NON-FEDERAL OIL & GAS RIGHTS

9:36 PLAN OF OPERATIONS

ASTORHURST & PRINIOS PROPERTIES

9.36 PLAN OF OPERATIONS
(a)(1)
OPERATOR

The names and legal address of the operator, and the owner(s) or lessee(s) other than the operator;

Well Operations will be conducted by:

M & M Royalty, Ltd.
5377 Lauby Rd. NW, Suite 202
N. Canton, OH 44720
Contact: Michael Weinsz, Member
Contact: Matt Egnotovich, Member
(330) 497-4343 (Office)
(330) 324-1957 (Mike, Mobile)
(330) 324-1956 (Matt, Mobile)

Drilling Operations will be conducted by:

Capstar Drilling
P.O. Box 944
Wooster, OH 44691
Contact: Victor Komon
(330) 264-2206

Union Drilling
P.O. Box 643069
Pittsburgh, PA 15264
Contact: Bill Ei
(814) 938-0974

Ancillary Operations will be conducted by:

Turbo Excavating & Pipeline
33858 Winona Rd.
Salem, OH 44460
Contact: Neal Crowl
(330) 424-2594

J & M Water Hauling
P.O. Box 253
Minerva, OH 44657
Contact: Mark Wimsatt
(330) 868-2083

Universal Well Services
2489 Bauman Rd.
Wooster, OH 44691
Contact: Dave Hostettler
(330) 264-1109

Appalachian Well Surveys, Inc.
4973 Skyline Drive
Cambridge, OH 43725
Contact: John Hudson
(330) 740-439-2911

Emergency phone numbers:

Matt Egnotovich
(330) 497-4343 office
(330) 324-1956 mobile

Mike Weinsz
(330) 497-4343 office
(330) 324-1957 mobile

(a)(2)
LEASE AGREEMENT

Description of the lease, deed, designation of operator, or assignment of rights upon which the operator's right to conduct operations is based;

see attached leases and assignment.

(a)(3)
SURVEY OF WELL SITES (TRACT #102-15) 102-16

A map or maps showing the location of the perimeter of the area where the operator has the right to conduct operations as described in 9.36(a)(2), referenced to the State plane coordinate system or other public land survey as acceptable to the Superintendent;

See attached maps and plats for the proposed wells.

(a)(4)
PROPOSED ACCESS/WELL SITE CONSTRUCTION

A map or maps showing the location, as determined by a registered land surveyor or civil engineer, of a point within a site of operations showing its relationship to the perimeter of the area described in 9.36(a)(2) and to the perimeter of the area described in existing and proposed access roads or routes to the site; the boundaries location and description of all surface facilities including sumps, reserve pits and ponds; location of tank batteries, production facilities of construction materials such as fill; and the location of ancillary facilities such as camps, sanitary facilities, water, supply and disposal facilities, and airstrips;

See attached map

(a)(5)
CONSTRUCTION EQUIPMENT

An estimated timetable for any phase of operations for which approval is sought and the anticipated date of operation completion;

The following equipment will be needed for the construction of the access road, clearing location and drilling the wells:

i) Construction Equipment
   - a) Dozer – John Deere 850 or 1150
   - b) Backhoe – Case 1100 or Kabota 380

ii) Pipe Transport
   - a) Surface Pipe – 8-5/8" surface casing
     Truck Trailer Pipe – 48,000#
   - b) Longstring Pipe – 4-1/2" production casing
     Truck Trailer Pipe = 68,000#

iii) Cement Trucks
   - a) Cement Bulk Trucks 31,210# empty/58,000# full

iv) Frac Trucks
   - a) Blender 53,000# body load
   - b) Connection Truck 49,900# loaded weight
   - c) Pump Trucks (3) 58,240#, 55,230#, 56,820#
   - d) Sand trucks (3) 26,880# empty/52,000# full
     Two sand trucks at 31,300# empty/71,100# full
   - e) Acid Truck 16,000# empty/29,000# full

v) Wireline Service
   a) Logging Truck = 50,000#

vi) Water Trucks
   a) Carry fresh water, brine and waste liquid
      80 BBL trucks (2) 24,000# empty/54,900# loaded

vii) Drilling Rig
   a) Drilling Rig with Truck – (tri-axle) 105,000
   b) Trailer – 10,000# empty
   c) Mud pump, trailer, truck – 87,100#
   d) Steel tanks (3) 25,000# each
   e) Truck – 24,000#

(a)(6)
ESTIMATED TIMETABLE FOR OPERATIONS

An estimated timetable for any phase of operations for which approval is sought and the anticipated date of operation completion;

An accurate timetable is difficult to follow because delays caused by drilling (either mechanical in nature or borehole related) may alter anticipated completion dates.

A typical vertically drilled Clinton Sandstone well drilled in the Village of Walton Hills, Cuyahoga County, Ohio takes five days. These wells are approximately 3300' in total depth [refer to Section 9.36 Plan of Operations (a)(8) – part (a)].

The surface hole is drilled (on fluid) with an 11 inch drilling bit to a total depth of approximately 350'. This hole will then be cased with 8-5/8" casing and cemented to surface to protect the fresh water horizons [refer to Section 9.36 Plan of Operations (a)(10) – part (ii)]. This stage of the drilling process takes two days.

The main hole is drilled (on air unless gas is encountered in the Newburg and then we will convert to fluid with a 7-7/8" drilling bit to a total depth of approximately 3,650'. This hole is cased to surface and cemented with 375 sacks of cement [refer to Section 9.36 Plan of Operations (a)(10) part (ii)]. This stage of the drilling process takes three days.

If the well is a successful Clinton Sandstone oil and gas prospect, a completion date (frac schedule) will be set approximately 6-20 days after drilling is completed.

Final reclamation of the area will begin with 10 days after the well is faced (weather permitting).

(a)(7)
GEOLOGIC NAME/SURFACE FORMATION

The geologic name of the surface formation;

Expect to encounter a thin veneer of Quaternary glacial drift (till) overlying a Pennsylvanian Age-Sharon Sandstone conglomerate.

(a)(8)

DRILLING DEPTH/ESTIMATED TOPS OF GEOLOGICAL MARKERS

The proposed drilling depth, and the estimated tops of important geologic markers;

a) The proposed total vertical depth of drilling for well #1 will be 3,157'+/-, from the Kelly Bushing (K.B.) and 3258'+/- (K.B.) for wells #2 & #3.

b) Estimated Tops of Geological Markers

FORMATIONS	PRINIOS #1	ASTORHURST #2	ASTORHURST #3*	REMARKS
Ground Level – TOPO	651	752	752	
Kelly Bushing	661	758	758	
Sharon Sandstone	5' – 31'	5' – 132'	5' – 132'	Water
Berea Sandstone	Not Present	Not Present	Not Present	Water (If Present)
Ohio Shale	281' – 1274'	382' – 1375'	382' – 1375'	
Big Lime	1274' – 2828'	1375' – 2929'	1375' – 2929'	
Oriskany Sandstone	1541' – 1589'	1642' – 1690'	1642' – 1690'	Oil, gas, brine
Salina Salt	1917' – 2367'	2018' – 2468'	2018' – 2468'	Salt
Lockport Dolomite	2377' – 2828'	2478' – 2929'	2478' – 2929'	Oil, gas, brine
Packer Shell	2887' – 2933'	2988' – 3034'	2988' – 3034'	
Clinton Sandstone	2933' – 3011'	3034' – 3112'	3034' – 3112'	Oil, gas, brine
Red Medina Sandstone	3087' – 3097'	3188' – 3198'	3188' – 3198'	
Queenston Shale	3097'	3198'	3198'	

*Vertical Depths

(a)(9)
ESTIMATED TOPS OF GEOLOGICAL MARKERS

The estimated depths at which anticipated water, brines, oil, gas, or other bearing formations are expected to be encountered [see "Remarks" column on the table above in sub-section (a) (8), part (b)].

(a)(10)
NATURE & EXTENT OF KNOWN DEPOSIT OR RESERVOIR

The nature and extent of the known deposit or reservoir to be produced and a description of the proposed operation include;

The producing reservoir is the Silurian Age – Clinton sandstone, which is productive of oil and natural gas throughout the eastern one-third of the State of Ohio.

i) The proposed casing program including the size grade, and weight of each string, and whether it is new or used;

Surface Casing = 8-5/8" O.D., 8.125" I.D., NEW, 23 OR 24 lb/ft., .250" wall thickness, GRADE NSC-A120, Made and manufactured in the U.S.A.

Production Casing = 4-1/2" O.D., 4.052" I.D., NEW, 10.5 lb/ft., .224" wall thickness, GRADE J55, API-5CT-UF, Made and manufactured in the U.S.A.

Production Tubing = 1.9" O.D., 1.5" I.D., NEW, 2.7 lb/ft., .145" wall thickness, GRADE CW-42 OR CW-55, Made and manufactured in the U.S.A.

ii) The proposed setting depth of each string, and the amount of type of cement, including additives to be used; Cement Service Company will be Universal Well Services, Inc. of Wooster, Ohio.

