



APPLICATION FOR COAL BED METHANE WELL PERMIT

State Form 54785 (R / 8-12) / Form A15
Approved by State Board of Accounts, 2012

INDIANA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL AND GAS
402 W. Washington St., Rm. 293
Indianapolis, IN 46204
Telephone number: (317) 232-4055
Fax number: (317) 232-1550
<http://www.in.gov/dnr/dnroil>



FOR STATE USE ONLY

Application number 051132	Permit number 56159	Date received (month, day, year) 12-16-2023
Date approved (month, day, year)	Approved by	
IGS identification number 1108372	IGS samples <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	IGS pool name Princeton West

PART I

GENERAL INFORMATION

Name of operator Pioneer Oil Company, Inc.	Telephone number (812) 494 -2800	Fax number (812) 494 -2508
Address of operator (number and street or PO Box) (<input type="checkbox"/> Check here if this is a new address) 400 Main Street P.O. Box 237		
City Vincennes	State Indiana	ZIP code 47591 -
Send permit to (Enter name and address) Brandi Stennett- Pioneer Oil Company, Inc.	Telephone number (812) 494 -2809	Fax number () -
<input checked="" type="checkbox"/> Check here if you would like to have the permit sent via FAX or email. Email address: bstennett@pioneeroil.net		
Applicant is (Check one only) <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Public corporation <input type="checkbox"/> Limited liability company <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Limited partnership		

NOTE: Corporations, limited partnerships and limited liability companies must register with the Secretary of State. For further information about registration, contact the Corporations Division, Secretary of State at (317) 232-6576

Type of bond (Check one only)

- | | |
|---|---|
| <input type="checkbox"/> Surety bond | <input type="checkbox"/> Check |
| <input type="checkbox"/> Blanket bond | <input type="checkbox"/> Personal surety bond (Valid for Non-commercial gas wells only) |
| <input type="checkbox"/> Certificate of deposit | <input checked="" type="checkbox"/> Bond not required per IC 14-37-6-1 |

NOTES: A bond must accompany this application unless the operator has a valid blanket bond on file with the division or is exempt from bonding under IC 14-37-6-1. All bonds must be originals and an original Verification of Certificate of Deposit form must accompany CD's. Checks must be certified. The bond amount for individual wells is \$2,500 and for blanket bonds is \$45,000.

Well type (Check one only)

- ☒ Coal Bed Methane - Check the boxes below beside items that are attached to the application:
- ☐ Non-Commercial Coal Bed Methane - Check the boxes below beside items that are attached to the application:
- ☒ Form A12 - Coal Owner's and Coal Lessee's Consent Forms (Coal is leased),
- ☐ Form A14 - Coal Owner's Consent Form (Coal is not leased),
- ☒ Notices of Intent to Apply for a CBM permit and Affidavit of No Waste of Coal Resources or Miner Endangerment with Proof of Service to Coal Owner and Coal Lessee if no Consent Forms are attached (See Application Reminders).
- ☒ Notice of Intent to Survey with Proof of Service to Surface Owner (Required for every application),
- ☐ Well Stimulation Plan; OR ☒ Well will not be stimulated,
- ☐ Horizontal Drilling Plan (If applicable),
- ☐ Plugging Plan for Horizontal Well (If applicable).
- ☒ Statement of Protection of Coal for Future Underground Mining (Required for every application)

Application type (Check no more than two)

- ☒ New well
- ☐ Old well workover
- ☐ Old well deepening
- ☐ Horizontal well sidetracking
- ☐ Conversion
- ☐ Change of location

☐ Change of operator (Complete PARTS I, II, VI and VII indicating lease lines and drilling unit boundaries, only unless another application type is also checked)

☒ Permit renewal (Complete PARTS I, II and VI only unless another application type is also checked)

Note: A \$250 permit fee is required.

