

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

January 21, 2015

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-1706645, issued to ANTERO RESOURCES CORPORATION, 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: SCHRADER UNIT 1H

Farm Name: HAUG, ROBERT M. ET AL

API Well Number: 47-1706645

Permit Type: Horizontal 6A Well

Date Issued: 01/21/2015

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

- 1. 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.

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

| | | | | | 8 | (011 | | |
|---|---|------------------------|---------------------|-------------------|--------------|----------------|--|--|
| 1) Well Ope | erator: Antero Res | ources Corporation | 494488557 | 017 - Doddridge | | Smithburg 7.5' | | |
| | | | Operator ID | County | District | Quadrangle | | |
| 2) Operator' | 2) Operator's Well Number: Schrader Unit 1H Well Pad Name: Existing Nash Pad | | | | | | | |
| 3) Farm Nar | 3) Farm Name/Surface Owner: Robert M. Haug et al Public Road Access: CR 30/3 | | | | | | | |
| 4) Elevation | , current ground: | 1,381' Ele | evation, proposed p | oost-construction | on: 1,381' | | | |
| 5) Well Typ | e (a) Gas | Oil | Unde | rground Storag | е | | | |
| | Other | | | | | | | |
| | (b)If Gas Sh | nallow _ | Deep | | | 2014.2014 | | |
| | Н | orizontal = | | | | 0000.200 | | |
| 6) Existing I | Pad: Yes or No Ye | es | | | | 10 IN | | |
| 7) Proposed | Target Formation(| s), Depth(s), Antici | pated Thickness a | nd Associated I | Pressure(s): | 10 | | |
| Marcellus | Shale: 7,400' TVD, A | Anticipated Thickness- | 55 feet, Associated | Pressure- 2950# | | | | |
| 8) Proposed | Total Vertical Der | oth: 7,400' | | | | | | |
| | n at Total Vertical | | Shale | | | | | |
| | d Total Measured I | • | | | | | | |
| | d Horizontal Leg L | - | | | | | | |
| 12) Approxi | mate Fresh Water | Strata Depths: | 180' | | | | | |
| 13) Method | 13) Method to Determine Fresh Water Depths: McConnell Unit 1H (API#47-017-06317) on the same pad. | | | | | | | |
| | 14) Approximate Saltwater Depths: 1823', 1877' | | | | | | | |
| 15) Approximate Coal Seam Depths: None Identified | | | | | | | | |
| 16) Approxi | mate Depth to Pos | sible Void (coal mi | ne, karst, other): | None Anticipated | | | | |
| 17) Does Proposed well location contain coal seams directly overlying or adjacent to an active mine? Yes No ✓ | | | | | | | | |
| (a) If Yes, | provide Mine Info | : Name: | | | | | | |
| | | Depth: | | | | | | |
| | | Seam: | | | | | | |
| RECEI | VED Land Gas | Owner: | | | | | | |
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18)

CASING AND TUBING PROGRAM

| TYPE | Size | New | Grade | Weight per ft. | FOOTAGE: For | INTERVALS: | CEMENT: |
|--------------|---------|------|-----------|----------------|--------------|--------------|------------------|
| | | or | | (lb/ft) | Drilling | Left in Well | Fill-up (Cu. |
| | | Used | | | | | <u>Ft.)</u> |
| Conductor | 20" | New | H-40 | 94# | 40' | 40' | CTS, 38 Cu. Ft. |
| Fresh Water | 13-3/8" | New | J-55/H-40 | 54.5#/48# | 300' | 300' | CTS, 417 Cu. Ft. |
| Coal | 9-5/8" | New | J-55 | 36# | 2,450' | 2,450' | CTS, 998 Cu. Ft. |
| Intermediate | | | | | | | |
| Production | 5-1/2" | New | P-110 | 20# | 19,200' | 19,200' | 4,887 Cu Ft. |
| Tubing | 2-3/8" | New | N-80 | 4.7# | | 7,100' | |
| Liners | | | | | | | 9 |
| | | | T. | | 1 | 1 | DUTAT |
| | | | 24 | | | | 17 74 |
| | | | g | | | | l ³ |

