for an enhanced recovery project as required by Chapter 1501:9-5 of the Ohio Administrative Code. In addition, the undersigned deposed and says that he shall conform to all provisions of Section 1509.072 of the Ohio Revised Code, and to all orders and rules issued by the Chief, Division of Oil and Gas Resources Management.

Owner/Authorized Agent (Type or Print): Charles J Cutler  
 Signature of Owner/Authorized Agent: [Signature] Title: Pres  
 Permanent Address of Home Office: 7646 Cedar Valley Rd W. Salem, OH 44707

If signed by Authorized Agent, a certified copy of appointment of agent must be on file with the Division.

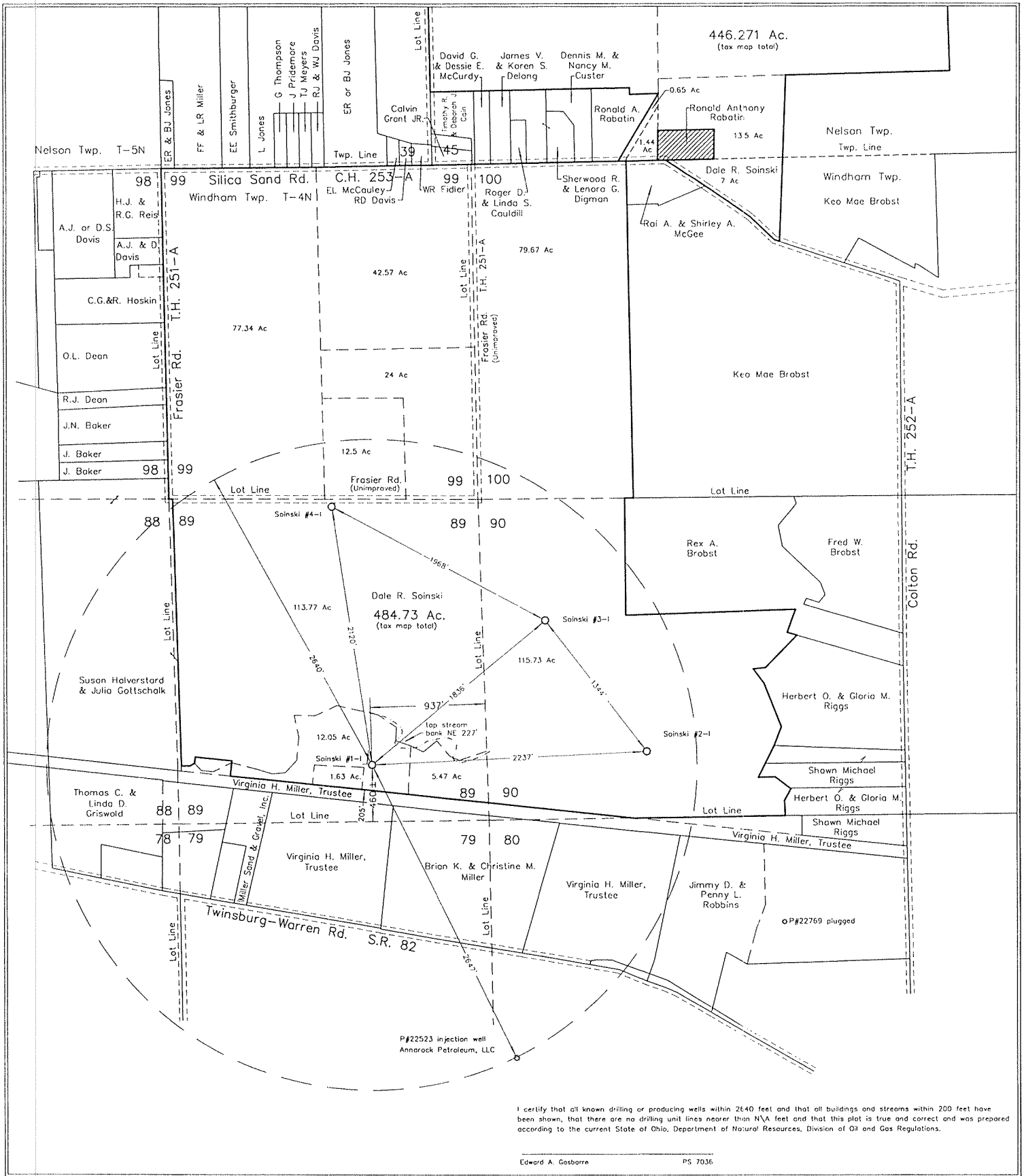
SWORN to and subscribed before me this 28 day of March, 20 12.



KRISTIN L. CUTLER  
 Notary Public, State of Ohio  
 My Commission Expires  
 April 1, 2012

[Signature]  
 Notary Public  
April 4, 2012  
 Date Commission Expires

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 APR 02 2012



I certify that all known drilling or producing wells within 2640 feet and that all buildings and streams within 200 feet have been shown, that there are no drilling unit lines nearer than N/A feet and that this plot is true and correct and was prepared according to the current State of Ohio, Department of Natural Resources, Division of Oil and Gas Regulations.

Edward A. Gasbarre PS 7036

<p><b>Soinski Injection Well #1-I</b>          Windham Township          Lot 89, T-4N, R-6W (Connecticut Western Reserve)          Portage County, Ohio</p>	<p>Plane Coordinates: Ohio North Zone, Garrettville Quadrangle          NAD83 (US Survey Feet) NAD27 (US Survey Feet)          N 583,446 N 583,415          E 2,374,171 E 2,405,632          H 925 (NAVD88) (derived from GPS observations)</p>		<p>Prepared For: Hardrock Drilling and Producing          7646 Cedar Valley Road          West Salem, Ohio 44287</p> <p>Date: February 10, 2012          Drawing: Master_212002.dwg</p> <p><b>R.W. GASBARRE &amp; Associates, Inc.</b>          Professional Land Surveyors          401 South Market St. - P.O. Box 44          Wooster, Ohio 44691          PH 330-264-9499</p>
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**APPLICATION FOR A PERMIT (Form 1)**  
 OHIO DEPARTMENT OF NATURAL RESOURCES  
 DIVISION OF OIL AND GAS RESOURCES MANAGEMENT  
 2045 Morse Road, Building H-3  
 COLUMBUS, OHIO 43229-6693  
 (614) 265-6633

**SEE INSTRUCTIONS ON PAGE 2 (BACK)**

1. I, We (applicant) <u>Hard Rock Drilling &amp; Producing LLC</u>		2. Owner #: <u>8837</u>
(address) <u>7646 Cedar Valley Road, West Salem, Ohio 44287</u>		Phone #: <u>419-846-3850</u>
hereby apply this date <u>21-Mar</u> , 20 <u>12</u> for a permit to:		
<input type="checkbox"/> Reissue (check appropriate blank)	<input type="checkbox"/> Revised Location	<input type="checkbox"/> Convert
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17. IF PERMITTED PREVIOUSLY: API #: _____ OWNER: _____ WELL #: _____ LEASE NAME: _____ TOTAL DEPTH: _____ GEOLOGICAL FORMATION: _____		
18. IF SURFACE RIGHTS ARE OWNED BY THE OHIO DEPARTMENT OF NATURAL RESOURCES Division Name: _____ Division Phone: _____		
19. LANDOWNER ROYALTY INTEREST: Is There An Attached List? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Name: <u>Dale Soinski</u> Address: <u>10218 Silica Sand Road, Garrettsville, Ohio 44231</u> Name: _____ Address: _____ Name: _____ Address: _____		

**RECEIVED**

APR 02 2012

I, the undersigned, being first duly sworn, depose and state under penalties of law, that I am authorized to make this application, that this application was prepared by me or under my supervision and direction, and that the facts stated herein are true, correct, and complete, to the best of my knowledge.

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Signature of Owner/Authorized Agent *Charles J. Wether*

Name (Type or Print) Charles J. Wether Title Pres

If signed by Authorized Agent, a certificate of appointment of agent must be on file.

Sworn to and subscribed before me this the 20 day of March, 2012



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Notary Public, State of Ohio  
My Commission Expires  
April 1, 2012

*Kristin L. Cutter*  
(Notary Public)

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- e. \$500.00 check or money order payable to the Division of Oil and Gas Resources Management and;
- f. If requesting an expedited review, an additional \$250 fee is required; and an Oil & Gas Affidavit (if the proposed well location is in a coal-bearing township).
- g. For an **urbanized area** new well drilling permit, the fee is as follows: \$500 for a township with a population up to 9,999; \$750 for a township with a population of 10,000 to 14,999; \$1,000 for a township with a population exceeding 15,000; and \$1,000 for all municipal corporations regardless of population.
- h. For **mandatory pooling**, an additional \$5,000.

