

Attachment "P"
Monitoring Program
Zelman #1 Injection Well

Injection Fluid Samples

A representative sample of the injection fluids will be collected and analyzed by a certified laboratory annually unless a change in the injection fluid is anticipated. In which case, Windfall Oil & Gas Inc. will submit a new analysis and wait for approval prior to injection. The analysis will consist of the following parameters:

PH	Aluminum
Alkalinity	Barium
Specific Conductance	Calcium
T. Dissolved Solids	Iron
Chlorides	Magnesium
Potassium	Manganese
Total suspended solids	Sodium
Sulfate	Strontium

A copy of each analysis will be supplied to the EPA. The initial sample analysis are included in attachment H of this application.

Injection Pressures, Rate and Volume

The tubing and annulus pressure will be continuously monitored with a 2 pen recorder. Annulus pressure will be monitored to ensure that mechanical integrity is being maintained during injection. Flow rates will be monitored with an in line flow meter and cumulative volume will be monitored with a flow meter totalizer, verified with containment level straps. Specific gravity will be measured with a dens-o-meter and bottom- hole pressure will be calculated in real time. Injection pressure, rates and volumes will be observed at a minimum of one time per week and recorded a minimum of one time per month. The above data shall be submitted annually to the EPA on Form 7520-11.

Mechanical Integrity

To demonstrate mechanical integrity in the wellbore; a pressure of 3700 psig will be applied to the 2 7/8 tubing x 4½ casing annulus; this pressure test will be observed and recorded. The test will be witnessed by an EPA representative.

This test will be performed prior to injection and no more than thirty (30) days prior to the fifth and tenth anniversary dates of the permit issuance. Additionally, this test will be performed whenever tubing is pulled, the packer is unseated or a well failure is suspected.

Local Water Sources

Local water sources have been sampled and analyzed by a certified laboratory. The analysis includes the same parameters as for the "injection fluid" listed above. Water samples will be collected and analyzed, annually, from at least four monitoring points indentified as 10-9-14; 7-9-13; 2-9-14 and 4-9-19 in the Hydrology report prepare by Resource Management Services Inc. Two additional water sources to be monitored were recommended by RMS however continued access to the supplies has been refused by the water purveyors. The complete Hydrology report is included as attachments D&E.



United States Environmental Protection Agency
Washington, DC 20460

PLUGGING AND ABANDONMENT PLAN

Name and Address of Facility Zelman #1 Injection Well Brady Township, Clearfield County, PA	Name and Address of Owner/Operator Windfall Oil & Gas Inc. 63 Hill Street Falls Creek, PA 15840
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Locate Well and Outline Unit on Section Plat - 640 Acres 	State Pennsylvania	County Clearfield	Permit Number _____
	Surface Location Description 1/4 of ___ 1/4 of ___ 1/4 of ___ 1/4 of Section ___ Township ___ Range ___		
	Locate well in two directions from nearest lines of quarter section and drilling unit Surface Location ___ ft. frm (N/S) ___ Line of quarter section and ___ ft. from (E/W) ___ Line of quarter section.		
	TYPE OF AUTHORIZATION <input checked="" type="checkbox"/> Individual Permit <input type="checkbox"/> Area Permit <input type="checkbox"/> Rule Number of Wells <u>1</u> Lease Name <u>Zelman</u>	WELL ACTIVITY <input type="checkbox"/> CLASS I <input checked="" type="checkbox"/> CLASS II <input checked="" type="checkbox"/> Brine Disposal <input type="checkbox"/> Enhanced Recovery <input type="checkbox"/> Hydrocarbon Storage <input type="checkbox"/> CLASS III	

CASING AND TUBING RECORD AFTER PLUGGING					METHOD OF EMPLACEMENT OF CEMENT PLUGS	
SIZE	WT (LB/FT)	TO BE PUT IN WELL (FT)	TO BE LEFT IN WELL (FT)	HOLE SIZE		
16	65	170	170	17.5	<input checked="" type="checkbox"/> The Balance Method	
11.75	42	375	375	14.75	<input type="checkbox"/> The Dump Bailer Method	
8 5/8	32	1200	1200	10 5/8	<input type="checkbox"/> The Two-Plug Method	
4.5	11.6	7306	2306	7 7/8	<input type="checkbox"/> Other	