TYPE Cement Yield Wellbore Wall **Burst Pressure** Cement Type Size **Thickness** (cu. ft./k) <u>Diameter</u> Conductor 24" 20" 0.438" 1530 Class A 1.18 Fresh Water 13-3/8" 17-1/2" 0.38"/0.33" 2730/1730 Class A 1.18 Coal 9-5/8" 0.352" 3520 Class A 1.18 12-1/4" Intermediate Production 5-1/2" 8-3/4" & 8-1/2" 0.361" 12630 Lead-H/POZ & Tail - H H/POZ-1.44 & H-1.8 Tubing 2-3/8" 4.778" 0.19" 11200 Liners

PACKERS

| Kind: | N/A | | |
|-------------|-----|--|--|
| Sizes: | N/A | | |
| Depths Set: | N/A | | |

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| 19) Describe proposed well work, including the drilling and plugging back of any pilot hole: |
|---|
| Drill, perforate, fracture a new horizontal shallow well and complete Marcellus Shale. |
| 20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate: |
| Antero plans to pump Slickwater into the Marcellus Shale formation in order to ready the well for production. The fluid will be comprised of approximately 99 percent water and sand, with less than 1 percent special-purpose additives as shown in the attached "List of Anticipated Additives Used for Fracturing or Stimulating Well." |
| 21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 22.84 Existing Acres |
| 22) Area to be disturbed for well pad only, less access road (acres): 5.25 Existing Acres 23) Describe centralizer placement for each casing string: |
| Conductor: no centralizers |
| Surface Casing: one centralizer 10' above the float shoe, one on the insert float collar and one every 4th joint spaced up the hole to surface. Intermediate Casing: one centralizer above float joint, one centralizer 5' above float collar and one every 4th collar to suffee EIVED Production Casing: one centralizer at shoe joint and one every 3 joints to top of cement in intermediate casing. Office of Oil and Gas |
| 24) Describe all cement additives associated with each cement type: |
| Conductor: no additives, Class A cement. Surface: Class A cement with 2-3% calcium chloride and 1/4 lb of flake Intermediate: Class A cement with 1/4 lb of flake, 5 gallons of clay treat Production: Lead cement- 50/50 Class H/Poz + 1.5% salt + 1% C-45 + 0.5% C-16a + 0.2% C-12 + 0.45% C-20 + 0.05% C-51 |
| Production: Tail cement- Class H + 45 PPS Calcium Carbonate + 1.0% FL-160 + 0.2% ACGB-47 + 0.05% ACSA-51 + 0.2% ACR-20 |

*Note: Attach additional sheets as needed.

| API Number | 47 - | 017 | - | |
|------------|--------|----------|------------------|---|
| Oper | ator's | Well No. | Schrader Unit 1H | = |

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

| Operator NameAntero Resources Corporation OP Code 494488557 |
|--|
| Watershed (HUC 10) Nutter fork Quadrangle Smithburg 7.5' |
| Elevation 1381' County Doddridge District West Union |
| Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes No No Will a pit be used? Yes No Vo |
| If so, please describe anticipated pit waste: No pit will be used at this site (Drilling and Flowback Fluids will be stored in tanks. Cuttings will be tanked and hauled off site.) |
| Will a synthetic liner be used in the pit? Yes No If so, what ml.? N/A N/A |
| Proposed Disposal Method For Treated Pit Wastes: |
| If so, please describe anticipated pit waste: No pit will be used at this site (Drilling and Flowback Fluids will be stored in tanks. Cuttings will be tanked and hauled off site.) Will a synthetic liner be used in the pit? Yes No V If so, what ml.? N/A Proposed Disposal Method For Treated Pit Wastes: Land Application Underground Injection (UIC Permit Number Reuse (at API Number Future permitted well locations when applicable. API# will be provided on Form WR-34 Off Site Disposal (Supply form WW-9 for disposal location) (Meadowfill Landfill Permit #SWF-1032-98) Other (Explain |
| Will closed loop system be used? If so, describe: Yes |
| Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. Dust/Stiff Feam, Production—Water Based Nutil and Gas |
| -If oil based, what type? Synthetic, petroleum, etc. N/A |
| Additives to be used in drilling medium? Please See Attachment |
| Dill this distribution of the state of the s |
| -If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) N/A |
| -Landfill or offsite name/permit number? Meadowfill Landfill (Permit #SWF-1032-98) |
| I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto 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 or imprisonment. |
| Company Official Signature NOTARY 20194028112 |
| Company Official (Typed Name) Cole Kilstrom MY COMMISSIO ULY 17, 2018 |
| Company Official Title Environmental Representative |
| Subscribed and sworn before me this 7th day of Oct. , 20 /4 My C. Paliny Notary Public |
| My commission expires July 17, 2018 01/23/2015 |