Surface Casing – Setting Depth = 350 feet K.B.
Surface Cement = 250- sacks total = 346 cubic feet of cement slurry, consisting of;

150 sks. Unifil Light = 65% Class A Cement, 35% Fly Ash, 6% Bentonite Gel BWOC, 3% Calcium Chloride BWOC, + ½ lb/sk., coarse ground cellophane flake.
Mixed at 7.5 gal. water per sack, 13.6 lbs/gal., 1.52 cu.ft./sk/Yield, = 26.7 bbl. of mix water, 228 cubic feet of cement slurry and 40.6 bbl. of cement slurry.

100 sks. Class A Cement = 100% Class A Cement, 94 lb./sk., 3% Calcium Chloride BWOC, + ¼ lb/sk., coarse ground cellophane flake.
Mixed at 5.2 gal. water per sack, 15.6 lbs/gal., 1.18 cu.ft./sk/Yield, = 12.3 bbl. of mix water, 118 cubic feet of cement slurry and 21.0 bbl. of cement slurry.
Preceded by 500 gallons of Unisweep (Mudflush) = 100 lbs. of SAPP (Sodium Acid Pyrophosphate).

Production Casing – Setting Depth = 3157 feet K.B./Well #1 and 3258 feet K.B./Well #2 & Well #3.
sufficient cement volume required to provide 900 linear feet of cement fillup.
Volume of cement slurry provides 1.46% or 46% excess volume for cementing 900 linear feet of 4-1/2" O.D. casing in a 7-7/8" well-bore.

Production cement = 150 sacks total = 241.5 cubic feet of cement slurry, consisting of:

150 sks. Unitropic 10/4/2 (Regulated Fillup Cement) = 100% Class A Cement, + 10 lb/sk. Gypsum, + 4% Bentonite Gel BWOC, + 2% Calcium Chloride BWOC. Mixed at 7.8 gal. water per sack, 14.4 lbs/gal., 1.61 cu.ft/sk/Yield, = 32.5 bbl. of mix water, 241.5 cubic feet of cement slurry and 43.0 bbl. of cement slurry.

Preceded by 1000 gallons of Unisweep (Mudflush) = 200 lbs. of SAAP (Sodium Acid Pyrophosphate), + 300 lbs. Calcium Chloride in 5 bbl. of water, + 400 lbs. Flostop-P (Sodium Metasilicate) in 6 bbl. of water, to prevent cement fallback.

iii) The operator's minimum specifications for pressure control equipment which is to be used, a schematic diagram thereof showing sizes, pressure ratings and the testing procedures and testing frequency:

The 8-5/8" Surface Casing will be equipped with an annular (bag type) blowout preventor. (BOP) will have a pressure rating of 1000 psi. The (BOP) blowout preventor will be tested to 400 psi hydraulic pressure for 5 minutes prior to drilling out from under the surface cement job after waiting on the cement to cure for 8 hours. The blowout preventor test will be witnessed and approved by an inspector from the Ohio Department of Natural Resources, Division of Oil and Gas. This will be the only BOP Test, since the hydrostatic pressure of fresh water @ 8.4 lb/gal. is sufficient to control any anticipated or unexpected shows of gas, oil, or brine.

iv) The type and characteristics of the proposed circulating medium or mediums to be employed for rotary drilling and the quantities and types of mud and weighting materials to be maintained;

The 11" O.D. Surface hole will be drilled with fresh water utilizing from 50 to 100 sacks fresh water gel (Wyoming Bentonite) plus drilling paper, cellophane flake, and/or cottonseed hulls, to build a filter cake (mud filtrate) to control fluid loss.

We will drill out from under the surface casing with air to the Newburg. If the Newburg produces gas we will convert to fluid, if not, we will continue on air.

At Total Depth, a salt gel sweep, utilizing from 50 to 100 sacks salt gel will be used to remove cuttings from the 7-7/8" O.D. wellbore and to prepare the wellbore for logging and the setting and cementing of the 4-1/2" O.D. Production Casing.

v) The testing, logging, and coring programs to be followed;

No drill stem tests, production tests or coring programs will be employed.

Open hole logging program will consist of; gamma ray, compensated formation density, caliper, sidewall neutron and guard (resistivity) logs.

vi) **Anticipated abnormal pressures or temperatures expected to be encountered; or potential hazards to persons and the environment such as hydrogen sulfide gas or oil spills, along with plans for mitigation of such hazard;**

No abnormal pressures or temperatures are expected to be encountered.

(a)(11)
OPERATING STANDARDS

A description of the steps to be taken to comply with the applicable operating standards of 9.41 of this subpart;

a) Surface operations;

i) All surface operations will be carried out in accordance with the subsection. No surface operations will be performed on park land.

b) Protection of survey monuments;

i) No operations will be conducted in the proximity of any survey monuments or bearing trees.

c) Blowout prevention;

i) With respect towards safe drilling standards a blow out preventor (BOP) will be utilized as outlined in (a)(10) part (iii).

d) Sign;

i) A sign will be posted at the access road entrance listing the name of the operator, driller, state permit number, county, township, as well as important emergency numbers.

e) Visitor safety;

i) No fence shall be installed around the perimeter of the drill site during drilling operations. Entrance to the drill site area will be restricted by a supervisor who will be present during all phases of drilling.

ii) A fence shall be erected around the wellhead of each successful well.

iii) An 8 foot locked chain link fence (topped with 3 strands of barbed wire) or a cedarboard on board fence will be erected around the tank battery facility. All the necessary oil storage tank labels as well as state required well identification sighs will be utilized.

f) Operations;

i) all on-site operations will be conducted by all contractors and subcontractors in a safe and workmanlike manner

ii) The operator shall either store in an orderly manner or remove any material deemed to be a fire hazard or deleterious to the preservation of the environment to a state approved disposal facility.

g) Operators liability;

h) The operator will be held accountable for their contractors or subcontractors compliance with the requirements of the approved plan of operations.

(a)(12)
RECLAMATION

Provisions for reclamation which will result in compliance with the requirements of 9.39;

All above ground structures as well as access roads not used for continuing operations shall be removed or reclaimed after drilling is complete.

Final reclamation shall commence immediately following the removal of such above ground structures, weather permitting.

Grading: Each drill site location shall be graded to a contour which will conform or be similar to the contour of the area of operations that existing prior to the initiation of operations.

Reclaim: Reclamation shall include the addition of topsoil, if needed, to re-establish and encourage indigenous vegetative and tree growth. With the promotion of re-establishing local vegetative cover, erosion shall be at a bare minimum.

If successful re-vegetation does not occur after a period of two growing seasons, M&M will take corrective actions acceptable to the National Recreation Service to ensure attainment of the reclamation standards of 36 CFR 9.39.

Debris Removal: All man made debris or the neutralizing of all contaminated substances shall be removed from each drill site to a state approved disposal facility as outlined in 9.36(a)(14).

Plug & Abandonment: The reclamation specifications for plug and abandonment which M & M will follow are the appropriate measures as referenced in the general project and provisions and specifications for plugging wells as outlined by the Cuyahoga Valley National Recreation Area.

(a)(13)
RECLAMATION COSTS

The following is a breakdown of the estimated costs to be incurred during the implementation of the reclamation plan;

PRINIOS #1 WELL:

a)	Grading	$ 5,000
b)	Plugging Costs	17,000
c)	Addition of topsoil (if necessary)	7,500
d)	Re-establish indigenous vegetative growth	10,000
	Total Estimated Reclamation Cost	$39,500

ASTORHURST #2 WELL:

a)	Grading	$ 5,000
b)	Plugging Costs	17,000
c)	Addition of topsoil (if necessary)	7,500
d)	Re-establish indigenous vegetative growth	10,000
	Total Estimated Reclamation Cost	$39,000

ASTORHURST #3 WELL:

a)	Grading	$ 5,000
b)	Plugging Costs	17,000
c)	Addition of topsoil (if necessary)	7,500
d)	Re-establish indigenous vegetative growth	10,000
	Total Estimated Reclamation Cost	$39,000

(a)(14)
METHODS OF DISPOSAL

Methods for disposal of all rubbish and other solid and liquid wastes, and contaminating substances;

Rubbish: All generated rubbish on site will be hauled to a proper disposal facility. This rubbish will be stored on site in a metal container.

No on site annular disposal shall be utilized during or after the drilling process to dispose of liquid waste.

On-site sanitary facilities shall be utilized during the entire drilling and completion process.

Contaminating or Toxic Substance Spill Control Plan: A preliminary Spill Prevention Control and Countermeasure Plan (SPCC) has been prepared and is attached as Exhibit "I". The SPCC outlines the emergency notifications that will be in effect during drilling operations as well as during production of the wells.

As for all releases to the ground of 5 gallons or more of oil or contaminating substances, as defined at 36 CFR 9.31 (0), M & M Royalty, Ltd. will report the following initial information to Cuyahoga Valley National Recreation within 24 hours of the release: the time the spill was discovered; the type of product released; the location; the estimated spill volume; cause of spill; area covered; estimated rate of release if spill is ongoing; direction of oil movement; description of contaminated area; proximity to surface waters, roads or trails; what steps are being taken to remedy the situation; and initial response equipment required. For releases in excess of 5 barrels in the aggregate, M & M Royalty, Ltd. will provide a written report to Cuyahoga Valley National Recreation Area within 10 working days of the incident. In addition to the information reported in the initial notification, the written report will include steps that will be or have been taken to prevent reoccurrence of the incident.

