



Commonwealth of Virginia  
 Department of Mines, Minerals, and Energy  
 Division of Gas and Oil  
 P.O. Box 1416; Abingdon, VA 24212  
 Telephone: (276) 676-5423

Tracking Number: 541  
 Company: Pine Mountain Oil & Gas  
 File Number: BU-2872  
 Operations Name: Watkins #13 W/PL  
 Operation Type: Coalbed/Pipeline  
 Drilling Report Type: Original

### DRILLING REPORT (DGO-GO-14)

#### 1. Drilling Data

Date drilling commenced: 7/30/2005 Drilling Contractor: NOAH HORN  
 Date drilling completed: 8/6/2005 Rig Type:  Rotary  Cable Tool  
 Driller's Total Depth (feet): 2,500  
 Log Total Depth (feet): 0 Coal Seam At Total Depth POCAHONTAS #2

#### 2. Final Location Plat (as required by 4 VAC25-150-360.C.)

Permitted State Plane X: 930,834 Final Plat State Plane X: 930,835  
 Permitted State Plane Y: 346,663 Final Plat State Plane Y: 346,663

Plat Previously Submitted Or...

List of Attached Items:

Description	FileName
WATKINS#13 PLAT	WATKINS13PLAT.pdf

#### 3. Geological Data

Fresh Water At:

Depth (in feet)	Rate	Unit of Measure
285	DAMP	

Salt Water At:

Depth (in feet)	Rate	Unit of Measure
1,350	DAMP	

**Coal Seams**

List of Attached Items:

Description	FileName
WATKINS#13 SEAMS	WATKINS13SEAMS.pdf

**Gas and Oil Shows**

List of Attached Items:

Description	FileName
WATKINS#13 SHOWS	WATKINS12SHOWS.pdf

**4. Electric Logs** (As required by 4VAC25-150-280.A.)

List all logs run: HI RES GR/DENS/TEMP/AUDIO/PE/CALIPER (DATA PACK)

Did logs disclose vertical locations of a coal seam?  Yes  No

**5. Survey Results** (As required by 4VAC25-150-280.B.2)

List of Attached Items:

Description	FileName
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**6. Casing and Tubing Program**

List of Attached Items:

Description	FileName
WATKINS#13 CASING	WATKINS13CASING.pdf

**7. Remarks**

Use this space to note any conditions or occurrences, such as lost circulation, fishing jobs, junk left in hole, sidetracks, squeeze jobs, etc., not shown above. Include data and depth of condition/occurrence.

open mine 280-285', lost circ, Bskt@167', lost ret'ns@1725', able to get back circ, lost ret'ns@1785', unable to get back, lost ret'ns@1860', unable to get back,@2130 soaping w/ occ'l ret'ns, MMA log - no obvious lost circ zones, PD@0820 8/5/05

**8. Drillers Log**

Compiled By: DENNY JOHNSON

List of Attached Items:

Description	FileName
WATKINS#13 DRILLER'S LOG	WATKINS13DRILL.pdf

**9. Comments**

INSPECTOR INFORMED OPERATOR TO SUBMIT SURVEY; WILL HAPPEN IN FUTURE.  
PREVIOUSLY APPROVED BY G. JANSEN ON 5/24/06.

**10. Signature**

Permitee: Pine Mountain Oil & Gas Date: 7/20/2007 (Company)

Signed By: CHRISTIAN D. MOORE Title: PERMIT/GIS SPECIALIST (Signature)

**INTERNAL USE ONLY**

Submit Date: 7/20/2007

Status: Inspr Approved

Date: 8/1/2007

Final PDF Date: 8/1/2007

*4-18-06 BU-2872*

Well Coordinates: (Geographic N27)  
37.228358° -82.173156°

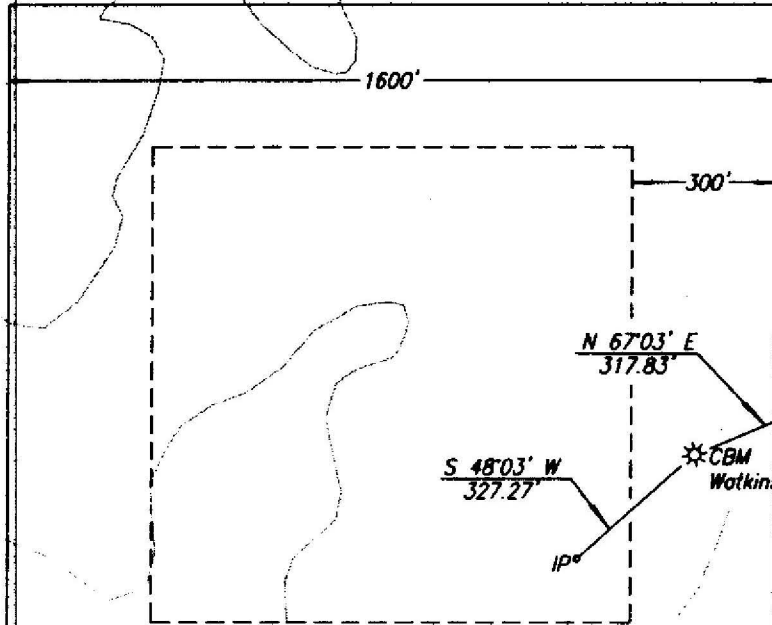
Latitude 37° 15' 00"

