

west virginia department of environmental protection

Office of Oil and Gas 601 57th Street, S.E. Charleston, WV 25304 (304) 926-0450 fax: (304) 926-0452 Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

August 9, 2016 PERMIT MODIFICATION APPROVAL Horizontal 6A / Horizontal 6A Well - 1

EQT PRODUCTION COMPANY 120 PROFESSIONAL PLACE

BRIDGEPORT, WV 26330

Re:

Permit Modification Approval for 513757

47-085-10133-00-00

Modified with Sub-Surface Tract

EQT PRODUCTION COMPANY

The Office of Oil and Gas has reviewed the attached permit modification for the above referenced permit. The attached modification has been approved and well work may begin. Please be reminded that the oil and gas inspector is to be notified twenty-four (24) hours before permitted well work is commenced.

If there are any questions, please feel free to contact me at (304) 926-0450.

Operator's Well Number: 513757 Farm Name: PIERCE, HAROLD K.

U.S. WELL NUMBER: 47-085-10133-00-00

Horizontal 6A / Horizontal 6A Well - 1

Date Issued: 08/09/2016

Promoting a healthy environment.

4708510133 OPERATOR WELL NO. 513757 Well Pad Name: OXF163

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

1) Well Operat	or: EQTP	roduction C	Company	306686	Ritchie	Union	Oxford
				Operator ID	County	District	Quadrangle
2) Operator's V	Vell Number	r: <u>513757</u>		Well Pad	Name: OXF1	63	
3) Farm Name/	Surface Ow	ner: Pierce	· · · · · · · · · · · · · · · · · · ·	Public Roa	d Access: CR	7/18	
4) Elevation, cu	urrent groun	d: 1158.4	Ele	evation, proposed	post-construction	on: 1158.4	Į.
5) Well Type	(a) Gas	X	Oil	Unde	erground Storag	e	
	Other						
	(b)If Gas	Shallow	X	Deep			
		Horizontal	<u>X</u>				
6) Existing Pad	: Yes or No	Yes					
7) Proposed Ta Marcellus, 65			h(s), Antici	pated Thickness a	nd Expected Pr	essure(s):	
8) Proposed To	tal Vertical	Depth: 652	27				
9) Formation at	Total Verti	cal Depth:	Marcellus				
10) Proposed T	otal Measur	ed Depth:	14606				
11) Proposed H	orizontal Le	eg Length:	7405				
12) Approxima	te Fresh Wa	ter Strata De	epths:	173, 450, 514			
13) Method to I	Determine F	resh Water I	Depths: B	sy offset wells			
14) Approxima	te Saltwater	Depths: 1	153				
15) Approxima	te Coal Sear	n Depths: <u>r</u>	one identi	fied			
16) Approxima	te Depth to 1	Possible Voi	id (coal mir	ne, karst, other): <u>r</u>	none		
17) Does Propo directly overlyi				ns Yes	No	X	16D
(a) If Van muo	vida Mina I					X RECEN	aug gas
(a) If Yes, pro	vide iviine i				 Off	ied Ci O.	- 2016
		Depth				<u> </u>	2 2010
		Seam Owne				CALL LA	artment of ntal Protection
		Owne				Wy Dor	artment or ntal Protection
					Fr	11110	

WW-6B (04/15) API NO. 47-_⁰⁸⁵__-_¹⁰¹³³______ OPERATOR WELL NO. ⁵¹³⁷⁵⁷ Well Pad Name: OXF163

18)

CASING AND TUBING PROGRAM

ТҮРЕ	Size (in)	New or Used	Grade	Weight per ft. (lb/ft)	FOOTAGE: For Drilling (ft)	INTERVALS: Left in Well (ft)	CEMENT: Fill-up (Cu. Ft.)/CTS
Conductor	20	New	A-500	78.6	40	40	44.84 ft^3 / CTS
Fresh Water	13 3/8	New	J-55	54.5	1054	1054	1050.2 ft^3 / CTS
Coal							
Intermediate	9 5/8	New	A-500	40	3026	3026	1321.6 ft^3 / CTS
Production	5 1/2	New	P-110	20	14597	14597	500' above top producing zone
Tubing	2 3/8		J-55	4.7		May not be run, if run set 40' above top perf or 80° inclination	
Liners	-	-				accre top peri of 60 inciniation	