Material storage, handling and disposal: All waste oils from equipment oil changes will be stored on site in 1 BBL drums during drilling operations. This oil will be picked up periodically by a licensed hauler and disposed of at a state approved disposal facility.

The drilling muds will be contained in an inground, lined pit. The drilling muds after each well is completed will be hauled off location to a state approved injection well facility.

Cuttings will be stored on site in the inground, lined, pit. These cuttings will then be hauled offsite for proper disposal. No cuttings will be buried on site.

Sufficient freeboard will also be maintained in all pits to prevent spillage onto the surface of the ground. If oil is encountered it can be pumped to and stored in steel tanks.

Hydrogen sulfide gas is not a problem in the area being drilled and is not expected to be encountered. If encountered, the hydrostatic pressure of the liquid

drilling fluid is sufficient to overbalance and control any influx of gas, oil or brine, into the well bore.

All chemicals associated with the drilling will be delivered to the well site in bulk and stored in areas protected from the rain or snow.

Chemicals will be dispersed of in a manner suggested by the manufacturer on the Material Safety Data Sheet (MSDS).

Emergency response equipment: No response equipment will be maintained on site. Absorbent materials and booms would be obtained from local supply companies situated throughout the area. Also, vacuum trucks and equipment such as backhoes, front end loaders and dump trucks are readily available.

(a)(15)
AFFIDAVIT OF COMPLIANCE

All operations planned are in compliance with all applicable Federal, State and local laws and regulations;

Refer to Exhibit 2 attached hereto.

(a)(16)
BACKGROUND INFORMATION

The proposed drill sites (Astorhurst #1, #2, #3D and Prinios #1) are located on private property inside the Cuyahoga National Recreation Area in the Village of Walton Hills, Cuyahoga County, Ohio.

We do not anticipate removing any trees in our operation. Drilling mud and cuttings will be held in lined, in ground pits with sufficient freebored to prevent spillage onto the ground. At the completion of the drilling operation all cuttings will be removed from the site.

During each phase of the drilling process all regulations as directed by the Ohio Department of Natural Resources, Division of Oil & Gas will be strictly adhered to, especially in the protection of subsurface waters by the utilization of specific casing and cementing programs [Refer to 9.36 Plan of Operations (a)(10)].

Upon successful completion of a well on Prinios, a tank battery will be constructed near the wellsite on the existing parking lot. The tank battery will consist of one 100 BBL tank, one 50 BBL dump tank and one separator.

Upon successful completion of each well located on Astorhurst, a common tank battery facility will be constructed along the existing road serving the Astorhurst maintenance facility. This facility will be 60' long and 30' wide and consist of two 100 BBL tanks, one 50 BBL dump tank and one separator. This facility will be surrounded by a 2' high impermeable earthen dike constructed of native material capable of holding a minimum of 1.5 times the volume of the largest tank.

An impermeable liner will be installed underneath the storage tanks (essentially lining the entire tank battery facility) to prevent the downward movement of fluids through the soil and into the groundwater.

Experienced field personnel will monitor the daily production from each well. All necessary gates, fences and locks will be installed to control ingress and egress to this facility. All start-up procedures as well as a continuing operation plan will incorporate all safety procedures necessary for an environmentally sound and safe operation of this facility.

Also, all truck loading connections will be installed over a container that will catch any fluids spilled while making or breaking connections.

During the production phase of each well oil will be transported off the lease by the use of an oil tanker truck (Clinton Petroleum Company, Inc.)

The natural gas will be carried by a 2" coated, equipped with cathode protection, steel pipeline system from the well to the separator to the East Ohio Gas System (see attached plat maps.), which will be buried along the edges (where applicable) of the access road to minimize further excavations. With the utilization of coated pipe equipped with property cathode protection, this will significantly lessen the risk of pipeline degradation and, therefore, reduce the possibility of a pipeline leak.

Brine water will be produced continually in small quantities over the life of each well. All brine will be separated from the oil by gravity and siphoned off and stored in a 50 BBL steel tank. When full, a water hauling truck capable of holding 80 BBL's of brine will transport the brine off of the site to a state approved disposal well.

Each well will be equipped with a plunger lift system which will utilize no outside supplemental lift gas. Many of the offset wells are produced in this area by implementation of this method.

Plunger lift is the method of recovering oil using a steel plunger, or swab "rabbit". The plunger is propelled from the lower end of the tubing string to the surface by expanding gas which enters the tubing through the mud anchor, or perforated nipple. As the gas expands, a column of oil is lifted to the surface where it is discharged into the flow line. The force of gravity then pulls the plunger to bottom for another load of oil. A simple valve mechanism "intermitter or flow-controller" makes the operation of the plunger entirely automatic. The plunger "rabbit" is also used for paraffin removal. With

each trip of the plunger from the bottom of the tubing string, the plunger scrapes away any accumulated paraffin and discharges it through the flow line to the separator.

Plug and abandonment: At the time of plug and abandonment, wells will be plugged in accordance with the rules and regulations of the State of Ohio, Department of Natural Resource, Division of Oil & Gas, Region B, and Federal Onshore Oil & Gas Order No. 2, Section III.G., Drilling Abandonment.

With respect to Section III.G., Number 4 an additional cement plug placed to extend a minimum of 50' above and below the shoe of the surface casing (or intermediate string as appropriate).

The wells will be plugged at the base of the 8-5/8" surface casing shoe with a minimum plug 75' below the casing shoe into the 7-7/8" open hole and will extend 75' into the 8-5/8" surface casing for a total plug of 150'. This cement will consist of Class "A" oil well cement with no additives to comply with both state and federal requirements. All plug and abandonment operations will be witnessed by an oil and gas inspector from the State of Ohio, Department of Natural Resources, Division of Oil & Gas, Region B, as well as a representative of the National Park Service.

All of the wells will be located on already disturbed ground, on Prinios #1 in a parking lot and on Astorhurst #1, #2, #3D on a golf course.

The anticipated environmental consequences will be minimal as all the operations will take place on already disturbed private property.

Cultural resources: At this time there are no known archaeological or historic sites on particular tracts of property.

The wells will be located on the private property of existing businesses.

(a)(17)
ADDITIONAL OPERATIONAL FACETS

Any other facets of the proposed operations which the operator wishes to point out for consideration;

(a)(18)
OPERATOR'S RIGHTS TO CONDUCT OPERATIONS

Additional information required to enable the Superintendent to establish whether the operator has the right to conduct operations as specified in the plan of operations;

See attached leases.

Exhibit 2

AFFIDAVIT OF COMPLIANCE

(a)(15)

Matt Egnotovich, Member of M & M Royalty, Ltd. being first duly sworn deposes and states that all activities conducted during the drilling, completion, and operation of the Prinios #1, Astorhurst #2 and Astorhurst #3D wells will conform to all known Federal, State and local laws and regulations.

Signed in the presence of:

M & M ROYALTY, LTD.

By: _____
Matt Egnotovich, Member

Sworn to and subscribed in my presence this 5th day of September, 2008.

_____
Notary Public

HEIDI L. ENGLE
Notary Public, State of Ohio
My Commission Expires 05-19-2013

SPILL PREVENTION CONTROL & COUNTERMEASURE PLAN
FOR PRODUCTION FACILITIES

T: NORTHFIELD

Section 311 (J) (1) (C) of the Federal Water Pollution Control Act Amendments of 1972, authorized the President to issue regulations establishing procedures, methods, equipment and other requirements to prevent discharges of oil and hazardous substances from vessels and from onshore facilities and offshore facilities, and to contain such discharges. The President delegated the responsibility for such regulations to the Administrator of the Environmental Protection Agency. Accordingly, the Administrator developed and promulgated Oil Pollution Prevention regulations in 40 CRF Part 112. These regulations require owners and operators of onshore and offshore no-transportation-related facilities to develop and implement Prevention Control and Countermeasure (SPCC) Plans to prevent the discharge of oil into the navigable waters of the United States or adjoining shoreline.

GENERAL INFORMATION

1. Name and location of facility:
   Name **Prinios** Well Number **1**
   Location: Direction and distance to nearest town **SE – 1.2 ml. Walton Hills**
   Permit No. **N-A** Lot or Section _____
   Twp. **Bedford** Co. **Cuyahoga** State **OH**

2. Name, address and phone number of owner or operator:
   Name M & M Royalty, LTD
   Address: Street 5377 Lauby Road NW Suite #202 City North Canton
   State Ohio Zip 44720 County Stark
   Telephone No. (330) 497-4343

3. Name or title and telephone number of person in charge of facility: (330) 324-1957 ©
   Name or title Mike Weinsz Telephone No. (330) 896-0043 (h)
   Matt Egnotovich (h) (330)854-3266 © 330/324-1956

4. Name and telephone number of person responsible for oil spill prevention at facility:
   Name Same as above Telephone No. (___)_____

MANAGEMENT APPROVAL

This SPCC Plan will be implemented as herein described.

