

STATE OF OHIO
DEPARTMENT OF NATURAL
RESOURCES

DIVISION OF MINERAL
RESOURCES MANAGEMENT
WELL PERMIT

API WELL NUMBER

34-035-2-1990-00-00

FORM 51 REVISED 3/01

OWNER NAME, ADDRESS

PIPES PURSIE E (Owner # 1198)
P O BOX 824
MT VERNON

IL 62864

DATE ISSUED

8/3/2007

PERMIT EXPIRES

8/2/2008

TELEPHONE NUMBER

(618) 242-2205

IS HEREBY GRANTED PERMISSION TO:
IF UNPRODUCTIVE

Drill New Well, directionally

AND ABANDON NEW WELL

PURPOSE OF WELL Oil & Gas

SUBSTANCE TO BE STORED OR COMPLETION DATE IF PERMIT TO PLUG

Cmpltd Dt

DESIGNATION AND LOCATION:

LEASE NAME GIORDANO
WELL NUMBER 1-D
COUNTY CUYAHOGA
CIVIL TOWNSHIP MAYFIELD
TRACT OR ALLOTMENT 3
FOOTAGE LOCATION 256'NL & 420'WL OF LOT 17, TRACT 3

SECTION

LOT 17

FRACTION

QUARTER TOWNSHIP

X 2291150
Y 672230

TYPE OF TOOLS: Air Rotary/Fluid Rotary

PROPOSED TOTAL DEPTH 3700 FEET
GROUND LEVEL ELEVATION 1102 FEET

GEOLOGICAL FORMATION(S):

ORISKANY-NEWBURG-CLINTON

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

Directional Drilling Well Permit Conditions

Urbanized Area/Pre-Permitting Site Conditions

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

SURFACE HOLE ON FLUID ONLY
CONDUCTOR MINIMUM OF 60' CEMENTED TO SURFACE
8 5/8 " APPROX. 250' WITH CEMENT CIRCULATED TO SURFACE
4-1/2" PRODUCTION CASING TO F.D. CEMENTED IF PRODUCTIVE
"BLOW OUT PREVENTOR REQUIRED" HAZARDOUS CONDITIONS MAY BE ENCOUNTERED
ALL DUE PRECAUTIONS SHOULD BE TAKEN

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

OIL AND GAS WELL INSPECTOR:

LOWDER NORBURT
1051 MONROE AVENUE,
CUYAHOGA FALLS, OH 44221
Inspector's # (330) 310-2245
District # (330) 896-0616

JAY CHESLOCK - Supervisor
(330) 284-2942

DEPUTY MINE INSPECTOR: MUST BE NOTIFIED IF WELL IN A COAL-BEARING TOWNSHIP IS TO BE PLUGGED AND ABANDONED

FIRE AND EMERGENCY NUMBERS

FIRE: () - 911

MEDICAL SERVICE () - 911

TARGET INFORMATION
45'NL & 975'WL OF LOT 17, TRACT 3
X= 2,291,730 Y= 672,455

Scott Kell

ACTING CHIEF, DIVISION OF MINERAL
RESOURCES MANAGEMENT

THE OHIO DEPARTMENT OF NATURAL RESOURCES
THE DIVISION OF MINERAL RESOURCES MANAGEMENT

DIRECTIONAL DRILLING PERMIT CONDITIONS

Within thirty (30) days of completion drilling, a copy of the bore hole deviation survey and a revised surveyor's plat showing the actual base of the producing formation must be submitted to the Ohio Department of Natural Resources, The Division of Mineral Resources Management, Technical Review Section, 2045 Morse Road , Building H-3, Columbus, Ohio 43229-6693.

Please Note: Effective August 9, 1993, an addition (H) to Rule 1501:9-1-02 now requires that the Revised surveyor's plat be accompanied by a **FIFTY-DOLLAR FEE**.

Permit # 1990



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



Urbanized Area Permit Conditions

Application Number	12761	Permit Number	N/A	Inspection Date	7-25-07	Modification Date (if applicable)	N/A
Company	Pursie E. Pipes			Lease Name/Well #	Giordano #1-D		
County	Cuyahoga			Township	Mayfield		
Section/Lot	17			Urban Area	City of Gates Mills		
Inspected By	Norbert Lowder						
Accompanied By	Mr. Giordano Landowner, Brooks and site contractor Company met with city						

Directions to Location Route 271 north to Route 322 east to Route 91 (S.O.M. Center Road) south to circle stay on SOM to Dorchester Road to left first drive to left well in open yard

ITEM	LEASE ROAD, WELL SITE CONSTRUCTION	Comments:
1	Tree/Brush Removal/Disposition	Open Yard
2	Topsoil Removal/Stockpiles/Placement	To west
3	Erosion/Sediment Control (Silt Fence, Berms)	Along the north of excavation approx 400'
4	Drainage Controls (Diversion Ditches, Culverts, Waterways, Crossings)	Will be setting culvert with permit from city of Gates Mills
5	Signage	As Required By HB278
6	Apron/Culverts/Road Material	Gravel
7	Pull Off Area	Well site
8	Parking	Well site
9	GPS - Access Road	41.50675 081.43728
10	GPS - Well Stake	41.50708 081.43720
11	GPS - Tank Battery	41.50712 081.43714

Rig access will be 41.50682 081.43771

ITEM	DRILLING CONSIDERATIONS	Comments:
12	Noise Mitigation (Mufflers, Extra Frac Tanks, Tarps)	Hospital Grade Muffler
13	Rig Type	Air / Fluid
14	Is a Blow-out Preventor required?	Yes Yes No
	If No, explain:	
15	Equipment Placement/ Orientation (Rig/ Frac Tanks/ etc.)	North to South
16	Drilling Pits (Placement/Orientation)	East side of rig
17	Fencing (Pits/Entire Location)	Entire location
18	Flood Plain	None
19	Mine Voids	None
20	Verify Water Wells Within 300'	City water
21	Verify Structures Within 500'	Shown
22	Verify Streams and Drainage	Shown

ITEM	RESTORATION	Comments:
23	Pit Closure - (Standard/ Solidification/ Off-Site Disposal - state time frame)	As Required by HB278
24	Site Specific Time Frame For Restoration	As Required by HB278
25	Erosion/Sediment Control	Maintain until restoration is completed
26	Drainage Control	Maintain until restoration is completed

ITEM	PRODUCTION	Comments:
27	Is the Access Road Gate required?	Yes Yes No
	If No, explain:	
28	Landscaping/Screening (Wellhead, Tank Battery) (Waiver Attached if applicable)	As Required by HB278
29	Fencing (Wellhead, Tank Battery) (Waiver Attached if applicable)	As Required by HB278

WAIVERS	Comments:
Is the Company required to submit a waiver?	Yes No No
If yes, submit the following waiver requests:	

Is the Company required to submit revised drawings?	Yes	No	No
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THE FOLLOWING ITEMS HAVE BEEN CHANGED FROM THE ORIGINAL APPLICATION:

DAILY ROUTE SLIP

Mayfield

APPLICATION NO. aPATT012761

TYPE: Drill New Well, directional

CONAME PIPES PURSIE E

API

WELL NAME /NO. GIORDANO

1-D

COUNTY 35 CUYAHOGA

INITIALS

DATE

DATE APPLICATION REC'D

pn

7/12/2007

PERMIT FEE AND CHECK NO.