ТҮРЕ	Size (in)	Wellbore Diameter (in)	<u>Wall</u> <u>Thickness</u> <u>(in)</u>	Burst Pressure (psi)	Anticipated Max. Internal Pressure (psi)	Cement Type	Cement Yield (cu. ft./k)
Conductor	20	24	.375	1378	1102	Class A	
Fresh Water	13 3/8	17 1/2	.38	2700	2160	Class A	1.18
Coal							
Intermediate	9 5/8	12 3/8	.395	3950	3160	Class A	1.18
Production	5 1/2	8 1/2	.361	12640	10112	Class A/H	1.26/1.97
Tubing	2 3/8	NA	.19	7700			
Liners							

	<u>PACKERS</u>	WECEINED Gas
Kind:		1111 12 2010
Sizes:		Department of protection
Depths Set:		Wy Department of Environmental Protection

WW-6B (10/14) API NO. 47- 085 - 10133

OPERATOR WELL NO. 513757 Well Pad Name: OXF163

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:

Drill and complete a new horizontal well in the Marcellus Formation. Drill the vertical to an a	approximate
depth of 5312'. Kick off and drill curve. Drill the lateral in the Marcellus. Cement casing.	••
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20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:

Hydraulic fracturing is completed in accordance with state regulations using water recycled from previously fractured wells and obtained from freshwater sources. This water is mixed with sand and a small percentage (less than 0.3%) of chemicals (including 15% Hydrochloric acid, gelling agent, gel breaker, friction reducer, biocide, and scale inhibitor), referred to in the industry as a "slickwater" completion. Maximum anticipated internal casing pressure is expected to be approximately 10000 psi, maximum anticipated treating rates are expected to average approximately 100 bpm. Stage lengths vary from 150 to 300 feet. Average approximately 200,000 barrels of water per stage. Sand sizes vary from 100 mesh to 20/40 mesh. Average approximately 200,000 pounds of sand per stage.

- 21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): no additional disturbance
- 22) Area to be disturbed for well pad only, less access road (acres): no additional disturbance
- 23) Describe centralizer placement for each casing string:
- Surface: Bow spring centralizers One centralizer at the shoe and one spaced every 500'.
- Intermediate: Bow spring centralizers— One centralizer at the shoe and one spaced every 500'.
- Production: One solid body centralizer spaced every other joint from production casing shoe to KOP

24) Describe all cement additives associated with each cement type:

Conductor: Class A no additives

Surface (Class A Cement): 0-3% Calcium Chloride. Used to speed the setting of cement slurries Intermediate (Class A Cement): 0-3% Calcium Chloride. Used to speed the setting of cement slurries.

Lead (Class A Cement): 0.2% CD-20 (dispersant makes cement easier to mix). .15% SuperFL-300 (fluid loss/lengthens thickening time) .15% SEC-10 (fluid loss) 50:50 POZ (extender)
Tail (Class H Cement): 0.2% Super CR-1 (Retarder). Lengthens thickening time. .3% Super FL-200 (fluid loss) .2% SEC-10 (Fluid loss). .2% SuperFL-350 (fluid loss) Reduces amount of water lost to formation. 60 % Calcuim Carbonate. Acid solubility.

25) Proposed borehole conditioning procedures:

Surface: Circulate hole clean while rotating & reciprocating the drill string until cuttings diminish at surface. Intermediate: Circulate hole clean while rotating & reciprocating the drill string until cuttings diminish at surface.

Production: Pump marker sweep with nut plug to determine actual hole washout. Calculate a gauge holes bottoms up volume. Perform a cleanup cycle by pumping 3-5 bottoms up or until the shakers are clean. Check volume of cuttings coming across the shakers every 15 minutes.

