

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) 898-0616  
  
JAY CHESLOCK - Supervisor  
(330) 284-2942

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

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

**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*

<b>Application Number</b>	12761	<b>Permit Number</b>	N/A	<b>Inspection Date</b>	7-25-07	<b>Modification Date (if applicable)</b>	N/A
<b>Company</b>	Pursie E. Pipes		<b>Lease Name/Well #</b>		Giordano #1-D		
<b>County</b>	Cuyahoga		<b>Township</b>		Mayfield		
<b>Section/Lot</b>	17		<b>Urban Area</b>		City of Gates Mills		
<b>Inspected By</b>	Norburt Lowder						
<b>Accompanied By</b>	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	<b>Tree/Brush Removal/Disposition</b>	Open Yard
2	<b>Topsoil Removal/Stockpiles/Placement</b>	To west
3	<b>Erosion/Sediment Control (Silt Fence, Berms)</b>	Along the north of excavation approx 400'
4	<b>Drainage Controls (Diversion Ditches, Culverts, Waterways, Crossings)</b>	Will be setting culvert with permit from city of Gates Mills
5	<b>Signage</b>	As Required By HB278
6	<b>Apron/Culverts/Road Material</b>	Gravel
7	<b>Pull Off Area</b>	Well site
8	<b>Parking</b>	Well site
9	<b>GPS - Access Road</b>	41.50675 081.43728
10	<b>GPS - Well Stake</b>	41.50708 081.43720
11	<b>GPS - Tank Battery</b>	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

THE FOLLOWING ITEMS HAVE BEEN CHANGED FROM THE ORIGINAL APPLICATION:

# DAILY ROUTE SLIP

Mayfield

APPLICATION NO. aPATT012761

TYPE: Drill New Well, directiona

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
OWNER NUMBER	1198
OWNER NAME	PIPES PURSIE E
EXISTING WELL	0
API PERMIT NO	
APPL TYPE	NX
TYPE OF WELL	OG
VARIANCE REQUEST	
WELL NAME	GIORDANO
WELL NUMBER	1-D
PREV/PROPOSED TD	3700
DRILL UNIT ACRES	24.27
TYPE OF TOOL	RTAF
WELL CLASS	Pool
FIRE PHONE	( ) - 911
MEDICAL PHONE	( ) - 911
COUNTY CODE	35
COUNTY NAME	CUYAHOGA
COAL (Y=-1/N=0)	0
CIVIL TOWNSHIP	MAYFIELD
SURF QUAD	MAYFIELD HEIGHTS
SURF ORIG X	2,291,150
SURF ORIG Y	672,230
GROUND ELEVATION	1102
SURF SEC	
SURF LOT	17
SURF QTR TWP	
SURF ALLOT	
SURF TRACT	3
SURF FRACTION	

URBANIZED AREA ?

NAME GATES MILLS VILLAGE

DISPOSAL PLAN 1	ND
DISPOSAL PLAN 2	
DISPOSAL PLAN 3	
DISPOSAL PLAN 4	
DISPOSAL PLAN 5	

### PROPOSED FORMATIONS

ORISKANY-NEWBURG-CLINTON

TARG CIVIL TWP	1700
TARG QUAD	D2E4
TARG ORIG X	2,291,730
TARG ORIG Y	672,455
TARG ELEV	0
TARG SECTION	
TARG LOT	17
TARG QTR TWP	
TARG ALLOT	
TARG TRACT	3
TARG FRACTION	