**2. Reissue or Revised Location**

- a. Same as above: 1(a), (b), (c), (d), (f);
- b. \$250 check or money order payable to the Division of Oil and Gas Resources Management.

**3. Plug and Abandon (valid for 24 months)**

- a. Original copy of Application for a Permit (Form 1);
- b. Two (2) copies of the Ohio registered surveyor's plat originally filed, or modified, if available;
- c. Three (3) copies of the Well Completion Record (Form 8) if available; if there is no Well Completion Record on file with the Division, provide any drilling information that is available;
- d. \$250 check or money order payable to the Division of Oil and Gas Resources Management;
- e. If requesting an expedited review, an additional \$500 fee is required.

**4. Drill, Reissue, Reopen, Deepen, Plug Back or Convert a Well to *Saltwater Injection***

- a. Same as above: 1(a), (b), (c), (d); and
- b. \$1,000 check or money order payable to the Division of Oil and Gas Resources Management.

**5. Temporary Inactive (valid for 12 months)**

- a. Original and one (1) copy of Application for a Permit (Form 1);
- b. A map, on a scale not smaller than four hundred feet to the inch, that shows the location of the well and the tank battery, that includes the latitude and longitude of the well;
- c. A written statement that the well is of future utility, and that there is a viable plan to use the well within a reasonable period of time and the well poses no threat to the health or safety of persons, property or the environment;
- d. For first application, \$100 check or money order payable to the Division of Oil and Gas Resources Management;
- e. For first renewal, \$250 check or money order payable to the Division of Oil and Gas Resources Management;
- f. For subsequent renewals, \$500 check or money order payable to the Division of Oil and Gas Resources Management; additional bonding may be required.

Item 1. Permit holder's name - as it appears on Form 9. Indicate the type of or combination of activities to be permitted.

Item 2. Indicate owner number, if the owner number is not known, please contact the Division.

Item 3. Indicate the type of well for which the application is being submitted.

Item 4. Provide name, address, city, state and zip code where the permit is to be mailed.

Items 5-11. Indicate drilling location.

Items 12-16. Provide requested information.

Item 17. Complete when application is for a permit to reopen, deepen, reissue, plug back, convert, or plug and abandon. If the well was never permitted, list "NONE" under permit #; all other wells require the permit number.

Item 18. Complete if surface rights are owned by the Ohio Department of Natural Resources.

Item 19. List names and addresses of all landowner royalty interest holders. Names must coincide with those shown on the designated unit or subject tract on the surveyor's plat or an explanation must be included. Additional sheets may be attached (overriding royalty and working interests are not required).

Item 20. Indicate type of tools that may be used.

Item 21. Indicate size and amount of casing to be used, and/or formations to be cased off.

Item 22. Indicate fire and medical department emergency telephone numbers closest to the well site.

Item 23. List all county, township, and/or municipal roads, streets and highways by name or number that applicant anticipates to use as means of ingress and egress to and from the well site.

Item 24. An "urbanized area" is a municipal corporation or a township that has an unincorporated population of more than five thousand, as defined under Section 1509.01 (Y) of the Ohio Revised Code. Notice must be provided by regular mail to the owner of each parcel of real property that is located within five hundred feet of the surface location of the well, and to either the executive authority of the municipal corporation or the board of township trustees (see 1509.06 (A) (9)).

**SUPPLEMENT TO APPLICATION**  
**PERMIT FOR AN ENHANCED RECOVERY PROJECT (Form 203)**

Ohio Department of Natural Resources, Division of Oil and Gas Resources Management  
2045 Morse Road, Bldg H3  
Columbus, OH 43229-6693

AREA OF REVIEW. An application for an Enhanced Recovery Project (ERP) will be evaluated on the basis of an "area of review" surrounding the proposed input wells for the project. The area of review for projects in which injection of greater than two hundred barrels per day per well is proposed shall be the area circumscribed by a circle with one center point at the location of each input well and a radius of one-half mile. The area of review for projects in which a maximum injection of two hundred barrels per day per well or less is proposed shall be the area circumscribed by a circle with the center point at the location of each input well and a radius of one-quarter mile. Projects in which gas is the proposed injection fluid will have an area of review consisting of an area circumscribed by a circle with the center point at the location of each input well and a radius of one-quarter mile.

31. **PROPOSED INJECTION ZONE**

Geological Formation: \_\_\_\_\_ Newburg  
Injection Interval: From: 4050-4000 feet to 4200  
Geologic description of injection zone: \_\_\_\_\_ Dolomite

32. **WELL CONSTRUCTION AND OPERATION**

- A. Description of the proposed casing and cement program for new wells, or of the casing, cementing or sealing with prepared clay for existing wells to be converted:  
11 3/4 casing surface to 600', 8 5/8 casing surface to 4000' open hole with 1500' of cement fill up.  
5 1/2 tubing set on a packer at approx. 3900'. Well will be bond logged to show cement top.
- B. Proposed method for testing the casing:  
Pressure test to be done after cementing of longstring. A bond log to show integrity and cement top.  
Pressure up on longstring after cementing before open hole.
- C. Description of the proposed method for completion and operation of the injection well:  
5 1/2 tubing set on a packer at approx. 3900'
- D. Description of the proposed unloading, surface storage, and spill containment facilities:  
The unloading area will be concrete with a concrete vault to hold any spillage. The water will be stored in 210 or 400 BBL tanks which will be placed on a concrete pad with concrete walls. This dike will be of sufficient size to contain all water in case of tank failure.  
Trucks will unload through a strainer/ filter into the tanke. Water will be filtered to the injection pump.

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33. **PROPOSED INJECTION VOLUMES**

- A. Indicate the estimated amount of saltwater to be injected into the proposed injection well per day:  
AVERAGE: 800 MAXIMUM: 1600
- B. Indicate the method to be used to measure the actual amount of saltwater injected into the well:  
Paperwork turned in by drivers. Electronics on unload station to monitor trucks & amount of water with flowmeter

