

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/dur/dur/divisit http://www.in.gov/dnr/dnroil



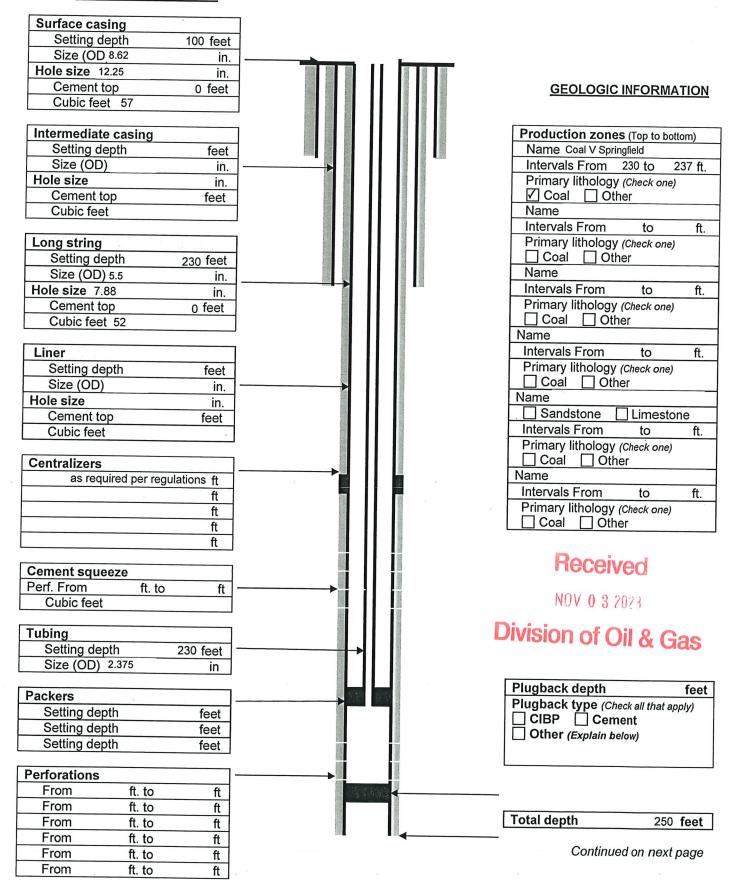
| 在中国人民主义的 | FOR STATE US | F ONLY | | | | |
|--|---|-------------------|--|---------------------------------|--|--|
| Application number | Permit number | - ONL | Date received (mo | onth, day, year) | | |
| Date approved (month, day, year) | Approved by | | 11-5-0 | Ud 3 | | |
| IGS identification number IGS s | amples ☐ Yes ☑ | No IGS pool no | ame S | 7x+lo | | |
| PARTI | GENERAL INFO | MATION | and the same of th | 700 W 7 | | |
| Name of operator | SERENAL IN O | | phone number | Fox number | | |
| Pioneer Oil Company, Inc. | | 1 / 5 | 812) 494 -2800 | Fax number (812) 494 -2508 | | |
| Address of operator (number and street or PO Bo | ox) (☐ Check here if this is a new | address) | | 1 (0.12) 434 -2300 | | |
| City Vincennes | | State | | ZIP code 47591 _ | | |
| Send permit to (Enter name and address) | | | hone number | Fax number | | |
| Brandi Stennett bstennett@pioneeroil.net | | 1 / 8 | 12 \ 404 2000 | (812) 494 - 2508 | | |
| ✓ Check here if you would like to hat Applicant is (Check one only) | ve the permit sent via FA) | or email. En | nail address: | ostennett @ pioneeroil.net | | |
| | vidual | Partnership | ☐ Public | corporation | | |
| NUTE: Corporations limited narthorship | no and limited It - 1. 1114 | Corporation | | d partnership | | |
| further information about registration, or Type of bond (Check one only) | contact the Corporations Di | panies must re | gister with the S | Secretary of State. For | | |
| | | · | ary or State at (3) | 17) 232-05/6 | | |
| | Check | | | | | |
| | Personal surety bond (Valid | for Non-comm | nercial gas wells | only) | | |
| | DONO NOLFERNITER PER IC: 17 | 27 6 4 | | | | |
| NOTES: A bond must accompany this division or is exempt from bonding un Certificate of Deposit form must accompany | | | | | | |
| | | us must be or | iginals and an o | original Verification of | | |
| Taylor direct bollas | is \$45,000. | st be certified. | The bond amou | unt for individual | | |
| Well type (Check one only) | | | | | | |
| Coal Bed Methane - Check the bo | xes below beside items that a | are attached to t | the application: | | | |
| - Non Commercial Coal Bed Methane - Check the hoxes below beside itoms that are attacked to the standard to th | | | | | | |
| - Control of the cont | | | | | | |
| ✓ 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 | | | | | | |
| | | | | | | |
| The state of the s | | | | | | |
| Horizontal Drillian Discovery | | | | | | |
| ☐ Horizontal Drilling Plan (If applicable ☐ Plugging Plan for Horizontal Well (II | e), Sannliachte) | | 1 | NOV 0 3 2023 | | |
| Statement of Protection of Coal for Application type (Check to many than type) | <i>applicable).</i> Future Underground Mining / | De austro d'é | District | | | |
| Application type (Check no more than two) | | | | | | |
| ✓ New well | ☐ Change of operator | (Complete PAF | RTS I, II, VI and V | /II indicating lease lines | | |
| Old well workover | 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) | | | | | |
| Old well deepening | checked) | | | | | |
| Horizontal well sidetracking | Permit renewal (Con | plete PARTS I | l, II and VI only u | nless another | | |
| Charge of least | application type is also (| спескеа) | | | | |
| ☐ Change of location Fee Payment Method: | Note: A \$250 permit fe | - | | | | |
| ee Payment Method: | Credit Card (Attach cred | it card informa | tion on separate | page or provide | | |
| ormer operator (If applicable) | | | Former Pormit numb | hor //f annling 1 | | |
| | | } | Former Permit numb | uer (it applicable) | | |