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

2045 Morse Road, Building H-3  
COLUMBUS, OH O 43229-6693

(614) 265-6633 http://www.dnr.state.oh.us/mineral/index.html

# 5983  
1/0000

PAH 12761

INSTRUCTIONS ON REVERSE SIDE		FORM 1: Rev. 9/2004/mpm
1. I, We (applicant) <u>Pursio M. Pipes</u> , 2. Owner # <u>1198</u> (address) <u>P.O. Box 824 Mt Vernon, Il. 62864</u> Phone # <u>618-242-2205</u> hereby apply this date <u>6-10</u> , 2007 for a permit to:		
<input type="checkbox"/> Reissue (check appropriate blank) <input type="checkbox"/> Revised Location & Reissue <input type="checkbox"/> Convert <input checked="" type="checkbox"/> Drill New Well <input type="checkbox"/> Plug Back <input type="checkbox"/> Deepen <input checked="" 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		
3. TYPE OF WELL: <input checked="" type="checkbox"/> Oil & Gas <input type="checkbox"/> Annular Disposal <input type="checkbox"/> Saltwater Injection <input type="checkbox"/> Stratigraphic Test <input type="checkbox"/> Storage of: _____ <input type="checkbox"/> Other (explain): _____ <input type="checkbox"/> Solution Mining* <input type="checkbox"/> Enhanced Recovery*      * check appropriate box below <input type="checkbox"/> Input/Injection <input type="checkbox"/> Water Supply <input type="checkbox"/> Production/Extraction <input type="checkbox"/> Observation		
4. MAIL PERMIT TO: <u>PEP Drilling Co.</u> <u>P.O. Box 824</u> <u>Mt Vernon, Il. 62864</u>	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 Rotary & Fluid Rotary	
5. COUNTY: <u>Cuyahoga</u>	21. PROPOSED CASING PROGRAM: <u>8 5/8" casing to 400'</u> <u>4 1/2" casing to T.D.</u>	
6. CIVIL TOWNSHIP: <u>Mayfield</u>		
7. SECTION: _____ 8. LOT: <u>O.L. 17</u>		
9. FRACTION: _____ 10. QTR. TWP: _____		
11. TRACT/ALLOT: _____		
12. WELL #: <u>One -D</u>		
13. LEASE NAME: <u>Giordano</u>		
14. PROPOSED TOTAL DEPTH: <u>3700'</u>		
15. PROPOSED GEOLOGICAL FORMATION: <u>Clinton-Newb.- Or.</u>	22. FIRE AND MEDICAL DEPARTMENT TELEPHONE NUMBERS: (closest to well site) FIRE: _____ - _____ - <u>911</u> MEDICAL: _____ - _____ - <u>911</u>	
16. DRILLING UNIT IN ACRES (must be same as acres indicated on plat): <u>24.27</u>	23. MEANS OF INGRESS & EGRESS: Township Road <u>Dorchester</u> County Road _____ Municipal Road _____ State Highway _____	
17. IF PERMITTED PREVIOUSLY: API #: <u>34</u> _____ _____ <u>0000</u> OWNER: _____ WELL #: _____ LEASE NAME: _____ TOTAL DEPTH: _____ GEOLOGICAL FORMATION: _____	24. IS THE WELL LOCATION OR PRODUCTION FACILITIES WITHIN AN URBANIZED AREA AS DEFINED BY 1509.03 ? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
18. IF SURFACE RIGHTS ARE OWNED BY THE OHIO DEPARTMENT OF NATURAL RESOURCES: Division Name: _____ Division Phone: _____	25. WILL THE PROPOSED LOCATION OF THIS WELL REQUIRE THE NOTICE SPECIFIED UNDER 1509.06 (I) ? <input type="checkbox"/> Yes (Submit Copies) <input checked="" type="checkbox"/> No	
19. LANDOWNER ROYALTY INTEREST: Is There An Attached List ? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Name _____ Address _____ Name _____ Address _____ Name _____ Address _____	<div style="font-size: 2em; font-weight: bold; margin: 0;">RECEIVED</div> <div style="font-size: 1.2em; margin: 5px 0;">JUL 12 2007</div> <div style="font-weight: bold; margin: 0;">DIVISION OF MINERAL RESOURCES MANAGEMENT</div>	

I, the undersigned, being first duly sworn, depose and state under penalties of law, that I am authorized to prepare this application and 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 or 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 Brooks E. Yarbrough Title Agent  
Name (Type or Print) Brooks E. Yarbrough  
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.  
[Signature]  
(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