\$1,000.00

5983

RUSH AMOUNT RUSH CHECK NO.

\$0.00

0

APPLICATION ENTERED

pn

7/12/07

APPLICATIONS AND PLATS SENT
FOR MINE APPROVAL

COAL APPROVAL RECEIVED

OIL/GAS AFFIDAVIT REC'D

URBANIZED AREA NOTIFICATION SENT

pn

7/13/07

URBANIZED AREA NOTIFICATION
SENT TO INSPECTOR/REC'D BACK

pn

7/13 /

SAMPLES: YES _____/SPECIAL AREAS

GEOLOGIST APPROVAL

GM

8/3/07

DATA ENTRY /ISSUED

pn

8/3/07

PERMIT: TAKEN _____ MAILED ✓

pn

8/16/07

FAX TO: _____

FINAL MAP CHECK

KB

9/11/07

COMMENTS:

New plot rec'd 8-2-07

Proof Sheet

APPL NUMBER aPATT012761

URBANIZED AREA ? ☒

OWNER NUMBER 1198

NAME GATES MILLS VILLAGE

OWNER NAME PIPES PURSIE E

EXISTING WELL 0

API PERMIT NO

DISPOSAL PLAN 1 ND

APPL TYPE NX

DISPOSAL PLAN 2

TYPE OF WELL OG

DISPOSAL PLAN 3

VARIANCE REQUEST

DISPOSAL PLAN 4

WELL NAME GJORDANO

DISPOSAL PLAN 5

WELL NUMBER 1-D

PREV/PROPOSED TD 3700

DRILL UNIT ACRES 24.27

TYPE OF TOOL RTAF

PROPOSED FORMATIONS

WELL CLASS POC L

ORISKANY-NEWBURG-CLINTON

FIRE PHONE () - 911

MEDICAL PHONE () - 911

COUNTY CODE 35

COUNTY NAME CUYAHOGA

COAL (Y=-1/N=0) 0

CIVIL TOWNSHIP MAYFIELD

TARG CIVIL TWP 1700

SURF QUAD MAYFIELD HEIGHTS

TARG QUAD D2E4

SURF ORIG X 2,291,150

TARG ORIG X 2,291,730

SURF ORIG Y 672,230

TARG ORIG Y 672,455

GROUND ELEVATION 1102

TARG ELEV 0

SURF SEC

TARG SECTION

SURF LOT 17

TARG LOT 17

SURF QTR TWP

TARG QTR TWP

SURF ALLOT

TARG ALLOT

SURF TRACT 3

TARG TRACT 3

SURF FRACTION

TARG FRACTION

Proof Sheet

SURFACE FOOTAGE

256' NL & 420' WL of Lot 17,
Tract 3

TARGET FOOTAGE

45' NL & 975' WL of Lot 17,
Tract 3

CASING PROGRAM

88		
63	60	
09	8 ^{5/8}	250
21		
26		
27		

SPECIAL CONDITIONS/COMMENTS

Target 45' NL & 975' WL of Lot 17,
Tract 3 X: 2,291, 730
Y: 672, 455

- PER
DD
UASC

COMPLETION DT

MINES APPROVAL

AFFIDAVIT APPROV

FINAL ENTRY DATE

Internal Comments: Offsets P# 21138, P# 21891 (along strike) & P# 21838

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

2045 Morse Road, Building H-3
COLUMBUS, OH 43229-6693
(614) 265-6633 <http://www.dnr.state.oh.us/mineral/index.html>

5983

1/1000

PAH 12761

INSTRUCTIONS ON REVERSE SIDE

FORM 1: Rev. 9/2004/mpm

1. I, We (applicant) Pursio M. Pipes, 2. Owner # 1198
(address) P.O. Box 824 Mt Vernon, Il. 62864 Phone # 618- 242 2205
hereby apply this date 6-10, 2007 for a permit to:
☐ Reissue (check appropriate blank) ☐ Revised Location & Reissue ☐ Convert
☒ Drill New Well ☐ Plug Back ☐ Deepen
☒ Drill Directionally ☐ Plug and Abandon ☐ Reopen
☐ Drill Horizontally ☐ Orphan Well Program

3. TYPE OF WELL: ☒ Oil & Gas ☐ Annular Disposal ☐ Saltwater Injection
☐ Stratigraphic Test ☐ Storage of: _____
☐ Other (explain): _____
☐ Solution Mining* ☐ Enhanced Recovery* * check appropriate box below
☐ Input/Injection ☐ Water Supply ☐ Production/Extraction ☐ Observation

4. MAIL PERMIT TO:
PEP Drilling Co.
P.O. Box 824
Mt Vernon, Il. 62864

20. TYPE OF TOOLS:
☐ Cable ☐ Air Rotary
☐ Cable & Air Rotary ☒ Air & Fluid Rotary
☐ Cable & Fluid Rotary ☐ Fluid Rotary
☐ Cable & Air Rotary & Fluid Rotary

5. COUNTY: Cuyahoga
6. CIVIL TOWNSHIP: Mayfield
7. SECTION: _____ 8. LOT: O.L. 17
9. FRACTION: _____ 10. QTR. TWP: _____

21. PROPOSED CASING PROGRAM:
8 5/8" casing to 400'
4 1/2" casing to T.D.

11. TRACT/ALLOT: _____
12. WELL #: One -D
13. LEASE NAME: Giordano
14. PROPOSED TOTAL DEPTH: 3700'
15. PROPOSED GEOLOGICAL FORMATION: Clinton-Newb.- Or.
16. DRILLING UNIT IN ACRES (must be same as acres indicated on plat): 24.27

22. FIRE AND MEDICAL DEPARTMENT TELEPHONE NUMBERS: (closest to well site)
FIRE: _____ - _____ - 911
MEDICAL: _____ - _____ - 911

17. IF PERMITTED PREVIOUSLY:
API #: 34 _____ 0000
OWNER: _____
WELL #: _____
LEASE NAME: _____
TOTAL DEPTH: _____
GEOLOGICAL FORMATION: _____

