

west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

August 04, 2014

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-103343, issued to CNX GAS COMPANY LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days completion of permitted well work, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

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James Martin

Operator's Well No: PHL 21 AHS

Farm Name: PHILIPPI DEVELOPMENT, INC.

API Well Number: 47-103343

Permit Type: Horizontal 6A Well

Date Issued: 08/04/2014

API Number: 1-03343

PERMIT CONDITIONS

West Virginia Code § 22-6A-8(d) allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. <u>Failure to adhere to the specified permit</u> conditions may result in enforcement action.

CONDITIONS

- This proposed activity will require permit coverage from the United States Army Corps of Engineers
 (USACE) and WV DEP Department of Water and Waste Management (DWWM). No activity authorized
 under this permit shall be commenced until all necessary permits from USACE and DWWM are obtained.
- 2. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code § 22-6A-5a (12), which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
- 3. When compacting fills, each lift before compaction shall not be more than 12 inches in height, and the moisture content of the fill material shall be within limits as determined by the Standard Proctor Density test of the actual soils used in specific engineered fill, ASTM D698, Standard Test Method for Laboratory Compaction Characteristics of Soil Using Standard Effort, to achieve 95 % compaction of the optimum density. Each lift shall be tested for compaction, with a minimum of two tests per lift per acre of fill. All test results shall be maintained on site and available for review.
- 4. Operator shall install signage per § 22-6A-8g (6) (B) at all source water locations included in their approved water management plan within 24 hours of water management plan activation.
- 5. Oil and gas water supply wells will be registered with the Office of Oil and Gas and all such wells will be constructed and plugged in accordance with the standards of the Bureau for Public Health set forth in its Legislative rule entitled Water Well Regulations, 64 C.S.R. 19. Operator is to contact the Bureau of Public Health regarding permit requirements. In lieu of plugging, the operator may transfer the well to the surface owner upon agreement of the parties. All drinking water wells within fifteen hundred feet of the water supply well shall be flow tested by the operator upon request of the drinking well owner prior to operating the water supply well.
- 6. Pursuant to the requirements pertaining to the sampling of domestic water supply wells/springs the operator shall, no later than thirty (30) days after receipt of analytical data provide a written copy to the Chief and any of the users who may have requested such analyses.
- 7. If any explosion or other accident causing loss of life or serious personal injury occurs in or about a well or well work on a well, the well operator or its contractor shall give notice, stating the particulars of the explosion or accident, to the oil and gas inspector and the Chief, within 24 hours of said accident.
- 8. During the casing and cementing process, in the event cement does not return to the surface, the oil and gas inspector shall be notified within 24 hours.

WW-6B (9/13)

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS WELL WORK PERMIT APPLICATION

-	TELE WORK I	ERWIT ATTEICE	0	06 645
1) Well Operator: CNX Gas C	ompany LLC	494458046	Barbour	Pleasant Philippi
	044110	Operator ID	County	District Quadrangle
2) Operator's Well Number: PHI	_21AHS	Well Pa	nd Name: PHL	21HS
3) Farm Name/Surface Owner:	Philippi Developme	nt, INC. Public Ro	ad Access: Co	. Rt. 77/6
4) Elevation, current ground:	556' E	levation, proposed	l post-construc	tion: 1567'
5) Well Type (a) Gas Other	Oil _	Und	lerground Stora	nge
(b)If Gas Shal	low _	Deep		
Hori	zontal =			
6) Existing Pad: Yes or No NO	W. 1907 S. T. T.			
7) Proposed Target Formation(s)Target - Marcellus, Depth - 7905			and Associated	l Pressure(s):
8) Proposed Total Vertical Depth	: 8095'			
9) Formation at Total Vertical De	epth: Oriskany S	Sand		
10) Proposed Total Measured De	pth: 19281'			
11) Proposed Horizontal Leg Ler	ngth: 8100'			
12) Approximate Fresh Water Str	rata Depths:	150', 575', 730'		
13) Method to Determine Fresh V	Vater Depths:	Offset Well		
 Approximate Saltwater Depth 	ns: 1650', 2455	<u> </u>		
15) Approximate Coal Seam Dep	ths: 660', 730'			
16) Approximate Depth to Possib	ole Void (coal m	ine, karst, other):	None Anticipate	d
17) Does Proposed well location directly overlying or adjacent to a		ms Yes ✓	N	o 🔲
(a) If Yes, provide Mine Info:	Name: Senti	nel Mine		
	Depth: 660'	& 730'		
	Seam: Upper Kitt	aning and Lower Kittaning		
	Owner: Arch	Receive MAY 1 4 201	Jemes Jemes	1 1. Dagweck