Form WW-9

Operator's Well No. Schrader Unit 1H

| | tero Resources C | | | |
|-----------------|-----------------------------------|--|--|--|
| Propose | Lime 2-4 | ent: Acres Disturbed 22.84 Tons/acre or to correct to p | H 6.5 | n pH |
| | Fertilizer type Hay or st | traw or Wood Fiber (will be used | where needed) | |
| | Fertilizer amount 500 |) | lbs/acre | |
| | Mulch 2-3 | Tons | /acre | |
| | Existing Access Road (4.58) + Ex | | | soil Material Stockpiles (11.88) = 22.84 Existing Acre |
| | | Sec | ed Mixtures | |
| | Temp | oorary | Pe | rmanent |
| ^ | Seed Type | lbs/acre | Seed Type | lbs/acre |
| 20.00 | ual Ryegrass | 40 | Crownvetch | 10-15 |
| Field | d Bromegrass | 40 | Tall Fescue | 30 |
| *See atta | ached Table 3 for additional seed | type (Nash Pad Design Page 16) | *See attached Table 4a for additional | l seed type (Nash Pad Design Page 16) |
| *or ty | pe of grass seed requ | ested by surface owner | *or type of grass seed re | equested by surface owner |
| –––– Plan Aj | opied section of involved | ylas Newlon | | |
| Comme | | | The state of the s | artag Maintain |
| | 13 10 W | IN Deprego | 119/1092 | |
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| | 0,1 + 6-a5) | MS poctos Yes | Date: 10-14-2 | 014 |

Form WW-9 Additives Attachment

SURFACE INTERVAL

- 1. Fresh Water
- 2. Soap -Foamer AC
- 3. Air

INTERMEDIATE INTERVAL

STIFF FOAM RECIPE:

- 1) 1 ppb Soda Ash / Sodium Carbonate-Alkalinity Control Agent
- 2) 1 ppb Conqor 404 (11.76 ppg) / Corrosion Inhibitor
- 3) 4 ppb KLA-Gard (9.17 ppg) / Amine Acid Complex-Shale Stabilizer
- 4) 1ppb Mil Pac R / Sodium Carboxymethylcellulose-Filtration Control Agent
- 5) 12 ppb KCL / Potassium Chloride-inorganic Salt
- 6) Fresh Water 80 bbls
- 7) Air

PRODUCTION INTERVAL

1. Alpha 1655

Salt Inhibitor

2. Mil-Carb

Calcium Carbonate

3. Cottonseed Hulls

Cellulose-Cottonseed Pellets - LCM

4. Mil-Seal

Vegetable, Cotton & Cellulose-Based Fiber Blend – LCM

5. Clay-Trol

Amine Acid Complex - Shale Stabilizer

6. Xan-Plex

Viscosifier For Water Based Muds

7. Mil-Pac (All Grades)

Sodium Carboxymethylcellulose - Filtration Control Agent

8. New Drill

Anionic Polyacrylamide Copolymer Emulsion – Shale Stabilizer

9. Caustic Soda

Sodium Hydroxide - Alkalinity Control

10. Mil-Lime

Calcium Hydroxide – Lime

11. LD-9

Polyether Polyol – Drilling Fluid Defoamer

12. Mil Mica

Hydro-Biotite Mica – LCM

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Drilling Fluild Solvent - Aliphatic Hydrocarbon