23. MEANS OF INGRESS & EGRESS:
Township Road Dorchester
County Road _____
Municipal Road _____
State Highway _____

18. IF SURFACE RIGHTS ARE OWNED BY THE OHIO DEPARTMENT OF NATURAL RESOURCES:
Division Name: _____
Division Phone: _____

24. IS THE WELL LOCATION OR PRODUCTION FACILITIES WITHIN AN URBANIZED AREA AS DEFINED BY 1509.03 ?
☒ Yes ☐ No

25. WILL THE PROPOSED LOCATION OF THIS WELL REQUIRE THE NOTICE SPECIFIED UNDER 1509.06 (I) ?
☐ Yes (Submit Copies) ☒ No

19. LANDOWNER ROYALTY INTEREST:
Is There An Attached List ? ☒ Yes ☐ No
Name _____
Address _____
Name _____
Address _____
Name _____
Address _____

RECEIVED

JUL 12 2007

DIVISION OF MINERAL

I, the undersigned, being first duly sworn, depose and state under penalties of law, that I am authorized to prepare and submit this application 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), and that the notice required under Section 1509.06 (I), ORC has been given. 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 to all orders and rules issued by the Chief, Division of Mineral Resources Management.

Signature of Owner/Authorized Agent

Name (Type or Print) Brooks E. Yarbrough

Title Agent

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

Sworn to and subscribed before me this the 10 day of July, 2007

(Notary Public)
July 16, 2011
(Date Commission Expires)

Before this application can be processed, a Form 9 (Authority and Organization Form), indicating the exact owner name on this Form 1, and proof of compliance with the surety requirements of Chapter 1509.07, Ohio Revised Code, must be on file with the Division of Mineral Resources Management. If a new owner name (I e., one not currently on file with the Division) is used, a Form 9 and evidence of meeting the surety and insurance requirements must be filed with this application. The signature of owner/authorized agent must correspond with the signature of listing provided with 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, reissue, deepen and plug back.

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. \$250.00 check or money order payable to the Division of Mineral Resources Management and;

f. If requesting an expedited review, an additional \$500 fee and the Oil & Gas Affidavit if the proposed well location is in a Coal Bearing Township.
2.

Plug and Abandon

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 information that is available.

d. \$50.00 check or money order payable to the Division of Mineral Resources Management.
3.

Drill, reopen, reissue, deepen, plug back or convert a well to saltwater injection

a. Same as above: 1(a), (b), (c), (d); and

b. \$100.00 check or money order payable to the Division of Mineral Resources Management

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 1509.03 of the Ohio Revised Code.

Item 25. If yes, copies of the notices required under Section 1509.06 (I) of the Ohio Revised Code must be provided. For an application for a permit to drill a new well, a sworn statement that the applicant has provided notice of the application to the owner of each occupied dwelling unit that is located within five hundred feet of the surface location of the well if the surface location will be less than five hundred feet from the boundary of the drilling unit and more than fifteen occupied dwelling units are located less than five hundred feet from the surface location of the well, excluding any dwelling that is located on real property all or any portion of which is included in the drilling unit. The notice shall contain a statement that an application has been filed with the Division of Mineral Resources Management, identify the name of the applicant and the proposed well location, include the name and address of the Division, and contain a statement that comments regarding the application may be sent to the division. The notice may be provided by hand delivery or regular mail. The identity of the owners of occupied dwelling units shall be determined using the tax records of the municipal corporation or county in which the dwelling unit is located as of the date of the notice.

Giordano Unit

Mr. & Mrs. Giordano
1959 SOM Center Rd.
Gates Mills, OH 44040

Mr. & Mrs. Gillespie
1937 SOM Center Rd.
Gates Mills, OH 44040

Mr. & Mrs. Tjoe
34199 Dorchester Rd.
Gates Mills, OH 44040

Mr. & Mrs. Lawrence
34249 Dorchester Rd.
Gates Mills, OH 44040

Mr. & Mrs. Lansky
34449 Dorchester Rd.
Gates Mills, OH 44040

Mrs. Consolo
6688 Gates Mills Blvd.
Gates Mills, OH 44040

Mr. & Mrs. Gordon
6674 Gates Mills Blvd.
Gates Mills, OH 44040

Mr. & Mrs. Moghal
6662 Gates Mills Blvd.
Gates Mills, OH 44040

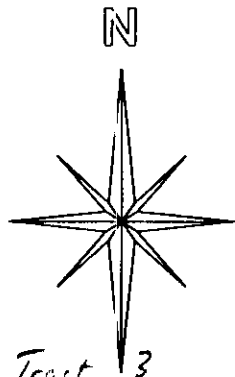
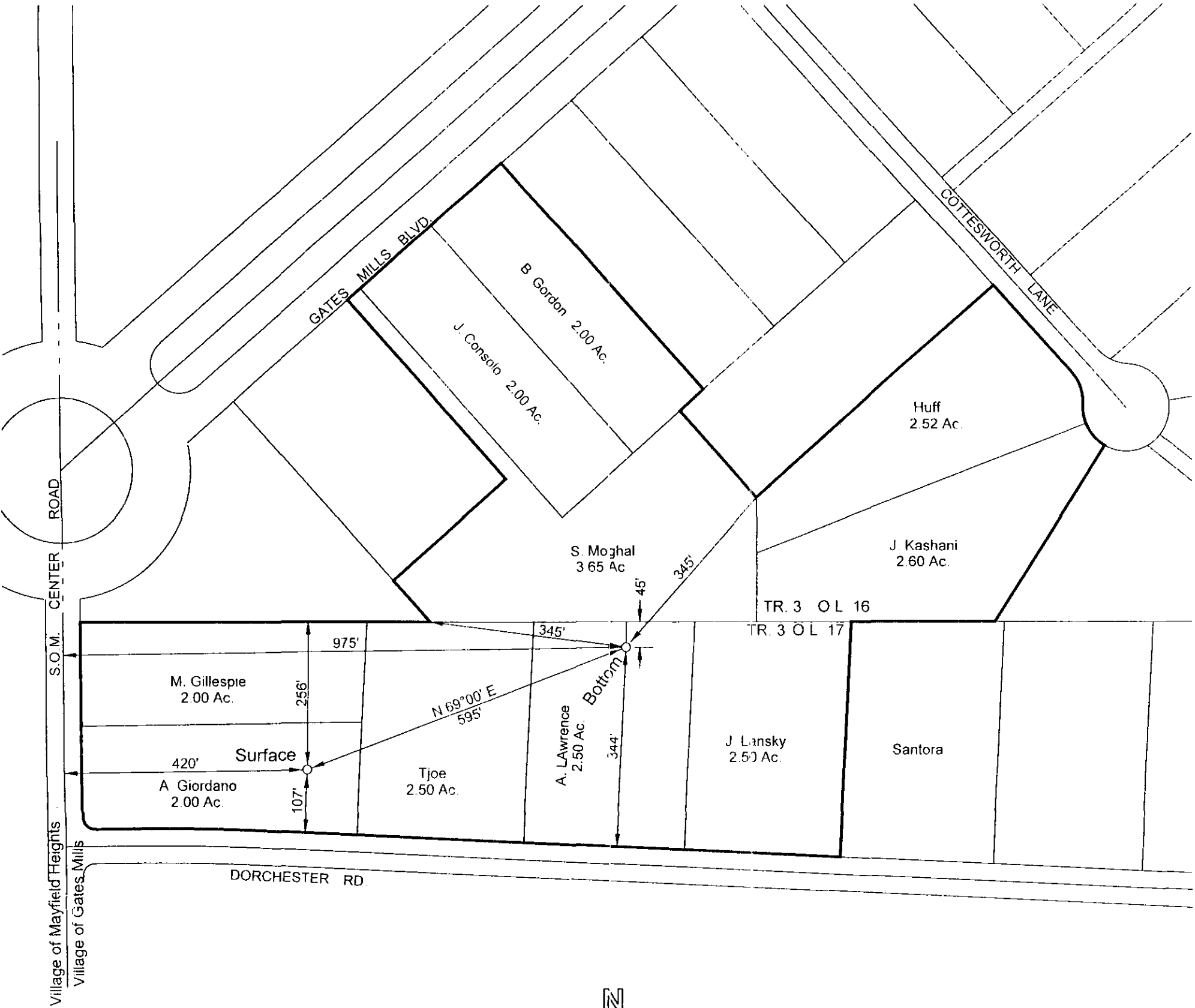
Dr. Huff
1874 Cottesworth Ln.
Gates Mills, OH 44040