Fee Payment Method: ☒ Check ☐ Credit Card (Attach credit card information on separate page or provide contact number: () -)

Former operator (If applicable)

Former Permit number (If applicable)
56159

Received
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Division of Oil & Gas

#56159

PART II SURFACE LOCATION AND LEASE INFORMATION							
Name of lease Heidenreich					Well number #3		Elevation (G.L.) 400
Township 1S	Range 11W	Land type Section Land number: 34	¼	¼	¼	Footages: 1312 ft. from <input type="checkbox"/> N, <input checked="" type="checkbox"/> S, <input type="checkbox"/> NW, <input type="checkbox"/> SE line 811 ft. from <input type="checkbox"/> E, <input checked="" type="checkbox"/> W, <input type="checkbox"/> NE, <input type="checkbox"/> SW line	
County Gibson		Distance to the nearest well capable of production from the same zone in which this well will be completed: 717 feet					
Drilling unit acreage (Check one only) <input type="checkbox"/> 40 acres <input checked="" type="checkbox"/> Other <u>N/A</u> acres <i>mine void as per oper. 9/19/22</i> (Attach unit exception or petition for exception and supporting <i>AMR</i> documentation)					<input type="checkbox"/> Check here if acreage is communitized (pooled) NOTE: Attach a copy of the unit agreement or declaration of pooling. If previously submitted identify the permit number under which it was submitted: Permit No.		
Lease acreage <u>369.9</u> Acres		Does operator own or control the rights to drill and produce coal bed methane in and under all land(s) within the drilling unit boundary and the lease acreage herein indicated and shown on the attached Survey? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, explain the basis upon which the operator claims the right to drill and produce coal bed methane under this permit. Describe the documents that convey the rights by type and date of execution.					
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Does this application include a Notice of Intent to Survey and proof of delivery to the surface owner?					

PART III PROPOSED WELL CONSTRUCTION								
<input type="checkbox"/> Check here and go to PART IV if the well presently exists and the construction will not change								
Enter casing strings from largest to smallest and enter the cement information on successive rows for a casing string that will be set using multiple cement stages.								
Casing Information					Cementing Information			
Casing Size (OD)	Casing Type	Casing Bottom	Casing Top	Hole Size	Cement Type	Cement Volume	Volume Type	Cement Yield
8.625	Surface	<i>100</i> * 200 ft.	0 ft.	12.25	Class A-L *	100	Sacks	1.18 *
5.5	Long String	427 ft.	0 ft.	7.875	Class A-L * <i>as per operator</i>	130	Sacks	1.18 *
<i>2.375</i>	<i>Tubing</i>	<i>427</i> ft.	ft.		<i>AMR</i> <i>2/23/2024</i>			
	<i>as per Part V</i> <i>9/19/22 AMR</i>	ft.	ft.					
Packer setting depth _____ ft.			Centralizers at <u>as required</u> ft. _____ ft. _____ ft. _____ ft.					
Packer setting depth _____ ft.			Casing perforated From _____ ft. to _____ ft.					
Packer setting depth _____ ft.			From _____ ft. to _____ ft.					
			From _____ ft. to _____ ft.					
			From _____ ft. to _____ ft.					

PART IV DRILLING AND OPERATIONAL INFORMATION			
Section a All Wells			
Declination type (Check one only) <input checked="" type="checkbox"/> Vertical <input type="checkbox"/> Directional <input type="checkbox"/> Horizontal		Note: For Directional & Horizontal wells the surface spot and termination point of the well must be shown on the survey.	
Proposed total vertical depth 463 feet (All wells)		Proposed measured length _____ feet (Horizontal wells only)	
Name of deepest formation to be drilled Coal V Springfield			
Name of deepest coal seam targeted Coal V Springfield			
<input type="checkbox"/> Pool (Name): _____		Or <input checked="" type="checkbox"/> Wildcat	

NAMES AND MAILING ADDRESSES OF THE SURFACE OWNER, COAL OWNER(S), COAL LESSEE(S):					
Type Recipient	Name	Address	City	State	Zip code
Surface Owner	Heidenreich Farms	2678 West 100 North	Princeton	IN	47670
Coal Owner	Heidenreich Farms	2678 West 100 North	Princeton	IN	47670
Coal Lessee	Gibson County Coal LLC	1717 S Boulder Ave Ste 400	Tulsa	OK	74119-4833

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Continued on the next page

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PART VI**AFFIRMATION**

I affirm under penalty of perjury that the information provided in this application is true to the best of my knowledge and belief.

Typed or printed name of operator or authorized agent

Brandi Stennett

Signature of operator or authorized agent

Date signed (month, day, year)

12/1/23

SPECIAL REQUIREMENTS

1. Incomplete applications will be returned to the operator **without** being processed.
2. **Only** those individuals whose signatures appear in PARTS V and VI of the Organizational Report may sign this form.
3. The name of the operator on this application and the name of the principal on the bond **must** be identical.
4. If you are applying for a Change of Operator permit you are certifying that you have conducted a good faith search for the current operator and said operator could not be located.
5. If you are applying for a new well permit, do not forget to include the **Notice of Intent to Survey** and proof of service required under IC 32-23-7-6.5 that must be sent to the surface owner at least five (5) days prior to entering onto the property for the purpose of surveying the well location. An example of the notice is available on the division's website under Publications/Notices and Examples.