Signature _____
Name Michael R. Weinsz
Title Menber/Geologist

CERTIFICATION

By means of this certification I hereby certify and attest that I am familiar with the requirements of 40 CFR , part 112.3. That I or my agent has visited and examined the facility. That the plan has been prepared in accordance with good engineering practice, including consideration of applicable industry standards, and with the requirements of this part. That procedures for required inspections and testing have been established and that the plan is adequate for the facility.

John E. Hina
Printed Name of Registered Engineer

_____
Signature of Registered Engineer

Date: 12-18-08

Registration No.: Serial Number 39687 OH

SPILL RECORD

		YES	NO
1.	This facility, over the past 12 months, has had a reportable spill.	__	**X**

2. Descriptions of any reportable spills are given below, including corrective action taken and plans for preventing recurrence.

PREDICTION OF POTENTIAL SPILLS

1. Name of lease: **Prinios #1**
2. Nearest watercourse:
   - A. Name: **Tinkers Creek**
   - B. Distance and direction from facility **100' North**
3. Probable spill sources: (such as overflow, rupture or leakage)

SOURCE	TYPE OF FAILURE	MAXIMUM VOLUME (BBLS)	FLOWRATE (BBLS./HR.)	DIRECTION OF FLOW
Tank Battery	Leakage	____(BBLS)	0.25	
	Vandalism	1 (100 BBLS)	1	N
		____(210 BBLS)	2	

*Important – Advance planning for wells located in flood plains and/or watershed acres should receive special consideration.

SPILL PREVENTION PLAN CHECKLIST

1. Secondary containment and/or diversionary structures will be used for possible spill sources:

SOURCE	TYPE OF CONTAINMENT OF DIVERSIONARY STRUCTURES	
Tank Battery	Earthen Pit with Spill Diversion or Earthen Dike	
	Catchment Basin or Holding Pond	____Yes __x__No

Select from:
Onshore: Dikes, berms, retaining walls, curbing, culverting, gutters, drains, weirs, booms, other barriers, spill diversion and retention ponds.

2. If containment or diversionary structures will be impracticable, state reasons for impracticability. Marginal production on a daily basis from well makes containment structure uneconomical YES **NO** and attach a strong oil contingency plan and written commitment of manpower, equipment and materials required to expeditiously control and remove any harmful quantity of oil discharge. Check if attached:

Contingency plan: **Yes** Written Commitment: **Yes**

Discussion: In addition to retention ponds, the person in charge of the facility has the following equipment available for use in case of a spill: Pumps, shovels, sawdust straw, oil absorbing pads and manpower as needed.

3. Onshore Oil Production Facilities

A. Drainage:

	Yes	No
(1) Drains of secondary containment must be closed and sealed except when rainwater is drained.	x	
(2) Drainage from secondary containment must be conducted under surveillance of authorized person. (Name or title of authorized person **Michael R. Weinsz**	x	
(3) Field drainage ditches, road ditches and oil traps or skimmers must be inspected on a scheduled, periodic basis. How often **weekly**	x	
(4) Any oil removed from secondary containment, ditches, traps or skimmers must be disposed of in an approved manner.	x	

Discussion: Drains are used where practical and kept closed under normal conditions. Any crude oil spill inside containment are returned to storage tank or hauled to credible sanitary dump, as approved by EPA personnel.

B. Bulk Storage Tanks:

(1) Tank material and construction comply with conditions of storage and material to be stored.	x	
(2) Secondary containment volume **110BBL** is greater than the largest single tank capacity.	x	
(3) Undiked areas drain to a catchment basin or holding pond.		x
(4) All tanks must be visually inspected on a periodic basis (Maintaining a written record of inspection is suggested)	x	
(5) Tanks are engineered with one or more of the following fail-safe devices:		
a. Adequate tank capacity to prevent overfill	x	
b. Overflow equalizing lines	x	
c. Adequate vacuum protection		x
d. High level sensors where facilities are part of computer Production control system		x

Discussion: Well tenders (pumpers) are informed to observe and report any malfunction of equipment to Supervisor so repairs can be made immediately.

		Yes	No
C.	Intra-facility Transfer Operations:		
	(1) Aboveground valves and pipelines must be inspected on a scheduled, periodic basis of **weekly**	x	
	(2) Salt water disposal facilities must be inspected periodically.	x	
	(3) Records of flowline repairs must be maintained and used in a maintenance and replacement program.	x	

Discussion: well tenders make observations and repairs. Also reports same to field superintendent

4. Inspection and Records

A.	The required inspections follow written procedures	x	
B.	The written procedures and a record of inspection must be signed by the appropriate supervisor.	x	

Discussion: Written inspection reports on all tanks, flow lines, valves, fittings. Secondary containments are to be kept by pumpers and Field Superintendent.

5. Personnel, Training, and Spill Prevention Procedures

A.	Personnel must be properly instructed in the following:		
	(1) Operation and maintenance of equipment to prevent oil discharges.	x	
	(2) Applicable pollution control laws, rules, and regulations	x	
B.	Spill prevention briefings for the operating personnel must be conducted at least once per year	x	

Discussion: The Field Superintendents train all new well tenders and have briefings and inspection of standby equipment at least monthly with all well tenders.

ACTION PLAN (suggested plan outline to be used if your spill should reach water)

A. Action Center (the location or center that direction for the cleanup and containment operation will issue from)

NAME: M & M Royalty LTD STREET: 5366 Lauby Road NW Suite #202

CITY: North Canton STATE: Ohio ZIP 44720

TELEPHONE: 330/497-4343

B. Communication

(1) National Response Center 1-800-424-8802 **(Notify Immediately)**

VERBAL NOTICE WITHIN 30 MINUTES FOR THE FOLLOWING:

(2) Ohio EPA Emergency Response Unit 1-800-282-9378

(3) Local Emergency Planning Coordinator **Steven Terry (216) 771-1365**

(4) Local Fire Dept. **Valley View (216) 524-6469**

C. Immediate Work Force

(1) List names and telephone numbers of your own people that would be immediately available to you on a 24 hour baisis.
Neal Crowl, Turbo Excavating - Home: 330/222-1271 Cell: 330/424-2594
Bob Allen - (330) 324-1958 Cell

(2) List your own equipment, such as dozers, trucks, etc., that would be immediately available to you on a 24 hour basis.

N/A

(3) List men and equipment that a sub-contractor could make immediately available to you on a 24 hour basis, also the telephone numbers of the people to call.
Neal Crowl, Turbo Excavating: Home: 330/222-1271 Cell: 330/424-2594
Dozers, trachoe, mini excavator, booms, pads, absorbent

D. Standby Work Force

(1) List additional or standby men and equipment, along with telephone numbers in the event that additional service is needed.
Mike Weinsz: Home 330/896-0043 Cell: 330/324-1957
Matt Egnotovich: Home 330/854-3266 Cell: 330/324-1956

E. Clean Up Materials

(1) List availability of materials that may be needed in a clean-up operation such as straw, sawdust, sand, emulsifiers, detergents, foams, shovels, barrels, oil absorbing pads & slick bars.

All of the above are available.

SPILL CONTINGENCY PLAN

This policy is to be used, and followed, as a guideline in the event of any an all accidental releases of Crude oil, natural gas or other contaminant(s) that pose a potential threat to the local community and/or environment.

1. The first employee on the scene will be designated "First Responder." The first Responder will isolate and contain the spill/leak to the best of their ability as close to the source as is possible, without placing him or herself in a potentially dangerous situation.

2. If the spill/leak has lead to fire, explosion, or medical emergency proceed to Step #3, if not proceed with the procedures outlined in Step 2 and then move on to Step #4. Report the spill/release to the main office 330-497-4343 or your immediate supervisor. When reporting the spill/release, it is important to identify yourself and be as specific as possible. Report the following:
   a. Your name, phone number calling from (if applicable), lease name and your physical location.
   b. The nature and severity of the spill/release. Give the name(s) of the substance(s) and estimate quantity released.
   c. Other potential dangers such as the presence of flammable liquids or gases, pressure vessels, equipment damage, etc.

3. Injuries or fire are in evidence, call #911 and report the following:
   a. Ask for Dispatcher.
   b. Speak slowly and clearly.
   c. Your name, phone number calling from, and location, including any building numbers or nearest building if outside. Also the nearest intersection.
   d. The nature and severity of the emergency, for example, personnel/personal injury, fire, spill of hazardous chemical(s). In the latter case, give the name of the chemical and estimated quantity released.
   e. Other potential dangers such as the presence of flammable liquids or gases, pressure vessels, exposure of other persons, structure damage, or suspicious object.
   f. Inform if ambulance is needed.

4. Immediately upon notification, supervisory personnel will notify an and all applicable Government/regulatory agency(s) of the nature of the spill/release, location and estimated quantity.

