

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

July 24, 2014

WELL WORK PERMIT Horizontal 6A Well

This permit, API Well Number: 47-6101677, issued to NORTHEAST NATURAL ENERGY 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: CAMPBELL 3H

Farm Name: CAMPBELL, ELLEN F.

API Well Number: 47-6101677

Permit Type: Horizontal 6A Well

Date Issued: 07/24/2014

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.

CAMPBELL WELL PAD CLAY DISTRICT, MONONGALIA COUNTY, WV APRIL 2014

APPROVED
WVDEP OOG

34 7/11/2014



TWO WORKING DAYS PRIOR TO EXCAVATION, THE CONTRACTOR MUST CONTACT THE WV ONE CALL SYSTEM, INC., 1-800-245-4848
(WV ONE CALL TICKET#1404402841)

OWNER



NORTHEAST NATURAL ENERGY, LLC 707 VIRGINIA STREET SUITE 1200 CHARLESTON, WV 253 01 API#6101677

1. TITLE SHEET

2-3. EVACUATION ROUTE/PREVAILING WIND
4. E&S CONTROL LAYOUT OVERVIEW
5-15. E&S CONTROL LAYOUT
16. E&S CONTROL AND SITE PLAN OVERVIEW
17-27. E&S CONTROL AND SITE PLAN
28. WELL PAD CROSS-SECTIONS
29. COASTAL ACCESS ROAD PROFILE
30. COASTAL ACCESS ROAD AND CAMPBELL ACCESS
ROAD PROFILES
31. CAMPBELL ACCESS ROAD PROFILE

32-37. COASTAL ACCESS ROAD CROSS-SECTIONS
38-43. CAMPBELL ACCESS ROAD CROSS-SECTIONS
44-46. DETAIL SHEET
47. JERSEY BARRIER INSTALLATION PLAN

47. JERSEY BARRIER INSTALLATION PLAN 48. CROSS-SECTIONS C-C',D-D' & E-E' 49. RECLAMATION PLAN OVERVIEW 50-60. RECLAMATION PLAN

TOTAL DISTURBED AREA: 72.1 AC.
ROAD DISTURBED AREA: 59.4 AC.
WELL PAD DISTURBED AREA: 12.7 AC.

PLANS PREPARED BY:

BOORD BENCHEK & ASSOCIATES, INC.

ENGINEERING, SURVEYING, CONSTRUCTION AND MINING SERVICES SOUTHPOINTE, PA 15317 PHONE: 724-746-1055

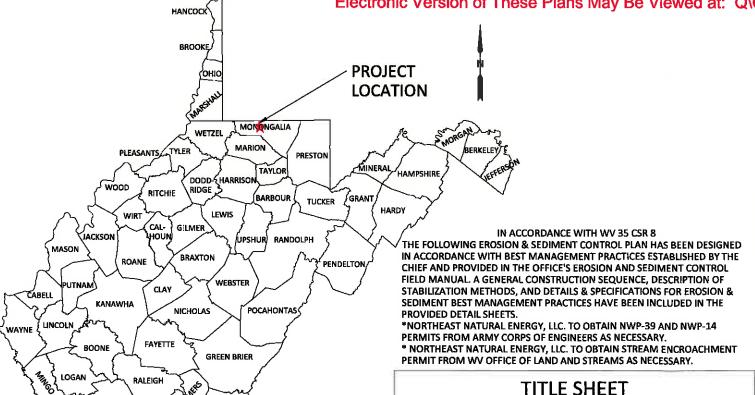


Chestr 4-10-14

ANDREW BENCHEK

Electronic Version of These Plans May Be Viewed at: Q\OIL GAS\SAY FILES\REVIEWS

CAMPBELL WELL PAD
CLAY DISTRICT, MONONGALIA COUNTY, WV



COORDINATES

CENTER OF WELLS
(NAD 83)

LAT: 39° 41' 59.6"

LONG: 80° 11' 01.7"
(NAD 27)