APPLICATION REMINDERS**PART I:**

- Enter the name of the operator exactly as it appears on the Organizational Report.
- If you want to have a copy of the permit certificate faxed to you please check the appropriate box.
- Don't forget to register with the Indiana Secretary of State if you will operate as a Corporation, Limited Liability Company or Limited Partnership.
- Don't forget to attach the \$250 permit fee.
- If a Certificate of Deposit is selected as the Bond Type, don't forget to attach the original CD and original Verification of Certificate form.
- Check **all** of the appropriate boxes under Well Type to indicate which attachments are being submitted with this application. Required attachments **MUST** be included with the application or it will not be processed.
- If no Coal Owner and Coal Lessee (if coal is leased) consent forms are attached and if there is no copy of a written agreement that specifies other terms of notification of the operator's intent to drill a well for coal bed methane, the operator must send a **Notice of Intent to Apply for a CBM Permit** to the Coal Owner and Coal Lessee and submit a copy of the notice along with proof of service and an Affidavit of No Waste of Coal Resources or Miner Endangerment must accompany the application. An example of the Notice of Intent is available on the division's website under Publications/Notices and Examples.
- The Horizontal Drilling Plan and Plugging Plan for Horizontal Well must be submitted only if the proposed well declination is horizontal.
- If the proposed well will be stimulated, a Well Stimulation Plan must be submitted. Otherwise, check the box indicating that the well will not be stimulated.
- The Statement of Protection of Coal for Future Underground Mining must demonstrate that commercially minable coal outside of the coal bed methane production area is adequately protected for future underground mining.
- Examples of the required notices and affidavits may be found on the division's website under Publications – Notices and Examples.

PART II

- For this proposed coal bed methane well, be sure to indicate the distance to the nearest well capable of production from the same formation for which this permit is to be issued and make sure you check the rule requirements on well spacing to avoid placing the well an insufficient distance from an existing well.
- If you check the communitized box you must attach a copy of the pooling agreement or specify the permit number for the well under which the pooling agreement was previously submitted.
- If you check the Other box under the Drilling Unit section make sure to attach a copy of the exception.
- You must indicate that you own or control all of the coal bed methane within the proposed drilling unit before a permit can be issued. If you do not own or control all of the coal bed methane within the proposed drilling unit you must describe the basis upon which you claim the right to drill and operate a well for coal bed methane production.

PART III

- This part is used by the division to determine if your proposed well construction will meet the rule requirements. Please be sure to enter all information about the proposed construction so that it can be evaluated accurately.

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Division of Oil & Gas

PART IV

- For all wells, be sure to specify the proposed total vertical depth, name of the deepest formation to be drilled, lowest coal seam to be targeted and the pool name.
- For horizontal wells, be sure to specify the proposed measured length.
- Include the names and addresses of the surface owner, coal owner(s) and coal lessee(s).

PART V

- The well diagram must be completed for all Coal Bed Methane well applications.
- Indicate the proposed depths of **all** centralizers. Proof of cement should be submitted with the completion report and Form R12–Verification of Coal Seam Protection Report in the form of cement tickets or a cement bond log.

PART VI

- Applications that do not contain an original signature cannot be processed.
- The signature **must** match a signature shown in Parts VI or VII of the operator's Organizational Report.
- If this application is for a Change of Operator your signature in PART VI certifies that you could not obtain this permit through the permit transfer process **ONLY** because the former operator could not be located.

PART VII

- If a coal bed methane well is intended to be hydraulically fractured, on either the well survey plat or a separate map, plot the location of the proposed coal bed methane well, labeling the distances to the closest quarter-quarter section (or other land type) lines. Draw a 500 foot (or the estimated half length of the proposed hydraulic fracture plane) radius circle around the well location. Inside the circle, plot all known water wells and all oil or gas wells that are deep enough to intersect the coal seams and label the oil and gas wells with the assigned permit number.

Important: A permit issued as a result of this application is a license to conduct an activity and does not convey any property rights to the permittee. Consequently, the permittee is solely responsible for acquiring any and all property rights necessary to use the permit for its stated purpose.

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Continued on next page.

