



NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION  
DIVISION OF MINERAL RESOURCES

WELL DRILLING PERMIT

Number 06429

API Well Number 31-009-22657 Fee \$850.00 Expiration Date 4/18/97

Pursuant to Article 23 of the Environmental Conservation Law,

A.J. Lease Account of 652 Derrick Road, Bradford, PA 16701  
(Owner) (Address)

is hereby authorized to drill the K.C. Powell Et. Al. #1  
(Well Name)

in the Town of Freedom County of Cattaraugus

as described in the Owner's Application for Permit, dated 10/11/96

NOTIFY THE DIVISION OF MINERAL RESOURCES PRIOR TO SPUDDING THE WELL  
PHONE: (716) 372-0645 Olean Office  
(716) 226-2466 Avon Office  
(518) 457-3682 Albany Office

SPECIAL INSTRUCTIONS OR CONDITIONS

Issuance of this permit is conditioned upon the following:

1. All pits must be lined. All fluids must be kept on site and disposed of properly.
2. Well must be equipped with blowout prevention equipment capable of withstanding 1,000 psig wellbore pressure.
3. Lithology and porosity logs must be run from T.D. to SURFACE.
4. All water zone depths are to be reported on the Completion Report.
5. The DEC cementing and casing practices dated 2/28/86 are hereby included in their entirety, by reference, as permit conditions.
6. The permittee shall allow access to Department personnel at all reasonable times for the purpose of conducting inspections or investigations in the regular course of their duties pursuant to the Environmental Conservation Law, notwithstanding signs or other notices purporting to limit access to the property.
7. It is a condition of this permit that no drilling be done on the well except by a driller who is registered as such with the Department.
8. This permit is subject to all of the terms and conditions included in the attached Special Wildcat Conditions.
9. Samples are required to be taken from the top of Tully to T.D.

(If blank, permit is unconditioned)

Failure to conform to the oil and gas regulations and the SPECIAL CONDITIONS above may result in the suspension of this permit by an authorized Department representative.

Issued by: Jack Dahl, Regional Minerals Manager  
Department Representative and Title

Date 10-18-96

This permit, or a copy certified by the department, must be publicly displayed by the owner at the well site during the drilling operation and must at all times be visible, legible and protected from the elements.