| Name of lease Well number Elevation (G.L.) | | | | | | | | | | |
|---|---|---------------|----------------|---------------|-------------------|----------|---|----------------------|---------------|--------------------|
| Blann & Son CBM #1 451 | | | | | | | | | | |
| Township | Range | Land type s | | 1/4 | 1/4 | 1/4 | Footages: | | |]NW, □SE line |
| 7N | 9W | Land num | | | J | NW | | | |]NE, □SW line |
| Sullivan | County Distance to the nearest well capable of production from the same zone in which this well will be completed: 990+ feet | | | | | | nis | | | |
| | _ | (Check one | only) | | | | ☐ Check here | e if acreage is com | nmunitized (| pooled) |
| 40 ac | cres | N/A say | es Mine | unid n | an CANTON | letter. | NOTE: Attach | a come of the unit | | |
| V Otne | ch unit ex | cention or r | es /////www | rention and | sunnorti | na AM | | a copy of the unit | | |
| | (Attach unit exception or petition for exception and supporting declaration of pooling. If previously submitted documentation) documentation) declaration of pooling. If previously submitted identify the permit number under which it was | | | | | | | | | |
| submitted: Permit No. | | | | | | | | | | |
| Lease acre | Lease acreage Does operator own or control the rights to drill and produce coal bed methane in and under all land(s) within the | | | | | | | | | |
| 5.00 | | - | | | _ | | | wn on the attached | | • |
| | Acres | | | | | | ms the right to dri nts by type and da | II and produce coa | l bed metha | ine under this |
| ☑ Yes [|] No | | | | | | | delivery to the sur | face owner | ? |
| PART III | | | | PROPOS | ED WE | LL CO | ISTRUCTION | | | |
| | | heck here | and go to PA | RT IV if th | e well pr | esently | exists and the c | onstruction will r | not change | |
| Enter casing cement stag | | rom largest t | o smallest and | d enter the d | ement in | formatio | n on successive ro | ows for a casing str | ing that will | be set using multi |
| | | | Informatio | n . | | | | Cementing Info | | |
| Casing | | asing | Casing | Casing | Hole | | Cement Type | | Volume | |
| Size (OD 8.625 | | Туре | Bottom | Тор | Size 12.25 | Clas | Α Δ | Volume | Type | Yield |
| | Surfac | ce | 100 ft. | 0 ft. | | | | 50 | Sacks | 1.15 |
| 5.5 | Long | String | 230 ft. | 0 ft. | 7.875 | Clas | s A | 50 | Sacks | 1.15 |
| | | | ft. | ft. | | | | | | |
| 2.375 | Tubing | 9 | 230 ft. | 0 ft. | | | | | | |
| Packer set | ting dept | th | ft. | Central | izers at | as req | uired ft. | ft | ft | ft. |
| Packer set | | | | 1 | | | | ft. to | | |
| Packer set | ting dept | th | ft. | Juding | poriorai | | | ft. to | | |
| | | | | | | | | | | |
| | | | | From ft. to | | | | | | |
| | Fromft. toft. | | | | | | π. | | | |
| PART IV | | | DR | LLING A | | | NAL INFORMA | TION | | |
| Section a | | | | | | Vells | | | | |
| | | eck one onl | | | | | | l wells the surfac | | |
| ✓ Vertical □ Directional □ Horizontal termination point of the well must be shown on the survey. Proposed total vertical depth 250 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 | | | | | | | | | | |
| ☑ Pool (Name): Carlisle NAS Or ☐ Wildcat | | | | | | | | | | |
| NAMES AND MAILING ADDRESSES OF THE SURFACE OWNER, COAL OWNER(S), COAL LESSEE(S): | | | | | | | | | | |
| Type Rec | | Name | TILOULU C | | dress | · OVIII | | ity | State | Zip code |
| Surface Ov | | Blann & Sor | , LLC | | 37 S. Co | Road 5 | | ullivan | IN | 47882 |
| Coal Owne | | | 37 S. Co | Road 5 | E S | ullivan | IN | 47882 | | |
| Coal Lesse | е | | | | | | | | | |
| | Received | | | | | | | | | |
| | | | | | | 0 0 0 | 0000 | | | |
| | | | | | DE | 06 | 2023 | | | |
| | | | | | | | | Continue | d on the n | |