PART VII

SURVEY

General Instructions

Use a 1"=1000' scale

Surveyor must complete the following:

- Clearly indicate the section township, and range on the survey, spot the well and show the footages from the lines.
- Use the surveyor's notes to explain deviations from a standard location such as topography and irregular sections.

Operator or authorized agent must complete the following:

- For oil or gas wells, separately outline the boundary of both of the following using different colors or line styles:
 - the leased or communitized area; AND
 - the drilling unit allotment.
- For all Directional and Horizontal wells show the surface location, kickoff point, AND termination point of the well.
- For all Horizontal wells identify the points where each horizontal drainhole enters and departs the target zone.
- For Enhanced Recovery and Saltwater Disposal wells, draw a 1/4 mile radius circle around the proposed well, spot all other wells (plugged or unplugged) that intersect the proposed injection zone(s), and put the permit number of each well over the spot.

NOTE: You must show the entire 1/4 mile radius circle around proposed Class II wells

SURVEYORS' NOTES:

Elevation:

400 Feet

Pioneer Oil Co.

Gibson County

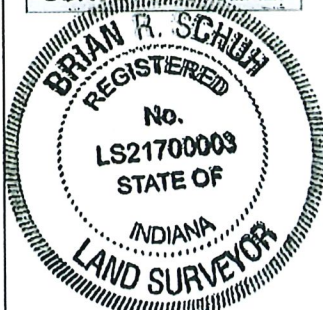
Heidenreich #3

Lease

22.0451.750

See attached map.

SURVEYORS' SEAL:

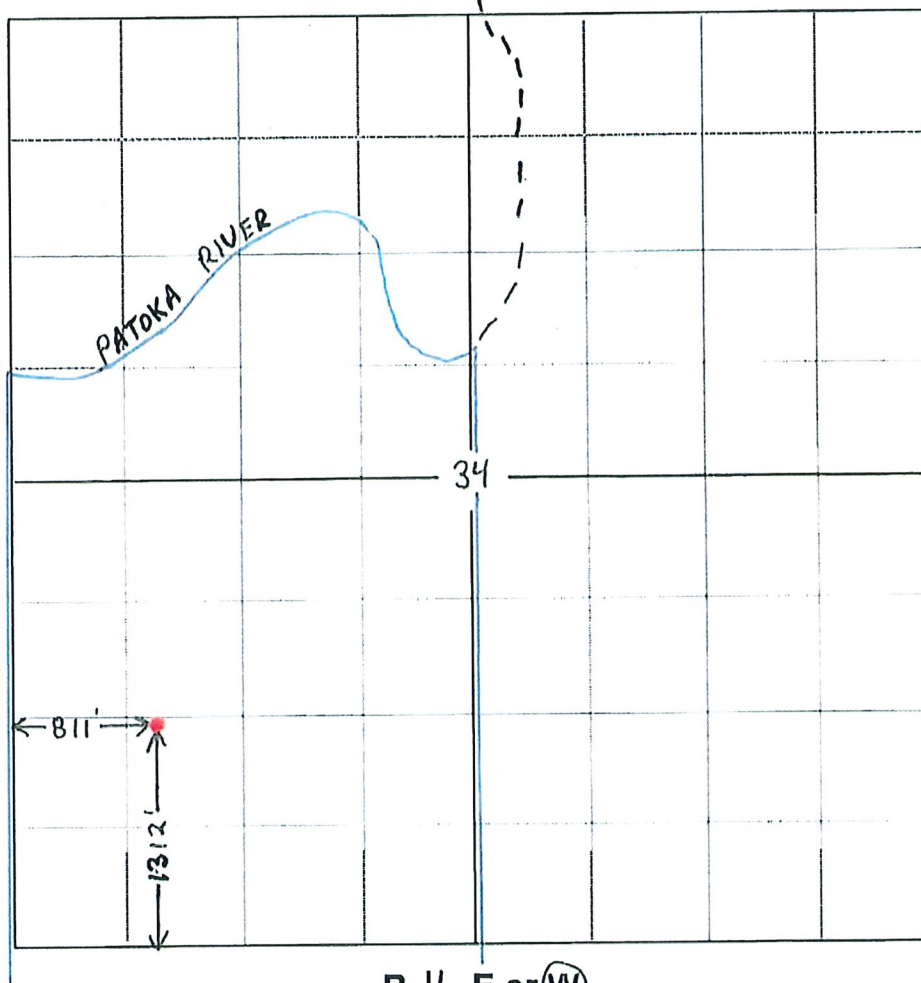


NAD 1983 UTM Zone 16N

UTMx: 445153m

UTMy: 4248311m

Enter UTM's in meters



R 11 E or (W)

CERTIFICATION

I hereby certify that to the best of my knowledge and belief, the proposed location of the above described well, fixed as the result of an instrument survey made by me in compliance with the requirements of the laws of Indiana, is truly and correctly set forth hereon.