CEMENTING TO PLUG AND ABANDON DATA:		PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7
Size of Hole or Pipe in which Plug Will Be Placed (inches)		4.5 csg	7 7/8	7 7/8	7 7/8	7 7/8	8 5/8 csg	
Depth to Bottom of Tubing or Drill Pipe (ft)		7388	3300	3000	2600	1250	30	
Sacks of Cement To Be Used (each plug)		176	29	29	29	29	9	
Slurry Volume To Be Pumped (cu. ft.)		207.7	34.3	34.3	34.3	34.3	10.7	
Calculated Top of Plug (ft.)		5000	3200	2900	2500	1150	0	
Measured Top of Plug (if tagged ft.)								
Slurry Wt. (Lb./Gal.)		15.6	15.6	15.6	15.6	15.6	15.6	
Type Cement or Other Material (Class III)		Class A	Class A	Class A	Class A	Class A	Class A	

LIST ALL OPEN HOLE AND/OR PERFORATED INTERVALS AND INTERVALS WHERE CASING WILL BE VARIED (if any)			
From	To	From	To
7388	7306		
5000	1200		

Estimated Cost to Plug Wells
30,000.00

Certification

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

Name and Official Title (Please type or print) Michael G. Hoover, President	Signature 	Date Signed 12/22/2011
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Attachment "Q"
Plan to Plug and Abandon
Zelman#1 Injection Well

1. Move in Service Rig
2. Release injection string and trip packer out of hole
3. Run 2 7/8 tubing string to T.D. (7388')
4. Load hole with saltwater gel
5. Balance a 700' cement plug from 7388' – 6688' (58 sx Class A with 2% gel, ½ # flake mud at 15.1 #/gal with a yield of 1.41 ft³/sk)
6. Lay down tubing string
7. Shoot 4 1/2 casing at 6688' & Circulate hole
8. Lay down 6018' of 4 ½ casing
9. Balance a 100' cement plug from 1370' – 1270' (25 sx Class A with 2% gel, ½ # flake mud at 15.1 #/gal with a yield of 1.41 ft³/sk)
10. Lay down remaining 1370' of 4½ casing
11. Bail 8 5/8 casing to top of plug at 1270'
12. Fill 8 5/8 casing from 1270' – 30' with sand (48,441 lbs of 1.72 SG sand)
13. Dump bail a 30 ft plug from 30- ground level (9 sx Class A with 2% C12, mixed at 15.6 #/gal with a yield of 1.18 ft³/sk)
14. Install monument with permit number

COST ESTIMATE (See attached vendor estimates)

Service Rig	13,000.00
Cement Services	15,597.00
Misc.	1,943.00
	<hr style="width: 100px; margin-left: auto; margin-right: 0;"/> 30,000.00



Windfall Oil & Gas, Inc.

Zelman #1

Permit # N/A

Clearfield County, Pa.

P & A Cement Proposal

December 14, 2011

Prepared for:

Mike Hoover

Prepared by:

Ryan McCormick

Engineering Manager

Appalachian Well Services, Inc.

Note: This document is only to be used as a bid proposal, not as the actual job procedure. The actual job procedure and material volumes will be determined immediately preceding the cement job and will be based on actual footage numbers that will be provided by the Windfall Oil & Gas representative.

Windfall Oil & Gas, Inc.
Zelman #1
PTA Cement Job

Dec. 14, 2011

Mike Hoover
MHoov16@verizon.net

Dear Mr. Hoover,

Appalachian Well Services would like to thank you for the opportunity to present this proposal bid for the cementing work in Clearfield County Pennsylvania. We look forward to conducting professional and safe services for your company.

The following is our recommended cement design, material volumes, and pricing for the Zelman #1 as described in conversation with AWS, Inc. The Appalachian Well Services price book apportions 4 hours for equipment being used on surface and intermediate casing jobs, and 6 hours on all other cement jobs. One additional hour has been placed on this price quote.

