

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

October 24, 2014

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-103351, 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.

James Martin

Chief

Operator's Well No: AUD7HHS

Farm Name: MURPHY, BRIAN E. & LISA L.

API Well Number: 47-103351

Permit Type: Horizontal 6A Well

Date Issued: 10/24/2014

API Number: 1-03351

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 may require permit coverage from the United States Army Corps of Engineers (USACE). Through this permit, you are hereby being advised to consult with USACE regarding this proposed activity.
- 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.
- 9. Operator shall provide the Office of Oil & Gas notification of the date that drilling commenced on this well. Such notice shall be provided by sending an email to DEPOOGNotify@wv.gov within 30 days of commencement of drilling.

WW-6B (9/13)

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

1) Well Operator	CNX Gas (Company LLC	494458046	Barbour	Philippi	Audra
			Operator ID	County	District	Quadrangle
2) Operator's We	ell Number: AL	JD7HHS	Well Pa	d Name: AUD	7HS	
3) Farm Name/Su	urface Owner:	Brian E. & Lisa L	. Murphy Public Ro	ad Access: De	elta Rt. 8	
4) Elevation, curr	rent ground:	1568'	Elevation, proposed	post-construc	tion: 1568'	
	a) Gas	Oil	Und	lerground Stor	age	
C	Mention of the state of the sta	allow =	Deep			
6) Existing Pad:						
			icipated Thickness : Pressure - 4000#	and Associated	l Pressure(s)	
8) Proposed Total	l Vertical Dept	h: 7950'				
9) Formation at T	otal Vertical D	Depth: Marcellu	S			
10) Proposed Tot	al Measured D	epth: 17855'				
11) Proposed Hor	rizontal Leg Le	ength: 8840'				
12) Approximate	Fresh Water S	trata Depths:	160', 635', 725', 73	0,		
13) Method to De14) Approximate			Offset Well Informati	on		
15) Approximate	Coal Seam De	pths: 635', 725'	, 730'			
16) Approximate	Depth to Possi	ible Void (coal r	nine, karst, other):	Potential void fr	om 328' to 33	6'
17) Does Propose directly overlying				No.	0	
(a) If Yes, provi	de Mine Info:	Name: Bad	ger #14			
		Depth: 328				
		200.0	dle Kittanning			
		Owner: Bad	ger Mining Corporation	on		

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WW-6B (9/13)

18)

CASING AND TUBING PROGRAM

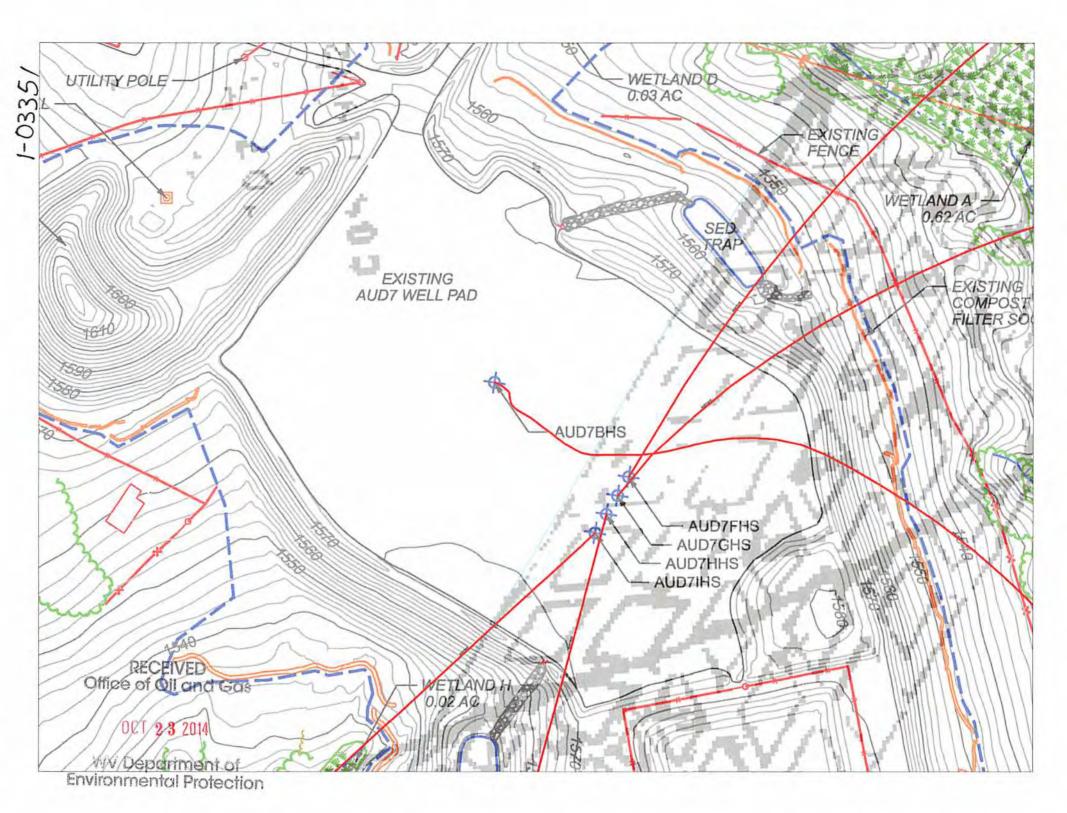
ТҮРЕ	Size	New or Used	Grade	Weight per ft. (lb/ft)	FOOTAGE: For Drilling	INTERVALS: Left in Well	CEMENT: Fill-up (Cu. Ft.)
Conductor	30"	N	L.S.	118#	80,	80'	Growt to surfaces or Class A type connect
Fresh Water	20"	N	J-55	94#	386'	386'	CTS w/ Class A Type Cement
Coal	13 3/8"	N	J-55	54.5#	780'	780'	CTS w/ Class A Type Cement
Intermediate	9 5/8*	N	J-55	36#	2000'	2000'	CTS w/ Ctass A Type Cement
Production	5 1/2"	N	P-110	20#	17855'	17855'	2200 cs. 0 == 30/50 POZ LESS & Cass A
Tubing	2 3/8"	N	J-55	4.7#	7600'	7600'	
Liners							