Printed name of registered Indiana land surveyor

Brian R. Schuh

Signature of registered Indiana land surveyor

Brian R. Schuh

Date signed (month, day, year)

7-11-2022

Address (Street or PO, City, State, ZIP)

PO Box 160 323 West 3rd St. Mt. Carmel, IL 62863

Telephone number

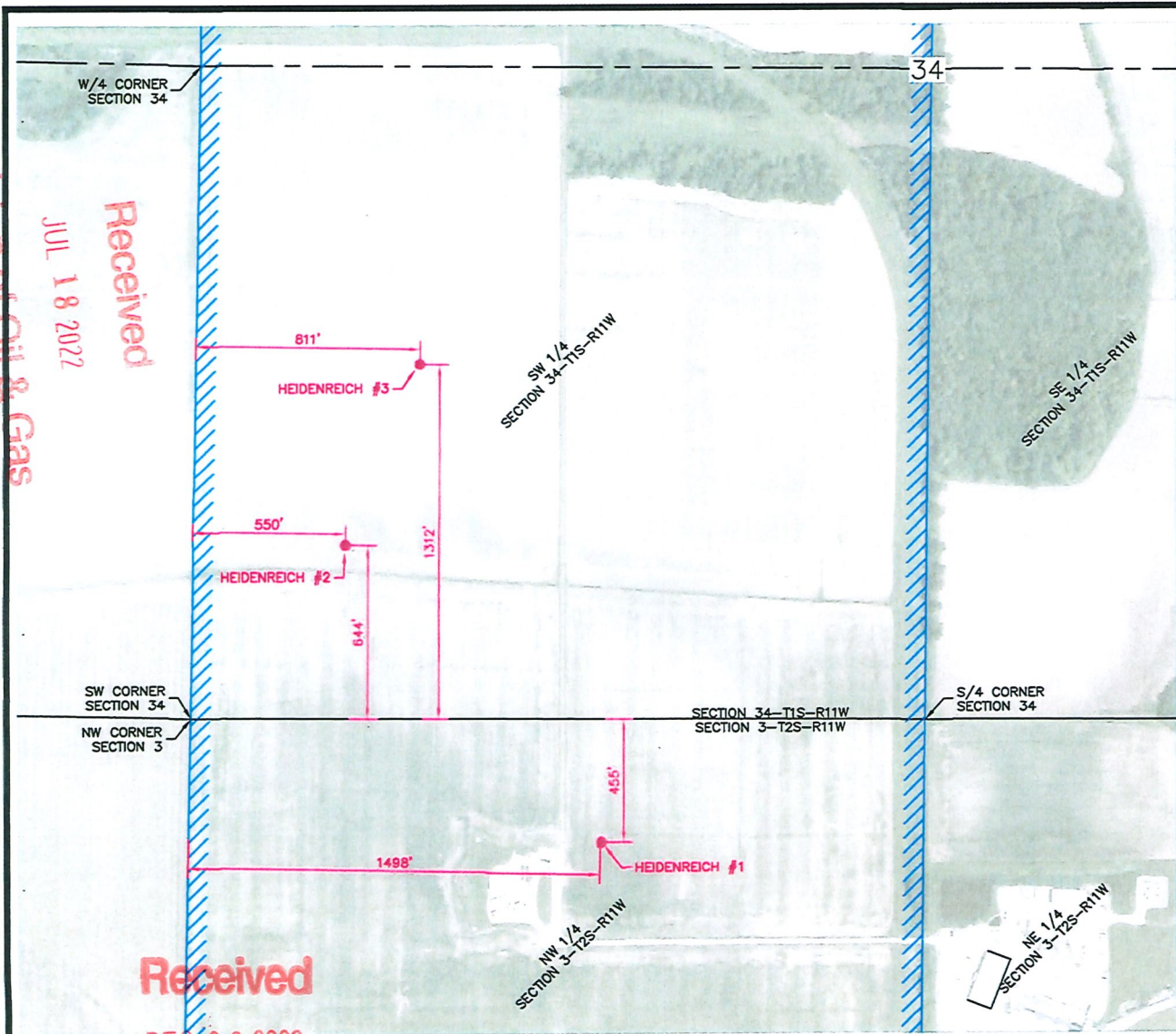
(618) 262 - 8651

Special PART VII Requirements

- You should adjust the location of the center of the section on the diagram so that the entire set of information in the General Instructions shows on a single survey plat. (Example: If a horizontal well will begin in one section but terminate in another section, you should move the section center point so that portions of both sections appear on the plat.)
- Surveyor must be registered under IC 25-21.5. This form must contain an original signature and original seal.
- Coordinates should be based upon NAD 1983 Datum, Universal Transverse Mercator (UTM) Coordinate System, Zone 16N.

