



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

April 9, 2019

Mr. Brian Paugh, Vice President of Land
Jay-Bee Production
3570 Shields Hill Road
Cairo, West Virginia 26337

RE: Middle Island Creek
Pleasants County 17.072 acres

Dear Mr. Paugh:

The West Virginia Division of Natural Resources ("DNR") has identified your company's bid of \$3,601.00 per net mineral acre to develop the above-referenced oil and gas in Pleasants 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 April 30, 2018 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 \$5,000.00 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 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 yours,

A handwritten signature in blue ink that reads "Emily J. Fleming".

Emily J. Fleming
Deputy Director

cc: Jane Charnock, West Virginia Assistant Attorney General
Larry George, Special Assistant West Virginia Attorney General

EJF/tdh