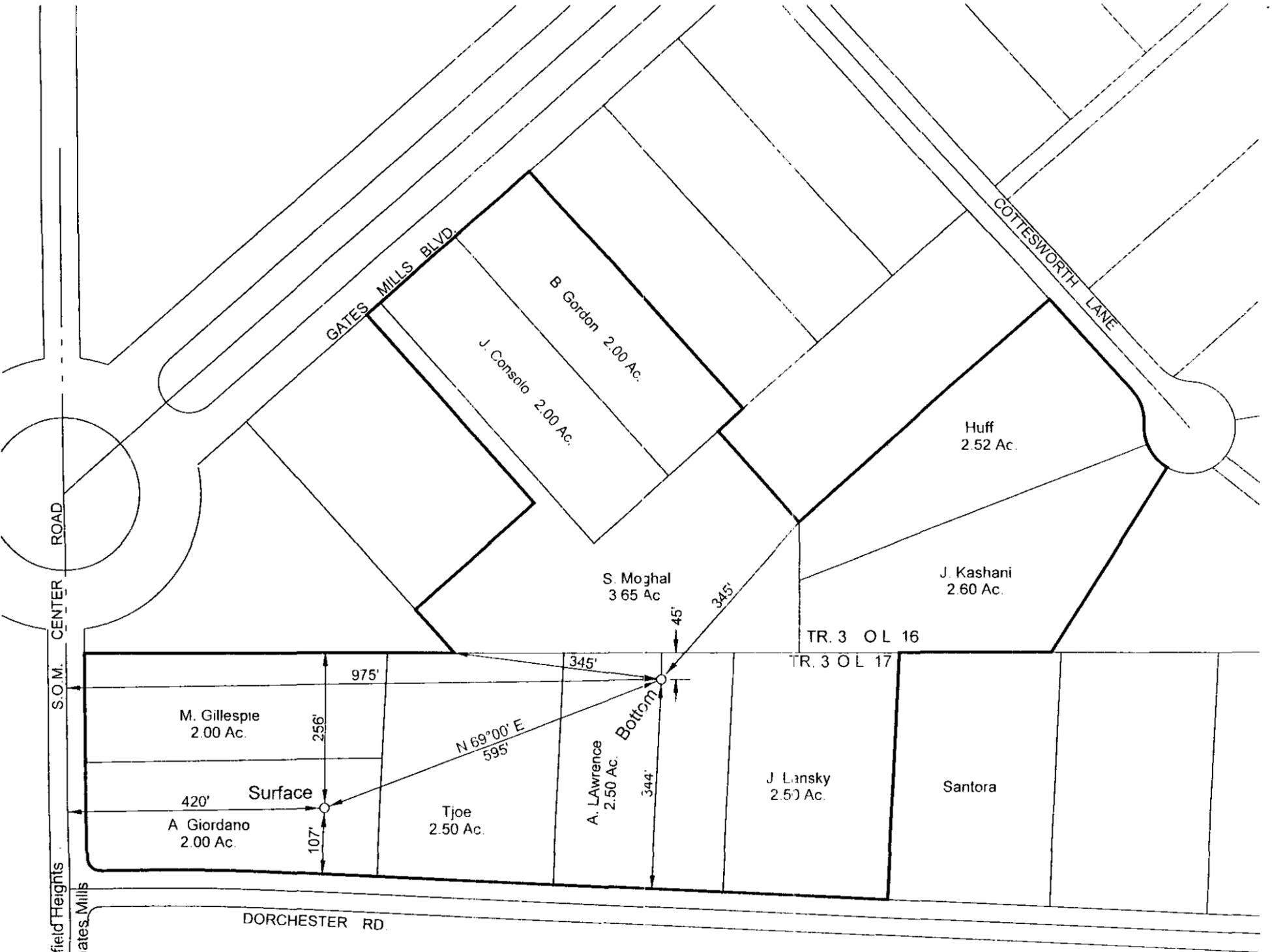
Dr. Huff  
1874 Cottesworth Ln.  
Gates Mills, OH 44040