Mr. & Mrs. Kashani
1894 Cottesworth Ln.
Gates Mills, OH 44040

RECEIVED

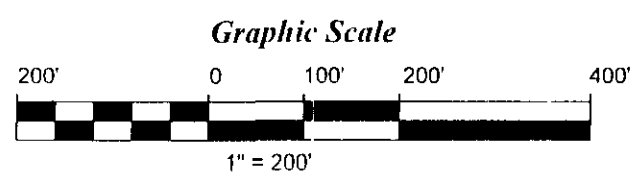
JUL 12 2007

DIVISION OF MINERAL
RESOURCES MANAGEMENT



Surface: 256' NL & 420' WL of Lot 17, Tract 3
Target: 45' NL & 975' WL of Lot 17, Tract 3

24.27 Ac
Dor / Nbg / CL - Pore - RT



OPERATOR <u>Pep Drilling</u>		TWP <u>8 N</u>
ADDRESS <u>P.O. Box 824 Mt. Vernen, Ill. 62864</u>		RANGE <u>10 W</u>
<u>Giordano</u>	WELL NO. <u>1-D</u> ACRES <u>24.27</u>	SECTION <u>LOT</u> <u>O.L 17</u>
COUNTY <u>Cuyahoga</u>	TWP <u>Mayfield</u>	TRACT <u>3</u>
QUAD <u>Mayfield Heights</u>	Surface <u>672,230</u> Bottom <u>672,455</u>	DATE STAKED <u>6-21-06</u>
OHIO PLANE COORDINATES	E <u>2,291,150</u> <u>2,291,730</u>	JOB NO. <u>0623-14</u>
	ELEV. <u>1102</u> <u>1095</u>	

I hereby certify that all drilling or producing wells within 600 feet and all buildings and streams within 200 feet have been shown, there are no drilling unit lines nearer than 300 feet, that this plat is true and correct and was prepared according to the current State of Ohio, Department of Natural Resources, Division of Oil and Gas Regulations.

Jerry W. Daniel 8-1-'07
Jerry W. Daniel, Registered Surveyor No. 6222
101 North Center Street, Newton Falls, Ohio 44444