LAT: 39° 41' 59.0"

LONG: 80° 11' 02.2"

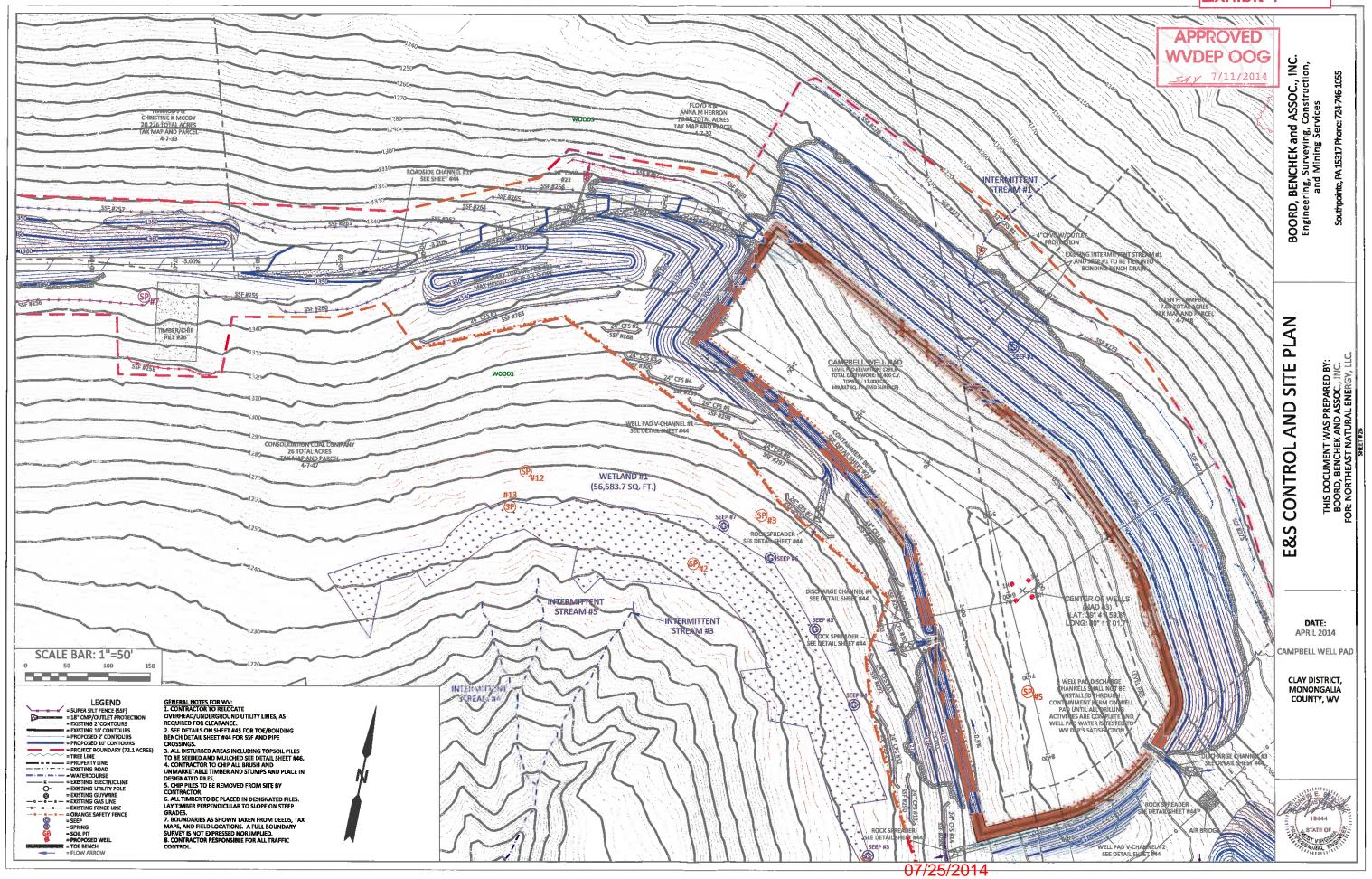
SITE ENTRANCE (NAD 83) LAT: 39° 41' 42.7" LONG: 80° 13' 22.7" (NAD 27) LAT: 39° 41' 41.9" LONG: 80° 13' 23.1" The state of the s