10.24.1x

ТҮРЕ	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	30"	42"	0.730	1480	Class A Type	1.18
Fresh Water	20"	26"	0.438	2110	Class A Type	1.18
Coal	13 3/8"	17 1/2"	0.380	2730	Class A Type	1.39
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	14360	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		



WW-6B (9/13)

19) Describe proposed well work, including th	ne drilling and n	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 17855'. Well to be drilled to a TVD of 7950', formation at TVD - Marcellus. 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. There will not be any production, perforation, or stimulation of any formations below the target formation. If the expected void is encountered, drilling will not proceed more than 100' beyond the base of the void. Plan will be to set casing at a minimum of 30' past void bottom and cement to surface with approved Class A type cement. To ensure cement to surface while casing the expected void, a basket will be placed as close to the top of the void as possible in competent rock.

Describe fracturing/stimulating 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, stockpile area, pits, etc., (acres):	19.0 Acres
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22) Area to be disturbed for well pad only, less access road (acres): 17.0 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.

*Note: Attach additional sheets as needed.

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

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SEP 17 MM

Environment of Environmental Protection

My commission expires 09/15/2021

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name_CNX Gas Comp	any LLC	OP Code 494458046	
Watershed (HUC 10)_Elk Cree	ek	Quadrangle Audra	
Elevation 1568'	County Barbour	District Philippi	
Do you anticipate using more to Will a pit be used? Yes	No	te the proposed well work? Yes	No
If so, please describe a	anticipated pit waste: Fluids ass	sociated with the drilling of new gas wells	
Will a synthetic liner l	oe used in the pit? Yes	No If so, what ml.? 60 ml	
Proposed Disposal Me	ethod For Treated Pit Wastes:		
Und Reus Off	d Application erground Injection (UIC Permit I se (at API Number Site Disposal (Supply form WW- er (Explain Recycle on other well of	9 for disposal location)	3
Will closed loop system be use	d? If so, describe: No		
Drilling medium anticipated fo	r this well (vertical and horizontal)? Air, freshwater, oil based, etc. Air and w	ater based mud
-If oil based, what typ	e? Synthetic, petroleum, etc. N/A		
Additives to be used in drilling	medium? Bactericide, Polmers and V	Veighting Agents	
Drill cuttings disposal method?	Leave in pit, landfill, removed o	ffsite, etc. Landfill	
-If left in pit and plan	to solidify what medium will be u	sed? (cement, lime, sawdust) Cement	
		nwestern Landfill, Max Environmental's Yukon Land	dfill and Bulger Landfill
on August 1, 2005, by the Offic provisions of the permit are en law or regulation can lead to en I certify under penalt application form and all attac obtaining the information, I b penalties for submitting false in Company Official SignatureCompany Official (Typed Nam	tee of Oil and Gas of the West Virg forceable by law. Violations of a forcement action. The y of law that I have personally of the highest the the information is true formation, including the possibility	perintendent, WV Gas Operations WW	tion. I understand that the nit and/or other applicable mation submitted on this mediately responsible for that there are significant GGS
		Enviro	onmental Protection
Subscribed and sworn before m	day of A	Note Pict	OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRGINIA CAROLIDA FLANAGAN PO Boy and

Form WW-9 Operator's Well No. AUD7HHS CNX Gas Company LLC Proposed Revegetation Treatment: Acres Disturbed 19 Prevegetation pH 6.5 according to pH test Tons/acre or to correct to pH 7.0 10-20-20 or equivalant Fertilizer type Fertilizer amount 500 lbs/acre Mulch hay or straw @ 2 Tons/acre Seed Mixtures Temporary Permanent Seed Type lbs/acre Seed Type lbs/acre Orchard Grass 25 Orchard Grass 25 Birdsfoot Trefoil 15 Birdsfoot Trefoil 15 Landino Clover 10 Landino Clover 10 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. Plan Approved by: Comments: RECEIVED RECEIVED Office of Oil and Gas Office of Oil and Gas SEF 0 2 2014 56 1 7 Z014 WV Department of WV Dopartment of

Title:	011	1605	INSPICTOR	Date:	8-28-14	
Field Pevie	awed?	· ·	1Ves (/) No		

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