RESTORATION PLAN
OHIO DEPARTMENT OF NATURAL RESOURCES

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

<p>1. DATE OF APPLICATION: <u>7-10-2007</u></p> <p>2. OWNER NAME, ADDRESS, & TELEPHONE NO.: <u>Pursie E. Pipes</u> <u>P.O.Box 824</u> <u>Mt Vernon, IL. 62864</u> <u>618-242-2205</u></p>	<p style="text-align: right;">FORM 4: Revised 08/00/sly</p> <p>3. API #: <u>3 4</u> * * 1 4</p> <p>4. WELL #: <u>One</u></p> <p>5. LEASE NAME: <u>Giordano</u></p> <p>6. PROPERTY OWNER: <u>Giordano</u></p> <p>7. COUNTY: <u>Cuyahoga</u></p> <p>8. CIVIL TOWNSHIP: <u>Mayfield</u></p> <p>9. SECTION: 10. LOT: <u>O.L. 17</u></p>
<p>11. CURRENT LAND USE:</p> <p><input type="checkbox"/> Cropland <input type="checkbox"/> Commercial</p> <p><input type="checkbox"/> Pasture <input type="checkbox"/> Idle Land</p> <p><input type="checkbox"/> Wetlands <input type="checkbox"/> Recreational</p> <p><input checked="" type="checkbox"/> Residential <input type="checkbox"/> Industrial</p> <p><input type="checkbox"/> Unreclaimed strip mine</p> <p><input type="checkbox"/> Woodland: (Circle <u>Broad-leaved</u> or <u>Needlelike</u>)</p>	<p>17. TYPE OF WELL:</p> <p style="text-align: center;"><input checked="" type="checkbox"/> Oil <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Other</p> <p>18. STEEPEST SLOPE GRADIENT CROSSING SITE:</p> <p><input checked="" type="checkbox"/> 0 to 2% <input type="checkbox"/> 2.1 to 8% <input type="checkbox"/> 8.1 to 10%</p> <p><input type="checkbox"/> 10.1 to 24% <input type="checkbox"/> greater than 24%</p>
<p>12. SLOPE GRADIENT & LENGTH DETERMINED FROM:</p> <p><input checked="" type="checkbox"/> Ground Measurement</p> <p><input type="checkbox"/> U.S. Geological Survey Topographical Maps</p> <p><input type="checkbox"/> Other (explain) _____</p>	<p>19. LENGTH OF STEEPEST SLOPE CROSSING SITE:</p> <p><input checked="" type="checkbox"/> 1 to 100 ft. <input type="checkbox"/> 101 to 200 ft.</p> <p><input type="checkbox"/> 201 to 400 ft. <input type="checkbox"/> greater than 400 ft.</p>
<p>13. TYPE OF FALL VEGETAL COVER:</p> <p><input type="checkbox"/> Little or no vegetal cover</p> <p><input checked="" type="checkbox"/> Short grasses</p> <p><input type="checkbox"/> Tall weeds or short brush (1 to 2 ft.)</p> <p><input type="checkbox"/> Brush or bushes (2 to 6 ft.)</p> <p><input type="checkbox"/> Agricultural crops</p> <p><input type="checkbox"/> Trees with sparse low brush</p> <p><input type="checkbox"/> Trees with dense low brush</p>	<p>20. RESTORATION OF DRILLING PITS: **</p> <p><input type="checkbox"/> Haul drilling fluids and fill pits</p> <p><input type="checkbox"/> Use steel circulating tanks</p> <p><input checked="" type="checkbox"/> Proposed alternative <u>cement</u></p>
<p>14. SOIL & RESOILING MATERIAL ALTERNATIVES:</p> <p><input checked="" type="checkbox"/> Stockpile and protect topsoil to be used when preparing seedbed</p> <p><input type="checkbox"/> Use of soil additives (e.g., lime, fertilizer)</p> <p><input type="checkbox"/> No resoiling planned</p> <p><input type="checkbox"/> Proposed alternative _____</p>	<p>21. BACKFILLING AND GRADING AT SITE:</p> <p><input type="checkbox"/> Construct diversions channeled to naturally established drainage systems</p> <p><input type="checkbox"/> Construct terraces across slopes</p> <p><input checked="" type="checkbox"/> Grade to approximate original contour</p> <p><input type="checkbox"/> Grade to minimize erosion & control offsite runoff</p> <p><input type="checkbox"/> Proposed alternative _____</p>
<p>15. DISPOSAL PLAN FOR TREES AND TREE STUMPS:</p> <p><input checked="" type="checkbox"/> No trees disturbed <input type="checkbox"/> Haul to landfill</p> <p><input type="checkbox"/> Cut into firewood <input type="checkbox"/> Sell to lumber company</p> <p><input type="checkbox"/> Bury with landowner's approval</p> <p><input type="checkbox"/> Mulch small trees and branches, erosion control</p> <p><input type="checkbox"/> Use for wildlife habitat with landowner approval</p> <p><input type="checkbox"/> Proposed alternative _____</p>	<p>22. VEGETATIVE COVER TO BE ESTABLISHED AT SITE:</p> <p><input checked="" type="checkbox"/> Seeding plan <input type="checkbox"/> Sod</p> <p><input type="checkbox"/> Agricultural crops <input type="checkbox"/> Trees and/or Bushes</p> <p><input type="checkbox"/> Proposed alternative _____</p>
<p>16. SURFACE AND SUBSURFACE DRAINAGE FACILITIES:</p> <p><input checked="" type="checkbox"/> No existing drainage facilities for removal of surface and/or subsurface water</p> <p><input type="checkbox"/> Tile drainage system underlying land to be disturbed</p> <p><input type="checkbox"/> Drain pipe(s) underlying land to be disturbed</p> <p><input type="checkbox"/> Surface drainage facilities on land to be disturbed</p>	<p>23. ADDITIONAL HOLES:</p> <p><input checked="" type="checkbox"/> Rat/Mouse, if used, will be plugged</p> <p>24. PROPOSED OR CURRENT LENGTH OF ACCESS ROAD:</p> <p><input type="checkbox"/> 100 ft. or less <input checked="" type="checkbox"/> 101 to 500 ft.</p> <p><input type="checkbox"/> 501 to 1500 ft. <input type="checkbox"/> greater than 1500 ft.</p>
<p>16. SURFACE AND SUBSURFACE DRAINAGE FACILITIES:</p> <p><input checked="" type="checkbox"/> No existing drainage facilities for removal of surface and/or subsurface water</p> <p><input type="checkbox"/> Tile drainage system underlying land to be disturbed</p> <p><input type="checkbox"/> Drain pipe(s) underlying land to be disturbed</p> <p><input type="checkbox"/> Surface drainage facilities on land to be disturbed</p>	<p>25. CURRENT LAND USE OF PATH OF ACCESS ROAD:</p> <p><input type="checkbox"/> Cropland <input type="checkbox"/> Pasture <input type="checkbox"/> Commercial</p> <p><input type="checkbox"/> Idle land <input type="checkbox"/> Wetlands <input type="checkbox"/> Recreational</p> <p><input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Residential</p> <p><input type="checkbox"/> Unreclaimed strip mine</p> <p><input type="checkbox"/> Woodland: (Circle <u>Broad-leaved</u> or <u>Needlelike</u>)</p>

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

26. SURFACING MATERIAL FOR ACCESS ROAD: <input checked="" type="checkbox"/> Gravel <input type="checkbox"/> Brick and/or tile waste <input type="checkbox"/> Slag <input 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 checked="" type="checkbox"/> Landowner <input type="checkbox"/> Contractor <input type="checkbox"/> Existing access road <input 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 checked="" type="checkbox"/> Diversions <input type="checkbox"/> Water breaks <input type="checkbox"/> Drains <input type="checkbox"/> Outsloping of road <input type="checkbox"/> Open Top Culverts <input checked="" type="checkbox"/> Pipe Culverts <input type="checkbox"/> Filter Strips <input type="checkbox"/> Riprap <input type="checkbox"/> Proposed alternative _____	31. HAS LANDOWNER RECEIVED A COPY OF THIS RESTORATION PLAN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

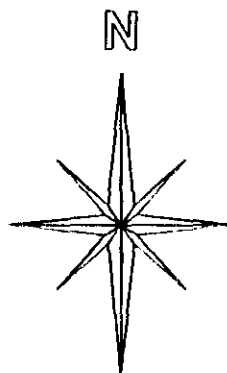
The undersigned hereby agrees to implement all restoration operations identified on this form, and conform to all provisions of Section 1509.072 of the Ohio Revised Code, and to all Orders and rules issued by the Chief, Division Mineral Resources Management.

Signature of Owner/Authorized Agent Brooks E. Yarbrough Agent

Name (Typed or Printed) Brooks E. Yarbrough Agent Date 7-10-2007

RESTORATION PLAN MUST BE SUBMITTED TO THE DIVISION IN DUPLICATE.