DMLR Permit  
No. 1101861

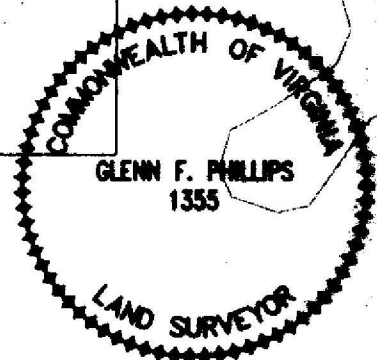
Watkins  
829.00 Acres  
ACIN LLC - coal  
Alpha Land & Reserves LLC - coal lessee  
WBRD LLC - coal  
Paramount Coal Company LLC - coal lessee  
Pine Mountain Oil & Gas, Inc. - oil, gas & CBM  
Gas 58.77 Ac. 100.00%

DMLR Permit  
No. 1101861

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**APPROVED**  
*[Signature]*  
STATE GAS & OIL INSPECTOR  
*8-12-06*  
DATE



**FINAL PLAT**

The undersigned hereby certifies that the final location is within ten (10') feet of the location shown on the well plat dated 3-18-2005.  
Area of Unit = 58.77 Ac.

Well Coordinates: (VA St. Plane S. Zone, Calculated from CCC coordinates)  
N 346,663 E 930,835  
Well Coordinates: (Cinchfield Coal Co.)  
N 46,753.20 E 61,331.43

Well elevation determined by GPS survey from BM MCD 229

**WELL LOCATION PLAT**

COMPANY Pine Mountain Oil & Gas, Inc. WELL NAME AND NUMBER Watkins-13  
TRACT NO. Watkins ELEVATION 2,053.27' QUADRANGLE Prater  
COUNTY Buchanan DISTRICT Prater SCALE 1" = 400' DATE 8-12-2005

This Plat is a new plat ; an updated plat ; or a final location plat

+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

*[Signature]*  
Licensed Professional Engineer or Licensed Land Surveyor

Coal Seams

NAME	TOP	BOTTOM	THICKNESS	MINING IN AREA		MINED OUT
				YES	NO	
Raven	955	956			X	
Jawbone Rider	1069	1072			X	
Jawbone	1090	1091			X	
Tiller	1163	1165			X	
Upper Seaboard	1273	1275			X	
Greasy Creek	1424	1427			X	
Upper Horsepen	1574	1575			X	
Middle Horsepen	1639	1640			X	
War Creek	1707	1708			X	
Beckley	1797	1799			X	
Lower Horsepen	1847	1849			X	
Poca 9	1924	1927			X	
Poca 3	2191	2196			X	
Poca 2	2245	2246			X	

Form DGO-GO-14  
Rev. 1/98

*P.E. Co*

Gas and Oil Shows

FORMATION	TOP	BOTTOM	THICKNESS	IPF (MCFD/BOPD)	PRESSURE	HOURS TESTED
N/S						

CASING AND TUBING PROGRAM

	Casing	Casing Interval	Hole Size	Cement Used In Cu/Ft	Cemented To Surface		Date Cemented	Packers Or Bridge Plugs Kind/Size/Set
					Yes	No		
Conductor	11¾"	0-30'	15"					
Surface	8¾"	0-444'	10¾"	71	Yes		7/30/05	
Water Protection								
Coal Protection	4½"	0-2338'	6¾"	490	Yes		8/5/05	

CASING AND TUBING PROGRAM

	Casing	Casing Interval	Hole Size	Cement Used In Cu/Ft	Cemented To Surface		Date Cemented	Packers Or Bridge Plugs Kind/Size/Set
					Yes	No		
Conductor	11 3/4"	0-30'	15"					
Surface	8 3/8"	0-444'	10 3/4"	71	Yes		7/30/05	
Water Protection								
Coal Protection	4 1/2"	0-2338'	6 3/8"	490	Yes		8/5/05	
Other Casing And Tubing Left In Well								
Liners								

... 1725' Able to get back circ. lost



Geologic Age	Formation	General Lithology	Color	Depth		Thickness	Remarks
				Top	Bottom		
	Raven			955	956		
	Jawbone Rider			1069	1072		
	Jawbone			1090	1091		
	Tiller			1163	1165		
	Upper Sbrd.			1273	1275		
	Greasy Creek			1424	1427		
	Upper Hpen.			1574	1575		
	Middle Hpen.			1639	1640		
	War Creek			1707	1708		
	Beckley			1797	1799		
	Lower Hpen.			1847	1849		
	Poca 9			1924	1927		
	Poca 3			2191	2196		
	Poca 2			2245	2246		

Permittee: Pine Mountain Oil & Gas (Company)

By: Christian D. [Signature] (Signature)