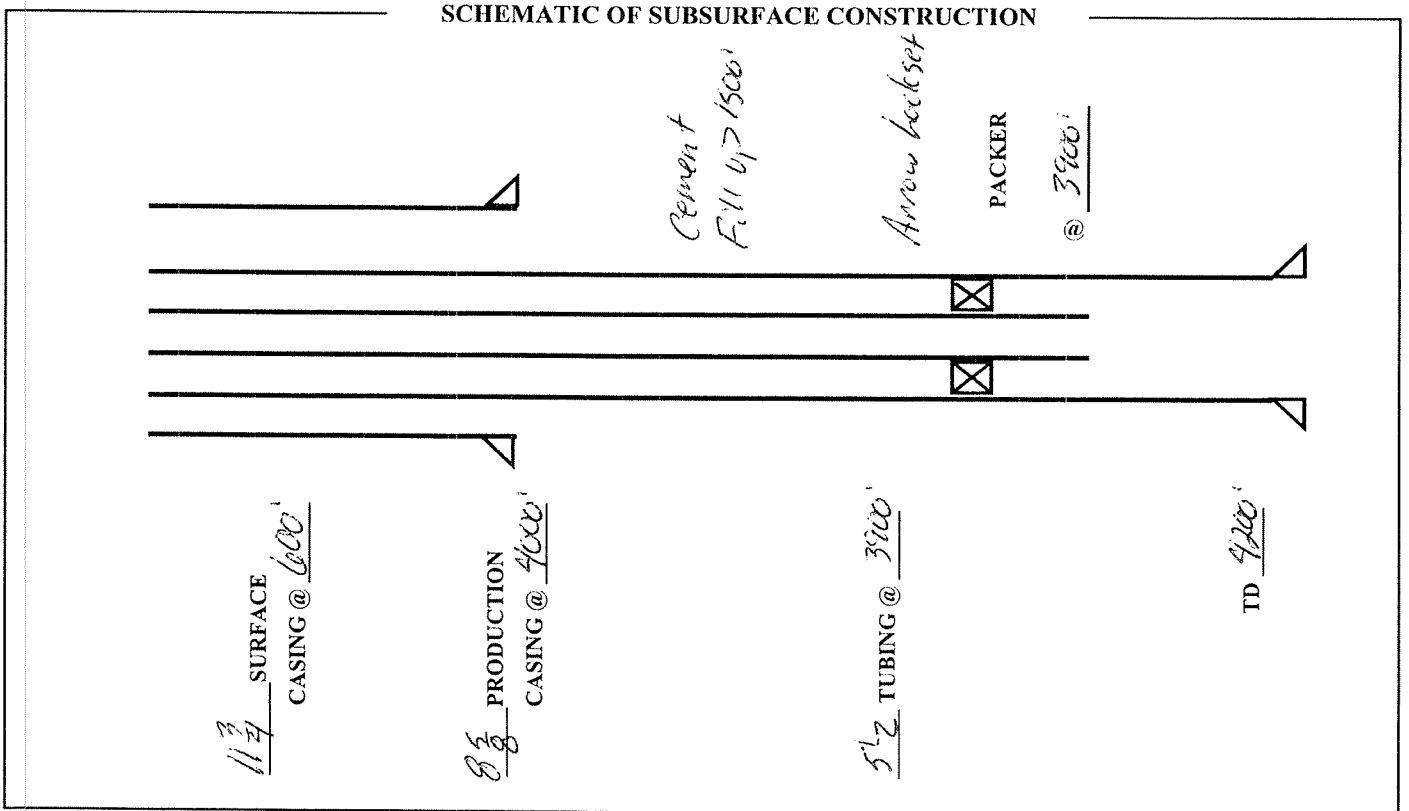
34. **PROPOSED INJECTION PRESSURES**

- A. Indicate the estimated pressure to be used for injection of saltwater into the proposed injection well:  
AVERAGE: 800 MAXIMUM: 1000 920 PSI  
AA
- B. Indicate the method to be used to measure the actual daily injection pressure:  
Guages on wellhead recorded be well tender and electronics on the well with transducers

35. **PROPOSED CORRECTIVE ACTION**

Explain any corrective action proposed for wells penetrating the proposed injection formation or zone within the area of review.  
The only well within the area of review is an existing disposal well

36. **MAP.** Each application for a permit shall be accompanied by a map or maps showing and containing the following information:
- A. The subject area trace or tracts of land and their owners upon which the proposed enhanced recovery operations are to be conducted;
  - B. The location and designation of all input, withdrawal, or observation wells on the tract or tracts to be utilized in the enhanced recovery project.
  - C. The geographic location of all wells, penetrating the formation proposed for injection regardless of status, within the area of review;
  - D. All holders of the land owner's royalty interest of record, or holders of the severed oil and gas mineral estates of record in the subject area.
  - E. All owners or operators of wells producing from or injecting into the same formation proposed as the injection formation.
37. **SCHEMATIC DRAWING OF SUBSURFACE CONSTRUCTION.** Label the schematic drawing below indicating size and setting depth of surface casing, intermediate (if any) and production casings; amount of cement used, measured or calculated tops of cement; size and setting depth of tubing; type and setting depth of packer; geologic name of injection zone showing top and bottom of injection interval. If the proposed input well design is substantially different from the schematic below, attach on a separate sheet a schematic of your proposal labeled with the above information.



38. Public notice of an application for an enhanced recovery project is required by law. In addition, the applicant must submit, on an attached sheet, a list of the names and address of those persons required to receive personal notice in accordance with Rule 1501:9-5-05(E)(1), of the Ohio Administrative Code.

After submitting the application, and after a determination by the Division that it is complete as required by the rules of the Division, a legal notice must be published by the applicant in a newspaper of general circulation in the area of review. The legal notice must contain the information described in Rule 1501:9-5-05(E)(1) of the Ohio Administrative Code. A copy of the notice must be delivered to all owners or operators of wells within the area of review producing from or injecting into the same formation proposed as the injection formation. Proof of publication, publication date, and an oath as to the delivery to those entitled to receive personal notice under this method must be filed with the Division within thirty days after the Division determines that the application is complete.

In addition, notice of all applications for enhanced recovery projects will be published in the Division's Weekly Circular.

The undersigned hereby agrees to comply with all provisions for an enhanced recovery project as required by Chapter 1501:9-5 of the Ohio Administrative Code. In addition, the undersigned deposed and says that he shall conform to all provisions of Section 1509.072 of the Ohio Revised Code, and to all orders and rules issued by the Chief, Division of Oil and Gas Resources Management.

Owner/Authorized Agent (Type or Print): Charles J Cutter  
 Signature of Owner/Authorized Agent: [Signature] Title: Pres  
 Permanent Address of Home Office: 7046 Cedar Valley Rd W. Salem, OH 44287

If signed by Authorized Agent, a certified copy of appointment of agent must be on file with the Division.

SWORN to and subscribed before me this 28 day of March, 2012.



JUSTIN L. CUTTER  
 (SEAL) Notary Public, State of Ohio  
 Commission Expires  
 April 1, 2012

[Signature]  
 Notary Public  
 Date Commission Expires

**RESTORATION PLAN (Form 4)**

Ohio Department of Natural Resources

Division of Oil and Gas Resources Management, 2045 Morse Road, Bldg. H-3, Columbus OH 43229-6693

1. DATE OF APPLICATION: 21-Mar-12	
2. OWNER NAME, ADDRESS, & TELEPHONE NO.: Hard Rock Drilling & Producing LLC, 7646 Cedar Valley Road, West Salem, Ohio 44287 (419) 846-3850	3. API #:
	4. WELL #: 1
	5. LEASE NAME: Soinski
	6. PROPERTY OWNER: Dale Soinski
	7. COUNTY: Portage
	8. CIVIL TOWNSHIP: Windham
	9. SECTION: 10. LOT: 89
11. CURRENT LAND USE: <input type="checkbox"/> Cropland <input type="checkbox"/> Commercial <input type="checkbox"/> Pasture <input type="checkbox"/> Idle Land <input type="checkbox"/> Wetlands <input checked="" type="checkbox"/> Recreational <input type="checkbox"/> Residential <input type="checkbox"/> Industrial <input type="checkbox"/> Unreclaimed strip mine <input type="checkbox"/> Woodland: <input type="checkbox"/> Broadleaf <input type="checkbox"/> Needlelike	17. TYPE OF WELL: <input type="checkbox"/> Oil <input type="checkbox"/> Gas <input checked="" type="checkbox"/> Other
12. SLOPE GRADIENT & LENGTH DETERMINED FROM: <input checked="" type="checkbox"/> Ground Measurement <input type="checkbox"/> U.S. Geological Survey Topographical Maps <input type="checkbox"/> Other: (explain) _____	18. STEEPEST SLOPE GRADIENT CROSSING SITE: <input type="checkbox"/> 0 to 2% <input checked="" type="checkbox"/> 2.1 to 8% <input type="checkbox"/> 8.1 to 10% <input type="checkbox"/> 10.1 to 24% <input type="checkbox"/> greater than 24%
13. TYPE OF FALL VEGETAL COVER: <input checked="" type="checkbox"/> Little or no vegetal cover <input type="checkbox"/> Short grasses <input type="checkbox"/> Tall weeds or short brush (1 to 2 ft.) <input type="checkbox"/> Brush or bushes (2 to 6 ft.) <input type="checkbox"/> Agricultural crops <input type="checkbox"/> Trees with sparse low brush <input type="checkbox"/> Trees with dense low brush	19. LENGTH OF STEEPEST SLOPE CROSSING SITE: <input type="checkbox"/> 1 to 100 ft. <input type="checkbox"/> 101 to 200 ft. <input checked="" type="checkbox"/> 201 to 400 ft. <input type="checkbox"/> greater than 400 ft.
14. SOIL & RESOILING MATERIAL AT WELLSITE: <input checked="" type="checkbox"/> Stockpile and protect topsoil to be used when preparing seedbed <input type="checkbox"/> Use of soil additives (e.g., lime, fertilizer) <input type="checkbox"/> No resoiling planned <input type="checkbox"/> Proposed alternative _____	20. RESTORATION OF DRILLING PITS: ** <input checked="" type="checkbox"/> Haul drilling fluids and fill pits <input type="checkbox"/> Use steel circulating tanks <input type="checkbox"/> Proposed alternative _____
15. DISPOSAL PLAN FOR TREES AND TREE STUMPS: <input checked="" type="checkbox"/> No trees disturbed <input type="checkbox"/> Haul to landfill <input type="checkbox"/> Cut into firewood <input type="checkbox"/> Sell to lumber company <input type="checkbox"/> Bury with landowner's approval <input type="checkbox"/> Mulch small trees and branches, erosion control <input type="checkbox"/> Use for wildlife habitat with landowner approval <input type="checkbox"/> Proposed alternative _____	21. BACKFILLING AND GRADING AT SITE: <input type="checkbox"/> Construct diversions channeled to naturally established drainage systems <input type="checkbox"/> Construct terraces across slopes <input checked="" type="checkbox"/> Grade to approximate original contour <input type="checkbox"/> Grade to minimize erosion & control offsite runoff <input type="checkbox"/> Proposed alternative _____
16. SURFACE AND SUBSURFACE DRAINAGE FACILITIES: <input checked="" type="checkbox"/> No existing drainage facilities for removal of surface and/or subsurface water <input type="checkbox"/> Tile drainage system underlying land to be disturbed <input type="checkbox"/> Drain pipe(s) underlying land to be disturbed <input type="checkbox"/> Surface drainage facilities on land to be disturbed	22. VEGETATIVE COVER TO BE ESTABLISHED AT SITE: <input checked="" type="checkbox"/> Seeding plan <input type="checkbox"/> Sod <input type="checkbox"/> Agricultural crops <input type="checkbox"/> Trees and/or Bushes <input type="checkbox"/> Proposed alternative _____
	23. ADDITIONAL HOLES: <input checked="" type="checkbox"/> Rat/Mouse, if used, will be plugged
	24. PROPOSED OR CURRENT LENGTH OF ACCESS ROAD: <input checked="" type="checkbox"/> 100 ft. or less <input type="checkbox"/> 101 to 500 ft. <input type="checkbox"/> 501 to 1500 ft. <input type="checkbox"/> greater than 1500 ft.
	25. CURRENT LAND USE OF PATH OF ACCESS ROAD: <input type="checkbox"/> Cropland <input type="checkbox"/> Pasture <input type="checkbox"/> Commercial <input type="checkbox"/> Idle land <input type="checkbox"/> Wetlands <input checked="" type="checkbox"/> Recreational <input type="checkbox"/> Industrial <input type="checkbox"/> Residential <input type="checkbox"/> Unreclaimed strip mine <input type="checkbox"/> Woodland: <input type="checkbox"/> Broadleaf <input type="checkbox"/> Needlelike

