

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

March 11, 2015

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-4902361, issued to XTO ENERGY, INC., 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

Chie

Operator's Well No: HUGHES 11H

Farm Name: ROCKWELL, FAYE C.

API Well Number: 47-4902361

Permit Type: Horizontal 6A Well

Date Issued: 03/11/2015

API Number: 4902361

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 conditions may result in enforcement action.</u>

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 (00)

| | | · | U 1 | 4 | 600 |
|---|------------------|---------------------|-----------------|----------------|--------------------------|
|) Well Operator: XTO Energ | gy Inc. | 494487940 | Marion | Mannington | Shinnston |
| | | Operator ID | County | District | Quadrangle |
| 2) Operator's Well Number: <u>Hug</u> | ghes 11H | Well Pac | l Name: Hugh | nes Pad | |
| 3) Farm Name/Surface Owner: F | aye Rockwel | Public Roa | d Access: Harr | ison County Rt | t. 3 (Robinson Wyatt Run |
| 4) Elevation, current ground: 1 | ,560' E | evation, proposed | post-constructi | on: 1,286 | |
| 5) Well Type (a) Gas Other | Oil | Unde | erground Storaș | ge | |
| (b)If Gas Shall | low 📕 | Deep | | | |
| Hori | zontal _ | | | | |
| 6) Existing Pad: Yes or No No | | | | | |
| Proposed Target Formation(s), Target Formation: Marcellus | 1 10 10 10 | 10. | | | |
| 8) Proposed Total Vertical Depth | : 7,500' | | | | |
| 9) Formation at Total Vertical De | | S | | | |
| 10) Proposed Total Measured De | pth: 14,175' | , | | | |
| 11) Proposed Horizontal Leg Ler | ngth: 6,075' | | | | |
| 12) Approximate Fresh Water St | rata Depths: | 88', 283', 373' | | | _ |
| 13) Method to Determine Fresh | Water Depths: | Offsetting Reports | 5 | | |
| 14) Approximate Saltwater Dept | hs: _1,300' | | | | |
| 15) Approximate Coal Seam Dep | oths: 192', 354 | , 545' | | | |
| 16) Approximate Depth to Possil | ole Void (coal m | ine, karst, other): | 545' | | |
| 17) Does Proposed well location directly overlying or adjacent to | | ıms Yes ✓ | No |) <u> </u> | |
| (a) If Yes, provide Mine Info: | Name: Rob | inson Run 95 | | | |
| • | Depth: 545 | K. | | | |
| | Seam: Pitts | burgh | | | |
| | Owner: Con | solidation Coal | | | |
| | | | WRH | 2-16 | |
| | | | 10-00 | 1 | |

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WW-6B (9/13)

18)

CASING AND TUBING PROGRAM

| ТҮРЕ | <u>Size</u> | New or Used | Grade | Weight per ft. (lb/ft) | FOOTAGE: For Drilling | INTERVALS: Left in Well | CEMENT: Fill-up (Cu. Ft.) |
|--------------|-------------|-------------------|---------|---------------------------|-----------------------|----------------------------|---------------------------------|
| Conductor | 20" | New | H-40 | 94# | 40' | 40' | 50 cuft - C.T.S |
| Fresh Water | 13 3/8" | New | MS-50 | 48# | 600' | 600' | 600 cuft - C.T.S. |
| Coal | | | | | | | |
| Intermediate | 9 5/8" | New | J-55 | 36# | 3,100' | 3,100' | Lead 700'/Tail 700' - C.T.S. |
| Production | 5 1/2" | New | CYP-110 | 17# | 14,175' | 14,175' | 3,000 cuft |
| Tubing | | | | | | · · · · · · | |
| Liners | | | | | | | |