Meter site



200' 0 100' 200' 400'

1" = 200'

TWP. 8 N
RANGE 10 W
SECTION LOT O.L 17
TRACT 3
DATE STAKED 6-21-06
JOB NO. 0623-14

RECEIVED
W. W. WELLS
672

Jerry W. Daniel 7-9-'07
 Jerry W. Daniel, Registered Surveyor No. 6222
 101 North Center Street, Newton Falls, Ohio 44444



Ohio Department of Natural Resources

TED STRICKLAND, GOVERNOR

SEAN D. LOGAN, DIRECTOR

Scott Kell, Acting Chief
ODNR-Division of Mineral Resources Management
2045 Morse Road—Bldg. H-3
Columbus, Ohio 43229-6693
Phone: (614) 265-6633 Fax: (614) 265-7998

July 13, 2007

Attention: Mr. Dave Biggert, Assistant Building Inspector
Village of Gates Mills
1470 Chagrin River Road
P.O. Box 339
Gates Mills, Ohio 44040


RE: Giordano, well number 1-D

Dear Mr. Biggert:

Pursuant to your request, we are notifying you of applications that we have received from PEP Drilling Co. (aka Pursie E. Pipes). They have applied for a permit to drill an oil/gas well in the Village of Gates Mills. Attached please find a copy of the application and surveyor's plat for this proposed well.

Additionally in the near future, our inspector for this county, Norburt Lowder will be conducting a pre-permitting site review. He can be reached at (330) 310-2245 if you would like to accompany him on his pre-site review. He can also be contacted through our Uniontown office at (330) 896-0616.

Sincerely,


Patty Nicklaus, Office Assistant 3
Permitting, Hydrology and Bonding Section
(614) 265-6939

Enclosures



Ohio Department of Natural Resources

TED STRICKLAND, GOVERNOR

SEAN D. LOGAN, DIRECTOR

Scott Kell, Acting Chief
ODNR-Division of Mineral Resources Management
2045 Morse Road—Bldg. H-3
Columbus, Ohio 43229-6693
Phone: (614) 265-6633 Fax: (614) 265-7998

July 13, 2007

Attention: Chief Thomas Robinson
Village of Gates Mills Fire Department
1470 Chagrin River Road
Gates Mills, Ohio 44040

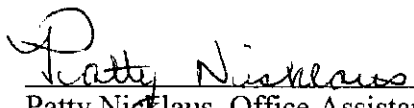
RE: Giordano, well number 1-D

Dear Chief Robinson:

Pursuant to your request, we are notifying you of applications that we have received from PEP Drilling Co. (aka Pursie E. Pipes). They have applied for a permit to drill an oil/gas well in the Village of Gates Mills. Attached please find a copy of the application and surveyor's plat for this proposed well.

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Sincerely,



Patty Nicklaus, Office Assistant 3
Permitting, Hydrology and Bonding Section
(614) 265-6939

Enclosures

J. W. DANIEL & ASSOCIATES, INC.

Surveying & Mapping
101 North Center St.
NEWTON FALLS, OHIO 44444

LETTER OF TRANSMITTAL**(330) 872-1544**

TO DIVISION OF MINERAL RESOURCES
2045 MORSE ROAD, BLDG. H-3
COLUMBUS, OHIO 43229

DATE 08-01-'07	JOB NO 0623-14
ATTENTION STEVE OPRITZA	
RE Revisions for Giordano Well.1-D	

WE ARE SENDING YOU ☒ Attached ☐ Under separate cover via _____ the following items:

- ☐ Shop drawings ☒ Prints ☐ Plans ☐ Samples ☐ Specifications
☐ Copy of letter ☐ Change order ☒ Aerials of same

COPIES	DATE	NO	DESCRIPTION
5	08-01-'07	0623-14	Revised Giordano Well No. 1-D O.L. 17, Tract 3 Mayfield Township Cuyahoga County, Ohio

RECEIVED
AUG 02 2007
DIVISION OF MINERAL
RESOURCES MANAGEMENT

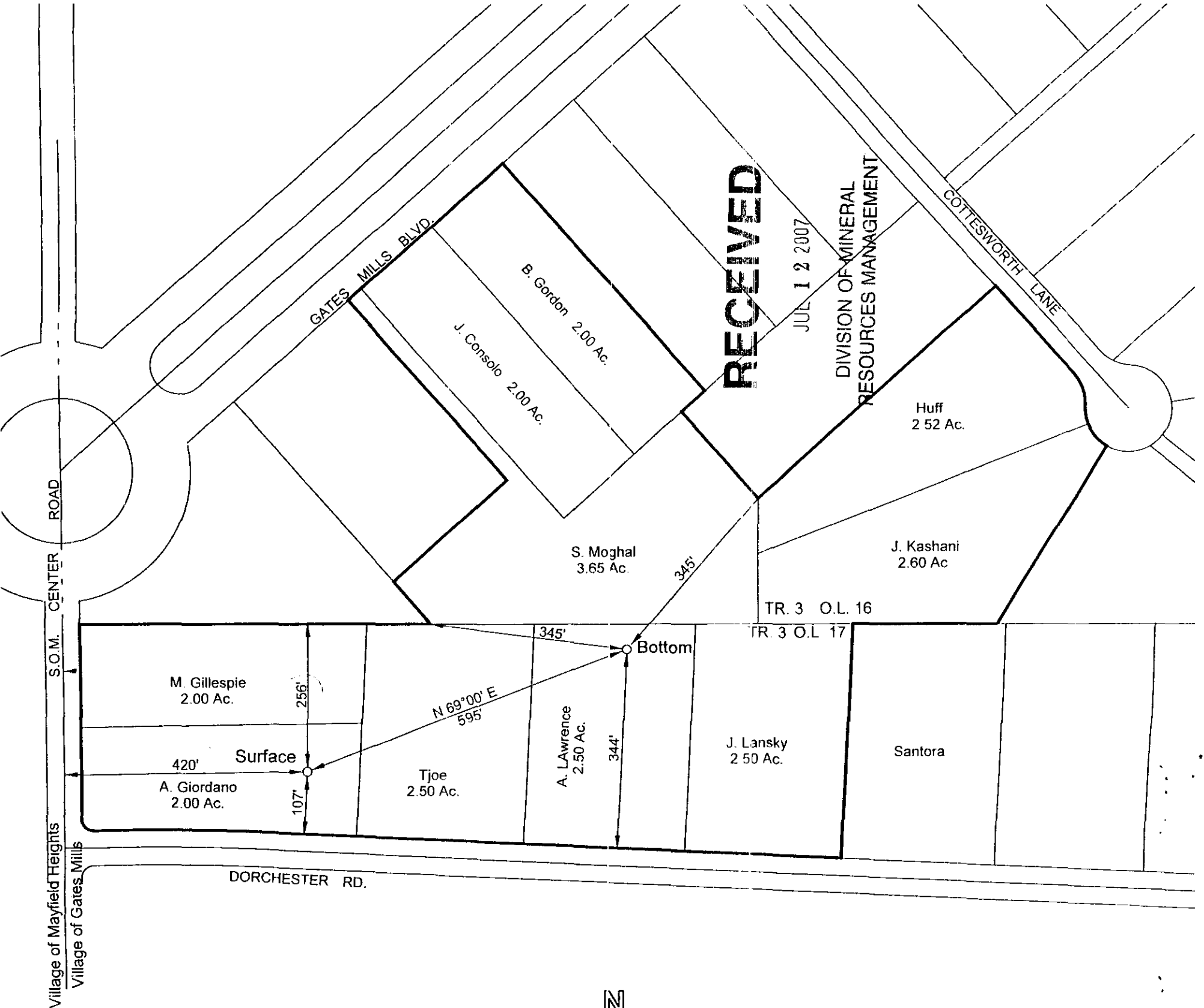
THESE ARE TRANSMITTED as checked below.