Mileage for the proposal was determined from our current cementing facility located in Shelocta, Pa. A new cement facility may be located closer in Williamsport in the near future. The Appalachian cement pump fleet consists of both tractor trailer and body load pumps of both single and twin variety. The use of the twin pumps are based on availability and not separately priced. Thank you again and please contact myself or the office with any additional requests.

Ryan McCormick
Engineering Manager



Cell: 724-422-7661



Shelocka, PA Office
724-354-4400
Fax 724-354-3749

Bradford, PA Office
814-368-4811
Fax 814-368-4957

AFE Number N/A

Company	Windfall Oil & Gas, Inc.	Field Ticket No.	#N/A
Billing Address		Lease	Zelman
Billing City, State, Zip		Well #	1
Hole Size	7.875 ins.	Job Date	December 30, 2011
Pipe Size	2.875 ins.	County	Clearfield
Pipe ID	2.441 ins.	State	Pa
Job Type	P & A	Well Type	Gas
		Price Book Used	January 14, 2011

Code	Item Description	Qty	U/M	Unit Cost	Disc	Gross	Net
RND5000	Pumping through tbg/drill pipe	7,388	Feet	\$5,070.00	40.0%	\$5,070.00	\$3,042.00
RND5140	Heavy Equipment Mileage	3	Units 90 R/T Miles	270 Unit/Mile	\$6.53 40.0%	\$1,763.10	\$1,057.86
RND5170	Pickup Mileage	1	Units 180 R/T Miles	180 Unit/Mile	\$4.25 40.0%	\$765.00	\$459.00
RND0000	Recirculating Mixer	1	1st 4 Hrs	\$500.00	40.0%	\$500.00	\$300.00
RND5220	Densometer Rental	1	Per Job	\$410.00	40.0%	\$410.00	\$246.00
RND5330	Data Acquisition	1	Per Job	\$500.00	40.0%	\$500.00	\$300.00
RND5210	Sw age & Valve Rental	1	Per Day	\$350.00	40.0%	\$350.00	\$210.00
RND5110	Additional Pumping Hrs	1	Per Hr ov	\$1,350.00	40.0%	\$1,350.00	\$810.00
Lead Slurry		Yield	1.77	Dens	14.00	Water	9.03
CE10001	Standard Cement (Type1)	94	FPS	176	Sacks	\$24.48 40.0%	\$4,308.48 \$2,585.09
CH50003	Bentonite Blended	2.0%		331	LB	\$0.50 40.0%	\$165.50 \$99.30
CH00000	C41-P	0.3%		50	LB	\$5.00 40.0%	\$250.00 \$150.00
CH00000	Salt	18.0%		2,383	LB	\$0.78 40.0%	\$1,858.74 \$1,115.24
CH00000	C-20	0.6%		100	LB	\$7.25 40.0%	\$725.00 \$435.00
Tail Slurry		Yield	1.77	Dens	14.00	Water	9.03
CE10001	Standard Cement (Type1)	94	FPS	116	Sacks	\$24.48 40.0%	\$2,839.68 \$1,703.81
CH50003	Bentonite Blended	2.0%		219	LB	\$0.50 40.0%	\$109.50 \$65.70
CH00000	C41-P	0.3%		33	LB	\$5.00 40.0%	\$165.00 \$99.00
CH00000	Salt	18.0%		1571	LB	\$0.78 40.0%	\$1,225.38 \$735.23
CH00000	C-20	0.1%		11	LB	\$7.25 40.0%	\$79.75 \$47.85
RND5000	Bulk Delivery	45	Miles 16.1 Tons	724.5	T/M	\$3.20 40.0%	\$2,318.40 \$1,391.04
RND5190	Bulk Service charge			517	CuFt	\$2.40 40.0%	\$1,240.80 \$744.48

WAS JOB SATISFACTORILY COMPLETED?	YES / NO		
WAS OPERATION OF EQUIPMENT SATISFACTORY?	YES / NO	TOTAL	\$25,994.33 \$15,596.60
WAS PERFORMANCE OF PERSONNEL SATISFACTORY?	YES / NO		

CUSTOMER OR AGENT

0

JOB SUPERVISOR

NET TOTAL **\$15,596.60**

THIS IS NOT AN INVOICE

Taxes, price changes and other applicable data will be shown on our invoice to be submitted for payment at a later date.