PROPOSED WELL DIAGRAM

NOTE: This diagram is required for Coal Bed Methane wells.

WELL CONSTRUCTION



| 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 deprinted name of operator of authorized agent | | | | | |
| | Date signed <i>(month, day, year)</i> 10/27/2023 | | | | |

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 proposd 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 requirements. Please be sure to enter all information about the proposed construction so that it can be evaluated accurately.

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.

Received

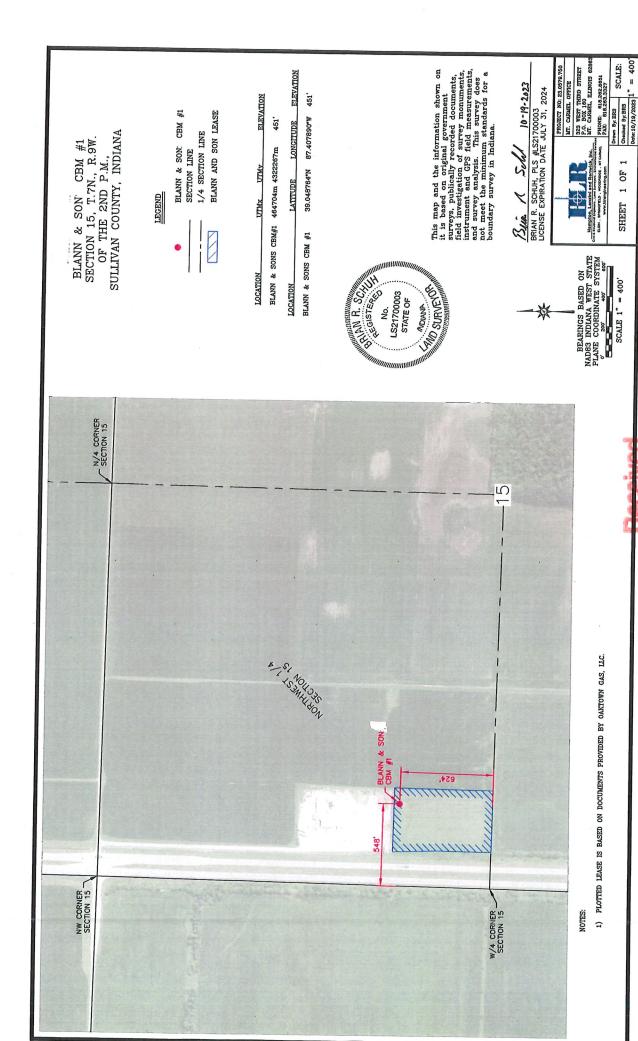
NOV 0 3 2023

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: 451 Feet Sullivan County Blann & Son / CBM #1 # Lease 23.0579.750 See attached map. SURVEYORS' SEAL: or No. LS21700003 STATE OF NO. LS21700003 S UTMx: 464704m UTMv: 4322267m Enter UTMs in meters $R_{\underline{q}} E or (W)$ 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 Signature of registered Indiana land surveyor Date signed (month, day, year) Brian R. Schuh 10-19-2023 Address (Street or PO, City, State, ZIP) Telephone number PO Box 160 323 West 3rd St. Mt. Carmel, IL 62863 (618) 262 - 8651

Special PART VII Requirements

- 1. 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.)
- 2. Surveyor must be registered under IC 25-21.5. This form must contain an original signature and original seal.
- 3. Coordinates should be based upon NAD 1983 Datum, Universal Transverse Mercator (UTM) Coordinate System, Zone 16N.