WSRH 10-20-14

| ТҮРЕ | Size | Wellbore Diameter | Wall Thickness | Burst Pressure | Cement Type | Cement Yield (cu. ft./k) |
|--------------|---------|----------------------|-------------------|----------------|-------------|--------------------------|
| Conductor | 20" | 24" | 0.438" | 960 | Type 1 | 1.19 |
| Fresh Water | 13 3/8" | 17.5" | 0.33" | 2,160 | Type 1 | 1.19 |
| Coal | | | | | | |
| Intermediate | 9 5/8" | 12.25" | 0.352" | 3,520 | Type 1 | Lead 1.26/Tail 1.19 |
| Production | 5 1/2" | 8.75" 8.5"/7.875" | 0.304" | 10,640 | Type 1 | 1.32 |
| Tubing | | | | | | · |
| Liners | | | | | | |

PACKERS

| Kind: | | |
|-------------|--|--|
| Sizes: | | |
| Depths Set: | | |

Page **2** of **3**

Hughes 11H - Mine Void Encounter Plan

Per communications with the WV Geology and Economic Survey there is a possible mine void in the Pittsburgh Coal seam under the Hughes Pad in Marion County, WV. In preparation for drilling through a mine void, we will nipple up an annular preventer to be able to handle any flow should the void actually be encountered. We expect it to come in around 545' TVD from GL. We plan to set 13 3/8" casing as a surface/coal protective string ~50' below the base of this void.

A cement basket will be run as close as possible to the top of the void.

A cement balance job will be performed to cement the shoe and the annulus below the mine if circulation cannot be established. A grout cement job will be performed on the annulus to cement above the mine.

Once cemented in place, we will continue on with our normal casing design, which would be to set 95/8" intermediate casing at ~3000'.

Morgan O'Brien
Drilling Engineer
XTO Appalachia
Cell: 724-272-8097
Morgan_OBrien@xtoenergy.com

| 19) Describe proposed well work, including the drilling and plugging back of any pilot hole: |
|---|
| Drill a new horizontal Marcellus well, utilizing synthetic mud and a closed loop system for both drilling and completion. Install new casing with centralizers. |
| |
| |
| |
| |
| |
| 20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate: |
| 1. Acid Stage - Typically 1500 gallons of 7.5% hydrochloric acid to clear the perforation path in the wellbore. 1500 gals 15% HCl acid. 2. Sand / Proppant Stages - Several stages of pumping water combined with sand at a targeted 80 bpm rate. The maximum pressure and rate used is 10,000 psig and 120 bpm. The sand size may vary from 100 mesh to30/50 mesh size. 12,500 bbls slick water with 220,000 lbs 40/70, 270,000 lbs 100 mesh sands and 2,200 gals FR 133, 1,500 gals Bioplex 301 and 1,500 gals Bioplex 301 and 1,190 gals antiscale 30. 3. Flush Stage - Slickwater water stage to fill the wellbore to flush the sand from the wellbore. Depending on the water quality, a biocide, friction reducer, iron control, and scale inhibitor may be injected during the completion as well. |
| 21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 35.835 +/- |
| 6+/ |
| 22) Area to be disturbed for well pad only, less access road (acres): |
| 23) Describe centralizer placement for each casing string: |
| Conductor: none Fresh Water: 1"-6" above float shoe, 1 at float collar, & 1 at every 4th joint to surface Intermediate: 1"-6" above float shoe, 1 at float collar, & 1 at every 4th joint to surface Production: 1 at every 4th joint from the kickoff point to 1000' above the kickoff point |
| 24) Describe all cement additives associated with each cement type: |
| Conductor - Type 1 - no additives |
| Fresh Water - Tail - Type 1 - 2% Calcium Chloride, Super Flake Intermediate - Lead - Type 1 - 2% Calcium Chloride, Super Flake |
| Tail - Type 1 - 2% Calcium Chloride, Super Flake |
| Production - Tail 50/50 POZ - Type 1 - Sodium Chloride, Bentonite, Super Flake, Air-Out, R-1, AG-350 |
| 25) Proposed borehole conditioning procedures: |
| See attached sheet |
| |
| |
| |
| |
| |
| *Note: Attach additional sheets as needed. |

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Received
Office of Oil & Gas