5. Employees on location will construct dams or diversionary structures to isolate and recover any oil or brine present.

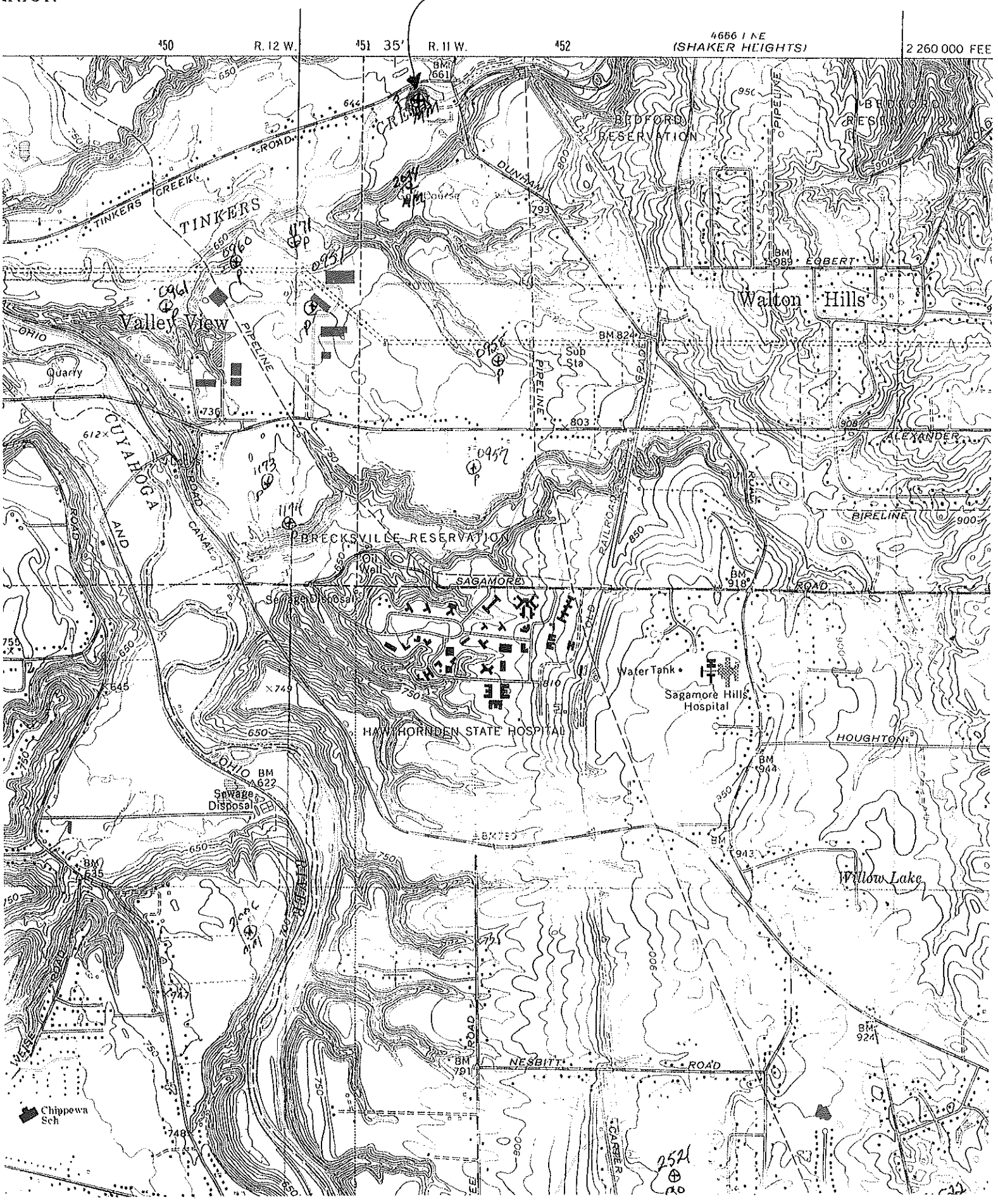
6. Supervisory personnel are directly responsible for:
   a. Consulting with Division of Oil and Gas, or other regulatory agency(s) to establish the most efficient and cost effective way to isolate and remediate the spill/leak.
   b. Overseeing and directing all clean up and containment activities as well as any associated paperwork.
   c. Overseeing and directing of procedure of disposal/remediation of contaminated soils or by products of spill/leak in an EPA approved manner.
   d. Restoration of spill site to landowners satisfaction.

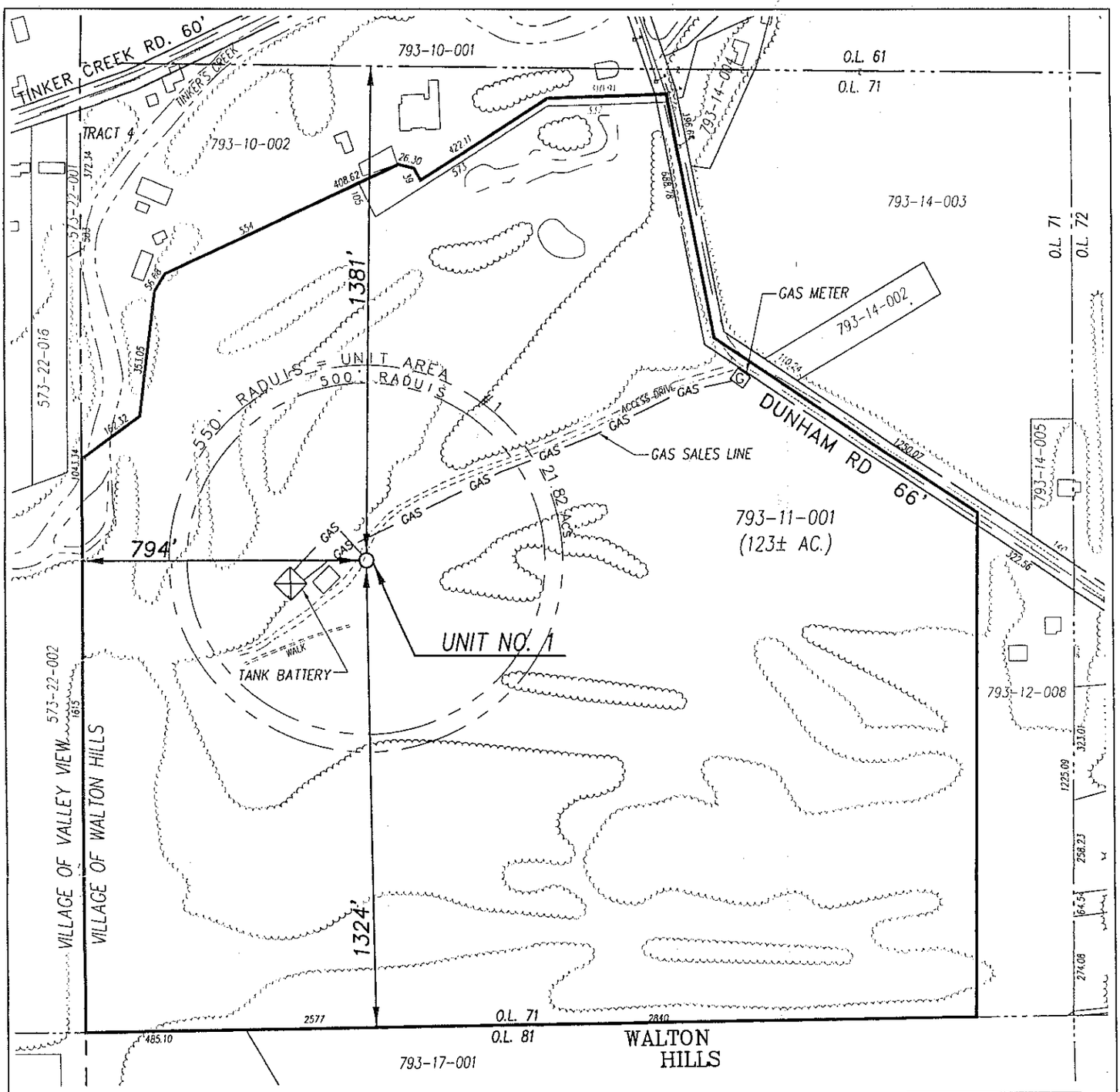
1/14/06

Pinios #1

P.N. - N-A

ERIOR





GRAPHIC SCALE

300 150 0 300

(IN FEET)
1 inch = 300 ft.

NORTH

LEGEND:

——— - - ———	STREAM OR EDGE OF WATER
——GAS——	GAS SALES LINE
———————	WELL UNIT BOUNDARY
546-01-001	ASSESSORS PARCEL NUMBER
(00.00 AC.)	AREAS WITHIN GAS WELL UNIT

UNIT #1
N 621619
E 2220383

TOTAL UNIT AREA
21.82 Ac.
950,479 S.F.

NOTES:

THIS SURVEY WAS PERFORMED SOLELY TO LOCATE THE PROPOSED GAS WELL WITH RESPECT TO EXISTING BOUNDARIES AND TO PROVIDE STATE PLANE COORDINATES.

PARCEL DIMENSIONS AND OWNERSHIP DATA WERE OBTAINED FROM CUYAHOGA COUNTY AUDITOR TAX MAPS AND GIS DATA.

LOCATION OF GAS WELL AND SALES LINE IS APPROXIMATE (PROVIDED BY M&M ROYALTY, LTD.)

PLAT SHOWING LOCATION OF PROPOSED WELL
State of Ohio, Department of Natural Resources – Division of Mineral Resource Management, Columbus, Ohio

ASTORHURST – Unit #1

Oil or Gas: X New Location: X Other: _____ Scale: 1" = 300'

I hereby certify that all drilling or producing within 1000 feet and all buildings and streams within 200 feet have been shown, there are no drilling unit lines nearer that 500 feet, that this plat is true and correct and was prepared according to the current State of Ohio, Department of Natural Resources, Division of Mineral Resources Management.

