

Flat Rock Development, LLC

Local Roots. Local Resources. Local Values.



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 #5**

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 5-1

Admin State: Eastern States
Meridian: Ohio River Survey
Surface Management Agency: Wayne National Forest
Township No: 1N
Range No: 5W
Section No: 33
Total Acreage: 95.36

Legal Description: That legal description shown below, which is found in the warranty deed recorded in Volume 399, beginning at Page 598, in the public records of Washington County.

TOWNSHIP ONE NORTH, RANGE FIVE WEST, OHIO RIVER SURVEY
SECTION THIRTY-THREE:
South Half of Southwest Quarter, containing 80.40 acres.
Part of South Half of Northeast Quarter of Southwest Quarter beginning at southeast corner of Northeast Quarter of Southwest Quarter, thence with quarter line N 04° 00' E 07.460 chains, thence N 86° 00' W 20.050 chains to quarter quarter line, thence with quarter quarter line S 04° 00' W 07.460 chains to southwest corner of Northeast Quarter of Southwest Quarter, thence with quarter quarter line S 86° 00' E 20.050 chains to point of beginning and containing 14.96 acres, more or less.
Containing an aggregate of 95.36 acres, more or less.

Parcel 5-2

Admin State: Eastern States
Meridian: Ohio River Survey
Surface Management Agency: Wayne National Forest
Township No: 1N
Range No: 5W
Section No: 32
Total Acreage: 219.58

Legal Description: That legal description shown below, which is found in the warranty deed recorded in Volume 454, beginning at Page 291, in the public records of Washington County.

TOWNSHIP ONE NORTH, RANGE FIVE WEST, OHIO RIVER SURVEY

SECTION THIRTY-TWO:

Beginning at a stone marked (+) at the northwest corner of Section 32, thence with section line S. 85° 45' E. 40.750 chains to the northeast corner of the Northwest Quarter, thence with quarter line S. 02° 00' W. 17.130 chains to a stone marked (+) on quarter line, thence leaving quarter line S. 17° 00' E. 26.050 chains to a stone marked (+), and passing over a stone (+) at 4.46 chains on this course; thence S. 10° 00' W. 3.250 chains, thence S. 02° 00' E. 7.650 chains, thence S. 05° 00' E. 7.190 chains, thence S. 11° 00' E. 2.118 chains to a point in centerline of State Route #7, where State Route #7 is located as of October 1, 1975; thence along centerline of State Route #7 the following courses and distances, S. 79° 45' W. 1.492 chains, S. 81° 35' W. 2.146 chains, S. 84° 00' W. 3.719 chains, S. 86° 30' W. 3.533 chains, S. 89° 55' W. 3.400 chains, N. 89° 00' W. 3.360 chains, and N. 86° 45' W. 9.885 chains, thence leaving centerline of State Route #7 N. 02° 00' E. 1.603 chains, thence N. 20° 00' W. 62.00 chains to Range line, thence with Range line N. 02° 00' E. 5.850 chains to point of beginning.

Parcel 5-3

Admin State:	Eastern States
Meridian:	Ohio River Survey
Surface Management Agency:	Wayne National Forest
Township No:	1N
Range No:	5W
Section No:	32
Total Acreage:	15.65

Legal Description: That legal description shown below, which is found in the warranty deed recorded in Volume 479, beginning at Page 257, in the public records of Washington County.

TOWNSHIP ONE NORTH, RANGE FIVE WEST, OHIO RIVER SURVEY

SECTION THIRTY-TWO:

Part of the North Half ($\frac{1}{2}$) of the Northeast Quarter ($\frac{1}{4}$) beginning on quarter line at a point S $02^{\circ} 00'$ W 4.500 chains from the Northwest corner of the Northeast Quarter ($\frac{1}{4}$), thence S $86^{\circ} 00'$ E 25.195 chains to a point in centerline of Township Road #22, thence along centerline of Township Road #22 S $48^{\circ} 00'$ W 6.080 chains and S $38^{\circ} 00'$ W 3.350 chains, thence leaving centerline of said road N $86^{\circ} 15'$ W 18.846 chains to quarter line, thence with quarter line N $02^{\circ} 00'$ E 7.238 chains to point of beginning,

containing 15.65 acres of land, more or less.

Parcel 5-4

Admin State:	Eastern States
Meridian:	Ohio River Survey
Surface Management Agency:	Wayne National Forest
Township No:	1N
Range No:	5W
Section No:	33
Acreage:	67.72

Legal Description: That legal description shown below, which is found in the warranty deed recorded in Volume 520, beginning at Page 379, in the public records of Washington County.

TOWNSHIP ONE (1) NORTH, RANGE FIVE (5) WEST, OHIO RIVER SURVEY

SECTION THIRTY-THREE (33):

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or

The Northwest Quarter ($\frac{1}{4}$) of the Southeast Quarter ($\frac{1}{4}$) containing 40.20 acres EXCEPT a parcel off the north end beginning at the northwest corner of the Northwest Quarter ($\frac{1}{4}$) of the Southeast Quarter ($\frac{1}{4}$), thence with quarter line South $86^{\circ} 00'$ East 20.050 chains to the northeast corner of the Northwest Quarter ($\frac{1}{4}$) of the Southeast Quarter ($\frac{1}{4}$), thence with quarter line South $04^{\circ} 00'$ West 12.545 chains, thence North $86^{\circ} 00'$ West 20.050 chains to quarter line, thence with quarter line North $04^{\circ} 00'$ East 12.545 chains to point of beginning and containing 25.15 acres, more or less, leaving to be conveyed in the Northwest Quarter ($\frac{1}{4}$) of the Southeast Quarter ($\frac{1}{4}$) 15.05 acres, more or less;