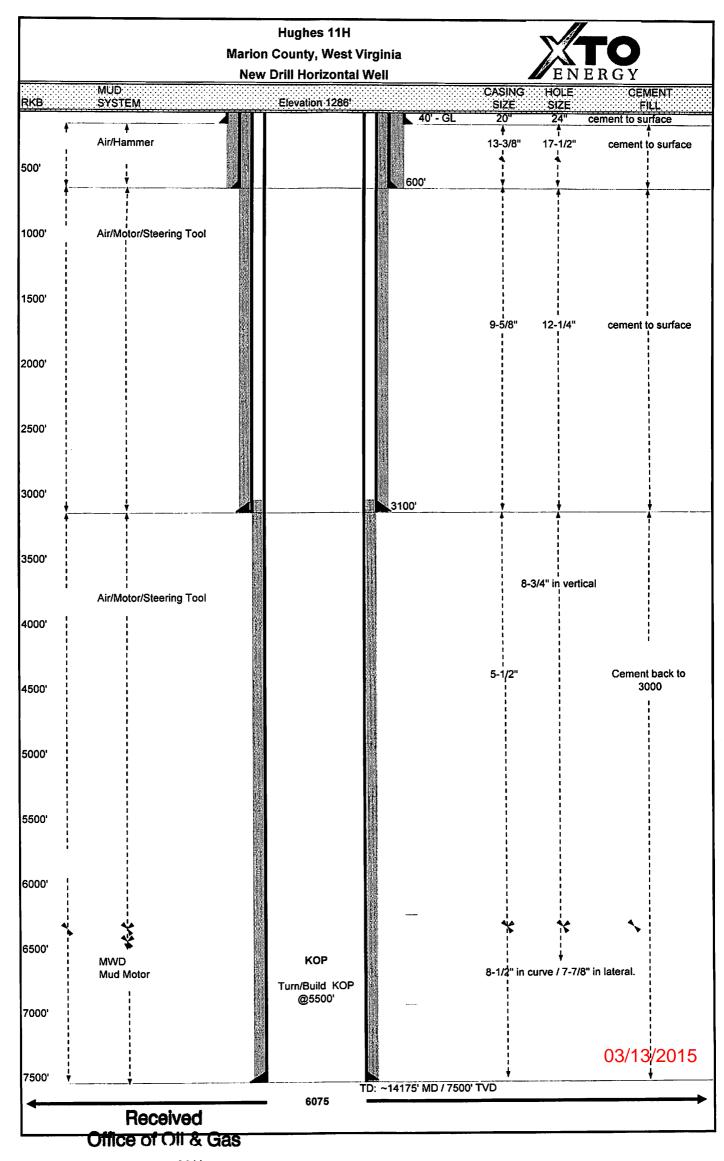
OCT 23 2014

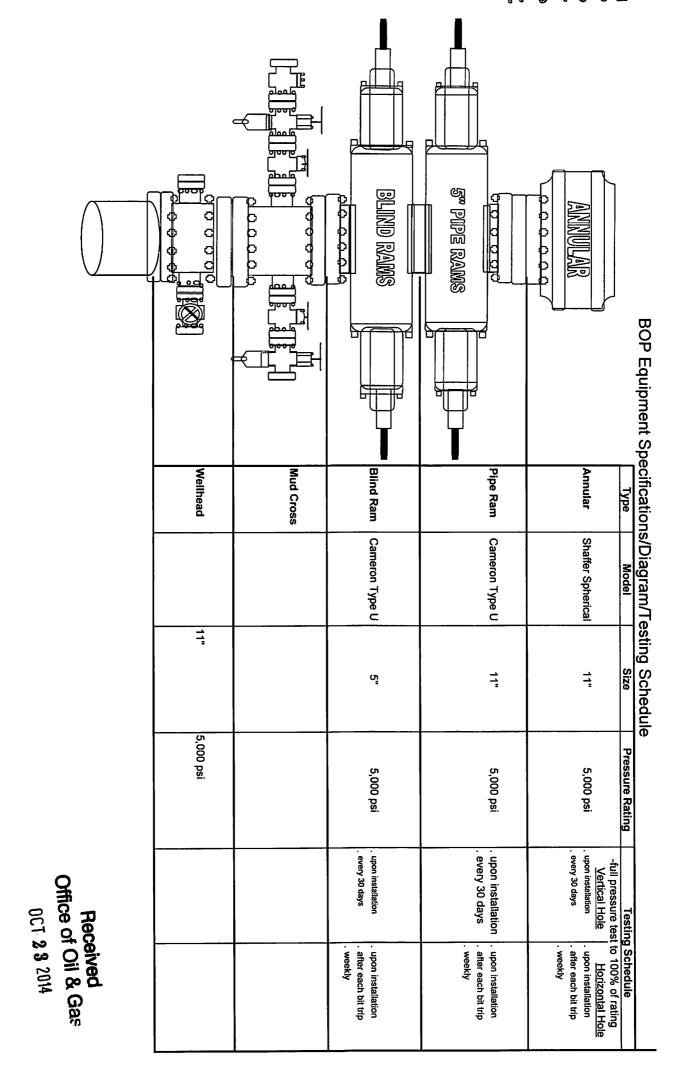
| | Liners | Tubing | Production 8.75/8.5/ 5.1/2 14,175 01/14175 CY | | Intermediate 12.25 9.5/8 3100 07/3100 | Surface / Mine 17.5 13.3/8 600 0*/600 M | Coal 19 16 TBD TBD 1 | Conductor 24 20 40 0'/40 F | Type (inches) Csg Size (in) Length (tt) Top/Bottom G | Ca | Hugh |
|---|--------|--------|---|-------------------------------|---|---|----------------------|----------------------------|--|-----------------------|--|
| Hughes 11 | | | CYP-110 17 | | J-55 36 | MS-50 48 | TBD TBD | H-40 94 | Grade Weight (ppi | Casing Design/Program | Hughes 11H Detailed Casing and Cementing Program |
| H Propose | | | 0.304 | | 0.352** | 0.33* | 78D | 0.438 | Wail Weight (ppf) Thickness | ram | led Casing |
| d Direc | | | 10640 | | 3520 | 2160 | TBD | 960 | Burst Pressure Rating | | and C |
| Hughes 11H Proposed Directional Data | | | centralizers will be run every 3rd joint from top of cement to landing point | 1-every 4th jt to surface | 1-6" above float shoe 1-at float collar | 1-6" above float shoe 1-at float collar 1-every 4th jt to surface | ТВО | попе | Centralizer Placement | | ementing Pi |
| | | | Tail-50/50 POZ:Type 1 | Tail -Type 1 | Lead-Type 1 | Tail -Type 1 | TBD | Type 1 | Туре | | rogram |
| | | | 1.32 | 1.19 | 1.26 | 1.19 | TBD | 1.19 | Yield (cu. ft/sk) | | |
| | | | Sodium chloride, bentonite, Super Flake, Air-Out, R-1, AG- 350 | Calcium chloride, Super Flake | Calcium Chloride, Super Flake | Calcium chloride, Super Flake | ТВО | попе | Additives Yield (trade names are Superior (cu. ft/sk) Well Services) | Cementing Program | |
| | | | 3000 | 700 | 700 | 600 | TBD | 50 | Estimated Volume (cu | | |

