

#### 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

June 26, 2014

### WELL WORK PERMIT

#### Vertical Well

This permit, API Well Number: 47-1706525, issued to KEY OIL COMPANY, 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.

Chief

James Martin

Operator's Well No: TARGA / MAXWELL NO. 18

Farm Name: MORRIS, I.L. (IKE)

API Well Number: 47-1706525 Permit Type: Vertical Well Date Issued: 06/26/2014

Promoting a healthy environment.

#### PERMIT CONDITIONS

West Virginia Code §22-6-11 allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. Failure to adhere to the specified permit conditions may result in enforcement action.

#### **CONDITIONS**

- 1. 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 §22-6-20, 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.
- 2. Pursuant to 35 CSR 4-19.1.a, at the request of the surface owner all water wells or springs within 1000 feet of the proposed well that are actually utilized for human consumption, domestic animals or other general use shall be sampled and analyzed.
- 3. Pursuant to 35 CSR 4-19.1.c, if the operator is unable to sample and analyze any water well or spring with one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.
- 4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 5. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
- 6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours
- 7. Well work activities shall not constitute a hazard to the safety of persons.
- 8. 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.

### STATE OF WEST VIRGINIA

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

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Well Operator	KEYC	IL COM	PANY	3063		DDD- DGE	NEW MILTON	NEW MILTON
				Oper		unty	District	Quadrang
Operator's W	ell Numb	er: <u>TA</u>	RGA/MAXWELI	_#18	-	3	) Elevation	: <u>1172'</u>
Well Type: (a	) Oil <u>X</u>	or G	asX					
(b	) If Gas:	Produ	ction X / Ur	nderground St	torage			
		Deep	/ S	hallow X	_			
) Approximate	salt wate	r depths			DRILLER	S LO	<u>GS</u>	5-14
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0) Does land of the control of the c	ontain co	oal seam vell work	s tributary to act in detail	ive mine? _	NO JLATE, PI	RODU	JCE CEME	:NT
0) Does land o	ontain co	oal seam vell work	s tributary to act	ive mine? _ DRILL, STIMU	NO  JLATE, PR	RODU		
0) Does land of the control of the c	oposed v	vell work	s tributary to act	ive mine? DRILL, STIMU  BING PROGE FOOTAGE	NO  JLATE, PR	/ALS	CEME Fill -up (Cu	J. Ft.)
0) Does land of the conductor of the con	ontain co	vell work  CA  ATIONS  Grade	s tributary to act in detail  ASING AND TUI	DRILL, STIMU  BING PROGE FOOTAGE For Drilling	NO  JLATE, PR  RAM  INTERV	/ALS	СЕМЕ	<u>J. Ft.)</u>
0) Does land of the conductor  Fresh Water	oposed working specific specific Size 13 3/8	cATIONS Grade ERW	s tributary to act in detail  ASING AND TUI  Weight per ft  48	DRILL, STIMU BING PROGE FOOTAGE For Drilling 35	NO  JLATE, PR  RAM  INTERV  Left in V  0	/ALS	CEME Fill -up (Cu 70 SKS.TO	<u>J. Ft.)</u>
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WW-2A (Rev. 6-07)

1). Date:	April 1	1, 2014		-	
2.) Operate	or's Wel	l Number	TAR	GA/N #1	IAXWELL 18
3.) API We	all No :	State 47-	Count 017	4	Permit

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

4) Surface Ow	ner(s) to be served:	5) (a) Coal Op	perator
(a) Name	LI MODDIO	Name	NONE
Address	P O BOX 397	Address	
	GLENVILLE, WV 26351	1	
(b) Name			Owner(s) with Declaration
Address	-	Name	
71441000	-	Address	
	÷	7,00,000	
(c) Name		Name	
Address	-	Address	
Address	-	Addiess	-
6) Inspector	DOUGLAS NEWLON	(c) Coal L	essee with Declaration
Address	4060 DUTCHMAN RO	DAD Name	
	MACFARLAN, WV 26		
Telephone	304-932-8049		<del></del>
relephone	- A St. Particular Particular St. Communication of the Communication of	ONS NAMED ABOVE	TAKE NOTICE THAT:
Included is th			racts by which I hold the right to extract oil and gas
OR	ie lease of leases of other oc	ontinuing contract or cont	racio by which i flora the right to extract on and gas
	ne information required by Ch	napter 22. Article 6. Secti	on 8(d) of the Code of West Virginia (see page 2)
			firginia Code I have served copies of this notice an
			ough on the above named parties by:
31414	Personal Service (Affid		
	X Certified Mail (Postmar	ked postal receipt attach	ed)
	Publication (Notice of F	Publication attached)	
I have re	ad and understand Chapter	22-6 and 35 CSR 4, a	nd I agree to the terms and conditions of any perm
issued under this			
			and am familiar with the information submitted on thi
			those individuals immediately responsible for obtaining
	believe that the information		
imprisonment.	are that there are significant	penalties for submitting	false information, including the possibility of fine an
imprisorinent.	Well O	perator KEY OIL COM	IPANY
-	OFFICIAL SEAL BY:	Perditor The Folk	
Cara Cara	KERRI LIPSCOMB Its:	PRESIDENT	porm
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	P.O. Box 97 Smithburg, WV 25436 My Commission Expres Nov 16, 2022	WESTON, WY	
	elepr		Office at C
Subscribed and s	sworn before me this 11th	day of APRIL	, 2014 " and Gas
	11/ - 1/	7.	HAV
**	Themas	pseont	Notary Public 1 014
My Commission	Expires November 16, 20	)22	10/1/ 170-
Oil and Gas Privacy	Notice		Environment of
TI - 000 011			the said above and the said state of the said st