JUL 18 2022

Division of Oil & Gas



PIONEER OIL COMPANY
HEIDENREICH #1-#3
SECTION 34, T.1S., R.11W.
SECTION 3, T.2S., R.11W.
ALL OF THE 2ND P.M.,
GIBSON COUNTY, INDIANA

LEGEND

- PROPOSED LOCATIONS
- SECTION LINE
- - - 1/4 SECTION LINE
- /// LEASE

LOCATION	UTMx	UTMy	ELEVATION
HEIDENREICH #1	445352m	4247771m	403'
HEIDENREICH #2	445070m	4248108m	399'
HEIDENREICH #3	445153m	4248311m	400'

LOCATION	LATITUDE	LONGITUDE	ELEVATION
HEIDENREICH #1	38.376484°N	87.625840°W	403'
HEIDENREICH #2	38.379480°N	87.628901°W	399'
HEIDENREICH #3	38.381314°N	87.627966°W	400'



This map and the information shown on it is based on original government surveys, publically recorded documents, field investigation of survey monuments, instrument and GPS field measurements, and survey analysis. This survey does not meet the minimum standards for a boundary survey in Indiana.

Brian R. Schuh 7-11-2022
BRIAN R. SCHUH, PLS #LS21700003
LICENSE EXPIRATION DATE JULY 31, 2024

BEARINGS BASED ON
NAD83 INDIANA WEST STATE
PLANE COORDINATE SYSTEM
0' 200' 400' 600'
SCALE 1" = 400'

ELR Hampton, Lanzini and Ranwick, Inc. ONE WEST END AVENUE, SUITE 200 ELM - SPRINGFIELD - WOODBRIDGE - MT CARMEL www.hlrengineering.com	PROJECT NO: 22-0451.750	
	MT. CARMEL OFFICE	
	323 WEST THIRD STREET P.O. BOX 160 MT. CARMEL, ILLINOIS 62863	
	PHONE: 618.262.8051 FAX: 618.263.3327	
SHEET 1 OF 1	Drawn By: BRS Checked By: BRS Date: 7/11/2022	SCALE: 1" = 400'

NOTES:
PLOTTED LEASE IS BASED ON DOCUMENTS PROVIDED BY PIONEER OIL COMPANY.

Division of Oil & Gas

56/59



June 27, 2022

Heidenreich Farms, Inc.
2678 West 100 North
Princeton, IN 47670

Dear Mr. Heidenreich:

Please be advised that a surveyor will be staking a well on your property in the near future. The wells to be known as the Heidenreich Farms, Inc. #1 CBM, Heidenreich Farms, Inc. #2 CBM and Heidenreich Farms, Inc #3 CBM will be located in:

Section 3 2S 11 W
Gibson County, Indiana
&
Section 34 1S 11 W
Gibson County, Indiana

Pioneer Oil Company, Inc. hereby notifies you as the surface owner of those lands of our intention to have designated representatives enter that property for the purpose of surveying a drilling location for a well.

Sincerely,

Brandi Stennett
Director of Regulatory Compliance

Received

DEC 06 2023

Division of Oil & Gas

I acknowledge that I have received this notice of intent to enter my property for the purpose of surveying a drilling location without future notice and waive the five day notification period.