Richard J. Allar 3/20/08

Richard J. Allar, P.S. No.5149
322 Little Creek Pkwy.
Cleveland, Ohio 44131

DATE

Operator: M&M ROYALTY, LTD.
Address: 5377 Lauby Rd., Suite 202 N. Canton, Oh. 44720
Landowner: Surface: Astorhurst Land Company
Minerals: _____
Well Number: 1 Drilling Unit Area:
County: Cuyahoga 21.82 Acres
Township: Bedford
City: _____
Township: _____
USGS Quad: Shaker Heights, Ohio
Ohio State Plane: N 621619
Coordinates (NAD83) E 2220383

Subdivision Civil Township / PLSS
Twp/Range: Bedford
Qtr. Township: _____
Section: _____
Allotment: _____
Lots/Tract: 71 / 4
Village: Walton Hills
Lots/Tract: _____
Fraction: _____
Elevation: 750.6
Date: March 18, 2008

SPILL PREVENTION CONTROL & COUNTERMEASURE PLAN
FOR PRODUCTION FACILITIES

T: NORTHFIELD

Section 311 (J) (1) (C) of the Federal Water Pollution Control Act Amendments of 1972, authorized the President to issue regulations establishing procedures, methods, equipment and other requirements to prevent discharges of oil and hazardous substances from vessels and from onshore facilities and offshore facilities, and to contain such discharges. The President delegated the responsibility for such regulations to the Administrator of the Environmental Protection Agency. Accordingly, the Administrator developed and promulgated Oil Pollution Prevention regulations in 40 CRF Part 112. These regulations require owners and operators of onshore and offshore no-transportation-related facilities to develop and implement Prevention Control and Countermeasure (SPCC) Plans to prevent the discharge of oil into the navigable waters of the United States or adjoining shoreline.

GENERAL INFORMATION

1. Name and location of facility:
   Name **Astorhurst** Well Number **2**
   Location: Direction and distance to nearest town **SE – 0.8 ml. Walton Hills**
   Permit No. **N-A** Lot or Section _____
   Twp. **Bedford** Co. **Cuyahoga** State **OH**

2. Name, address and phone number of owner or operator:
   Name M & M Royalty, LTD
   Address: Street 5377 Lauby Road NW Suite #202 City North Canton
   State Ohio Zip 44720 County Stark
   Telephone No. (330) 497-4343

3. Name or title and telephone number of person in charge of facility: (330) 324-1957 ©
   Name or title Mike Weinsz Telephone No. (330) 896-0043 (h)
   Matt Egnotovich (h) (330)854-3266 © 330/324-1956

4. Name and telephone number of person responsible for oil spill prevention at facility:
   Name Same as above Telephone No. (___)_____

MANAGEMENT APPROVAL

This SPCC Plan will be implemented as herein described.

Signature _____
Name Michael R. Weinsz
Title Menber/Geologist

CERTIFICATION

By means of this certification I hereby certify and attest that I am familiar with the requirements of 40 CFR , part 112.3. That I or my agent has visited and examined the facility. That the plan has been prepared in accordance with good engineering practice, including consideration of applicable industry standards, and with the requirements of this part. That procedures for required inspections and testing have been established and that the plan is adequate for the facility.

John E. Hina
Printed Name of Registered Engineer

_____
Signature of Registered Engineer

Date: 12-18-08

Registration No.: Serial Number 39687 OH

SPILL RECORD

		YES	NO
1.	This facility, over the past 12 months, has had a reportable spill.	__	X

2. Descriptions of any reportable spills are given below, including corrective action taken and plans for preventing recurrence.

PREDICTION OF POTENTIAL SPILLS

1. Name of lease: **Astorhurst #2**
2. Nearest watercourse:
   - A. Name: **tributary of Tinkers Creek**
   - B. Distance and direction from facility **900' South**
3. Probable spill sources: (such as overflow, rupture or leakage)

SOURCE	TYPE OF FAILURE	MAXIMUM VOLUME (BBLS)	FLOWRATE (BBLS./HR.)	DIRECTION OF FLOW
Tank Battery	Leakage	____(BBLS)	0.25	
	Vandalism	2 (100 BBLS)	1	S
		____(210 BBLS)	2	

*Important – Advance planning for wells located in flood plains and/or watershed acres should receive special consideration.

SPILL PREVENTION PLAN CHECKLIST

1. Secondary containment and/or diversionary structures will be used for possible spill sources:

SOURCE	TYPE OF CONTAINMENT OF DIVERSIONARY STRUCTURES	
Tank Battery	Earthen Pit with Spill Diversion or Earthen Dike	
	Catchment Basin or Holding Pond	____Yes __x__No

Select from:
Onshore: Dikes, berms, retaining walls, curbing, culverting, gutters, drains, weirs, booms, other barriers, spill diversion and retention ponds.

2. If containment or diversionary structures will be impracticable, state reasons for impracticability. Marginal production on a daily basis from well makes containment structure uneconomical YES **NO** and attach a strong oil contingency plan and written commitment of manpower, equipment and materials required to expeditiously control and remove any harmful quantity of oil discharge. Check if attached:

Contingency plan: **Yes** Written Commitment: **Yes**

Discussion: In addition to retention ponds, the person in charge of the facility has the following equipment available for use in case of a spill: Pumps, shovels, sawdust straw, oil absorbing pads and manpower as needed.

3. Onshore Oil Production Facilities

A. Drainage:

	Yes	No
(1) Drains of secondary containment must be closed and sealed except when rainwater is drained.	x	
(2) Drainage from secondary containment must be conducted under surveillance of authorized person. (Name or title of authorized person **Michael R. Weinsz**	x	
(3) Field drainage ditches, road ditches and oil traps or skimmers must be inspected on a scheduled, periodic basis. How often **weekly**	x	
(4) Any oil removed from secondary containment, ditches, traps or skimmers must be disposed of in an approved manner.	x	

Discussion: Drains are used where practical and kept closed under normal conditions. Any crude oil spill inside containment are returned to storage tank or hauled to credible sanitary dump, as approved by EPA personnel.

B. Bulk Storage Tanks:

(1) Tank material and construction comply with conditions of storage and material to be stored.	x	
(2) Secondary containment volume **110BBL** is greater than the largest single tank capacity.	x	
(3) Undiked areas drain to a catchment basin or holding pond.		x
(4) All tanks must be visually inspected on a periodic basis (Maintaining a written record of inspection is suggested)	x	
(5) Tanks are engineered with one or more of the following fail-safe devices:		
a. Adequate tank capacity to prevent overfill	x	
b. Overflow equalizing lines	x	
c. Adequate vacuum protection		x
d. High level sensors where facilities are part of computer Production control system		x

Discussion: Well tenders (pumpers) are informed to observe and report any malfunction of equipment to Supervisor so repairs can be made immediately.

		Yes	No
C.	Intra-facility Transfer Operations:		
	(1) Aboveground valves and pipelines must be inspected on a scheduled, periodic basis of **weekly**	x	
	(2) Salt water disposal facilities must be inspected periodically.	x	
	(3) Records of flowline repairs must be maintained and used in a maintenance and replacement program.	x	

Discussion: well tenders make observations and repairs. Also reports same to field superintendent

4. Inspection and Records

A.	The required inspections follow written procedures	x	
B.	The written procedures and a record of inspection must be signed by the appropriate supervisor.	x	

Discussion: Written inspection reports on all tanks, flow lines, valves, fittings. Secondary containments are to be kept by pumpers and Field Superintendent.

5. Personnel, Training, and Spill Prevention Procedures

A.	Personnel must be properly instructed in the following:		
	(1) Operation and maintenance of equipment to prevent oil discharges.	x	
	(2) Applicable pollution control laws, rules, and regulations	x	
B.	Spill prevention briefings for the operating personnel must be conducted at least once per year	x	

Discussion: The Field Superintendents train all new well tenders and have briefings and inspection of standby equipment at least monthly with all well tenders.

ACTION PLAN (suggested plan outline to be used if your spill should reach water)

A. Action Center (the location or center that direction for the cleanup and containment operation will issue from)

NAME: M & M Royalty LTD STREET: 5366 Lauby Road NW Suite #202

CITY: North Canton STATE: Ohio ZIP 44720

TELEPHONE: 330/497-4343

B. Communication

(1) National Response Center 1-800-424-8802 **(Notify Immediately)**

VERBAL NOTICE WITHIN 30 MINUTES FOR THE FOLLOWING:

(2) Ohio EPA Emergency Response Unit 1-800-282-9378

(3) Local Emergency Planning Coordinator **Steven Terry (216) 771-1365**

(4) Local Fire Dept. **Valley View (216) 524-6469**

C. Immediate Work Force

(1) List names and telephone numbers of your own people that would be immediately available to you on a 24 hour baisis.
Neal Crowl, Turbo Excavating - Home: 330/222-1271 Cell: 330/424-2594
Bob Allen - (330) 324-1958 Cell

(2) List your own equipment, such as dozers, trucks, etc., that would be immediately available to you on a 24 hour basis.

