



Governor Jim Justice

Director Brett W. McMillion

August 21, 2024

Mr. Nathan Skeen
Mar Key LLC/Arsenal Resources LLC
6031 Wallace Road Ext
Suite 101
Wexford, PA 15090

Re: Oil & Gas Leasing Rights
8.93 acres West Fork River
Clark-Outside District, Harrison County
West Virginia

Dear Mr. Skeen:

This letter is to inform you that the West Virginia Division of Natural Resources (DNR) has chosen Mar Key LLC/Arsenal Resources LLC's bid of \$3,000.00 per acre to develop the Oil & Gas in, on and underlying that part of West Fork River, being 8.93 acres in Clark-Outside District, Harrison County, West Virginia, as the highest responsible bid.

This bid award is subject to the execution of an Oil & Gas Lease Agreement acceptable to DNR. DNR will draft the Oil & Gas Lease Agreement.

DNR desires to close the Oil & Gas Lease transaction as soon as possible. Once the Oil & Gas Lease Agreement is drafted and agreed upon, then a Closing date will be set.

For the Oil & Gas Lease Agreement to be approved by the West Virginia Attorney General's Office, your company will need to provide DNR with the following documents at Closing:

- (1) A surety bond required by paragraph 21 of the Oil & Gas Lease Agreement; and
- (2) The insurance policies, declaration pages and certificates required by paragraph 22 of the Oil & Gas Lease Agreement.

For your information, an approved surety bond form is available on:
www.wvmineraldevelopment.org

Bid Award Letter (8.93 acres West Fork River)

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For the Closing, DNR would like to know the following:

(1) Will your Earnest Money check of \$5,000.00 be used as part of the Bonus Money payment for the property?

Or

Will DNR be returning the Earnest Money check to Mar Key LLC/Arsenal Resources LLC?

(2) Will you or a representative of the Company be attending the Closing at DNR's offices located at 324 Fourth Avenue, South Charleston, West Virginia?

Or

Will everything be transacted through mail and email?

Please provide DNR with the well names that will be associated with this Oil & Gas Lease Agreement.

DNR looks forward to working with you and Mar Key LLC/Arsenal Resources LLC on this matter. If you have any questions or concerns, please contact this office.

Sincerely yours,



Julia A. Morton, Chief
Office of Land & Streams