Surface Owner Signature

6-28-2022

Date

Division of Oil & Gas



**COAL OWNER OR COAL LESSEE
CONSENT (CBM)**
(For Use When Coal is Leased)
State Form 54405 (R / 8-11) / Form A12-CL

INDIANA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL AND GAS
402 W. Washington St., Rm. 293
Indianapolis, IN 46204
Telephone number: (317) 232-4055
Fax number: (317) 232-1550
<http://www.in.gov/dnr/dnroll>



FOR STATE USE ONLY		
Date received (month, day, year)	Date approved (month, day, year)	Approved by:

PART I COAL OWNER/LESSEE INFORMATION		
Name of coal owner/lessee Heidenreich Farms, Inc		Telephone number () -
Address of coal owner/lessee (number and street or PO Box) 2678 West 100 North		
City Princeton	State IN	ZIP code 47670 -

PART II PROPERTY AND COAL SEAM INFORMATION			
Parcel number 26-04-34-200-002.216-027		Coal seam(s): Coal Seam V Springfield Coal	Acres 60.64
Township 1S	Range 11W	Land survey type Land survey number: Sec 34	County Gibson
Parcel number		Coal seam(s):	Acres
Township	Range	Land survey type Land survey number:	County
Parcel number		Coal seam(s):	Acres
Township	Range	Land survey type Land survey number:	County

PART III AFFIRMATION AND SIGNATURE	
I, the undersigned, affirm that I am either the <input checked="" type="checkbox"/> owner or <input type="checkbox"/> lessee (select one) of the right to the coal on the above described parcel(s) and that I have given my consent to the extraction of the coal bed methane from said coal by Pioneer Oil Company Inc. I acknowledge that the recovery of coal bed methane might result in waste of the commercially minable coal resources.	
Signature of coal owner/lessee <i>Chris Heidenreich</i> PRES.	Date signed (month, day, year) 7-14-2022
Name (printed or typed) HEIDENREICH FARMS INC. CHRIS HEIDENREICH PRES.	

Received

JUL 18 2022

Received

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Division of Oil & Gas

Rosales, Alicia M

From: John Henderson <John.Henderson@arlp.com>
Sent: Tuesday, February 27, 2024 1:22 PM
To: Brandi Stennett
Cc: Jay Emery; Rosales, Alicia M; Hernly, Beth; Steve Link
Subject: RE: Permit Renewal Notices Marvel #1 & Heidenreich #3

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

I received this notice.

John H. Henderson
ALLIANCE COAL, LLC
1146 Monarch Street, Suite 350, Lexington, Kentucky 40513
Office 859.685.6310 | Mobile 615.972.3440 | Email John.Henderson@arlp.com

This email, including any attachments hereto, contains information that (a) is or may be A PRIVILEGED ATTORNEY-CLIENT COMMUNICATION, CONFIDENTIAL, PROPRIETARY IN NATURE, OR OTHERWISE PROTECTED BY LAW FROM DISCLOSURE, and (b) is intended only for the use of the addressee(s) named herein. If you are not the intended recipient, an addressee, or the person responsible for delivering this to an addressee, you are hereby notified that reading, using, copying, or distributing any part of this message is strictly prohibited. If you have received this email in error, please contact me immediately and take the steps necessary to delete this email, including any attachments hereto, completely from your computer system. Thank you.

From: Brandi Stennett <BStennett@pioneeroil.net>
Sent: Friday, February 23, 2024 4:40 PM
To: John Henderson <John.Henderson@arlp.com>
Cc: Jay Emery <Jay.Emery@arlp.com>; Rosales, Alicia M <ARosales@dnr.IN.gov>; Hernly, Beth <bhernly@dnr.IN.gov>; Steve Link <SLink@pioneeroil.net>
Subject: Permit Renewal Notices Marvel #1 & Heidenreich #3

CAUTION: This is an email from an external sender. Use caution when clicking on links, opening attachments or responding.

Please find attached the coal notification forms for the Marvel #1 and Heidenreich #3 renewal permits. Any questions may be directed to my email.

Respectfully,

Brandi Stennett
Director of Regulatory Compliance

Pioneer Oil Company, Inc.
400 Main Street

Received

FEB 27 2024

Division of Oil & Gas

P.O. Box 237
Vincennes, IN 47591
bstennett@pioneerol.net
(812) 494-2800 Main Office
(812) 494-2809 Direct

NOTICE OF INTENT TO APPLY FOR A Coal Bed Methane Well Permit

Pioneer Oil Company, Inc. 400 Main Street Vincennes, IN 47591 intends to submit to the Division of Oil and Gas an application for a permit to drill and construct a well to be used for the production of Coal Bed Methane. The well will be located 1312 feet from the S line, 811 feet from the W line, SW quarter, in Section 34, Twp. 1S, Rng. 11W, Gibson County, Indiana.

The subject well, Heidenreich #3, is intended to produce coal bed methane from the Springfield #5 coal seam at an approximate depth of 433 feet.