- ☐ For approval ☐ Approved as submitted ☐ Resubmit _____ copies for approval
☒ For your use ☐ Approved as noted ☐ Submit _____ copies for distribution
☒ As requested ☐ Returned for corrections ☐ Return _____ corrected prints
☐ For review and comment ☐ _____
☐ FOR BIDS DUE _____ 19 _____ ☐ PRINTS RETURNED AFTER LOAN TO US

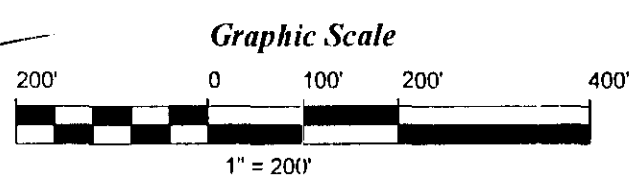
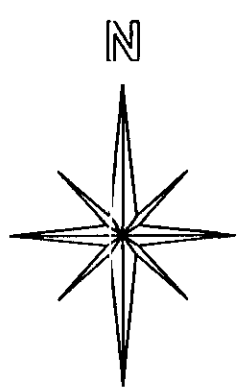
REMARKS

COPY TO _____ SIGNED: _____

If enclosures are not as noted, kindly notify us at once



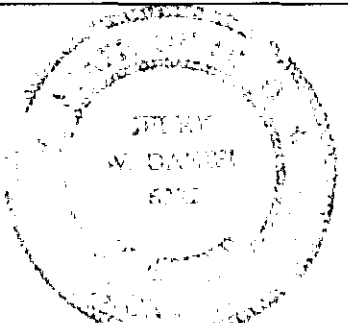
VO 1D
New plat submitted
8/2/07
with Target
measurements



OPERATOR <u>Pep Drilling</u>		TWP <u>8 N</u>
ADDRESS <u>P.O. Box 824 Mt. Vernen, Ill. 62864</u>		RANGE <u>10 W</u>
<u>Giordano</u>	WELL NO. <u>1-D</u> ACRES <u>24.27</u>	SECTION <u>LOT</u> <u>O.L 17</u>
COUNTY <u>Cuyahoga</u>	TWP <u>Mayfield</u>	TRACT <u>3</u>
QUAD <u>Mayfield Heights</u>	Surface Bottom	DATE STAKED <u>6-21-06</u>
OHIO PLANE COORDINATES	N <u>672,230</u> <u>672,455</u>	JOB NO. <u>0623-14</u>
	E <u>2,291,150</u> <u>2,291,730</u>	
	ELEV <u>1102</u> <u>1095</u>	

I hereby certify that all drilling or producing wells within 600 feet and all buildings and streams within 200 feet have been shown, there are no drilling unit lines nearer than 300 feet, that this plat is true and correct and was prepared according to the current State of Ohio, Department of Natural Resources, Division of Oil and Gas Regulations.

Jerry W. Daniel 7-9-'07
Jerry W. Daniel, Registered Surveyor No. 6222
101 North Center Street, Newton Falls, Ohio 44444



Casing Ticket

API Well Number:

34-035-2-1990-00-00

Sent to Columbus

ULI n 3 2007

Record of Casing, Cementing and Mudding

Well Owner: **PIPES PURSIE E**
Lease Name: **GIORDANO 1-D** Well No: **1-D**
County: **CUYAHOGA** Township: **MAYFIELD**
Driller: **PEP DRLG** Tool: **Air Rotar**
Refer Top: **Ground Level** Lat: **0.000000** Long: **0.000000**
Comments: **cuy P#1990**

Permit Issued: **08/03/2007**

Date Spudded: **08/10/2007**

Date Completed:

Inspector **LOWDER NORBURT**

☐ AD Meets Requirements

☐ AD on Permit

FLD

*Hole 1 Field Entry

CONDITION

Bot 76 Diam 17 Top 0 LENGTH Set Dt

String Comments Casing
Condition, Weight and
Cement Basket

BOC 0 TOC 0 DT_CM

☐ WITNESSED

CMT_CON

INSPECTOR

LOWDER NORBURT

CLASS_CMT:

SACKS

YIELD

WEIGHT

Cement 1

CLASS_CMT2:

SACKS2

YIELD

WEIGHT

Cement 2

FLD

*Conductor Pipe Field Entry

CONDITION

Bot 76 Diam 11.75 Top 0 LENGTH Set Dt 8/11/2007

String Comments Casing
Condition, Weight and
Cement Basket

BOC 76 TOC 0 DT_CM ☐ WITNESSED

CMT_CON HALLIBURTON ENERGY SERVICE INSPECTOR LOWDER NORBURT

CLASS_CMT: Class A Cement SACKS 55 YIELD WEIGHT

Cement 1

CLASS_CMT2: SACKS2 YIELD WEIGHT

Cement 2

FLD

*Hole 2 Field Entry

CONDITION

Bot 270 Diam 11 Top 76 LENGTH Set Dt

String Comments Casing
Condition, Weight and
Cement Basket

BOC 0 TOC 0 DT_CM ☐ WITNESSED

CMT_CON INSPECTOR LOWDER NORBURT

CLASS_CMT: SACKS YIELD WEIGHT

Cement 1

CLASS_CMT2: SACKS2 YIELD WEIGHT

Cement 2

FLD

*Surface Casing Field Entry

CONDITION

Bot 254 Diam 8.625 Top 0 LENGTH Set Dt 8/12/2007

String Comments Casing
Condition, Weight and
Cement Basket

BOC 254 TOC 0 DT_CM ☒ WITNESSED

CMT_CON HALLIBURTON ENERGY SERVICE INSPECTOR LOWDER NORBURT

CLASS_CMT: Class A Cement SACKS 90 YIELD WEIGHT

Cement 1

CLASS_CMT2: SACKS2 YIELD WEIGHT

Cement 2

THE INFORMATION STATED HEREIN IS CORRECT
CUSTOMER REPRESENTATIVE _____ SIGNATURE _____

Well Completion Record

Ohio Department of Natural Resources

Division of Mineral Resources Management, 2045 Morse Road, Building H-3, Columbus, OH 43229-6693