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at <a href="mailto:depprivacyofficer@wv.gov">depprivacyofficer@wv.gov</a>

#### SURFACE OWNER WAIVER



County	DODDRIDGE	Operator	KEY OIL COMPANY
		Operator well number	TARGA/MAXWELL #18

#### INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas Department of Environmental Protection 601 57<sup>th</sup> St. SE Charleston, WV 25304 (304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

<u>Comments must be in writing.</u> Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

<u>List of Water Testing Laboratories.</u> The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

**VOLUNTARY STATEMENT OF NO OBJECTION** 

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through \_\_\_\_ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PE	RSON		FOR EXE	CUTION BY A CORPORATION, ETC.
Signature	Date	5/13/14	Company Name	RECEIVED Office of Oil and Gas
oignature/			Its	MAY 3 U 2014 Date
Print Name				WV Department of
7 1111 1131119			Signatu	re Environmenta Protestion

#### INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
PORTER MAXWELL	MICHAEL MURPHY KEY OIL COMPANY	1/8	14/236
TARGA DEVELOPMENT, INC.		1/8	343/173

#### Acknowledgement of Possible Permitting/Approval In Addition to the Office of Oil and Gas

The permit applicant for the proposed well work addressed in this application hereby acknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

- WV Division of Water and Waste Management
- WV Division of Natural Resources
- WV Division of Highways
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overrides, replaces, or nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be acquired from the appropriate authority before the affected activity is initiated.

By:Its:

Well Operator: KEY OIL COMPANY

PRESIDENT

Office of Oirang Gas

W/W Dispartment of Environma Protection WW-2B1

Well No. TARGA/MAXWELL NO. 18

## West Virginia Department of Environmental Protection Office of Oil and Gas

#### NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

X Contractor Name Well operator's private laboratory	Reliance Laboratories, Inc.
Well Operator	Key Oil Company
Address	22 Garton Plaza
	Weston, WV 26452
Telephone	(304) 269-7102

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

\*\*THERE APPEARS TO BE NO KNOWN WATER WELLS OR SPRINGS WITHIN 1000 FEET OF THE PROPOSED WELL LOCATION\*\*

CHECK TO 2000'