Written comments and objections to the issuance of a permit for this well based on the premise that the well will result in waste of a commercially minable coal or that the well will endanger the health and safety of miners must be submitted to the Division of Oil and Gas within thirty (30) days of the receipt of this notice and should be mailed to:

Division of Oil and Gas
Department of Natural Resources
Attn: Technical Services Section
402 W. Washington Street, Rm. W293
Indianapolis, IN 46204-2748

After the application is submitted, you may obtain a copy of or further information about the application by contacting the division at (317) 232-4055. The submitted application will be made available for review at the above address from 8 A.M. to 4:30 A.M. EST, Monday through Friday, or on the division's website at: www.in.gov/dnr/dnroil.

Optional:

I acknowledge that I have received this notice of intent to apply for a coal bed methane well permit.

Print Name

Signature

Date

Address

JUL 18 2022

City, IN Zipcode

Division of Oil & Gas

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FEB 23 2024

Division of Oil & Gas

AFFIDAVIT

In accordance with IC 14-37-4-8.5(d), Pioneer Oil Company, Inc., hereby certifies that the proposed well Heidenreich Farms Inc. lease – located in Section 34, Twp. 1S, Rng. 11W, Gibson County, Indiana is intended to produce coal bed methane from the Springfield #5 Coal coal which has an average thickness of 7 feet at an approximate depth of 433 feet. The proposed well is located approximately 6 miles from Gibson South Coal Mine an existing underground coal mine operation. The owner of the coal, Heidenreich Farms, Inc., does not have experience in the underground mining of coal. The proposed well will be a verticle well drilled with a TD of 500 with longstring set approximately 6 feet above the top of the coal seam which may have an effect on the integrity of the coal seam.

Pioneer Oil Company, Inc. has performed the following actions to verify that the proposed activities for which a permit is being sought do not and will not result in waste of a commercially minable coal resource or the endangerment of the health and safety of coal miners:

The North Gibson mine is closed and these coal corridors are no longer viable for underground mining, therefore there are no endangerment of health and safety of coal miners and will not be a commercially minable waste of coal resources.

This affidavit accompanies the notice of intent to apply for a Coal Bed Methane Well Permit.

Received

FEB 23 2024

For Applicant's Name:

Division of Oil & Gas

Brandi Stennett

Print Name

Brandi Stennett

Signature

7-12-22

Date

Division of Oil & Gas

STATEMENT OF PROTECTION OF COAL FOR FUTURE UNDERGROUND MINING

In accordance with IC 14-37-4-8(d)(4), Pioneer Oil Company, Inc. declares that commercially minable coal outside of the coal bed methane production area that contains the proposed coal bed methane well, Heidenreich #3, is protected for future underground mining for the following reasons:

- ☒ No hydraulic fracturing will be performed on Springfield #5 coal that will be used for coal bed methane production
- ☐ The proposed well is at least 500 feet (or the estimated or calculated fracture half length) inside of the outside boundary of the coal bed methane production area.
- ☒ The proposed well is not being drilled horizontally within the coal seam.
- ☐ Other (please specify)

Brandi Stennett

Print Name

Brandi Stennett

Signature

7-15-22

Date

Received

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Received

SEP 14 2022

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July 15, 2022

Via Email: ARosales@dnr.IN.gov

Indiana Department of Natural Resources

Division of Oil & Gas

Attn: Alicia M. Rosales

402 West Washington St., Room 293

Indianapolis, IN 46204

Re: Heidenreich #1, #2 & #3; Gibson County, IN

Dear Ms. Rosales:

This letter supplements Pioneer Oil Company's Application for Coal Bed Methane Well Permit.

Our intention is to drill and complete the well as set forth in the application into the mine void and test the gas quantity and quality. The results of that testing will help inform our decisions regarding use, marketing and/or flaring of the gas encountered and prevent waste. The gas volumes and composition will help determine whether it can be sold into the pipeline, blended with our other gas to achieve pipeline quality, used in our operations, used to generate electricity, or flared. In any of these uses the mineral interest owner will be paid for the extracted gas and it is expected that monetizable credits will be earned. Thus, the current stranded gas will be commercialized, and waste prevented. We plan to configure our infrastructure near the wellhead to provide flexibility to accommodate such different uses. The separate gas streams will be monitored for rate and composition. Valves and meters will be installed to accommodate ongoing adjustment and landowner royalty and State of Indiana severance tax settlement, therefore there will be no waste of resources.

Respectfully,

Brandi Stennett

Director of Regulatory Compliance

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DEC 06 2023

Division of Oil & Gas