**\*\*PITS MUST BE FILLED WITHIN TWO MONTHS AFTER COMMENCEMENT OF THE WELL AND WITHIN FOURTEEN DAYS AFTER COMMENCEMENT OF THE WELL IN AN URBANIZED AREA.**

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REQUIRED BY SECTION 1509.06 (A)(10), OHIO REVISED CODE -- FAILED 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.

APR 02 2012

26. SURFACING MATERIAL FOR ACCESS ROAD: <input type="checkbox"/> Gravel <input type="checkbox"/> Brick and/or tile waste <input type="checkbox"/> Slag <input checked="" type="checkbox"/> Crushed stone <input type="checkbox"/> No surfacing material to be used <input type="checkbox"/> Proposed alternative	29. STEEPEST SLOPE GRADIENT ON ACCESS ROAD: <input checked="" type="checkbox"/> 0 to 5% <input type="checkbox"/> 6 to 10% <input type="checkbox"/> greater than 10%
27. PATH OF ACCESS ROAD TO BE DETERMINED BY: <input type="checkbox"/> Landowner <input type="checkbox"/> Contractor <input type="checkbox"/> Existing access road <input checked="" type="checkbox"/> Operator	30. APPROXIMATE LENGTH OF STEEPEST SLOPE ON ROAD: <input checked="" type="checkbox"/> 0 to 100 ft. <input type="checkbox"/> 101 to 200 ft. <input type="checkbox"/> 201 to 400 ft. <input type="checkbox"/> greater than 400 ft.
28. GRADING AND EROSION CONTROL PRACTICE ON ROAD: <input type="checkbox"/> Diversions <input type="checkbox"/> Filter strips <input type="checkbox"/> Drains <input type="checkbox"/> Riprap <input type="checkbox"/> Open top culverts <input type="checkbox"/> Water breaks <input checked="" type="checkbox"/> Outsloping of road <input type="checkbox"/> Pipe culverts <input type="checkbox"/> Proposed alternative	31. HAS LANDOWNER RECEIVED A COPY OF THIS RESTORATION PLAN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

The undersigned hereby agrees to implement all restoration operations identified on this form, and conform to all provisions of Section 1509.072 of the Ohio Revised Code, and to all Orders and rules issued by the Chief, Division of Oil and Gas Resources Management.

Signature of Owner/Authorized Agent                     *Charles J. Carter*                     

Name (Typed or Printed)                     Charles J Carter                                            Date                     3-28-12                     

RESTORATION PLAN MUST BE SUBMITTED TO THE DIVISION IN DUPLICATE.

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STATE OF OHIO  
THE OHIO DEPARTMENT OF NATURAL RESOURCES  
THE DIVISION OF OIL AND GAS RESOURCES MANAGEMENT  
2045 MORSE ROAD, BUILDING H-3  
COLUMBUS, OHIO 43229-6693

OIL AND GAS AFFIDAVIT

Application No. \_\_\_\_\_  
(To be filled in by the Division)

STATE OF Ohio ss:

COUNTY OF Portage

NAME OF LANDOWNER: Dale Swinski

ADDRESS OF LANDOWNER: 10218 Silica Sand Rd. Garrettsville, Oh 4231

Being first duly sworn according to law, depose and say that they are the owners of the following described real estate:

Located in \_\_\_\_\_ Quarter of \_\_\_\_\_  
Section \_\_\_\_\_  
Fraction/Lot 89, Windham Township,  
Portage County, Ohio.

The undersigned certify that they are the owners of the property in fee simple, including the coal rights, and have no objections to the drilling of the Swinski 1 I, by the  
(Well Name & No.)

Hand Rock Drilling + Producing on said premises.  
(Company)

Further affiant sayeth naught

Signatures: Dale R. Swinski

Signatures: \_\_\_\_\_

Signatures: \_\_\_\_\_

Signatures: \_\_\_\_\_

SWORN to before me and subscribed in my presence this 24  
Day of March, 20 12

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Notary Public: Kristin L. Cutter



KRISTIN L. CUTTER  
Notary Public, State of Ohio  
My Commission Expires  
April 1, 2012

SALTWATER INJECTION WELL – AFFIDAVIT

Ohio Department of Natural Resources  
Division of Mineral Resources Management  
2045 Morse Road, Columbus, Ohio 43229-6693

State of Ohio, Wayne County, ss  
Charles J Cutter being first duly  
sworn says that as principal, or authorized agent, for Hardrock Drilling & Prod, he or she has  
made application for a saltwater injection well in the State of Ohio Portage County, Winchester  
Township, section/lot number 89; and further certifies that notice of application has been  
delivered to each individual entitled to personal notification in accordance with paragraph (E) of Rule  
1501:9-3-.06 of the Ohio Administrative Code. And further affiant saith not.

[Signature]  
Affiant Signature

Sworn to before me and subscribed in my presence this 28 day of March,  
2012.



KRISTIN L. CUTTER  
Notary Public, State of Ohio  
Commission Expires  
April 1, 2012

[Signature]  
Notary Public

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APR 2 2012

SALTWATER INJECTION WELL – AFFIDAVIT

Ohio Department of Natural Resources  
Division of Mineral Resources Management  
2045 Morse Road, Columbus, Ohio 43229-6693

State of Ohio, Wayne County, ss  
Charles J Cutter being first duly  
sworn says that as principal, or authorized agent, for Head Rock Drilling & Prod., he or she has  
made application for a saltwater injection well in the State of Ohio Portage County, Woodburn  
Township, section/lot number 89; and further certifies that notice of application has been  
delivered to each individual entitled to personal notification in accordance with paragraph (E) of Rule  
1501:9-3-.06 of the Ohio Administrative Code. And further affiant saith not.

[Signature]  
Affiant Signature

Sworn to before me and subscribed in my presence this 28 day of March,  
2012.