N/A

(3) List men and equipment that a sub-contractor could make immediately available to you on a 24 hour basis, also the telephone numbers of the people to call.
Neal Crowl, Turbo Excavating: Home: 330/222-1271 Cell: 330/424-2594
Dozers, trachoe, mini excavator, booms, pads, absorbent

D. Standby Work Force

(1) List additional or standby men and equipment, along with telephone numbers in the event that additional service is needed.
Mike Weinsz: Home 330/896-0043 Cell: 330/324-1957
Matt Egnotovich: Home 330/854-3266 Cell: 330/324-1956

E. Clean Up Materials

(1) List availability of materials that may be needed in a clean-up operation such as straw, sawdust, sand, emulsifiers, detergents, foams, shovels, barrels, oil absorbing pads & slick bars.

All of the above are available.

SPILL CONTINGENCY PLAN

This policy is to be used, and followed, as a guideline in the event of any an all accidental releases of Crude oil, natural gas or other contaminant(s) that pose a potential threat to the local community and/or environment.

1. The first employee on the scene will be designated "First Responder." The first Responder will isolate and contain the spill/leak to the best of their ability as close to the source as is possible, without placing him or herself in a potentially dangerous situation.

2. If the spill/leak has lead to fire, explosion, or medical emergency proceed to Step #3, if not proceed with the procedures outlined in Step 2 and then move on to Step #4. Report the spill/release to the main office 330-497-4343 or your immediate supervisor. When reporting the spill/release, it is important to identify yourself and be as specific as possible. Report the following:
   a. Your name, phone number calling from (if applicable), lease name and your physical location.
   b. The nature and severity of the spill/release. Give the name(s) of the substance(s) and estimate quantity released.
   c. Other potential dangers such as the presence of flammable liquids or gases, pressure vessels, equipment damage, etc.

3. Injuries or fire are in evidence, call #911 and report the following:
   a. Ask for Dispatcher.
   b. Speak slowly and clearly.
   c. Your name, phone number calling from, and location, including any building numbers or nearest building if outside. Also the nearest intersection.
   d. The nature and severity of the emergency, for example, personnel/personal injury, fire, spill of hazardous chemical(s). In the latter case, give the name of the chemical and estimated quantity released.
   e. Other potential dangers such as the presence of flammable liquids or gases, pressure vessels, exposure of other persons, structure damage, or suspicious object.
   f. Inform if ambulance is needed.

4. Immediately upon notification, supervisory personnel will notify an and all applicable Government/regulatory agency(s) of the nature of the spill/release, location and estimated quantity.

5. Employees on location will construct dams or diversionary structures to isolate and recover any oil or brine present.

6. Supervisory personnel are directly responsible for:
   a. Consulting with Division of Oil and Gas, or other regulatory agency(s) to establish the most efficient and cost effective way to isolate and remediate the spill/leak.
   b. Overseeing and directing all clean up and containment activities as well as any associated paperwork.
   c. Overseeing and directing of procedure of disposal/remediation of contaminated soils or by products of spill/leak in an EPA approved manner.
   d. Restoration of spill site to landowners satisfaction.

1/14/06

Astorhurst #2

P.N. - N-A

ERIOR

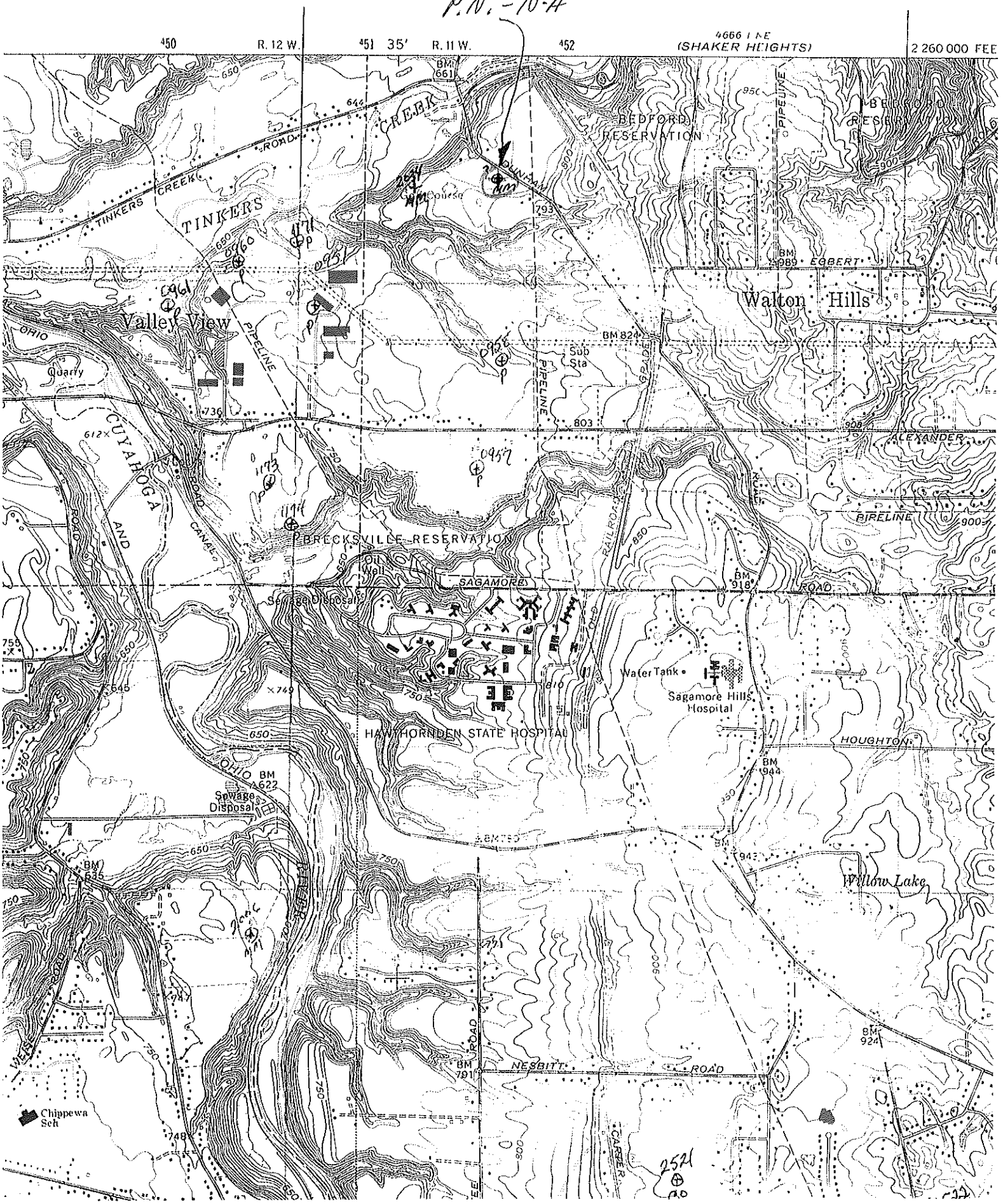


Exhibit 1
Spill Prevention Control and Countermeasure Plan for Production Facilities

SPILL PREVENTION CONTROL & COUNTERMEASURE PLAN
FOR PRODUCTION FACILITIES

T: NORTHFIELD

Section 311 (J) (1) (C) of the Federal Water Pollution Control Act Amendments of 1972, authorized the President to issue regulations establishing procedures, methods, equipment and other requirements to prevent discharges of oil and hazardous substances from vessels and from onshore facilities and offshore facilities, and to contain such discharges. The President delegated the responsibility for such regulations to the Administrator of the Environmental Protection Agency. Accordingly, the Administrator developed and promulgated Oil Pollution Prevention regulations in 40 CRF Part 112. These regulations require owners and operators of onshore and offshore no-transportation-related facilities to develop and implement Prevention Control and Countermeasure (SPCC) Plans to prevent the discharge of oil into the navigable waters of the United States or adjoining shoreline.

GENERAL INFORMATION

1. Name and location of facility:
   Name **Astorhurst** Well Number **1**
   Location: Direction and distance to nearest town **SE –1.0 ml. Walton Hills**
   Permit No. **2034** Lot or Section L 71
   Twp. **Bedford** Co. **Cuyahoga** State **OH**

2. Name, address and phone number of owner or operator:
   Name M & M Royalty, LTD
   Address: Street 5377 Lauby Road NW Suite #202 City North Canton
   State Ohio Zip 44720 County Stark
   Telephone No. (330) 497-4343

3. Name or title and telephone number of person in charge of facility: (330) 324-1957 ©
   Name or title Mike Weinsz Telephone No. (330) 896-0043 (h)
   Matt Egnotovich (h) (330)854-3266 © 330/324-1956

4. Name and telephone number of person responsible for oil spill prevention at facility:
   Name Same as above Telephone No. ( )

MANAGEMENT APPROVAL

This SPCC Plan will be implemented as herein described.

Signature Michael R. Weinsz
Name Michael R. Weinsz
Title Menber/Geologist

CERTIFICATION

By means of this certification I hereby certify and attest that I am familiar with the requirements of 40 CFR , part 112.3. That I or my agent has visited and examined the facility. That the plan has been prepared in accordance with good engineering practice, including consideration of applicable industry standards, and with the requirements of this part. That procedures for required inspections and testing have been established and that the plan is adequate for the facility.