Appalachian Division Cement Lab Report

REPORT NUMBER: 093011-001

DATE: Sept 30, 2011



CUSTOMER INFORMATION

COMPANY: *Dominion*
CONTACT: *Mike Hoover*

STATE: *Pa*

WELL NAME: *Walls #1*
COUNTY: *Clearfield*

WELL PARAMETERS

Mud Type: *Brine*
Mud Density (ppg): *9.0*
Bottom Hole Pressure (psi): *5000*
Pipe O.D. (in): *2.875*
Hole Dia. (in): *6.25*

BHST (°F): *135*
BHCT (°F): *120*
TVD (ft): *7300*
TMD (ft): *7300*

SLURRY COMPOSITION AND PROPERTIES

Slurry Composition: 100% Type 1 Cement, 2% Gel, 18% Salt, 0.3% C-41p, 0.6% C-20

Slurry Properties:

Yield (cu ft per sack): *1.77*
Density (ppg): *14.0*
Water Required: (gal/sk): *9.03*

Thickening Time- 70 BC (hrs:min): *4:17*

COMPRESSIVE STRENGTH

TIME (hours)	TEMP. (°F)	STRENGTH (psi)	METHOD
8	135	161	UCA
12	135	527	UCA
72	135	1013	UCA

UCA test pressure = 3000 psi.

COMMENTS: Lab materials and distilled water were used for this testing.

Appalachian Division Contact Information

Shelocta- Lab Location
Appalachian Well Services
10962 US Route 422
Shelocta, PA 15774
(724) 354-4400
Fax (724)354-4749

Bradford Office
Appalachian Well
Services
30 Rutherford Road
Bradford, PA 16701
(814) 368-4811

Appalachian Division of CPX
Penn Center West 2
Suite 227
Pittsburgh, PA 15276
(724) 762-7043

Appalachian Division Cement Lab Report

REPORT NUMBER: 093011-002

DATE: Sept 30, 2011



CUSTOMER INFORMATION

COMPANY: *Dominion*
CONTACT: *Mike Hoover*

STATE: *Pa*

WELL NAME: *Walls #1*
COUNTY: *Clearfield*

WELL PARAMETERS

Mud Type: *Brine*
Mud Density (ppg): *9.0*
Bottom Hole Pressure (psi): *5000*
Pipe O.D. (in): *2.875*
Hole Dia. (in): *6.25*

BHST (°F): *105*
BHCT (°F): *90*
TVD (ft): *4000*
TMD (ft): *4000*

SLURRY COMPOSITION AND PROPERTIES

Slurry Composition: 100% Type 1 Cement, 2% Gel, 18% Salt, 0.3% C-41p, 0.1% C-20

Slurry Properties:

Yield (cu ft per sack): *1.77*
Density (ppg): *14.0*
Water Required: (gal/sk): *9.03*

Thickening Time- 70 BC (hrs:min): *4:33*

COMPRESSIVE STRENGTH

TIME (hours)	TEMP. (°F)	STRENGTH (psi)	METHOD
8	70	58	UCA
12	70	178	UCA
48	70	756	UCA

UCA test pressure = 3000 psi.

COMMENTS: Lab materials and distilled water were used for this testing.

Appalachian Division Contact Information

Shelocta- Lab Location
Appalachian Well Services
10962 US Route 422
Shelocta, PA 15774
(724) 354-4400
Fax (724)354-4749

Bradford Office
Appalachian Well
Services
30 Rutherford Road
Bradford, PA 16701
(814) 368-4811

Appalachian Division of CPX
Penn Center West 2
Suite 227
Pittsburgh, PA 15276
(724) 762-7043

Description of Cement and Spacer Additives

C-15: Mildly dispersing and retarding fluid loss additive.

C-16a: Non-retarding and slightly viscosifying fluid loss additive.

C-20: Lignosulfonate cement retarder.

C-35: Salt tolerant cement dispersant and friction reducer.