JUSTIN L. CUTTER  
Notary Public, State of Ohio  
My Commission Expires  
April 1, 2012

[Signature]  
Notary Public

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APR 02 2012

SALTWATER INJECTION WELL – AFFIDAVIT

Ohio Department of Natural Resources  
Division of Mineral Resources Management  
2045 Morse Road, Columbus, Ohio 43229-6693

State of Ohio, Wayne County, ss  
Charles J Cutter being first duly  
sworn says that as principal, or authorized agent, for Hard Rock Drill & Paved, he or she has  
made application for a saltwater injection well in the State of Ohio Portage County, Winthorn  
Township, section/lot number 89; and further certifies that notice of application has been  
delivered to each individual entitled to personal notification in accordance with paragraph (E) of Rule  
1501:9-3-.06 of the Ohio Administrative Code. And further affiant saith not.

[Signature]  
Affiant Signature

Sworn to before me and subscribed in my presence this 28 day of March,  
2012.



KRISTIN L. CUTTER  
Notary Public, State of Ohio  
My Commission Expires  
April 1, 2012

[Signature]  
Notary Public

RECEIVED

APR 02 2012

**SALTWATER INJECTION WELL – AFFIDAVIT**

Ohio Department of Natural Resources  
Division of Mineral Resources Management  
2045 Morse Road, Columbus, Ohio 43229-6693

State of Ohio, Wayne County, ss  
Charles J. Cutter being first duly  
sworn says that as principal, or authorized agent, for Havel Rock Drilling & Prod., he or she has  
made application for a saltwater injection well in the State of Ohio Portage, County, Wayne  
Township, section/lot number 89; and further certifies that notice of application has been  
delivered to each individual entitled to personal notification in accordance with paragraph (E) of Rule  
1501:9-3-.06 of the Ohio Administrative Code. And further affiant saith not.

[Signature]  
Affiant Signature

Sworn to before me and subscribed in my presence this 28 day of March,  
2012.



Kristin L. Cutter  
Notary Public, State of Ohio  
Commission Expires  
April 1, 2012

[Signature]  
Notary Public

RECEIVED

APR 02 2012

AMERICAN ENERGY EXPLORATION, INC.  
PERRY PETROLEUM, LLC  
2011011014

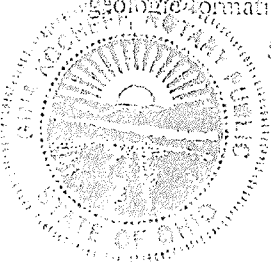
PARTIAL RELEASE OF OIL AND GAS LEASE RIGHTS

The undersigned, America's Energy Exploration, Inc. and Perry Petroleum, LLC, (collectively "Lessees") for valuable consideration the receipt of which is hereby acknowledged, do hereby release and relinquish the right to produce oil and gas from geologic formations located from the surface to the top of the Queenston Formation, in and to the following:

Oil and Gas Lease, recorded with the Recorder of Portage County, Ohio, in Official Record Instrument Number 201011014.

This Partial Release shall not affect the rights of Lessees and their successors and assigns to drill through the above described geologic formations to explore for and produce oil and gas from deeper geologic formations.

Signed on September 27, 2011.



America's Energy Exploration, Inc.

By: [Signature]

Its: [Signature]

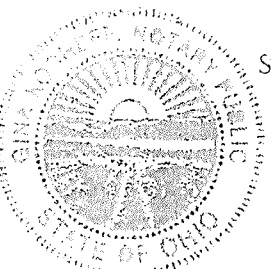
STATE OF OHIO,  
COUNTY OF Portage, SS:

The foregoing instrument was acknowledged before me this \_\_\_th day of September 2011 by Cynthia L. Covert, President of America's Energy Exploration, Inc., an Ohio corporation, on behalf of the corporation.

Notary Public, State of Ohio  
My Commission Expires 2-28-2014

[Signature]  
Notary Public

Signed on September 27, 2011.



Perry Petroleum, LLC

By: [Signature]

Its: [Signature]

STATE OF OHIO,  
COUNTY OF Portage, SS:

The foregoing instrument was acknowledged before me this \_\_\_th day of September 2011 by Perry Pipes, manager of Perry Petroleum, LLC, an Ohio limited liability company, on behalf of the company.

Notary Public, State of Ohio  
My Commission Expires 2-28-2014

[Signature]  
Notary Public

This Instrument Prepared By:

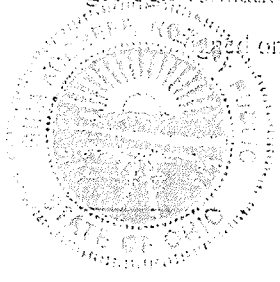
PARTIAL RELEASE OF OIL AND GAS LEASE RIGHTS

The undersigned, America's Energy Exploration, Inc. and Perry Petroleum, LLC, (collectively "Lessees") for valuable consideration the receipt of which is hereby acknowledged, do hereby release and relinquish the right to produce oil and gas from geologic formations located from the surface to the top of the Queenston Formation, in and to the following:

Oil and Gas Lease, recorded with the Recorder of Trumbull County, Ohio, in Official Record Instrument Number 201007160012822.

This Partial Release shall not affect the rights of Lessees and their successors and assigns to drill through the above described geologic formations to explore for and produce oil and gas from deeper geologic formations.

Witness my hand and seal on September 20, 2011.



America's Energy Exploration, Inc.

By: [Signature]

Its: [Signature]

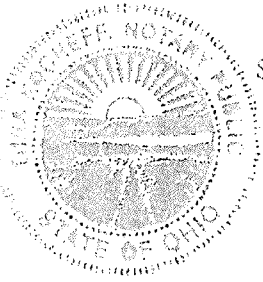
STATE OF OHIO,  
COUNTY OF Trumbull, SS:

The foregoing instrument was acknowledged before me this 20th day of September 2011 by Cynthia L. Covert, President of America's Energy Exploration, Inc., an Ohio corporation, on behalf of the corporation.

Notary Public, State of Ohio  
My Commission Expires 7-26-2014

[Signature]  
Notary Public

Signed on September 20, 2011.



Perry Petroleum, LLC

By: [Signature]

Its: [Signature]

STATE OF OHIO,  
COUNTY OF Trumbull, SS:

The foregoing instrument was acknowledged before me this 20th day of September 2011 by Perry Pipes, manager of Perry Petroleum, LLC, an Ohio limited liability company, on behalf of the company.

Notary Public, State of Ohio  
My Commission Expires 7-26-2014

[Signature]  
Notary Public

This Instrument Prepared By:  
Christopher C. Wager  
Vorys, Sater, Seymour and Pease LLP  
52 East Gay Street  
P.O. Box 1008, Columbus, OH 43216-1008

Hard Rock Drilling & Producing  
7646 Cedar Valley Road  
West Salem, Ohio 44287

June 21, 2012

Division of Mineral Resources Management

2045 Morse Road, Bldg. H-3

Columbus, Ohio 43229

Dear Tom,

As per your request on the mineral rights under the Solinski property I am sending you the partial release on the mineral rights under the Solinski property. The permit from Pep drilling was submitted before the release of the mineral rights back to Dale Solinski. As to our research on the property we have leased the minerals from the surface to the top of the Queenston. If you have any other questions please feel free to contact me.

Thanks,

CJ Cutter



STATE OF OHIO  
THE OHIO DEPARTMENT OF NATURAL RESOURCES  
THE DIVISION OF OIL AND GAS RESOURCES MANAGEMENT  
2045 MORSE ROAD, BUILDING H-3  
COLUMBUS, OHIO 43229-6693

OIL AND GAS AFFIDAVIT

Application No. \_\_\_\_\_  
(To be filled in by the Division)

STATE OF Ohio ss:  
COUNTY OF Portage  
NAME OF LANDOWNER: Dale Sinski  
ADDRESS OF LANDOWNER: 10218 Silica Sand Rd Gamettsville, OH 44721

Being first duly sworn according to law, depose and say that they are the owners of the following described real estate:

Located in \_\_\_\_\_ Quarter of  
Section \_\_\_\_\_  
Fraction/Lot 90, Windham Township,  
Portage County, Ohio.

The undersigned certify that they are the owners of the property in fee simple, including the coal rights, and have no objections to the drilling of the Sinski 2 I, by the  
(Well Name & No.)  
Hard Rock Drilling + Producing on said premises.  
(Company)


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Further affiant sayeth naught.