John E. Hina
Printed Name of Registered Engineer

John E. Hina
Signature of Registered Engineer

Date: Aug 20, 2008

Registration No.: Serial Number 39687 OH

SPILL RECORD

		YES	NO
1.	This facility, over the past 12 months, has had a reportable spill.	__	X

2. Descriptions of any reportable spills are given below, including corrective action taken and plans for preventing recurrence.

PREDICTION OF POTENTIAL SPILLS

1. Name of lease: **Astorhurst #1**
2. Nearest watercourse:
   - A. Name: **tributary of Tinkers Creek**
   - B. Distance and direction from facility **600' Southeast**
3. Probable spill sources: (such as overflow, rupture or leakage)

SOURCE	TYPE OF FAILURE	MAXIMUM VOLUME (BBLS)	FLOWRATE (BBLS./HR.)	DIRECTION OF FLOW
Tank Battery	Leakage	1 (50 BBLS)	0.25	
	Vandalism	1 (100 BBLS)	1	NE
		(210 BBLS)	2	

*Important – Advance planning for wells located in flood plains and/or watershed acres should receive special consideration.

SPILL PREVENTION PLAN CHECKLIST

1. Secondary containment and/or diversionary structures will be used for possible spill sources:

SOURCE	TYPE OF CONTAINMENT OF DIVERSIONARY STRUCTURES	
Tank Battery	Earthen Pit with Spill Diversion or Earthen Dike	
	Catchment Basin or Holding Pond	___Yes __x__No

Select from:
Onshore: Dikes, berms, retaining walls, curbing, culverting, gutters, drains, weirs, booms, other barriers, spill diversion and retention ponds.

2. If containment or diversionary structures will be impracticable, state reasons for impracticability. Marginal production on a daily basis from well makes containment structure uneconomical YES **NO** and attach a strong oil contingency plan and written commitment of manpower, equipment and materials required to expeditiously control and remove any harmful quantity of oil discharge. Check if attached:

Contingency plan: **Yes** Written Commitment: **Yes**

Discussion: In addition to retention ponds, the person in charge of the facility has the following equipment available for use in case of a spill: Pumps, shovels, sawdust straw, oil absorbing pads and manpower as needed.

3. Onshore Oil Production Facilities

A. Drainage:	Yes	No
(1) Drains of secondary containment must be closed and sealed except when rainwater is drained.	x	
(2) Drainage from secondary containment must be conducted under surveillance of authorized person. (Name or title of authorized person **Michael R. Weinsz**	x	
(3) Field drainage ditches, road ditches and oil traps or skimmers must be inspected on a scheduled, periodic basis. How often **weekly**	x	
(4) Any oil removed from secondary containment, ditches, traps or skimmers must be disposed of in an approved manner.	x	

Discussion: Drains are used where practical and kept closed under normal conditions. Any crude oil spill inside containment are returned to storage tank or hauled to credible sanitary dump, as approved by EPA personnel.

B. Bulk Storage Tanks:		
(1) Tank material and construction comply with conditions of storage and material to be stored.	x	
(2) Secondary containment volume **110BBLS** is greater than the largest single tank capacity.	x	
(3) Undiked areas drain to a catchment basin or holding pond.		x
(4) All tanks must be visually inspected on a periodic basis (Maintaining a written record of inspection is suggested)	x	
(5) Tanks are engineered with one or more of the following fail-safe devices:		
a. Adequate tank capacity to prevent overfill	x	
b. Overflow equalizing lines	x	
c. Adequate vacuum protection		x
d. High level sensors where facilities are part of computer Production control system		x

Discussion: Well tenders (pumpers) are informed to observe and report any malfunction of equipment to Supervisor so repairs can be made immediately.

		Yes	No
C.	Intra-facility Transfer Operations:		
	(1) Aboveground valves and pipelines must be inspected on a scheduled, periodic basis of **weekly**	x	
	(2) Salt water disposal facilities must be inspected periodically.	x	
	(3) Records of flowline repairs must be maintained and used in a maintenance and replacement program.	x	

Discussion: well tenders make observations and repairs. Also reports same to field superintendent

4. Inspection and Records

A.	The required inspections follow written procedures	x	
B.	The written procedures and a record of inspection must be signed by the appropriate supervisor.	x	

Discussion: Written inspection reports on all tanks, flow lines, valves, fittings. Secondary containments are to be kept by pumpers and Field Superintendent.

5. Personnel, Training, and Spill Prevention Procedures

A.	Personnel must be properly instructed in the following:		
	(1) Operation and maintenance of equipment to prevent oil discharges.	x	
	(2) Applicable pollution control laws, rules, and regulations	x	
B.	Spill prevention briefings for the operating personnel must be conducted at least once per year	x	

Discussion: The Field Superintendents train all new well tenders and have briefings and inspection of standby equipment at least monthly with all well tenders.

ACTION PLAN (suggested plan outline to be used if your spill should reach water)

A. Action Center (the location or center that direction for the cleanup and containment operation will issue from)

NAME: M & M Royalty LTD STREET: 5366 Lauby Road NW Suite #202

CITY: North Canton STATE: Ohio ZIP 44720

TELEPHONE: 330/497-4343

B. Communication

(1) National Response Center 1-800-424-8802 **(Notify Immediately)**

VERBAL NOTICE WITHIN 30 MINUTES FOR THE FOLLOWING:

(2) Ohio EPA Emergency Response Unit 1-800-282-9378

(3) Local Emergency Planning Coordinator **Steven Terry (216) 771-1365**

(4) Local Fire Dept. **Valley View (216) 524-6469**

C. Immediate Work Force

(1) List names and telephone numbers of your own people that would be immediately available to you on a 24 hour baisis.
Neal Crowl, Turbo Excavating - Home: 330/222-1271 Cell: 330/424-2594
Bob Allen - (330) 324-1958 Cell

(2) List your own equipment, such as dozers, trucks, etc., that would be immediately available to you on a 24 hour basis.

N/A

(3) List men and equipment that a sub-contractor could make immediately available to you on a 24 hour basis, also the telephone numbers of the people to call.
Neal Crowl, Turbo Excavating: Home: 330/222-1271 Cell: 330/424-2594
Dozers, trachoe, mini excavator, booms, pads, absorbent

D. Standby Work Force

(1) List additional or standby men and equipment, along with telephone numbers in the event that additional service is needed.
Mike Weinsz: Home 330/896-0043 Cell: 330/324-1957
Matt Egnotovich: Home 330/854-3266 Cell: 330/324-1956

E. Clean Up Materials

(1) List availability of materials that may be needed in a clean-up operation such as straw, sawdust, sand, emulsifiers, detergents, foams, shovels, barrels, oil absorbing pads & slick bars.

All of the above are available.

SPILL CONTINGENCY PLAN

This policy is to be used, and followed, as a guideline in the event of any an all accidental releases of Crude oil, natural gas or other contaminant(s) that pose a potential threat to the local community and/or environment.

1. The first employee on the scene will be designated "First Responder." The first Responder will isolate and contain the spill/leak to the best of their ability as close to the source as is possible, without placing him or herself in a potentially dangerous situation.

2. If the spill/leak has lead to fire, explosion, or medical emergency proceed to Step #3, if not proceed with the procedures outlined in Step 2 and then move on to Step #4. Report the spill/release to the main office 330-497-4343 or your immediate supervisor. When reporting the spill/release, it is important to identify yourself and be as specific as possible. Report the following:
   a. Your name, phone number calling from (if applicable), lease name and your physical location.
   b. The nature and severity of the spill/release. Give the name(s) of the substance(s) and estimate quantity released.
   c. Other potential dangers such as the presence of flammable liquids or gases, pressure vessels, equipment damage, etc.

3. Injuries or fire are in evidence, call #911 and report the following:
   a. Ask for Dispatcher.
   b. Speak slowly and clearly.
   c. Your name, phone number calling from, and location, including any building numbers or nearest building if outside. Also the nearest intersection.
   d. The nature and severity of the emergency, for example, personnel/personal injury, fire, spill of hazardous chemical(s). In the latter case, give the name of the chemical and estimated quantity released.
   e. Other potential dangers such as the presence of flammable liquids or gases, pressure vessels, exposure of other persons, structure damage, or suspicious object.
   f. Inform if ambulance is needed.

4. Immediately upon notification, supervisory personnel will notify an and all applicable Government/regulatory agency(s) of the nature of the spill/release, location and estimated quantity.

5. Employees on location will construct dams or diversionary structures to isolate and recover any oil or brine present.

6. Supervisory personnel are directly responsible for:
   a. Consulting with Division of Oil and Gas, or other regulatory agency(s) to establish the most efficient and cost effective way to isolate and remediate the spill/leak.
   b. Overseeing and directing all clean up and containment activities as well as any associated paperwork.
   c. Overseeing and directing of procedure of disposal/remediation of contaminated soils or by products of spill/leak in an EPA approved manner.
   d. Restoration of spill site to landowners satisfaction.

1/14/06

Plat Maps