October 09, 2023

Blann & Son, LLC

Please be advised that a surveyor will be staking a well on your property in the near future. The well, to be known as the Blann & Son CBM #1, will be located:

Section: 15 Township: 07N Range: 09W Sullivan 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

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

October 10, 7023

Date

Received

NOV 0 3 2023



INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL AND GAS 402 W. Washington St., Rm. 293

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



| Determent of the state of the s | FOR STATE USE ONL | Y | | |
|--|--------------------------------------|---|------------------|--|
| Date received (month, day, year) Date app | Approved by: | | | |
| | | | | |
| PART I | COAL OWNER INFORM | ATION | | |
| Name of coal owner Blann and Son, LLC | | | Telephone number | |
| Address of coal owner (number and street or PO E 2267 South County Road 5 East | 3ox) | | | |
| City | | State | ZIP code | |
| Sullivan | | Indiana | 47882 - | |
| PART II PRO | PERTY AND COAL SEAM | INFORMATION | | |
| Parcel number 77-10-15-000-005.000-011 | Coal seam(s): | | | |
| Township Range 7N 9 W | Land survey type | Coal Seam V Springfield Coal Land survey type Land survey number: Sec 15 | | |
| Parcel number | Coal seam(s): | | Acres | |
| Township Range | Land survey type Land survey number: | | | |
| Parcel number | Coal seam(s): | | Acres | |
| Township Range | Land survey type Land survey number: | | County | |
| PART III | AFFIRMATION AND SIG | NATURE | | |
| I, the undersigned, affirm that I am the owner given my consent to the extraction of the coal I have not leased the coal for the purpose of cresult in waste of the commercially minable commercially minable commercially | of the right to the coal on the | ne above described | | |
| Signature of coal owner Name (printed or typed) | Date signe | od (month, day, yea Der 31,73 10/3 | ar) 1/2023 | |

Received

NOV 0 3 2023

AFFIDAVIT

In accordance with IC 14-37-4-8.5(d), <u>Pioneer Oil Company, Inc.</u>, hereby certifies that the proposed well <u>Blann & Son CBM #1</u> – located in Section <u>15</u>, Twp. <u>7N</u>, Rng. <u>9W</u>, <u>Sullivan</u> County, Indiana is intended to produce coal bed methane from the <u>Springfield #5 Coal</u> coal which has an average thickness of <u>7</u> feet at an approximate depth of <u>230</u> feet. The owner of the coal, <u>Blann & Son</u>, <u>LLC does not</u> have experience in the underground mining of coal. The proposed well will be <u>a verticle well drilled with an approximate TD of 250 with longstring set approximately <u>6 feet above the top of the coal seam</u> which may have an <u>effect on the integrity of the coal seam</u>.</u>

<u>Pioneer Oil Company, Inc.</u> 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:

Princeton Mining 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 to | or a Coal Bed Methane Well Permit. |
|---|------------------------------------|
| For Applicant's Name: | Received |
| M Blann | NOV 0 3 2023 |
| Print Name | Division of Oil & Gas |
| Signature | October 31, 2023 Date |

STATEMENT OF PROTECTION OF COAL FOR FUTURE UNDERGROUND MINING

In accordance with IC 14-37-4-8(d)(4), <u>Pioneer Oil Company</u>, <u>Inc.</u> declares that commercially minable coal outside of the coal bed methane production area that contains the proposed coal bed methane well, <u>Blann & Son CBM #1</u>, is protected for future underground mining for the following reasons:

- X No hydraulic fracturing will be performed on <u>Springfield #5 coal</u> 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.
- X The proposed well is not being drilled horizontally within the coal seam.
- o Other (please specify)

Brandi Stennett

Print Name

Signature

10-31-23

Date

Received

DEC 0 6 2023



October 31, 2023

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: Blann & Son CBM #1 Sullivan 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

Received

NOV 0 3 2023

Rosales, Alicia M

From:

Brandi Stennett < BStennett@pioneeroil.net>

Sent:

Tuesday, December 5, 2023 9:28 AM

To:

Rosales, Alicia M

Subject:

RE: Blann & Son CBM #1

Attachments:

doc11177920231205092424.pdf

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

Please see my response to the review questions below. Thank you for your time reviewing the application. I will have to get a new organizational report signed. The original is not here, I assuming it got lost on it's way north in the mail. We have reviewed the application for the Blann & Son CBM #1. Here are some items we need clarification/addition information for:

- The location information in Part II does not match the survey plat. Fixed the location direction and reattached the page 2.
- Please provide a statement confirming that the location is more than 200' away from structures, or statement from the structure/surface owner that they will allow the well to be closer.

The location is more than 200 feet away from any structure.

- Will the top of tubing be 0'? yes
- I did not see a Statement of Protection of Coal for Future Underground Mining included. It is the affidavit attached in the application but I have included it in the email as well.

On a side note, I think our current organizational report is from 2013, and I think I suggested a new one since the current one lists Pioneer as being in Illinois. In my e-mail, I found a digital one, but I'm not seeing the that hard copy was received here. I'll forward you that e-mail.

Thank you, Alicia

Alicia Rosales

Geologist
Indiana Department of Natural Resources
Division of Reclamation - Oil and Gas
(317) 234-5314
arosales@dnr.in.gov
www.dnr.IN.gov

