



DIVISION OF NATURAL RESOURCES
324 Fourth Avenue, Room 200
South Charleston, West Virginia 25303-1228
Telephone (304) 558-3225
Fax (304) 558-6048
TDD (304) 558-1439
TDD 1-800-354-6087

Stephen S. McDaniel
Director

January 24, 2019

Mr. Art West, District Landman
Tug Hill Operating
380 Southpointe Blvd., Suite 200
Canonsburg, PA 15317

RE: Ohio River- Wetzel County
297.00 ac, m/l Bid Award

Dear Mr. West:

The West Virginia Division of Natural Resources ("DNR") has identified your company's bid of \$3000.00 per net mineral acre to develop the above-referenced oil and gas in Wetzel County, West Virginia, as the highest responsible bid for this property. Be advised that the award of this bid is time sensitive and remains subject to execution of a lease agreement acceptable to the agency.

The DNR desires to close a lease transaction on this property on or before March 1, 2019 at our offices located at 324 Fourth Avenue, South Charleston, West Virginia 25303, at a time to be determined. An earnest money check in the amount of \$20,000.00 was submitted and received with your bid. Enclosed hereto is a copy of the DNR's standard lease agreement for your review. You may contact Joe Scarberry of the Division's Office of Land & Streams to coordinate the closing on this lease transaction at 304-558-3225.

We look forward to working with you on this project.

Sincerely,

Stephen S. McDaniel

cc: Joe Scarberry, Office of Land & Streams
Larry George, Special Assistant West Virginia Attorney General

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