| Conductor Coal | Hole Size | Drilling Fluid Air/Water Air/Water | Drilling Drilling Hole will be circulated with high pressure air Hole will be circulated with high pressure air | Hugnes 11H Proposed Directional Data Condition Procedures At TD At TD At TD Hole will be blown clean with air prior to pulling out Hole will be filled with fluid and circulated to su of hole to run casing Polit will be blown clean with air prior to pulling out Hole will be filled with fluid and circulated to su of hole to run casing Hole will be blown clean with air prior to pulling out Hole will be filled with fluid and circulated to su or disconsistent to such that are disconsistent to such fluid and circulated to su or disconsistent to such fluid and circulated to su or disconsistent to such fluid and circulated to su or disconsistent to such fluid and circulated to su or disconsistent to such fluid and circulated to su or disconsistent to such fluid and circulated to such fluid and fluid and circulated to such flu | Condition Procedures Condition Procedures At TD At TD | Prior to Cementing Prior to Cementing Prior to Cementing Casing will be filled with fluid and returns taken at surface prior to pumping cement Cosing will be filled with fluid and returns taken at surface prior to pumping cement Casing will be filled with fluid and returns taken at surface prior to pumping cement |
|-------------------|--------------------|---|---|--|--|---|
| Conductor | | Air/Water | Hole will be circulated with high pressure air | Hole will be blown clean with air prior to pulling out of hole to run casing | Hole will be filled with fluid and circulated to surface if conditions require | Casing will be filled with fluid and returns taker pumping cement |
| Coal | | Air/Water | Hote will be circulated with high pressure air | Hole will be blown cloan with air prior to pulling out of hole to run casing | пасе ії | Casing will be filled with fluid and returns taker pumping cement |
| esh Water | | Air/Water | Hole will be circulated with high pressure air | Hole will be blown clean with air prior to pulling out of hole to run casing | Hole will be filled with fluid and circulated to surface if conditions require | Casing will be filled with fluid and returns taken pumping cement |
| ntermediate | 12.25 | Air/Water | Hole will be circulated with high pressure air | Hole will be blown clean with air prior to pulling out of hole to run casing | Hole will be blown cleen with eir prior to pulling out Hole will be filled with fluid and circulated to surface if Cesing will be filled with fluid and returns taken at surface prior to of hole to run cesing conditions require | Cesing will be filled with fluid and returns taken pumping cement |
| Production | 8.75 8.5"7.875" | Air / Non- aqueous based mud | cuttings out of the hole, MW will be approximately a The hole will be disculated at maximum possible 11.5ppg-14.0ppg for stability and overhealence. As pump rate and the drill string will be rotated at the required, the hole will be circulated at high pump maximum rpm. | The hole will be circulated at maximum possible pump rate and the drill string will be rotated at the maximum rpm. | Hole will be circulated as necessary white running casing. | Hole will be circulated at least one bottoms up prior to pumping cernent. |
| Tubing | | | | | | |
| Liners | | | | | | |

Hughes 11H Proposed Directional Data

Other directional data
KOP 5500
LP 8100



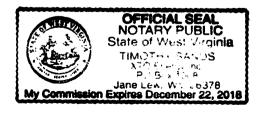


| API Number 47 | _ | - | • | | • | - | |
|-------------------|-----|------|-------|-----|---|---|--|
| Operator's Well N | VO. | . Hi | ughes | 11H | | | |

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

| Operator Name XTO Energy In | C | OP Code 494487940 |
|---|---|--|
| Watershed (HUC 10)_Bingame | on Creek (0502000206) | Quadrangle Shinnston |
| Elevation 1,286' | County_Marion | District Mannington |
| Will a pit be used? Yes | No V | the proposed well work? Yes No No |
| If so, please describe ar | nticipated pit waste: | |
| Will a synthetic liner be | nticipated pit waste: No | If so, what ml.? |
| Proposed Disposal Met | hod For Treated Pit Wastes: | |
| Unde Reuse Off S | Application rground Injection (UIC Permit Nur e (at API Number ite Disposal (Supply form WW-9 for (Explain | |
| Will closed loop system be used | ? If so, describe: Depending on brand, system v | would entail 2 centrifuges & another cutting drying method: grinder, drying shakers or verti-g mud. |
| | | Air, freshwater, oil based, etc. Airwater to 7100', then switch to synthetic |
| -If oil based, what type | ? Synthetic, petroleum, etc.Syntheti | ic |
| Additives to be used in drilling r | • | |
| | Leave in pit, landfill, removed offsi | ite, etc. Landfill |
| -If left in pit and plan to | solidify what medium will be used | d? (cement, lime, sawdust) NA |
| -Landfill or offsite nam | e/permit number?Meadowbrook Lar | ndfill - #SWF 1032, S&S Landfill - #SWF 4902 |
| on August 1, 2005, by the Office provisions of the permit are enflaw or regulation can lead to enflew or regulation form and all attach obtaining the information, I be | e of Oil and Gas of the West Virgini orceable by law. Violations of any orcement action. of law that I have personally examents thereto and that, based on | itions of the GENERAL WATER POLLUTION PERMIT issued in Department of Environmental Protection. I understand that the y term or condition of the general permit and/or other applicable amined and am familiar with the information submitted on this in my inquiry of those individuals immediately responsible for accurate, and complete. I am aware that there are significant of fine or imprisonment. |
| Company Official Signature | The | |
| Company Official (Typed Name | _{e)} Gary Beall | |
| Company Official Title Produ | ction Superintendent | |
| Subscribed and sworn before me | e this 17th day of Oc Till Sout | tober, 20_14 |
| My commission expires | 12/22/18 | |