1. Owner # 1198		Form 8: Revised 4/2002																									
2. Owner name, address and telephone numbers: PIPES PURSIE E P O BOX 824 MT VERNON, IL 62864 Phone: (618) 242-2205		This report is due in duplicate 30 days after completion of the well. If the permit has expired and the well was not drilled, check here sign on reverse side, and return to our office within 30 days after expiration. <input type="checkbox"/>																									
		3. API #: 34-035-2-1990-00-00																									
		5. County: CUYAHOGA																									
		6. Civil Township: MAYFIELD																									
4. Type of Permit: Drill New Well, directionally		8. Footage: Tgt: 45'NL & 975'WL OF LOT 17, TRACT 3 Surt: 256'NL & 420'WL OF LOT 17, TRACT 3																									
7. Type of well: Oil & Gas																											
9 Tgt: X: 2291730 Y: 672455 Surf: X: 2291150 Y: 672230		21. Date drilling commenced: 8-9-2007																									
10. Quad: MAYFIELD HEIGHTS		22. Date drilling completed: 8-22-2007																									
11. Section: 12. Lot: 17		23. Date put into production:																									
13. Fraction: 14. Qtr. Twp:		24. Date plugged if dry:																									
15. Tract: 3		25. Producing formation: Clinton																									
16. Allot:		26. Deepest formation: Clinton																									
17. Well #: 1-D		27. Driller's total depth: 3720'																									
18. Lease Name: GIORDANO		28. Logger's total depth: 3678'																									
19. PTD: 3700 20. Drilling Unit: 24.27		29. Lost hole at feet.																									
30. Type of tools:		31. Type of completion:																									
<input type="checkbox"/> Cable <input type="checkbox"/> Air Rotary <input type="checkbox"/> Open Hole <input type="checkbox"/> Fluid Rotary <input type="checkbox"/> Air/Fluid Rotary <input type="checkbox"/> Through Casing <input type="checkbox"/> Cable/Air rotary <input type="checkbox"/> Service Rig <input type="checkbox"/> Slotted Liner <input type="checkbox"/> Cable/Fluid Rotary <input type="checkbox"/> Cable/Air Rotary/Fluid Rotary		32. Elevation: Ground Level 1102 Derrick Floor Kelly Bushing 1112																									
33. Perforated intervals and number of shots: 3554-3594 shot with 87 holes																											
34. Method of shot, acid, or fracture treatments, production tests, pressures, etc.:																											
<table style="width:100%;"> <tr> <td>Shot:</td> <td>Acid:</td> <td>Fluid:</td> <td>Pressures: (psi)</td> </tr> <tr> <td>lbs. 1,000 Gal.</td> <td>Type: 1590</td> <td>Gal. 2,650 Bbl.</td> <td>Breakdown: 1200</td> </tr> <tr> <td>qts.</td> <td>Percent:</td> <td>Sand:</td> <td>ATP</td> </tr> <tr> <td>Type:</td> <td></td> <td>Lb. 150 Sx.</td> <td>ISIP</td> </tr> <tr> <td></td> <td></td> <td>N2: MSCF</td> <td>5 MIN. SIP: 1050</td> </tr> <tr> <td></td> <td></td> <td></td> <td>AVG. RATE 42.00 BPM</td> </tr> </table>				Shot:	Acid:	Fluid:	Pressures: (psi)	lbs. 1,000 Gal.	Type: 1590	Gal. 2,650 Bbl.	Breakdown: 1200	qts.	Percent:	Sand:	ATP	Type:		Lb. 150 Sx.	ISIP			N2: MSCF	5 MIN. SIP: 1050				AVG. RATE 42.00 BPM
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		N2: MSCF	5 MIN. SIP: 1050																								
			AVG. RATE 42.00 BPM																								
35. Mouse hole Plugged: <input checked="" type="checkbox"/> Yes 5 Sacks <input type="checkbox"/> No <input type="checkbox"/> N/A Rat hole plugged: <input checked="" type="checkbox"/> Yes 5 Sacks <input type="checkbox"/> No <input type="checkbox"/> N/A																											
36. Amount of initial production per day: (MCF.) (Bbls.) (Bbls.)																											
Natural: Gas Oil Brine																											
After Treatment: Gas 300 Oil 1 Brine 1																											
SERC Data: Number of Tanks: 2 Maximum Storage Capacity of all Tanks (bbls.): 140																											
37. Casing and tubing record: Please indicate which is used (cement or mudding):																											
Type	Size	Feet Used in Drilling	Amount of Cement or Mud																								
Conductor/Drive Pipe	11 3/8"	90	50 sacks																								
Surface	8 5/8"	244																									
Intermediate																											
Production	4 1/2"	3678'																									
Tubing	2 3/8"	3500'																									
Comments: Did not get an open hole log																											
38. Name of drilling contractor: PEP Drilling Co.																											
39. Type of electrical and/or radioactivity logs run (all logs must be submitted):																											
Gamma Ray, Neutron Bond, Collar Location, Pen F																											
40. Name of logging company: Superior Well Services																											
DIVISION USE ONLY:																											
Log Submitted: 8/16/07		Well Class: Pool																									
Confidential: Y/N		A/D:																									

FORMATION	TOP	BASE	Shows of oil, gas, fresh water, or Brine-indicate depth or interval	REMARKS
Fresh water Strata				
Glacial Deposits				
Coal Seams				
1st Cow Run				
Buell Run				
2nd Cow Run (Peeker)				
Salt Sand				
Maxton Sand				
Keener Sand				
Big Injun Sand				
Squaw Sand				
Mississippian Shale				
Berea Sand				
Bedford				
2nd Berea				
Ohio Shale				
Gantz				
Thirty Foot				
Gordon				
Cinnamon				
Big Lime	1716	3408		
Sylvania				
Oriskany				
Bass Island				
Salina				
Salt Section				
Newburg				
Lockport				
Little Lime				
Packer Shell	3506	3546		
Stray Clinton	3546	3564		
Red Clinton	3564	3576		
White Clinton	3576	3592	3678	T. D. Logger
Medina				
Queenston				
Utica				
Trenton Lime				
Black River				
Gull River				
Glenwood Shale				
Knox Unconformity				
Beekmantown				
Rose Run				
Trempealeau/Copper Ridge				
"B" Zone				
Krysik				
Kerbel FM				
Conasauga FM				
Rome FM				
Mt. Simon				
Granite wash				
Middle Run				
Granite				

I (We) certify that the above information is true and correct, to the best of my knowledge:

Signature Brooks E. Varbrouck

NAME (TYPED OR PRINTED) BROOKS E. VARBROUCK

REPRESENTING Pvt site IE. Pipes DBA PEP Drilling Co.

DATE 10-27-07

TITLE Agent

**Aerial Maps
are available for
this Permit.**

**Maps are on file
with the Division.**