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WW-6B (9/13)

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CASING AND TUBING PROGRAM

TYPE	Size	New or Used	Grade	Weight per ft. (lb/ft)	FOOTAGE: For Drilling	INTERVALS: Left in Well	CEMENT: Fill-up (Cu. Ft.)
Conductor	20"	N	J-55	94#	100'	100'	Grout to surface w/ Class & type cement
Fresh Water	13 3/8"	N	J-55	54.5#	800'	800'	CTS w/ Class A Type Cement
Coal	-						CTS w/ Class A Type Cement
Intermediate	9 5/8"	N	J-55	36#	2500'	2500'	CTS w/ Class A Type Cement
Production	5 1/2"	N	P-110	20#	19281'	19281'	2200 cu t. w/50'50 POZ Lead & Cons
Tubing	2 3/8"	N	J-55	4.7#	8500'	8500'	
Liners							

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	4-10-2016

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	20"	26"	0.438	2110	Class A Type	1.18
Fresh Water	13 3/8"	17 1/2"	0.380	2730	Class A Type	1.39
Coal						
Intermediate	9 5/8"	12 3/8"	0.352	3520	Class A Type	1.18
Production	5 1/2"	8 3/4" & 8 1/2"	0.361	12640	Class A Type	1.26
Tubing	2 3/8"	5 1/2" Csg	0.190	7700		**********
Liners						

PACKERS

Kind:	None	
Sizes:	None	
Depths Set:	None	

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MAY 1.4 2014

WW-6B (9/13)

19) Describe proposed well work, including the drill	ling and plugging back of any pilot hole:
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Drill and stimulate new horizontal Marcellus well. Well to be drilled to a TMD of 19281'. Well to be drilled to a TVD of 8095', formation at TVD - Oriskany Sand. The well will be drilled no more than 100' beyond the top of the Onondaga. Well will be plugged back to an approximate depth of 6800' (approximate due to exact kick off point being unknown). Plugging back will be done using the displacement method and Class A Type cement. A solid cement plug will be set from TD to KOP. If an unexpected void is encountered, plan will be to set casing at a minimum of 30' past void and cement to surface with approved Class A type cement. There will not be any production, perforation, or stimulation of any formations below the target formation.

20)	Describe fracturing/stimulating	g methods in detail,	including anticipated max	pressure and max rate:
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The stimulation will be multiple stages divided over the lateral length of the well. Stage spacing is dependent upon engineering design. Slickwater fracturing technique will be utilized on each stage using sand, water, and chemicals. Max Pressure - 9500 psi. Max Rate - 100 bbl/min.

21) Total Area to be disturbed, including roads,	stocknile area nits etc. (acres):	25.7 Acres
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22) Area to be disturbed for well pad only, less access road (acres): 19.3 Acres

23) Describe centralizer placement for each casing string:

Conductor - No centralizers used. Fresh Water & Coal - Bow spring centralizers on first joint then every fourth joint to 100 feet from surface. Intermediate - Bow spring centralizers one on the first two joints and every forth joint until inside surface casing. Production - Rigid bow spring centralizer on first joint then every 2 casing joints (free floating) through the lateral and the curve. (Note: cementing the 5 1/2" casing completely in open hole lateral and curve.)

24) Describe all cement additives associated with each cement type:

Conductor - 2% CaCl2. Fresh Water/Coal - 2% CaCl2. Intermediate - 2% CaCl2. Production - 2.6% Cement extender, 0.7% Fluid loss additive, 0.5% High Temperature Retarder, 0.2% Friction Reducer

25) Proposed borehole conditioning procedures:

Conductor - The hole is drilled w/ air and casing ran in air. Apart from insuring the hole is clean via air circulation at TD, there are no other conditioning procedures. Fresh Water/Coal - The hole is drilled w/ air and casing is ran in air. Once casing is on bottom, the casing shoe will be cleared with fresh water and gel prior to cementing. Intermediate - The hole is drilled w/ air and casing is ran in air. Once casing is on bottom, the casing shoe will be cleared with fresh water and gel prior to cementing. (Note: Drilling soap may be utilized if the hole gets wet/damp during the drilling of all air holes with the exception of the conductor). Production - The hole will be drilled with synthetic oil base mud and once at TD the hole is circulated at a drilling pump rate until the hole is clean. Once casing is ran the hole is circulated for a minimum of one hole volume prior to pumping cement.