SEE PERMIT CONDITIONS

Enuncial Protection

WW-9 Rev. 5/10

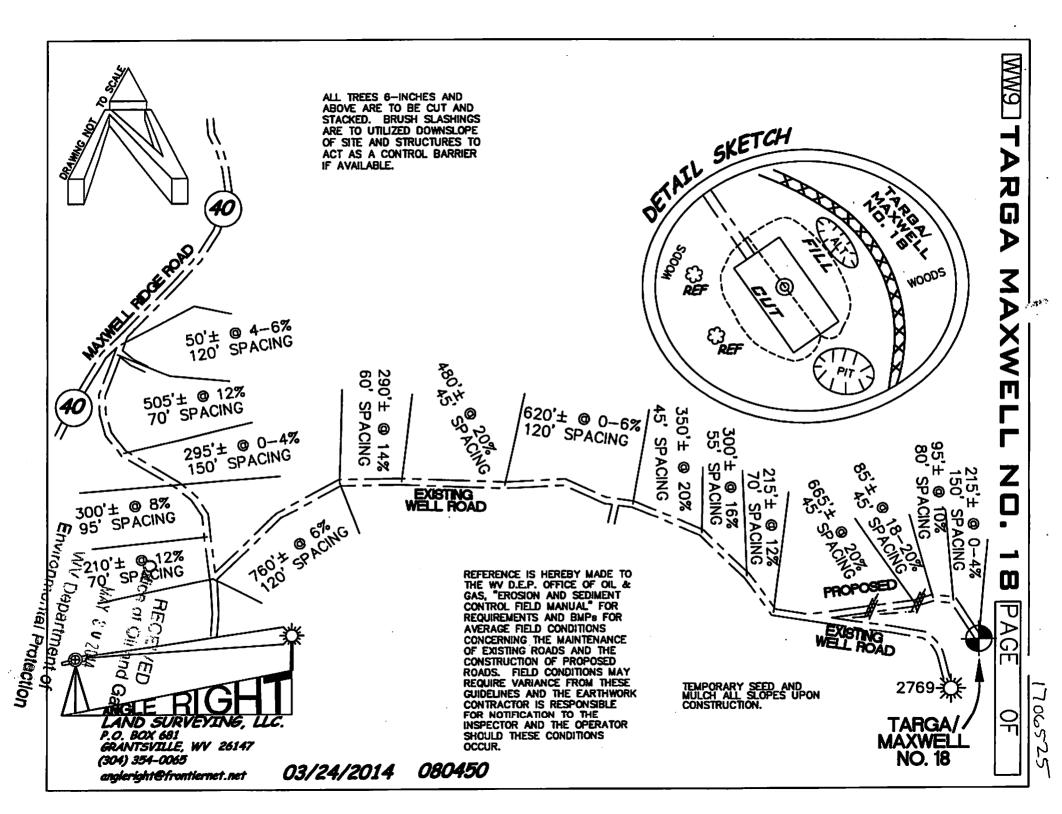
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API Number 47 -	017	·		5A #
Operator's Well No.	TAR	GA/MA	XWELI	NO. 18

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

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Na	me Key Oil Con	рапу		OP Code	
Watershed_	Lick Run	<u> </u>	Quadrangle _		New Milton 7.5'
Elevation _	1,172'	County	Doddridge	District	New Milton
Description	of anticipated Pit Wa	ste: Drill Water,	Frac Blow Back	& Various	Formation Cut
Do you anti	cipate using more tha	n 5,000 bbls of water to	complete the proposed	well work? Yes	No XX
Will a synth	etic liner be used in t	he pit?yes	. If so, what ml.?	6 mil. 2	No XX
Proposed D	Reuse Off Si	Application ground Injection (UIC (at API Number	Permit Number m WW-9 for disposal lo		
	oil based, what type?		er, oil based, etcetc.		
on August in provisions of law or regular in a pplication obtaining to penalties for the penalties for	I, 2005, by the Office of the permit are enf- lation can lead to enf- certify under penalty form and all attact the information. I be	of Oil and Gas of the Vorceable by law. Viola orcement action. of law that I have perments thereto and that lieve that the information	us and conditions of the over Virginia Departmentions of any term or consonally examined and at, based on my inquiry ion is true, accurate, an possibility of fine or impartments.	t of Environment dition of the gen am familiar with of those individ d complete. I a	tal Protection. I underst teral permit and/or other the information submiduals immediately res
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Company C	Official (Typed Nam		an		
Company C	Official Title	President			
	and sworn before me	Herring Monentier	16,2022		Public of Oll and
	G.A.	OFFICIA KERRI LI NOTARY	L SEAL PSCOMB PUBLIC	Envir	N Departmen onnonel Prot

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Property Boundary			<i></i>
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Planned Ferics/_/_/_	1,000		- 100
Stream		pe with size in inches _	
Open Ditch		rata TTTTT	Committee of the contract of t
Rock Comments	Artificia	I Filter Strip	CHANGE OF THE PARTY OF THE PART
North N	Pit: cut 1		
Buildings	Pit: com	paceed fill walls	
Water walls (W)	Area Sor	Land Application of Pts We	
Drill site		C. T.	
Proposed Revegetation Treatment: Acres Disturbed_	4.7±	Prevegetation pH	5.5
Lime 3 Tons/acre or to corre	ect to pH 5.5		
Fertilizer (10-20-20 or equivalent) 1/3 To			
		s minimum)	
Mulch HAY 2	_Tons/acre		
	Seed Mixtures		
Area I		Area II	
Seed Type lbs/acre		Seed Type	lbs/acre
	_		
KY-31 40		KY-31	40
ALSIKE CLOVER 5		ALSIKE CLOVER	5
ANNUAL RYE 15		ANNUAL RYE	15
Attach: Drawing(s) of road, location, pit and proposed area for Photocopied section of involved 7.5' topographic sheet	and the second second		
0 7	1		
Plan Approved by: Douglas //eur	to		
Comments: Preseed + Mulch	Install	EtS to We	Dod
rejulations			
Title: Out - Das inspector	Date:	5-19-2014	RECEIVE
Field Reviewed? ( ) Yes (		0	HIGE OF ON AN
Yes (	)No		ince of Oll an
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WW9

# TARGA/MAXWELL WELL NO. 18

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