1"=2000'



SHEET

0F 60



WW-6B (9/13)

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

1) Well Operator: Northeast Na	atural Energy	LLC 494498	3281	Monongalia	Clay	Blacksville
		Operato	or ID	County	District	Quadrangle
2) Operator's Well Number: Ca	mpbell 3H		Well Pa	d Name: Camp	bell	
3) Farm Name/Surface Owner:	Ellen F. Cam	pbell Pu	ıblic Ro	ad Access: Stat	e Route 21	8 (Daybrook Road)
4) Elevation, current ground:	1,320'	Elevation, p	roposed	post-constructi	on: 1,293	.6'
5) Well Type (a) Gas	Oil		Und	erground Storag	ge	
N. 600	llow =		Deep			1
6) Existing Pad: Yes or No No						
7) Proposed Target Formation(s) Marcellus; 8,027'; 105'; 3,600p		inticipated Th	ickness	and Associated	Pressure(s):
8) Proposed Total Vertical Depth	h: 8,027'					
9) Formation at Total Vertical D	epth: Marce	ellus				
10) Proposed Total Measured De	epth: 16,19	6'				
11) Proposed Horizontal Leg Le	ngth: 7,719					
12) Approximate Fresh Water St	trata Depths:	300', 1,10	00'			
13) Method to Determine Fresh	Water Depths	s: Driller's Log	from Of	fset Wells		
14) Approximate Saltwater Dept	ths: 1,400',	2,100'				
15) Approximate Coal Seam De	pths: 1,000'					
16) Approximate Depth to Possi	ble Void (coa	al mine, karst,	other):	N/A		
17) Does Proposed well location directly overlying or adjacent to			V	No		
(a) If Yes, provide Mine Info:	Name: A	Adjacent Mine -	Federal	No. 2		
	Depth: 1	,000'				
	Seam: F	Pittsburgh				
RECEIVED ffice of Oil and Gas	Owner: F	Patriot Coal Cor	poration			

JUL 2 3 2014

WW-6B (9/13)

18)

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	24"	New	NA	52.78	60'	60'	GTS
Fresh Water	13 3/8"	New	J-55	54.5	1,280'	1,250'	CTS
Coal							
Intermediate	9 5/8"	New	J-55	40	2,330'	2,300'	CTS
Production	5 1/2"	New	P-110	20	16,196'	16,150'	3,670
Tubing	2 7/8"	New	J-55	6.5	NA		NA
Liners	V				100000		

Northeast Natural Energy will not set Freshwater Casing beyond Mylc 7/21/19 elevation without price aproval two 7-21-14

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	24"	24"	.25	2,200	Grout	NA
Fresh Water	13 3/8"	17 1/2"	.38"	2,760	Class A	1.23
Coal						
Intermediate	9 5/8"	12 1/4"	.395"	3,950	Class A	1.3
Production	5 1/2"	8 3/4"	.361"	12,530	50:50 Poz	1.21
Tubing	2 7/8"	NA	.217"	7,260	NA	NA
Liners	7777				11 1 2 1 2 1	

PACKERS

Kind:		
Sizes:		
Depths Set:		

RECEIVED
Office of Oil and Gas

JUL 2 1 2014

WV Department of Environmental Protection

4706101677

Northeast Natural Energy LLC Mine Contingency Plan



On all wells drilled, Northeast Natural Energy LLC ("NNE") has contingency strategies in place should an unanticipated void or mine be encountered while drilling the surface section of the well. If encountered, any accumulated gases will be diverted a safe distance away from the drilling operations through the blooey line and/or flare.