The Northeast Quarter (¼) of the Southwest Quarter (¼) containing 49.29 acres EXCEPT a parcel off the south end beginning at the southeast corner of the Northeast Quarter (¼) of the Southwest Quarter (¼), thence with quarter quarter line North 86° 00' West 20.050 chains to the southwest corner of the Northeast Quarter (¼) of the Southwest Quarter (¼), thence with quarter quarter line North 04° 00' East 7.46 chains thence South 86° 00' East 20.050 chains to quarter line, thence with quarter line South 04° 00' West 7.46 chains to point of beginning and containing 14.96 acres more or less, leaving to be conveyed 25.24 acres, more or less;

Part of the Southeast Quarter (¼) of the Northwest Quarter (¼) beginning at the southeast corner of the Southeast Quarter (¼) of the Northwest Quarter (¼), thence with quarter line North 86° 00' West 20.050 chains to the southwest corner of the Southeast Quarter (¼) of the Northwest Quarter (¼), thence with quarter quarter line North 04° 00' East 13.630 chains, thence South 86° 00' East 20.050 chains to quarter line, thence with quarter line South 04° 00' West 13.630 chains to point of beginning and containing 27.33 acres more or less;

Total acreage to be conveyed hereby being 67.62 acres, more or less.

Parcel 5-5

Admin State:	Eastern States
Meridian:	Ohio River Survey
Surface Management Agency:	Wayne National Forest
Township No:	1N
Range No:	5W
Section No:	27
Acreage:	12.00

Legal Description: That legal description shown below, which is found in the warranty deed recorded in Volume 546, beginning at Page 509, in the public records of Washington County.

TOWNSHIP ONE NORTH, RANGE FIVE WEST
OHIO RIVER SURVEY

SECTION TWENTY-SEVEN:

Part of the Northwest Quarter of the Northwest Quarter; beginning at the southwest corner of the Northwest Quarter of the Northwest Quarter. thence N. 03° 00' E. 4.67 chains; thence S. 87° 00' E. 25.7 chains, thence S. 03° 00' W. 4.67 chains, thence N. 87° 00' W. 25.7 chains to the point of beginning,

containing 12 acres of land, more or less.

Parcel 5-6

Admin State: Eastern States
Meridian: Ohio River Survey
Surface Management Agency: Wayne National Forest
Township No: 1N
Range No: 5W
Section No: 33
Acreage: 26.67

Legal Description: That legal description shown below, which is found in the warranty deed recorded in Volume 642, beginning at Page 390, in the public records of Washington County.

TOWNSHIP 1 NORTH, RANGE 5 WEST, OHIO RIVER SURVEY
GRANDVIEW TOWNSHIP, WASHINGTON COUNTY, OHIO

SECTION 33:

Situated in the Township of Grandview, County of Washington, State of Ohio, and more particularly described as follows: Being the middle one-third (1/3) of the East one-half (1/2) of the Northwest one-fourth (1/4) of Section Thirty-three, Town One (1), Range Five (5). Containing twenty-six and two-thirds (26-2/3) acres, more or less. Said one-half (1/2) quarter section is divided by lines East and West.

Prior Reference: Washington County Deed Volume 432, Page 125. Washington County Auditor's Tax Parcel No. 15-56708.

Parcel 5-7

Admin State: Eastern States
Meridian: Ohio River Survey
Surface Management Agency: Wayne National Forest
Township No: 1N
Range No: 5W
Section No: 33
Acreage: 20.00

Legal Description: That legal description shown below, which is found in the warranty deed recorded in Volume 688, beginning at Page 297, in the public records of Washington County.

TOWNSHIP 1 NORTH, RANGE 5 WEST, OHIO RIVER SURVEY
GRANDVIEW TOWNSHIP, WASHINGTON COUNTY, OHIO

SECTION 33:

The South Half (1/2) of the Southeast Quarter (1/4) of the Southeast Quarter (1/4) of Section 33, Township 1 North, Range 5 West, Grandview Township, Washington County, Ohio, containing 20 acres, more or less.

Prior Reference: Washington County Deed Volume 337, Page 982.
Washington County Tax Parcel No. 15-56588 for 20 acres.

Parcel 5-8

Admin State:	Eastern States
Meridian:	Ohio River Survey
Surface Management Agency:	Wayne National Forest
Township No:	1N
Range No:	5W
Section No:	33
Acreage:	17.44

Legal Description: That legal description shown below, which is found in the warranty deed recorded in Volume 672, beginning at Page 047, in the public records of Washington County.

TOWNSHIP ONE NORTH, RANGE FIVE WEST
OHIO RIVER SURVEY

SECTION THIRTY-THREE:

The West Half of the Northeast Quarter of the Southeast Quarter, containing 20.10 acres.

EXCEPT: A 2.66-acre parcel lying Southwest of centerline of Sheets Run, beginning at the Southeast corner of the Northwest Quarter of the Southeast Quarter; thence from point of beginning South 86° 00' East 1.70 chains to point in centerline of Sheets Run, thence along centerline the following 6 courses: North 85° 30' East 2.40 chains, North 48° 00' East 1.720 chains, North 07° 30' East 1.543 chains, North 42° 30' West 1.900 chains, North 52° 00' West 2.670 chains, and North 50° 00' West 2.190 chains to quarter quarter line, thence with quarter quarter line South 04° 00' West 7.220 chains to point of beginning,

leaving to be conveyed 17.44 acres, more or less.

Tax Parcel No. 15-57800.

RECORDED
IN DEED BOOK
15-57800