Received 03/13/2015 Office of Oil & Gas

OCT 23 2014

Form WW-9

Operator's Well No. Hughes 11H

| XTO Energy Inc. | | | VII (10) |
|---|--|---------------------------------------|--------------------------|
| Proposed Revegetation Treatment: A | cres Disturbed 35.835 + | /- Prevegetation pl | |
| Fortilizar tura | ns/acre or to correct to pH or Equivalent | | |
| Fertilizer type | lbs/acre | | |
| 2_3 | Tons/acre | | |
| | Sand Missa | | |
| Temporary | Seed Mixe | ures Perma | nen t |
| | s/acre | Seed Type | lbs/acre |
| Per Plans | 3,4010 | Seed Type | ios/acre |
| | | | |
| | | | |
| | | | , |
| | | | |
| Drawing(s) of road, location, pit and pprovided) Photocopied section of involved 7.5' to | | on (unless engineered plans inc | luding this into have be |
| Plan Approved by: Bull Ha | rude slit | · · · · · · · · · · · · · · · · · · · | |
| Comments: | | | |
| | | | |
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| | | | |
| | | | |
| | | | |
| Title: [Savinom ental] In | USPECTOF D | ate: <i>[D-80-19</i> | |

03/13/2015

XTO Drilling Additives

| | | Approximate Amount |
|------------------|------------|--------------------|
| Product Name | CAS# | on Location (lbs) |
| Bentone 910 | 14808-60-7 | 2500 |
| Cedar Fiber | n/a | 5000 |
| CyberDrill | 93762-80-2 | 20000 |
| Calcium Chloride | 10043-52-4 | 20000 |
| | 111-40-0 | |
| | 26952-14-7 | |
| CyberCoat | 62442-97-7 | 3000 |
| CyberMul | 70321-73-2 | 3000 |
| CyberPlus | 71-36-3 | 3000 |
| Lime | 1305-62-0 | 15000 |
| New Carb | 1317-65-3 | 3000 |
| Walnut Shells | n/a | 2500 |
| | 7727-43-7 | |
| | 1332-58-7 | |
| | 14808-60-7 | |
| New Bar | 471-34-1 | 200000 |
| OptiThin | 68442-97-7 | 8000 |
| | 12174-11-7 | |
| | 14808-60-7 | |
| Oil Dry | 01309-48-4 | 600 |
| | 9016-45-9 | |
| | 68131-71-5 | |
| | 1310-73-2 | |
| | 27176-87-0 | |
| | 1300-72-7 | |
| OptiClean | 7758-29-4 | 1800 |
| OptiG | 12002-43-6 | 5000 |
| SynDril 470 | 64741-86-2 | 81000 |

XTO Energy Inc.
Well Site Safety Plan

Hughes Pad 39.453972

-80.370627

URH 10-20-14

XTO ENERGY INC.
HUC-10 WATERSHED & NUMBER
POINT SOURCE HOUSE POSSIBLE XTOOG57-09
BINGAMON CREEK (0502000206)
LAST NAME FAYE C ROCKWELL HUGHES WATER OFFSET MAILING ADDRESS 316 EAST RUN RD CITY STATE ZIP
FARMINGTON WV 26571 (2000' OFFSET) **BEARING** S 56°50'53" W 06/31/2014 01 06/31/2014 03 06/31/2014 03 06/31/2014 03 1544 12-58-34 03