APR 02 2012

Signatures: Dale Sinski  
Signatures: \_\_\_\_\_  
Signatures: \_\_\_\_\_  
Signatures: \_\_\_\_\_

SWORN to before me and subscribed in my presence this 24  
Day of March, 20 12

Notary Public: Kristin L. Cutter  
  
KRISTIN L. CUTTER  
Notary Public, State of Ohio  
My Commission Expires  
April 1, 2012

**APPLICATION FOR A PERMIT (Form 1)**  
 OHIO DEPARTMENT OF NATURAL RESOURCES  
 DIVISION OF OIL AND GAS RESOURCES MANAGEMENT  
 2045 Morse Road, Building H-3  
 COLUMBUS, OHIO 43229-6693  
 (614) 265-6633

#1158  
 \$ 1,000.00

AMY 0000908

SEE INSTRUCTIONS ON PAGE 2 (BACK)

1. I, We (applicant) <u>Hard Rock Drilling &amp; Producing LLC</u>		2. Owner #: <u>8837</u>
(address) <u>7646 Cedar Valley Road, West Salem, Ohio 44287</u>		Phone #: <u>419-846-3850</u>
hereby apply this date <u>21-Mar</u> , 20 <u>12</u> for a permit to:		
<input type="checkbox"/> Reissue (check appropriate blank)	<input type="checkbox"/> Revised Location	<input type="checkbox"/> Convert
<input checked="" type="checkbox"/> Drill New Well	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Deepen
<input type="checkbox"/> Drill Directionally	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Reopen
<input type="checkbox"/> Drill Horizontally	<input type="checkbox"/> Orphan Well Program	<input type="checkbox"/> Temporary Inactive
3. TYPE OF WELL:		
<input type="checkbox"/> Oil & Gas	<input type="checkbox"/> Annular Disposal	<input checked="" type="checkbox"/> Saltwater Injection
<input type="checkbox"/> Stratigraphic Test	<input type="checkbox"/> Gas Storage	<input type="checkbox"/> Other (explain): _____
<input type="checkbox"/> Solution Mining*	<input type="checkbox"/> Enhanced Recovery* ( * if checked, select appropriate box below)	
<input type="checkbox"/> Input/Injection	<input type="checkbox"/> Water Supply	<input type="checkbox"/> Observation
<input type="checkbox"/> Production/Extraction		
4. MAIL PERMIT TO: Hard Rock Drilling & Producing LLC, 7646 Cedar Valley Road, West Salem, Ohio 44287		20. TYPE OF TOOLS:
		<input type="checkbox"/> Cable
		<input type="checkbox"/> Cable / Air Rotary
		<input type="checkbox"/> Cable / Fluid Rotary
		<input type="checkbox"/> Cable / Air / Fluid Rotary
		<input type="checkbox"/> Air Rotary
		<input checked="" type="checkbox"/> Air / Fluid Rotary
		<input type="checkbox"/> Fluid Rotary
		<input type="checkbox"/> Service Rig
5. COUNTY: <u>Portage</u>	21. PROPOSED CASING PROGRAM:	
6. CIVIL TOWNSHIP: <u>Windham</u>	16" Conductor cement to surface, 11 3/4 surface to 350' cement to surface, 8 5/8 surface to 4200', 5 1/2 tubing set on packer within 100' of top of perf approximately 4000'	
7. SECTION: _____ 8. LOT: <u>89</u>		
9. FRACTION: _____ 10. QTR TWP: _____		
11. TRACT / ALLOT: _____		
12. WELL #: <u>1</u>		
13. LEASE NAME: <u>Soinski</u>		
14. PROPOSED TOTAL DEPTH: <u>4200</u>		
15. PROPOSED GEOLOGICAL FORMATION: <u>Newburg</u>	22. FIRE AND MEDICAL DEPARTMENT TELEPHONE NUMBERS: (closest to well site)	
16. DRILLING UNIT IN ACRES (must be same as acres indicated on plat): <u>484.73</u>	Fire: <u>911</u>	
17. IF PERMITTED PREVIOUSLY:	Medical: <u>911</u>	
API #:	23. MEANS OF INGRESS & EGRESS:	
OWNER:	Township Road: _____	
WELL #:	County Road: _____	
LEASE NAME:	Municipal Road: _____	
TOTAL DEPTH:	State Highway: <u>St. Rt. 82</u>	
GEOLOGICAL FORMATION:	24. IS THE WELL LOCATION OR PRODUCTION FACILITIES WITHIN AN URBANIZED AREA AS DEFINED BY 1509.01(Y) ?	
18. IF SURFACE RIGHTS ARE OWNED BY THE OHIO DEPARTMENT OF NATURAL RESOURCES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Division Name: _____		
Division Phone: _____		
19. LANDOWNER ROYALTY INTEREST:		
Is There An Attached List? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Name: <u>Dale Soinski</u>		
Address: <u>10218 Silica Sand Road, Garrettsville, Ohio 44231</u>		
Name: _____		
Address: _____		
Name: _____		
Address: _____		

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I, the undersigned, being first duly sworn, depose and state under penalties of law, that I am authorized to make this application, that this application was prepared by me or under my supervision and direction, and that the facts stated herein are true, correct, and complete, to the best of my knowledge.

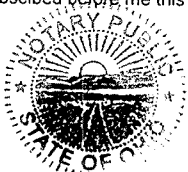
I, the undersigned, further depose and state that I am the person who has the right to drill on the tract or drilling unit and to drill into and produce from a pool and to appropriate the oil or gas that I produce therefrom either for myself or others as described in this application. And furthermore, I the undersigned, being duly sworn, depose and state at this time that I am not liable for any final nonappealable order of a court for damage to streets, roads, highways, bridges, culverts, or drainage ways pursuant to Section 5577.12 of the Ohio Revised Code (ORC). I, the undersigned, further depose and state that all notices required by 1509.06 (A) (9) ORC for this application have been duly provided by me. If applying for a permit to plug and abandon a well, I hereby certify that the written notices, as required in Section 1509.13, ORC, have been given.

That I hereby agree to conform with all provisions of Chapter 1509., ORC, and Chapter 1501., OAC, and all orders and conditions issued by the Chief, Division of Oil and Gas Resources Management.

Signature of Owner/Authorized Agent [Signature]  
 Name (Type or Print) Charles J. Coffer Title Pres

If signed by Authorized Agent, a certificate of appointment of agent must be on file.

Sworn to and subscribed before me this the 28 day of March, 2012



KRISTIN L. CUTTER  
 Notary Public, State of Ohio  
 My Commission Expires  
 April 1, 2012

[Signature]  
 (Notary Public)  
April 1, 2012  
 (Date Commission Expires)

Before this application can be processed, an Authority and Organization Form (Form 9), indicating the exact owner name on this form, and proof of compliance with the surety and insurance requirements of Chapter 1509.07, Ohio Revised Code, must be on file with the Division of Oil and Gas Resources Management. The signature of owner/authorized agent must correspond with the signature(s) listed on the Form 9 on file with the Division.

All information requested on this form must be provided unless exempted by the instructions below. Incomplete applications may be returned to the applicant. An application for a permit requires the following:

**1. Drill, Reopen, Deepen and Plug Back an Oil and Gas Well (non-urban valid for 24 months; urban valid for 12 months)**

- a. Original and two (2) copies of Application for a Permit (Form 1);
- b. Original and four (4) copies of an Ohio registered surveyor's plat;
- c. Original and one (1) copy of the Restoration Plan (Form 4);
- d. Reopen, deepen, plug back and convert will require three (3) copies of the Well Completion Record (Form 8);
- e. \$500.00 check or money order payable to the Division of Oil and Gas Resources Management and;
- f. If requesting an expedited review, an additional \$250 fee is required; and an Oil & Gas Affidavit (if the proposed well location is in a coal-bearing township).
- g. For an **urbanized area** new well drilling permit, the fee is as follows: \$500 for a township with a population up to 9,999; \$750 for a township with a population of 10,000 to 14,999; \$1,000 for a township with a population exceeding 15,000; and \$1,000 for all municipal corporations regardless of population.
- h. For **mandatory pooling**, an additional \$5,000.

**2. Reissue or Revised Location**

- a. Same as above: 1(a), (b), (c), (d), (f);
- b. \$250 check or money order payable to the Division of Oil and Gas Resources Management.

**3. Plug and Abandon (valid for 24 months)**

- a. Original copy of Application for a Permit (Form 1);
- b. Two (2) copies of the Ohio registered surveyor's plat originally filed, or modified, if available;
- c. Three (3) copies of the Well Completion Record (Form 8) if available; if there is no Well Completion Record on file with the Division, provide any drilling information that is available;
- d. \$250 check or money order payable to the Division of Oil and Gas Resources Management;
- e. If requesting an expedited review, an additional \$500 fee is required.