C-41p: Powdered cement defoamer.

C-41L: Liquid defoamer for spacers and cements.

C-44: Expansive additive for cements. Enhances cement bond and helps control gas migration.

C-45: Suspension aid and cement accelerator.

C-47: Gas migration control additive. Decreases slurry fluid loss and increases its fluidity.

C-51: Polymer additive used to control free water and solid suspension.

C-63: Gel spacer material that is batch mixed and normally weighted with barite up to 18 lb/gal.

Bentonite Gel: Extending gel used in cements and as a viscosifying agent in spacers.

Barite: Barium Sulfate weighting material.

Calcium Chloride (CaCl): Cement accelerator in flake form.

CitriPlex 50: pH buffering agent used to control compatibility in spacers.

KCl (Potassium Chloride): Used as a bonding agent and dispersant.

OBM Surf-1: Blend of multiple surfactants used in spacers to water-wet OBM wellbore environments.

Plexsolv 42: Solvent used in spacers to aid in the removal of oil and solids from the wellbore.

NaCl (Salt): Used as a bonding agent and dispersant.

MULTI PRODUCTION SYSTEMS, INC.

134 MILL RUN DRIVE
INDIANA, PENNSYLVANIA 15701
(724) 465-6663 FAX (724) 465-7375

Estimated Costs for Plugging Services:

Operator: Windfall Oil & Gas, Inc.
Well Name: Zelman #1 Injection Well
Location: Brady Township, Clearfield County, PA

Day 1 – Trip out & lay down packer & trip back in hole to set bottom hole plugs

Day 2 – Set plugs and pull tubing

Day 3 – Lay down 4.5 casing

Day 4 – Bail 8 5/8 dry

Rig Time	40 hrs at 225.00/hr = 9,000.00
Trucking	12 hrs at 125.00/hr = 1,500.00
Misc labor	50 hrs at 50.00/hr = 2,500.00

13,000.00

STANDBY TRUST AGREEMENT

U.S. Environmental Protection Agency
Underground Injection Control
Financial Responsibility Requirement

THIS TRUST AGREEMENT (the "Agreement") is entered into as of 12/05/11
by and between Windfall Oil & Gas Inc., owner or operator, a _____
corporation / partnership / association / proprietorship (the "Grantor"), and
Community First Bank (the "Trustee"), a Pennsylvania corporation/financial
institution.

Whereas, the United States Environmental Protection Agency ("EPA"), an agency of the United States Government, has established certain regulations applicable to the Grantor, requiring that an owner or operator of an injection well shall provide assurance that funds will be available when needed for plugging and abandonment of the injection well or wells,

Whereas, the Grantor has elected to establish a trust to provide all or part of such financial assurance for the facility or facilities identified herein, and

Whereas, the Grantor, acting through its duly authorized officers, has selected the Trustee to be the trustee under this Agreement, and the Trustee is willing to act as trustee,

NOW THEREFORE, the Grantor and the Trustee agree as follows:

Section 1. Definitions. As used in this Agreement: (a) The term "Grantor" means the owner or operator who enters into this Agreement and any successors or assigns of the Grantor. (b) The term "Trustee" means the Trustee who enters into this Agreement and any successor Trustee. (c) Facility or activity means any "underground injection well" or any other facility or activity that is subject to regulation under the Underground Injection Control Program.

Section 2. Identification of Facilities and Cost Estimates. This Agreement pertains to the facilities and cost estimates identified on attached Schedule A.

Section 3. Establishment of Fund. The Grantor and the Trustee hereby establish a trust fund (the "Fund") for the purpose of assuring compliance with the plugging and abandonment requirements established by EPA for the facilities identified on Schedule A. The Underground Injection Control regulations which govern the authorization to inject include a requirement for such financial assurance that the well or wells shall be plugged and abandoned at the time designated by EPA. The Grantor and the Trustee acknowledge that the Fund and all expenditures from the Fund shall be to fulfill the legal obligations of the Grantor under such regulations, and not any obligation of EPA. The Grantor and the Trustee intend that no third party have access to the Fund except as herein provided. The Fund is established initially as consisting of the property, which is acceptable to the Trustee, described in Schedule B attached hereto. Such property and any other property subsequently transferred to the Trustee is referred

to as the Fund, together with all earnings and profits thereon, less any payments or distributions made by the Trustee pursuant to this Agreement. The Fund shall be held by the Trustee, IN TRUST, as hereinafter provided. The Trustee shall not be responsible, nor shall it undertake any responsibility, for the amount or adequacy of any additional payments necessary to discharge any liabilities of the Grantor established by EPA, nor shall the Trustee have any duty to collect such additional amounts from the Grantor.