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

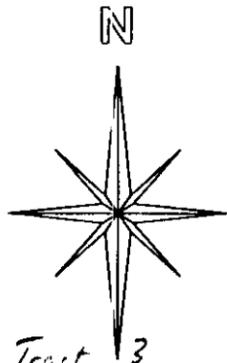
**RECEIVED**

JUL 12 2007

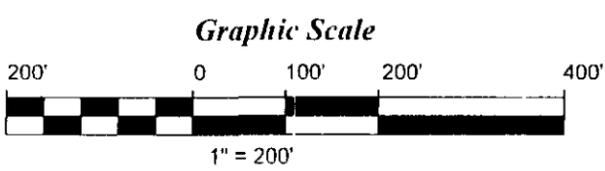
DIVISION OF MINERAL  
RESOURCES MANAGEMENT



Village of Mayfield Heights  
S.O.M.  
CENTER ROAD  
Village of Gates Mills



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 - Pole - 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. 1-D ACRES <u>24.27</u>	SECTION <u>LOT 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>
N <u>672,230 / 672,455</u>	JOB NO. <u>0623-14</u>
OHIO PLANE COORDINATES E <u>2,291,150 / 2,291,730</u>	
ELEV. <u>1102 / 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

1. DATE OF APPLICATION: <u>7-10-2007</u>		FORM 4: Revised 08/00/sly			
2. OWNER NAME, ADDRESS, & TELEPHONE NO.:  <b>Pursie E. Pipes</b> P.O.Box 824 Mt Vernon, IL. 62864 618-242-2205		3. API #: <u>3 4</u> _____ * * <u>1 4</u> _____			
		4. WELL #: <u>One</u>			
		5. LEASE NAME: <u>Giordano</u>			
		6. PROPERTY OWNER: <u>Giordano</u>			
		7. COUNTY: <u>Cuyahoga</u>			
		8. CIVIL TOWNSHIP: <u>Mayfield</u>			
		9. SECTION: _____ 10. LOT: <u>O.L. 17</u>			
		11. CURRENT LAND USE:		17. TYPE OF WELL:	
		<input type="checkbox"/> Cropland <input type="checkbox"/> Commercial <input type="checkbox"/> Pasture <input type="checkbox"/> Idle Land <input type="checkbox"/> Wetlands <input type="checkbox"/> Recreational <input checked="" type="checkbox"/> Residential <input type="checkbox"/> Industrial <input type="checkbox"/> Unreclaimed strip mine <input type="checkbox"/> Woodland: (Circle <u>Broad-leaved</u> or <u>Needlelike</u> )		<input checked="" type="checkbox"/> Oil <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Other 18. STEEPEST SLOPE GRADIENT CROSSING SITE: <input checked="" type="checkbox"/> 0 to 2% <input 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:		19. LENGTH OF STEEPEST SLOPE CROSSING SITE:			
<input checked="" type="checkbox"/> Ground Measurement <input type="checkbox"/> U.S. Geological Survey Topographical Maps <input type="checkbox"/> Other (explain) _____		<input checked="" type="checkbox"/> 1 to 100 ft. <input type="checkbox"/> 101 to 200 ft. <input type="checkbox"/> 201 to 400 ft. <input type="checkbox"/> greater than 400 ft.			
13. TYPE OF FALL VEGETAL COVER:		20. RESTORATION OF DRILLING PITS: **			
<input type="checkbox"/> Little or no vegetal cover <input checked="" 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		<input type="checkbox"/> Haul drilling fluids and fill pits <input type="checkbox"/> Use steel circulating tanks <input checked="" type="checkbox"/> Proposed alternative <u>cement</u>			
14. SOIL & RESOILING MATERIAL APPROVAL:		21. BACKFILLING AND GRADING AT SITE:			
<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 _____		<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 _____			
15. DISPOSAL PLAN FOR TREES AND TREE STUMPS:		22. VEGETATIVE COVER TO BE ESTABLISHED AT SITE:			
<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 _____		<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 _____			
16. SURFACE AND SUBSURFACE DRAINAGE FACILITIES:		23. ADDITIONAL HOLES:			
<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		<input checked="" type="checkbox"/> Rat/Mouse, if used, will be plugged			
17. PROPOSED OR CURRENT LENGTH OF ACCESS ROAD:		24. CURRENT LAND USE OF PATH OF ACCESS ROAD:			
<input type="checkbox"/> 100 ft. or less <input checked="" type="checkbox"/> 101 to 500 ft. <input type="checkbox"/> 501 to 1500 ft. <input type="checkbox"/> greater than 1500 ft.		<input type="checkbox"/> Cropland <input type="checkbox"/> Pasture <input type="checkbox"/> Commercial <input type="checkbox"/> Idle land <input type="checkbox"/> Wetlands <input type="checkbox"/> Recreational <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Residential <input type="checkbox"/> Unreclaimed strip mine <input type="checkbox"/> Woodland: (Circle <u>Broad-leaved</u> or <u>Needlelike</u> )			