**4. Drill, Reissue, Reopen, Deepen, Plug Back or Convert a Well to Saltwater Injection**

- a. Same as above: 1(a), (b), (c), (d); and
- b. \$1,000 check or money order payable to the Division of Oil and Gas Resources Management.

**5. Temporary Inactive (valid for 12 months)**

- a. Original and one (1) copy of Application for a Permit (Form 1);
- b. A map, on a scale not smaller than four hundred feet to the inch, that shows the location of the well and the tank battery, that includes the latitude and longitude of the well;
- c. A written statement that the well is of future utility, and that there is a viable plan to use the well within a reasonable period of time and the well poses no threat to the health or safety of persons, property or the environment;
- d. For first application, \$100 check or money order payable to the Division of Oil and Gas Resources Management;
- e. For first renewal, \$250 check or money order payable to the Division of Oil and Gas Resources Management;
- f. For subsequent renewals, \$500 check or money order payable to the Division of Oil and Gas Resources Management; additional bonding may be required.

Item 1. Permit holder's name - as it appears on Form 9. Indicate the type of or combination of activities to be permitted.

Item 2. Indicate owner number, if the owner number is not known, please contact the Division.

Item 3. Indicate the type of well for which the application is being submitted.

Item 4. Provide name, address, city, state and zip code where the permit is to be mailed.

Items 5-11. Indicate drilling location.

Items 12-16. Provide requested information.

Item 17. Complete when application is for a permit to reopen, deepen, reissue, plug back, convert, or plug and abandon. If the well was never permitted, list "NONE" under permit #; all other wells require the permit number.

Item 18. Complete if surface rights are owned by the Ohio Department of Natural Resources.

Item 19. List names and addresses of all landowner royalty interest holders. Names must coincide with those shown on the designated unit or subject tract on the surveyor's plat or an explanation must be included. Additional sheets may be attached (overriding royalty and working interests are not required).

Item 20. Indicate type of tools that may be used.

Item 21. Indicate size and amount of casing to be used, and/or formations to be cased off.

Item 22. Indicate fire and medical department emergency telephone numbers closest to the well site.

Item 23. List all county, township, and/or municipal roads, streets and highways by name or number that applicant anticipates to use as means of ingress and egress to and from the well site.

Item 24. An "urbanized area" is a municipal corporation or a township that has an unincorporated population of more than five thousand, as defined under Section 1509.01 (Y) of the Ohio Revised Code. Notice must be provided by regular mail to the owner of each parcel of real property that is located within five hundred feet of the surface location of the well, and to either the executive authority of the municipal corporation or the board of township trustees (see 1509.06 (A) (9)).

**SUPPLEMENT TO APPLICATION**  
**PERMIT FOR AN ENHANCED RECOVERY PROJECT (Form 203)**

Ohio Department of Natural Resources, Division of Oil and Gas Resources Management  
2045 Morse Road, Bldg H3  
Columbus, OH 43229-6693

AREA OF REVIEW. An application for an Enhanced Recovery Project (ERP) will be evaluated on the basis of an "area of review" surrounding the proposed input wells for the project. The area of review for projects in which injection of greater than two hundred barrels per day per well is proposed shall be the area circumscribed by a circle with one center point at the location of each input well and a radius of one-half mile. The area of review for projects in which a maximum injection of two hundred barrels per day per well or less is proposed shall be the area circumscribed by a circle with the center point at the location of each input well and a radius of one-quarter mile. Projects in which gas is the proposed injection fluid will have an area of review consisting of an area circumscribed by a circle with the center point at the location of each input well and a radius of one-quarter mile.

31. **PROPOSED INJECTION ZONE**

Geological Formation: \_\_\_\_\_ Newburg  
Injection Interval: From: 4050 <sup>4600' AA</sup> feet to 4200  
Geologic description of injection zone: \_\_\_\_\_ Dolomite

32. **WELL CONSTRUCTION AND OPERATION**

- A. Description of the proposed casing and cement program for new wells, or of the casing, cementing or sealing with prepared clay for existing wells to be converted:  
1 3/4 casing surface to 600', 8 5/8 casing surface to 4000' open hole with 1500' of cement fill up.  
5 1/2 tubing set on a packer at approx. 3900'. Well will be bond logged to show cement top.
- B. Proposed method for testing the casing:  
Pressure test to be done after cementing of longstring. A bond log to show integrity and cement top.  
Pressure up on longstring after cementing before open hole.
- C. Description of the proposed method for completion and operation of the injection well:  
5 1/2 tubing set on a packer at approx. 3900'
- D. Description of the proposed unloading, surface storage, and spill containment facilities:  
The unloading area will be concrete with a concrete vault to hold any spillage. The water will be stored in 210 or 400 BBL tanks which will be placed on a concrete pad with concrete walls. This dike will be of sufficient size to contain all water in case of tank failure.  
Trucks will unload through a strainer/ filter into the tanke. Water will be filtered to the injection pump.
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33. **PROPOSED INJECTION VOLUMES**

- A. Indicate the estimated amount of saltwater to be injected into the proposed injection well per day:  
AVERAGE: 800 MAXIMUM: 1600
- B. Indicate the method to be used to measure the actual amount of saltwater injected into the well:  
Paperwork turned in by drivers. Electronics on unload station to monitor trucks & amount of water with flowmeter

34. **PROPOSED INJECTION PRESSURES**

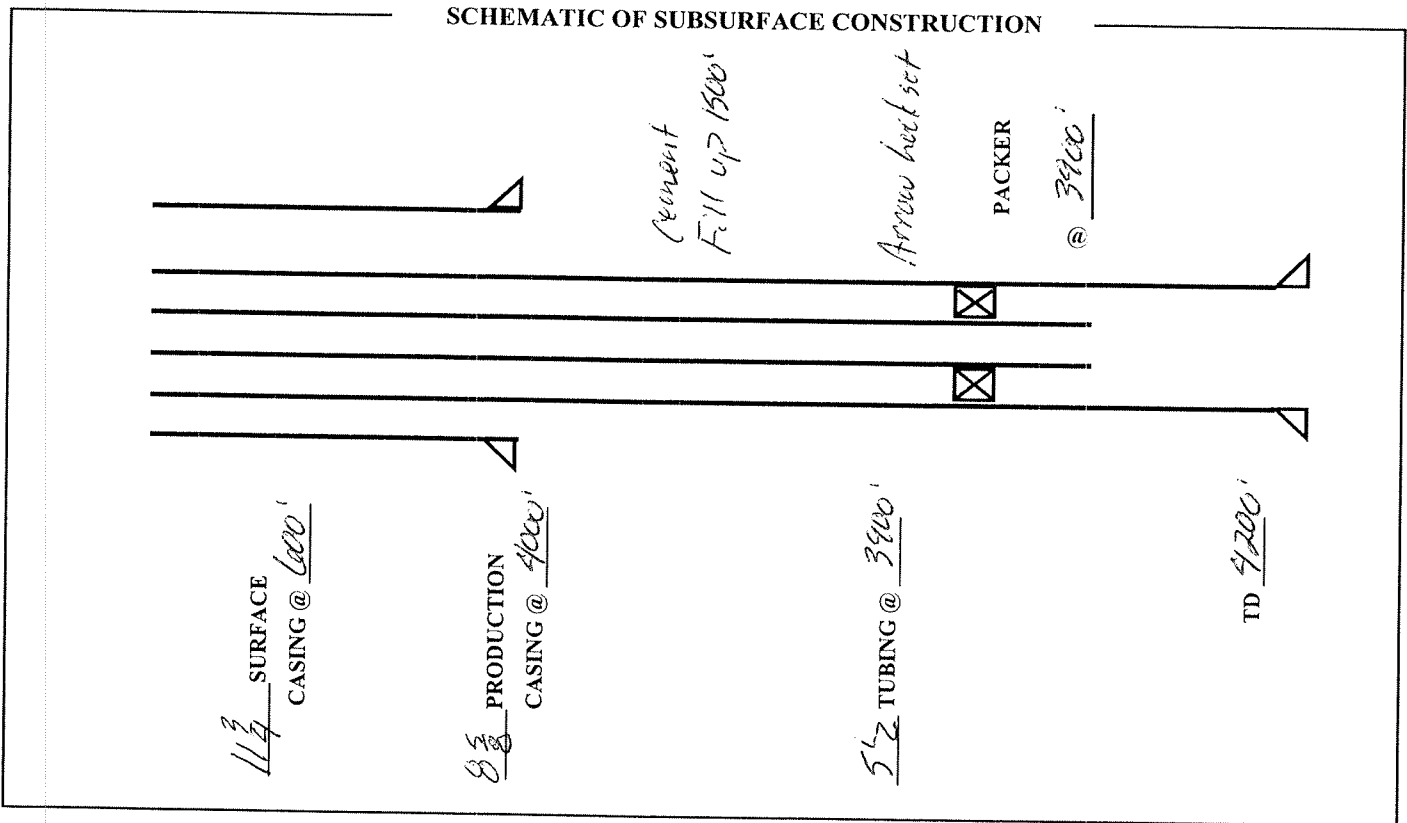
- A. Indicate the estimated pressure to be used for injection of saltwater into the proposed injection well:  
AVERAGE: 800 MAXIMUM: 1000 920 psi AA
- B. Indicate the method to be used to measure the actual daily injection pressure:  
Guages on wellhead recorded be well tender and electronics on the well with transducers