14. Ligco

Highly Oxidized Leonardite - Filteration Control Agent

15. Super Sweep

Polypropylene – Hole Cleaning Agent

16. Sulfatrol K

Drilling Fluid Additive - Sulfonated Asphalt Residuum

17. Sodium Chloride, Anhydrous

Inorganic Salt

18. D-D

Drilling Detergent - Surfactant

19. Terra-Rate

Organic Surfactant Blend

20. W.O. Defoam

Alcohol-Based Defoamer

21. Perma-Lose HT

Fluid Loss Reducer For Water-Based Muds

22. Xan-Plex D

Polysaccharide Polymer - Drilling Fluid Viscosifier

23. Walnut Shells

Ground Cellulosic Material - Ground Walnut Shells - LCM

24. Mil-Graphite

Natural Graphite – LCM

25. Mil Bar

Barite - Weighting Agent

26. X-Cide 102

Biocide

27. Soda Ash

Sodium Carbonate - Alkalinity Control Agent

28. Clay Trol

Amine Acid complex – Shale Stabilizer

29. Sulfatrol

Sulfonated Asphalt – Shale Control Additive

30. Xanvis

Viscosifier For Water-Based Muds

31. Milstarch

Starch - Fluid Loss Reducer For Water Based Muds

32. Mil-Lube

Drilling Fluid Lubricant

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911 Address: 2601 Jockey Camp Run West Union, WV 26456

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Well Site Safety Plan Antero Resources

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Office of Oil and Gas WV Dept. of Environmental Protection

Well Name: Callahan Unit 1H, Callahan Unit 2H, Heflin Unit 1H,

Joseph Unit 1H, Joseph Unit 2H, McConnell Unit 1H, Olivia Unit 1H, Olivia Unit 2H, Schrader Unit 1H.

Schrader Unit 2H

Pad Location: NASH PAD

Doddridge County/ West Union District

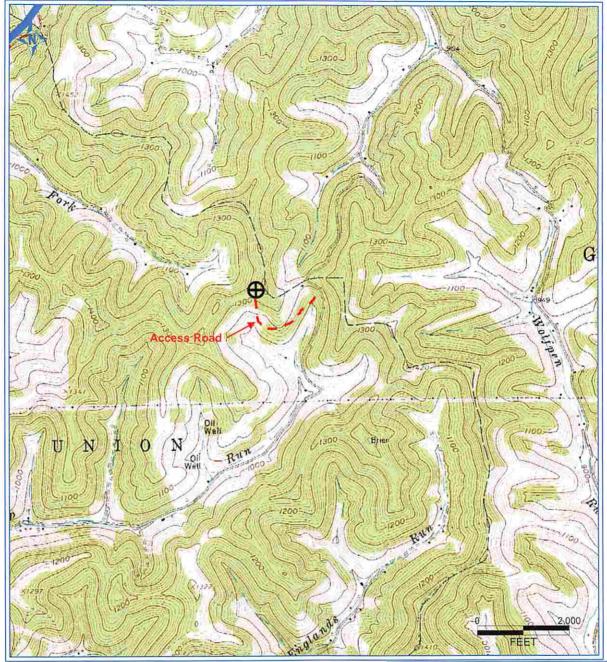
GPS Coordinates: Lat 39°18′55.67"/Long 80°42′44.07" (NAD83)

Driving Directions:

From US 50 Near Clarksburg, WV, head west on US 50 for 22 miles. Turn left onto Co Rt 50/22 and continue for 0.2 miles. Take the first right onto Smithton Rd and continue for 1.3 miles. Turn right onto Co Rte 30/3 and continue for 2.8 miles. Access Road will be on the left.

EMERGENCY (24 HOUR) CONTACT 1-800-878-1373

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