All casings programs submitted to the state incorporate the use of a 24" conductor over the previously used 20" that has long been the industry standard for a typical Marcellus design. The use of 24" conductor casing allows the use of a 22" bit to ream the surface hole, and drill 50' below the void to run a string of 18
5/8" 87.50#/ft J-55 through the section when needed.

The 18-5/8" would be set 30-50' below the void with cement baskets placed directly above and below. The section of pipe below the void would be cemented using the displacement method and 100% excess. The section above the void would be cemented simultaneously using a two-stage DV tool or separately by using remedial top fill techniques and 30% excess.

With the use of these string sizes and techniques, the surface and intermediate strings do not need to be altered. After a proper WOC time, the surface section of the well would continue to be drilled with a 17-1/2" bit and the 13-3/8" 54.50#/ft freshwater casing would be set at the originally permitted depth.

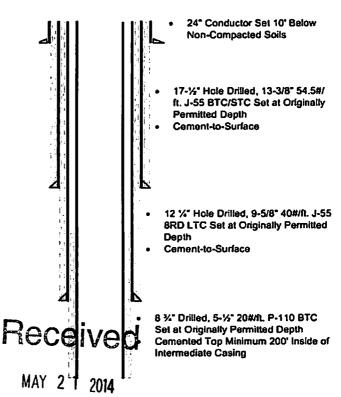
*The diagram below visually shows the alternative casing plan should an unanticipated void be encountered.

Casing Schematic w/ Mine String

24° Conductor Set 10' Below Non-Compacted Soils

- 22" Hole Drilled to 50' Below
- 18-5/8* 87.5#/ft. J-55 BTC Set 30'-50' Below
- 17-½" Hole Drilled, 13-3/8" 54.5#/
 1t. J-55 BTC/STC Set et Originally Permitted Depth
- Cement-to-Surface
 - 12 % Hote Drilled, 9-5/8 40#/ft. J-55 8RD LTC Set at Originally Permitted Depth
- Cement-to-Surface
- 8 1/4" Drilled, 5-1/4" 20#/ft. P-110 BTC Set at Originally Permitted Depth
- Cemented Top Minimum 200' Inside of Intermediate Casing

Casing Schematic w/o Mine String



Office of Oil and Gas
WV Dept. of Environmental Protection

05/14 - IC 07/25/2014 WW-6B (9/13)

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:
Drilling and completion of a horizontal Marcellus well. The well will be drilled on air to an approximate depth of 6,500' TVD/MD. Well will be horizontally drilled from top of cement to approximately 8,027' TVD / 16,196' MD along a 323 degree
azimuth.
20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:
Multi-stage / high-rate slickwater fracture treatment using various size sands as proppant. First stage will be initiated via pressurization against a burst disc ran In the production casing string or perforated with coiled tubing. Subsequent stages will be perforated with pumped down guns ran on wireline. Individual stages will be isolated with composite frac plugs. Maximum pump rate during any stage will be 110 BPM with a maximum allowable surface pressure of 9,500 PSI. Composite bridge plugs will be set at the end of the last stage to isolate the treated formation. After fracture treatment,
21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 72.1
22) Area to be disturbed for well pad only, less access road (acres): 12.7
23) Describe centralizer placement for each casing string:
Surface and intermediate casing strings will have bow spring centralizers placed every third joint (~120') from shoe joint to surface. Production casing will have rigid body centralizers placed every fourth joint (~160') from TD to surface.
/24) Describe all cement additives associated with each cement type:
Surface string cement will be a Class A + 3% bwoc Calcium Chloride Fresh Water blend. Intermediate string cement will be a Class A Cement + 0.3% bwoc Calcium Chloride + Fresh Water. Production string cement will be (50:50) Poz (Fly Ash): Type I Cement with a gas migration additive.
25) Proposed borehole conditioning procedures:
Surface string will use a 35.0 bbls Gel Pill + LCM + 25 lbs Cello Flake + 20 lbs/bbl Bentonite + 80 lbs Fed Seal @ 8.4 ppg & 10 bbls fresh water spacer prior to cement. Intermediate string will use a 35.0 bbls Gel Pill + LCM + 25 lbs Cello Flake + 20 lbs/bbl Bentonite + 80 lbs Fed Seal @ 8.4 ppg & 10 bbls fresh water spacer prior to cement. Production string will use a 50.0 bbls SealBond 25 + 1 gal/bbl US-40 + 275 lbs/bbl Barite, Bulk + 1 gal/bbl SS-2 @ 13.5 ppg spacer prior to cements Office Of Oil and