Section 4. Payment for Plugging and Abandonment. The Trustee shall make payments from the Fund only for the costs of plugging and abandonment ("P&A") of the injection wells covered by this Agreement and the associated P&A Plan, only after EPA has advised the Trustee that work has been completed under the P&A Plan that complies with 40 C.F.R. § 144.28 and/or § 144.52. The Trustee shall not refund to the Grantor any amounts from the Fund unless and until EPA has advised the Trustee that the P&A Plan has been successfully completed. The Trustee shall not release any funds to the Grantor that are necessary to cover liability for any injection wells covered by this Agreement that remain unplugged.

Section 5. Payments Comprising the Fund. Payments made to the Trustee for the Fund shall consist of cash or securities acceptable to the Trustee.

Section 6. Trustee Management. The Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund, without distinction between principal and income, in accordance with general investment policies and guidelines which the Grantor may communicate in writing to the Trustee from time to time, subject, however, to the provisions of this Section. In investing, reinvesting, exchanging, selling, and managing the Fund, the Trustee shall discharge his duties with respect to the trust fund solely in the interest of the beneficiary and with the care, skill, prudence, and diligence under the circumstances then prevailing which persons of prudence, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims; *except that:*

- (i) Securities or other obligations of the Grantor, or any other owner or operator of the facilities, or any of their affiliates as defined in the Investment Company Act of 1940, as amended, 15 U.S.C. 80a-2.(a), shall not be acquired or held, unless they are securities or other obligations of the Federal or a State government;
- (ii) The Trustee is authorized to invest the Fund in time or demand deposits of the Trustee, to the extent insured by an agency of the Federal or State government; and
- (iii) The Trustee is authorized to hold cash awaiting investment or distribution uninvested for a reasonable time and without liability for the payment of interest thereon.

Section 7. Commingling and Investment. The Trustee is expressly authorized in its discretion:
(a) To transfer from time to time any or all of the assets of the Fund to any common, commingled, or collective trust fund created by the Trustee in which the Fund is eligible to participate, subject to all of the provisions thereof, to be commingled with the assets of other

trusts participating therein; and (b) To purchase shares in any investment company registered under the Investment Company Act of 1940, 15 U. S. C. 80a-1 *et seq.*, including one which may be created, managed, underwritten, or to which investment advice is rendered or the shares of which are sold by the Trustee. The Trustee may vote shares in its discretion.

Section 8. Express Powers of Trustee. Without in any way limiting the powers and discretions conferred upon the Trustee by the other provisions of this Agreement or by law, the Trustee is expressly authorized and empowered: (a) To sell, exchange, convey, transfer, or otherwise dispose of any property held by it, by public or private sale. No person dealing with the Trustee shall be bound to see to the application of the purchase money or to inquire into the validity or expediency of any such sale or other disposition; (b) To make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted; (c) To register any securities held in the Fund in its own name or in the name of a nominee and to hold any security in bearer form or in book entry, or to combine certificates representing such securities with certificates of the same issue held by the Trustee in other fiduciary capacities, or to deposit or arrange for the deposit of such securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by another person, or to deposit or arrange for the deposit of any securities issued by the United States Government, or any agency or instrumentality thereof, with a Federal Reserve bank, but the books and records of the Trustee shall at all times show that all such securities are part of the Fund; (d) To deposit any cash in the Fund in interest-bearing accounts maintained or savings certificates issued by the Trustee, in its separate corporate capacity, or in any other banking institution affiliated with the Trustee, to the extent insured by an agency of the Federal or State government; and (e) To compromise or otherwise adjust all claims in favor of or against the Fund.