**RECEIVED**  
JUL 12 2007  
DIVISION OF MINERAL RESOURCES MANAGEMENT

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.

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

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.





# 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

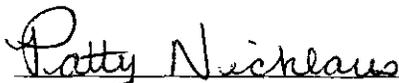
RE: Giordano, well number 1-D

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

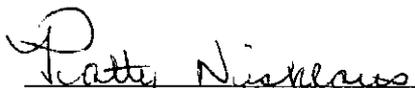
RE: Giordano, well number 1-D

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.

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

**J. W. DANIEL & ASSOCIATES, INC.**

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

**LETTER OF TRANSMITTAL**

(330) 872-1544

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

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

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

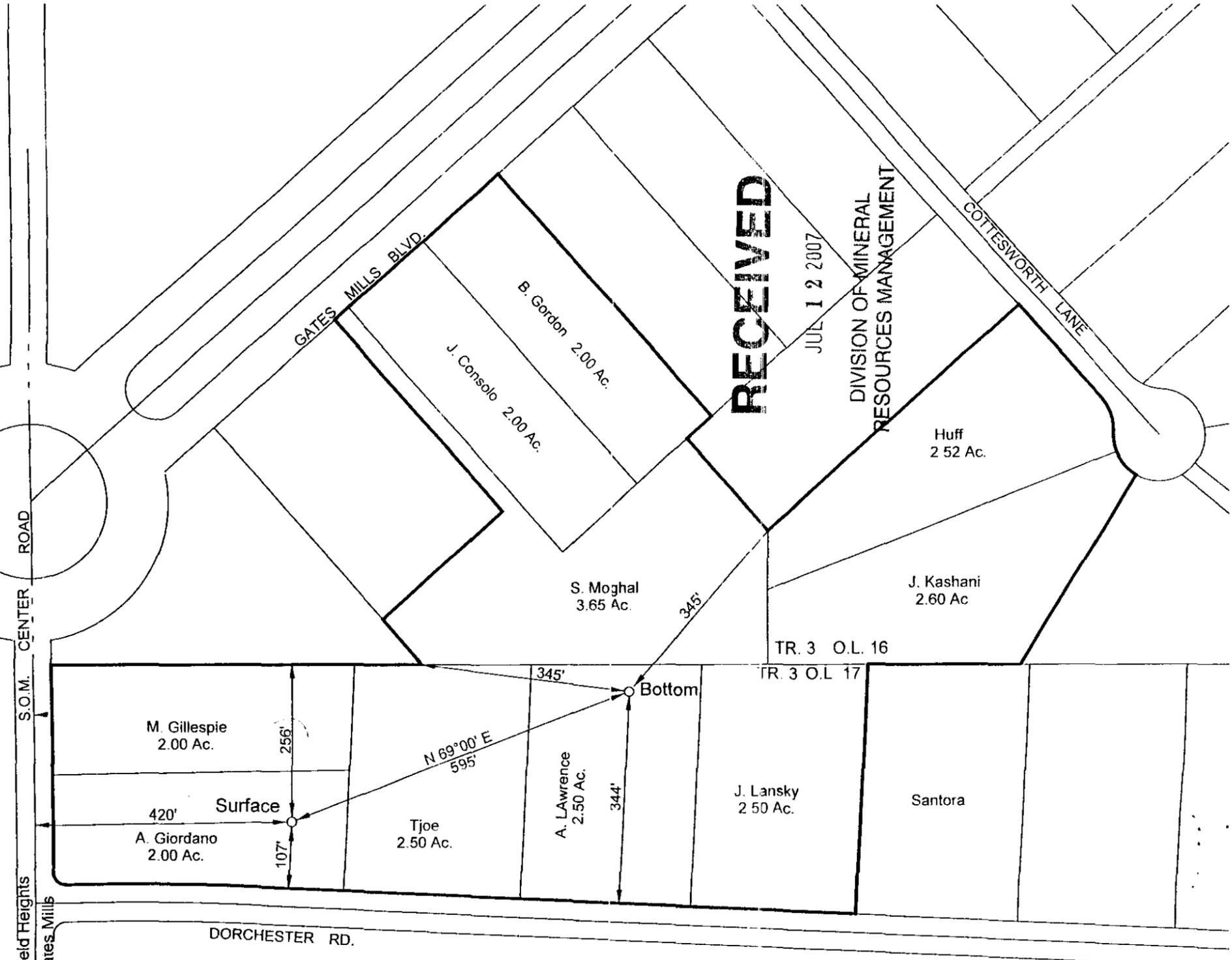
THESE ARE TRANSMITTED as checked below.