*Note: Attach additional sheets as needed.

APR 25 2014

WV Department of

Environmental Protection

O7/25/2014

Elevation (To MSL): 1310.00 ft Job Number: RKB: 18.00 ft Company: Northeast Natural Energy Lease/Well: Campbell 3H Projection System: US State Plane 1983 Location: Campbell Projection Group: West Virginia Northern Zone Rig Name: Pioneer 63 Projection Datum: CLARKE 1866 northeast State/County: WV/ Mon Magnetic Declination: -8.89 Country: US Grid Convergence: -0.43622 W API Number: Date: Monday, April 14, 2014 8000 0 24 1/2" CSG., 60,00 MD 7000 6000 7000 8000 1000 2000 3000 4000 5000 Campbell 3H 6000 1000 13 3/8" CSG., 1250.00 MD 5000 South - North True Vertical Depth 2000 4000 9 5/8" CSG., 2700.00 MD 3000 3000 2000 1000 4000 7000 -6000 -5000 -4000 -3000 -2000 -1000 1000 2000 300 5000 West - East Tully 7,762 MD TVD Hamilton 7,812 KOP 6,500 6,500 6000 Upper Marcellus 7.932 LP 8,477 8,027 Enviro 7,982 Lower Marcellus TD 8,027 16,196 Onondaga 8,037 700 CT Campbell 3H 8000 910 0 Vertical Section (1000 Ft/Div) VSP: 0.44° Performance Drilling Technology, Inc. - HawkEye™ ©2014

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name Northeast Natu	ral Energy LLC	OP Code 494498281
Watershed (HUC 10) Dunkar	d Creek	Quadrangle Blacksville, WV
Elevation 1,320	County_Monongalia	District Clay
Will a pit be used? Yes	than 5,000 bbls of water to complete th	e proposed well work? Yes No
	anticipated pit waste: N/A	7
		If so, what ml.?
and the same of th	lethod For Treated Pit Wastes:	4/22/14
	nd Application derground Injection (UIC Permit Num	iber (16)
	ise (at API Number unknown at this time, T	
	Site Disposal (Supply form WW-9 for (Explain	disposal location)
Will closed loop system be us	ed? If so, describe: Yes - See Attachmen	nt A
Drilling medium anticipated for	or this well (vertical and horizontal)? A	Air, freshwater, oil based, etc. Air-Vertical/Oil Based-Curve & Horizontal
-If oil based, what ty	pe? Synthetic, petroleum, etc. Synthetic	Oil Based Mud
Additives to be used in drilling	g medium? Organophilic Clay Viscosifiers, Lime, U	nsaturated Fatty Acids, CaCl, Barite, Emulsifiers, Mica LCM, Water Loss Agents
Drill cuttings disposal method	? Leave in pit, landfill, removed offsite	e, etc. Removed Offsite - See Attachment A
-If left in pit and plan	to solidify what medium will be used?	(cement, lime, sawdust)
-Landfill or offsite na	nme/permit number?See Attachment A	
on August 1, 2005, by the Off provisions of the permit are elaw or regulation can lead to e I certify under penal application form and all atta obtaining the information, I	ice of Oil and Gas of the West Virginia inforceable by law. Violations of any inforcement action. Ity of law that I have personally exam- achments thereto and that, based on	ions of the GENERAL WATER POLLUTION PERMIT issued a Department of Environmental Protection. I understand that the term or condition of the general permit and/or other applicable mined and am familiar with the information submitted on this 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_	Holli Medli	RECEIVED
Company Official (Typed Na		Office of Oil and Gas
Company Official Title Regu		APR 2 5 2014
Subscribed and swgm before to the state of t	W/	OFFICIAL SEAL Andrew Jarravis Notary Public State of West Virginia My Commission Expires April 11, 2017 6240 Mid 77/055/2044 Morgantown, W 20508