Section 9. Taxes and Expenses. All taxes of any kind that may be assessed or levied against or in respect of the Fund and all brokerage commissions incurred by the Fund shall be paid from the Fund. All other expenses incurred by the Trustee in connection with the administration of this Trust, including fees for legal services rendered to the Trustee, the compensation of the Trustee to the extent not paid directly by the Grantor, and all other proper charges and disbursements of the Trustee shall be paid from the Fund.

Section 10. Annual Valuation. The Trustee shall annually, at least 30 days prior to the anniversary date of establishment of the Fund, furnish to the Grantor and to the appropriate EPA Regional Administrator a statement confirming the value of the Trust. Any securities in the Fund shall be valued at market value as of no more than 60 days prior to the anniversary date of establishment of the Fund. The failure of the Grantor to object in writing to the Trustee within 90 days after the statement has been furnished to the Grantor and the EPA Regional Administrator shall constitute a conclusively binding assent by the Grantor, barring the Grantor from asserting any claim or liability against the Trustee with respect to matters disclosed in the statement.

Section 11. Advice of Counsel. The Trustee may from time to time consult with counsel, who may be counsel to the Grantor, with respect to any question arising as to the construction of this

Administrator, or by the Trustee and the appropriate EPA Regional Administrator if the Grantor ceases to exist.

Section 17. Irrevocability and Termination. Subject to the right of the parties to amend this Agreement as provided in Section 16, this Trust shall be irrevocable and shall continue until terminated at the written agreement of the Grantor, the Trustee, and the EPA Regional Administrator, or by the Trustee and the EPA Regional Administrator if the Grantor ceases to exist. Upon termination of the Trust, all remaining trust property, less final trust administration expenses, shall be delivered to the Grantor.

Section 18. Immunity and Indemnification. The Trustee shall not incur personal liability of any nature in connection with any act or omission, made in good faith, in the administration of this Trust, or in carrying out any directions by the Grantor or the EPA Regional Administrator issued in accordance with this Agreement. The Trustee shall be indemnified and saved harmless by the Grantor or from the Trust Fund, or both, from and against any personal liability to which the Trustee may be subjected by reason of any act or conduct in its official capacity, including all expenses reasonably incurred in its defense in the event the Grantor fails to provide such defense.

Section 19. Choice of Law. This Agreement shall be administered, construed, and enforced according to the laws of the State of PA.

Section 20. Interpretation. As used in this Agreement, words in the singular include the plural and words in the plural include the singular. The descriptive headings for each Section of this Agreement shall not affect the interpretation or the legal efficacy of this Agreement.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by their respective representatives duly authorized and their seals to be hereunto affixed and attested as of the date first above written.

GRANTOR

TRUSTEE

Windfall Oil + Gas Inc

Community First Bank

By: Michael G. Hoover

By: W. Jay Chamberlin

[Print name]

[Print name] W. Jay Chamberlin

Its: President

Its: Senior Vice President/CCO

[Title]

[Title]

Attest:

Attest:

Michael G Hoover

Eugene E. Deible, III

Eugene E. Deible, III

Its: President
[Title]

Its: Secretary
[Title]

[SEAL]

[SEAL]

Before me came the individual whose identity I confirmed as Michael G Hoover, and whose true signature is set forth above; wherefor have I set my hand and seal this 13 day of December, 2011

Before me came the individual whose identity I confirmed as W. Jay Chamberlin, and whose true signature is set forth above; wherefor have I set my hand and seal this 5th day of December, 2011.