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*Note: Attach additional sheets as needed.

Office of Oil and Gas

Page 3 of 3

08/08/2014

Cement Additives

- Conductor 2% CaCl2
- Freshwater/Coal 2% CaCl2
- Intermediate 2% CaCl2
- Production
 - o 2.6% Cement extender
 - o 0.7% Fluid Loss Additive
 - o 0.5% High Temperature Retarder
 - o 0.2% Friction Reducer



MAY 1 4 2014

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name CNX Gas Con	pany LLC	OP Code 494458046	
Watershed (HUC 10)_Pleasa	ant Creek Q	uadrangle Philippi	
Elevation 1556	County Barbour	District_Pleasant	
Do you anticipate using more Will a pit be used? Yes	than 5,000 bbls of water to complete the	proposed well work? Yes	No
	anticipated pit waste: N/A	7	_
Will a synthetic line	r be used in the pit? Yes No _	If so, what ml.? N/A	
Proposed Disposal N	Method For Treated Pit Wastes:		
	nd Application		
	derground Injection (UIC Permit Numb use (at API Number	er	
Of	T Site Disposal (Supply form WW-9 for her (Explain Recycle on other wells on sa		
Will closed loop system be us	sed? If so, describe: Yes, cuttings/fluid separated with	the use of a centrifuge/shaker liquids recycled solids dispose	d offsite at approved landfill
	for this well (vertical and horizontal)? Ai		
-If oil based, what ty	pe? Synthetic, petroleum, etc.Synthetic		
Additives to be used in drillin	g medium? Bactericide, Polymers, and Weigh	ting Agents	
Drill cuttings disposal method	d? Leave in pit, landfill, removed offsite,	etc. Landfill	
-If left in pit and pla	n to solidify what medium will be used?	(cement, lime, sawdust) N/A	
-Landfill or offsite n	ame/permit number?Meadowfill, Northwester	n Landfill, Max Environmental's Yukon Landfi	ll and Bulger Landfill
on August 1, 2005, by the Off provisions of the permit are of law or regulation can lead to of I certify under pena application form and all attrobtaining the information, 1 penalties for submitting false Company Official Signature_	alty of law that I have personally examinated achieves thereto and that, based on multiple believe that the information is true, achieves that the information including the possibility of the possibility	Department of Environmental Protection or condition of the general permit ined and am familiar with the informal inquiry of those individuals immourate, and complete. I am aware to	on. I understand that the t and/or other applicable nation submitted on this
Company Official (Typed Na		~	
Company Official Title Des	ignated Agent General Manager WV Gas Op		ce of Oil and Gas- Environmental Protection
Subscribed and sworn before Authority My commission expires	me this 7 ⁷⁴ day of MA	W 1997 - 1 2 2 2 2 2	OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRIGINIA CAROLINDA FLANAGAN PO BOX 803 LLUMBUPPLAY 2535 / 2.0 1

Operator's Well No. PHL21AHS Form WW-9 CNX Gas Company LLC Prevegetation pH 6.5 25.7 Proposed Revegetation Treatment: Acres Disturbed Lime according to PH test Tons/acre or to correct to pH 7.0 Fertilizer type ______10/20/20 or equivalent Fertilizer amount 500 lbs/acre hay or straw @ 2 Tons/acre Seed Mixtures Permanent Temporary Seed Type lbs/acre Seed Type lbs/acre 25 **Orchard Grass** 25 Orchard Grass 15 Birdsfoot Trefoil Birdsfoot Trefoil 15 10 10 Ladino Clover Ladino Clover Attach: Drawing(s) of road, location, pit and proposed area for land application (unless engineered plans including this info have been provided) Photocopied section of involved 7.5' topographic sheet. SOIL STOCK PILE MUSI BE MOVER Date: 4-10 -2014 Title: OIL + GAS INSPECTOR

Field Reviewed?

Office of Oil and Cas WV Dept. of Environment of Pro-08/08/2014