Form WW-9 Operator's Well No. Campbell 3H Northeast Natural Energy LLC Proposed Revegetation Treatment: Acres Disturbed 72.1 Prevegetation pH Tons/acre or to correct to pH 19-19-19 Fertilizer type Fertilizer amount 200 lbs/acre Mulch 2 Tons/acre Seed Mixtures **Temporary** Permanent Seed Type Seed Type lbs/acre lbs/acre **Orchard Grass** 46 **Orchard Grass** 46 **Red Clover** 8 Red Clover 8 **Tetraploid Perrennial Rye** 16 Tetraploid Perrennial Rye 16 Timothy - 15 and Annual Rye - 15 Timothy - 15 and Annual Rye- 15 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. Plan Approved by: Office of Oil and Gas Date: 4/22/14 Title: Dil & GAS TUS pecto

Field Reviewed?

WV Department of Environmental Protection 07/25/2014

Attachment A to WW-9

Northeast Natural Energy LLC ("NNE") plans to utilize a closed loop process for its drilling of the Campbell 3H well. Return flow from the well will be separated into its liquid and solid form. Liquids will be held in steel tanks and reused in the drilling and completion process or disposed of at an approved facility listed below. Solids removed from the stream will be diverted to steel half-round tanks where they will be solidified on site and taken to disposal as they are accumulated.

Campbell 3H Drill Cuttings will be taken to disposal at one or more of the following disposal/approved waste facilities, unless listed facilities are no longer approved to accept waste at time of disposal:

- Westmoreland Landfill (Tervita) Belle Vernon, PA (Permit # 100277)
- Meadowfill Landfill (Waste Management) Bridgeport, WV (Permit # SWF 103298)
- Max Environmental Yukon, PA (PAD004835146 and 301071)
- Max Environmental Bulger, PA (PAD059087072 and 301359)
- Chestnut Valley Landfill (Advanced Disposal) Export, PA (Permit # 101421)

NNE plans to reuse and recycle all flowback fluid and/or reach out to other operators in the area who may be able to reuse and recycle such fluid. However, in the event that reuse is not obtainable the fluid will be disposed of at one, or multiple, of the following disposal/approved waste facilities unless listed facilities are no longer approved to accept waste at time of disposal:

- Green Hunter M. E. Elder 1 Disposal Well (Permit # 47-085-05151)
- Green Hunter Mason 1 Disposal Well (Permit #47-085-09721)
- Green Hunter Warren Disposal Well (Permit #34-121-2-3995)
- Green Hunter Travis Unit Disposal Well (Permit #34-121-2-4086)
- Viking Energy Corporation 20320 Disposal Well (Permit#47-039-02210)
- Ohio Oil Gathering Killbuck Disposal Well (Permit #34-075-24527)
- Ohio Oil Gathering Moran Disposal Well (Permit #34-089-24792)
- Ohio Oil Gathering Bells Run Disposal Well (Permit #34-167-29395)
- **RECEIVED** Ohio Oil Gathering Long Run Disposal Well (Permit #34-167-29658) Ohio Oil Gathering Newell Run Disposal Well (Permit #34-167-29685) Office of Oil and Gas
- ullet Appalachian Oil Purchaser Greens Run Disposal Well (Permit #2D0732540) $_{
 m APR}$ 2 5 2014
- Appalachian Oil Purchaser BW#4 Disposal Well (Permit # 2D0732523)

WV Department of Environmental Protection