35. **PROPOSED CORRECTIVE ACTION**

Explain any corrective action proposed for wells penetrating the proposed injection formation or zone within the area of review.  
The only well within the area of review is an existing disposal well

36. **MAP.** Each application for a permit shall be accompanied by a map or maps showing and containing the following information:
- A. The subject area trace or tracts of land and their owners upon which the proposed enhanced recovery operations are to be conducted;
  - B. The location and designation of all input, withdrawal, or observation wells on the tract or tracts to be utilized in the enhanced recovery project.
  - C. The geographic location of all wells, penetrating the formation proposed for injection regardless of status, within the area of review;
  - D. All holders of the land owner's royalty interest of record, or holders of the severed oil and gas mineral estates of record in the subject area.
  - E. All owners or operators of wells producing from or injecting into the same formation proposed as the injection formation.

37. **SCHEMATIC DRAWING OF SUBSURFACE CONSTRUCTION.** Label the schematic drawing below indicating size and setting depth of surface casing, intermediate (if any) and production casings; amount of cement used, measured or calculated tops of cement; size and setting depth of tubing; type and setting depth of packer; geologic name of injection zone showing top and bottom of injection interval. If the proposed input well design is substantially different from the schematic below, attach on a separate sheet a schematic of your proposal labeled with the above information.



38. Public notice of an application for an enhanced recovery project is required by law. In addition, the applicant must submit, on an attached sheet, a list of the names and address of those persons required to receive personal notice in accordance with Rule 1501:9-5-05(E)(1), of the Ohio Administrative Code.

After submitting the application, and after a determination by the Division that it is complete as required by the rules of the Division, a legal notice must be published by the applicant in a newspaper of general circulation in the area of review. The legal notice must contain the information described in Rule 1501:9-5-05(E)(1) of the Ohio Administrative Code. A copy of the notice must be delivered to all owners or operators of wells within the area of review producing from or injecting into the same formation proposed as the injection formation. Proof of publication, publication date, and an oath as to the delivery to those entitled to receive personal notice under this method must be filed with the Division within thirty days after the Division determines that the application is complete.

In addition, notice of all applications for enhanced recovery projects will be published in the Division's Weekly Circular.

The undersigned hereby agrees to comply with all provisions for an enhanced recovery project as required by Chapter 1501:9-5 of the Ohio Administrative Code. In addition, the undersigned deposes and says that he shall conform to all provisions of Section 1509.072 of the Ohio Revised Code, and to all orders and rules issued by the Chief, Division of Oil and Gas Resources Management.

Owner/Authorized Agent (Type or Print): Charles J. Cutter  
 Signature of Owner/Authorized Agent: [Signature] Title: Pres  
 Permanent Address of Home Office: 7646 Cedar Valley Rd. W. Salem, OH 44707

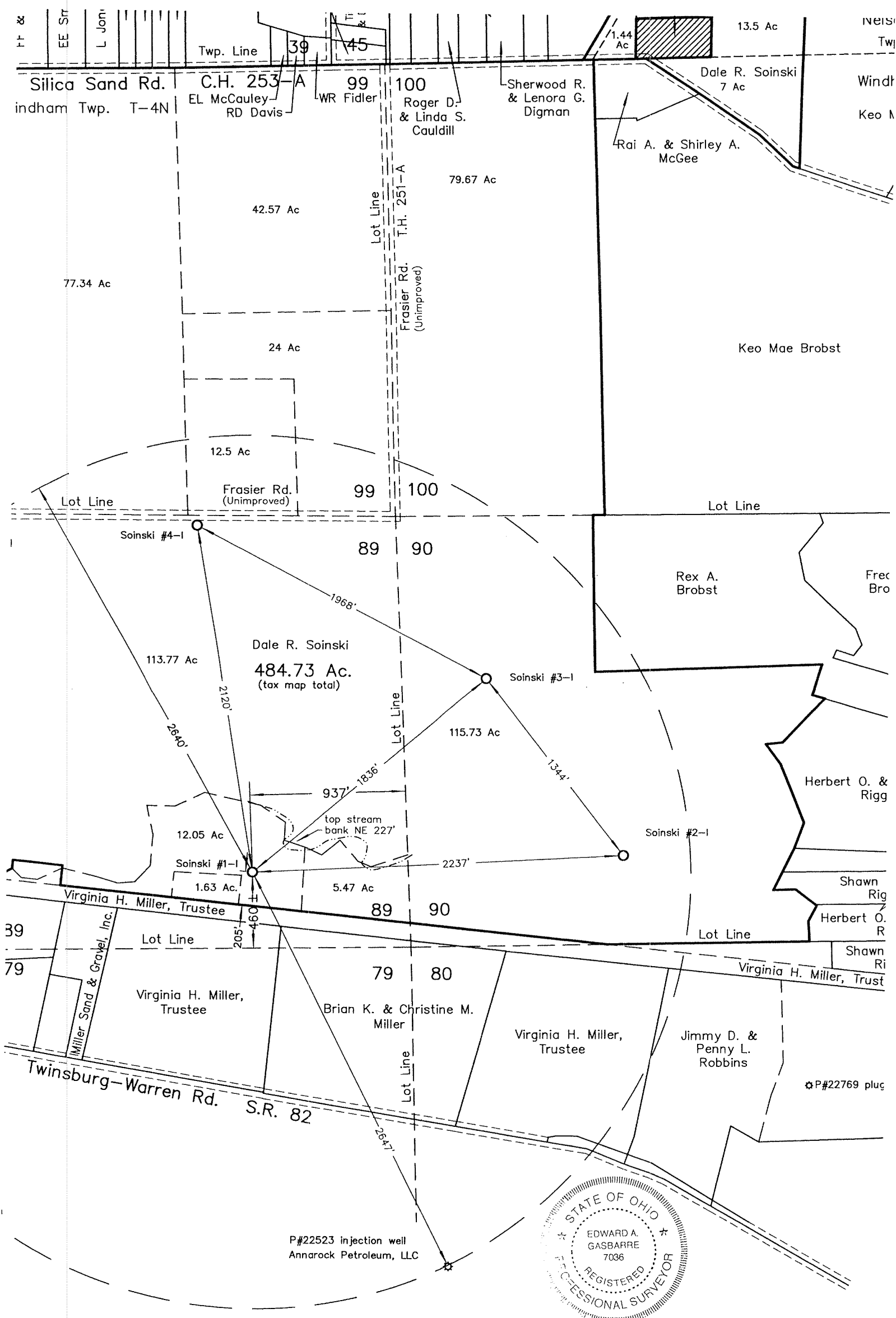
If signed by Authorized Agent, a certified copy of appointment of agent must be on file with the Division.

SWORN to and subscribed before me this 28 day of March, 20 12.



KRISTIN L. CUTTER  
 Notary Public, State of Ohio  
 My Commission Expires  
 April 1, 2012

[Signature]  
 Notary Public  
April 1, 2012  
 Date Commission Expires



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I certify that all known drilling or producing wells within 2640 feet and that all built-up areas have been shown, that there are no drilling unit lines nearer than 200 feet and that this map is in accordance with the current State of Ohio, Department of Natural Resources, Division of Geological Survey.

*Edward A. Gasbarre* 2/10/12

