



September 9, 2015

Mr. John Ruhs
State Director
United States Department of the Interior
Bureau of Land Management, Eastern States
20 M Street SE, Suite 950
Washington, DC 20003

Subject: **Flat Rock EOI #8**

Dear Mr. Ruhs,

Flat Rock Development, LLC (“Flat Rock”) is an oil and gas exploration and production company with operations in southeastern Ohio. Flat Rock seeks to lease certain properties in the Wayne National Forest from the United States Bureau of Land Management (“BLM”).

Our current plans for the properties that we have identified is that we would not drill wells on the surface of the properties, but rather would seek to include the properties in oil and gas units that we would form with adjoining properties for which the surface rights are privately owned.

Therefore, we respectfully request to submit this informal Express of Interest (“EOI”) with a No Surface Occupancy (“NSO”) stipulation. With this EOI submission we request that the lands listed on Exhibit A (the “EOI Properties”) attached hereto be considered for inclusion in a competitive oil and gas lease sale. For each of the EOI Properties, we have attached the following information:

- Exhibit A – Parcel description
- Exhibit B – Warranty deed
- Exhibit C – 24K and 100K scale map of parcel(s)
- Exhibit D – Wayne National Forest map of parcel(s)
- Exhibit E – Wayne National Forest title & encumbrances records
- Exhibit F – Shape files

With respect to each of the EOI Properties, it is our understanding that the surface rights for such properties are vested with the federal government.

To assist BLM in its efforts to conduct a title review of the EOI Properties, Flat Rock is currently performing property title search activities with respect to the EOI Properties, including searching the appropriate county courthouses to search for the following:

- a. recorded instruments that may impact BLM's rights to lease the EOI Properties from the date of the warranty deed vesting the property with BLM to the current date; and
- b. recorded instruments that may impact third party rights to the oil and gas minerals, if any.

We plan to share such title search information and documentation with BLM upon the conclusion of our research. We appreciate BLM's expedient review of this EOI and welcome any feedback or identification of deficiencies in our submission. We look forward to supporting BLM's efforts to bring the enclosed parcels to a competitive oil and gas lease sale.

Should you have any questions, I may be reached at sshah@flatrock.com or (304) 554-2012.

Sincerely,



Shalin Shah
Chief Financial Officer
Flat Rock Development LLC

EXHIBIT A – PARCEL DESCRIPTION

Parcel 8-1

Admin State: Eastern States
Meridian: Ohio River Survey
Surface Management Agency: Wayne National Forest
Township No: 2N
Range No: 6W
Section No: 36
Total Acreage: 62.00

Legal Description: That legal description shown below, which is found in the warranty deed recorded in Volume 631, beginning at Page 302, in the public records of Washington County.

TOWNSHIP 2 NORTH, RANGE 6 WEST, OHIO RIVER SURVEY
INDEPENDENCE TOWNSHIP, WASHINGTON COUNTY, OHIO

MARIAN
RECORDED
RECORDER, WASHIP
See File :

SECTION 36

Situated in the State of Ohio, County of Washington and Township of Independence, to wit:

Parcel A: The Northwest quarter (N.W. 1/4) of the Southeast quarter (S.E. 1/4), EXCEPT twenty (20) acres off the south side thereof, of Section Thirty-six (36), Town Two (2), Range Six (6), of the Ohio River Survey.

Parcel B: The Southwest Quarter (S.W. 1/4) of the Northeast quarter (N.E. 1/4), EXCEPT one-half (1/2) acre out of the Northwest corner thereof, of Section Thirty-Six (36), Town Two (2), Range Six (6), of the Ohio River Survey.

Said exception from Parcel B is currently owned by Helen Hamilton as recorded in Washington County Deed Book 260, Pages 37-38, with the description of the same as follows from Washington County Deed Book 78, Pages 224-225:

Situated in the County of Washington in the State of Ohio and in the Marietta Land District and bounded and described as follows to wit: One-half acre more or less out of the North West corner of the Southwest Quarter of the North East Quarter of Section No. 36 of Town No. 2 of Range No. 6, it being all of said lot lying West of the Little Muskingum River.

Parcels A and B containing in all approximately Sixty-two (62) acres, more or less. Taxed as 57-1/2 acres in the middle western part of the east one-half of Section 36, Town 2, Range 6, Independence Township. Parcels A and B are also known as Washington County Tax Parcel No. 17-62180.000.