- 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: \_\_\_\_\_

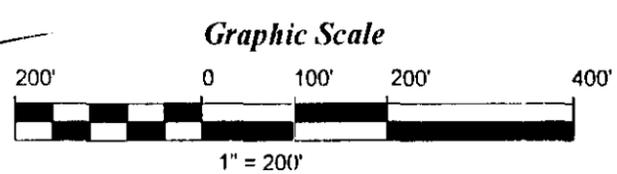
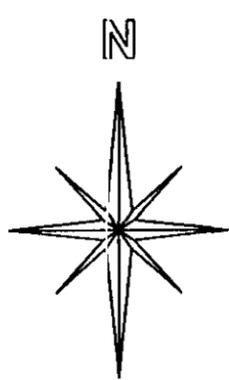
*If enclosures are not as noted, kindly notify us at once*



Village of Mayfield Heights  
 Village of Gates Mills  
 S.O.M. CENTER ROAD

**RECEIVED**  
 JUL 12 2007  
 DIVISION OF MINERAL  
 RESOURCES MANAGEMENT

VOID  
 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 ACRES 24.27</u>	SECTION <u>LOT 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 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  TOC  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





GM ✓  
M

8

# 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, <input type="checkbox"/> check here sign on reverse side, and return to our office within 30 days after expiration.	
		<b>RECEIVED</b> FEB 21 2008	
		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'WE 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: <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		31. Type of completion: <input type="checkbox"/> Open Hole <input type="checkbox"/> Through Casing <input type="checkbox"/> Slotted Liner	
		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.:			
Shot: _____ lbs. _____ qts.	Acid: 1,000 Gal. Type: <del>1590</del> Percent: 1590	Fluid: 2,650 Bbl. Sand: 150 Lb. \$x.	Pressures: (psi) Breakdown: 1200 ATP ISIP 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"	<del>3678'</del>	160
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. Logge
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. Varbroug DATE 10-27-07

NAME (TYPED OR PRINTED) BROOKS E. VARBROUG TITLE Agent

REPRESENTING Plt site 15. Pipes DBA PEP Drilling Co.

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

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