Donald W Sparks

Roberta L Kiser

Notary Public

Notary Public

NOTARIAL SEAL
Donald W Sparks
NOTARY PUBLIC
Twp of Sandy, Clearfield County
My Commission Expires 07/16/2012

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Roberta L. Kiser, Notary Public
Reynoldsville Boro, Jefferson County
My Commission Expires Aug. 21, 2014
Member, Pennsylvania Association of Notaries

IRREVOCABLE STANDBY LETTER OF CREDIT
U.S. Environmental Protection Agency
Underground Injection Control
Financial Responsibility Requirement

To: Regional Administrator
Environmental Protection Agency Region III

1650 Arch St., Philadelphia, PA 19103
(address of EPA Regional Office)

Dear Sir or Madam:

We hereby establish our Irrevocable Standby Letter of Credit No. 1007
in your favor, at the request and for the account of

Windfall Oil & Gas, Inc.
(legal name of owner or operator)

P.O. Box 738, Falls Creek, PA 15840
(business address of owner or operator)

up to the aggregate amount of thirty thousand dollars (\$30,000.00)
(dollar amount in words)

U.S. dollars (\$), available upon presentation of:

1. Your sight draft, bearing reference to this letter of credit No. 1007, and
2. Your signed statement reading as follows: "I certify that the amount of the draft is payable pursuant to regulations issued under authority of the Safe Drinking Water Act."

This letter of credit is effective as of December 5, 2011 and shall expire on
(date)

December 5, 2012 but such expiration date shall be automatically extended for a
(date at least 1 year later)

period of one year on December 5, 2012 and each successive
(at least one year) (date)

expiration date, unless, at least 120 days before the current expiration date, we notify both you

and Windfall Oil & Gas, Inc. by certified mail that we have decided not

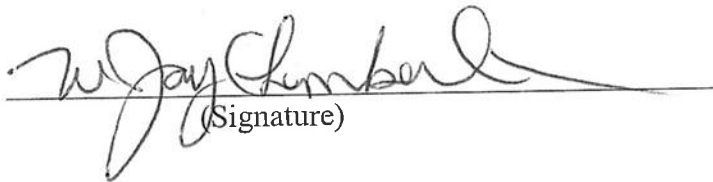
(owner's or operator's name)

to extend this letter of credit beyond the current expiration date. In the event you are so notified, any unused portion of the credit shall be available upon presentation of your sight draft for 120 days after the date of receipt by both you and Windfall Oil & Gas, Inc.,
(owner's or operator's name)

as shown on the signed return receipts.

Whenever this letter of credit is drawn on under and in compliance with the terms of this credit, we shall duly honor such draft upon presentation to us, and we shall deposit the amount of the draft directly into the standby trust fund of Windfall Oil & Gas, Inc.
(owner's or operator's name)

in accordance with your instructions.


(Signature)

12/05/11
(Date)

W. Jay Chamberlin
(Name)

Senior Vice President/CCO
(Title)

This credit is subject to:

the most recent edition of the Uniform Customs and Practice for Documentary Credits, published by the International Chamber of Commerce,

OR

the Uniform Commercial Code.

SCHEDULE B

Identification of Fund

Schedule B is referenced in the Standby Trust Agreement dated December 5, 2011

by and between Windfall Oil & Gas, Inc.
(Name of Owner or Operator)

the "Grantor" and Community First Bank
(Name of Trustee)

the "Trustee."

The fund consists of: (Check one and provide identification number)

Irrevocable Letter of Credit No. 1007

Surety Performance Bond No. _____

Other (Describe) _____

SCHEDULE A

Identification of Facilities and Cost Estimates

Schedule A is referenced in the standby trust agreement dated 12/05/11 by and

between Windfall Oil & Gas Inc., the AGrantor@ and
(Name of owner or operator)

Community First Bank, the ATrustee@.
(Name of trustee)

EPA identification number

Name of facility

Address of facility

Zelman #1 Injection Well
Highland Street Brady township
Clearfield County PA

Current plugging and
abandonment cost estimate

30,000

Date of estimate

9/27/11

EPA identification number

Name of facility

Address of facility

Current plugging and
abandonment cost estimate

Date of estimate

Attachment "U"
Description of Business
Zelman#1 Injection Well

Windfall Oil & Gas inc. is proposing the development of the Zelman#1 as class II type D injection well to provide a much needed service to gas producers in Pennsylvania. The disposal of these fluids by injection into deep depleted formations is an environmental friendly and proven process that needs to be utilized. The operation of the Windfall Oil & Gas Zelman #1 Injection Well facility would make Pennsylvania gas production more efficient and therefore a benefit to all.