*Note: Attach additional sheets as needed.

WW-6A1 attachment

Operator's Well No.

Lease No.	Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page
Lease 118212	J.E. Pierce, et al (current royalty owner)		***	
	J. E. Pierce, L. L. Pierce & Felsie Pierce (original lessor)	Pittsburgh & WV Gas. Co.		LB 45/257
	Pittsburg & WV Gas Co.	Equitable Gas Company		DB 126/473
	Equitable Gas Company	Equitrans, Inc.		LB 201/253
	Equittrans, Inc.	Equitable Production Company		LB 192/19
	Equitable Production Company	EQT Production Co.		DB 281/346
TMP 27-23	Jon Mathew and Sherri L. Bonnell	EQT Production Company	n/a	330/273 Subsurface
Lease 118210	B.M Pierce, et ux (current royalty owner)		•••	
	B. M. Pierce & G. M. Pierce (original lessor)	Pittsburgh & WV Gas. Co.		LB 45/253
	Pittsburg & WV Gas Co.	Equitable Gas Company		DB 126/473
	Equitable Gas Company	Equitrans, Inc.		LB 201/253
	Equittrans, Inc.	Equitable Production Company		LB 192/19
	Equitable Production Company	EQT Production Co.		DB 281/346
Lease 107857	J.P. Smith, et ux (current royalty owner)		Min pd 1/8	
	Betty Jean Nutter (original lessor)	EQT Production Co.	pa 170	LB 255/510
	Jerry Allen Riddle	EQT Production Co.		LB 255/516
Lease 986161	Shirley & Ruth Riddle Heirs (current royalty owner)		***	
New lease #1007216	Shirley S. Riddle, et al (original lessor)	E. W. Bowers		LB105/146
	E. W. Bowers	A. W. Bowers & George Bowers		WB65/66
	A. W. Bowers & George Bowers	Rick J. Garret & Desari Garrett		DB251/211
	Rick J. Garret & Desari Garrett	EQT Production Co.		DB251/865

^{***} We will pay one-eighth of the total amount paid to or received by or allowed to the owner of the working interest at the wellhead for the oil or gas so extracted, produced, or marketed before deducting the amount to be paid to or set aside for the owner of the oil or gas in place, on all such oil or gas to be extracted, produced, or marketed from the well.



EQT Production Company 2400 Zenith Ridge Rd. Suite 200 Canonsburg, PA 15317 www.eqt.com

MOV

Todd Klaner Manager, Permitting tklaner@eqt.com

Via E-Mail

June 1, 2016

WV DEP Reviewer

RE: EQT Production Company

PAD ID - OXF163 Well# - 513757 Ritchie County

Dear Reviewer,

This well indicated by this permit application contains a Subsurface Easement Agreement for non-productive portions of the well bore. Attached is a Memorandum of Subsurface Use Agreement which gives EQT the right to drill below the surface of the tracts 27-23 shown on the well plat.

EQT Production understands that the WVDEP will issue the permit in the normal process subject to the completeness of the requirements of the Office of Oil and Gas and does not take a position with regards to the property rights under this agreement.

EQT Production agrees that the WVDEP's issuance of the permit is in no way an affirmance or validation of EQT Production's claimed rights.

Regards,

Todd Klaner

Manager, Permitting

EQT Production Company

Date Paid 07-22-2014

SUBSURFACE RIGHT-OF-WAY AND EASEMENT AGREEMENT

This SUBSURFACE RIGHT-OF-WAY AND EASEMENT AGREEMENT ("Agreement") is made the 20 day of May, 2014, between Jon Mathew Bonnell and Sherri L. Bonnell, his wife, (hereinafter "Grantor" whether one or more), whose address is 9 Crystal Lake Road West Union, WV 26456 and EQT PRODUCTION COMPANY, (hereinafter "EQT"), whose corporate headquarters are located at 625 Liberty Avenue, Suite 1700, Pittsburgh, PA, 15222.

<u>Property</u>. Grantor owns that certain tract of land located in <u>Union</u> District, <u>Ritchic</u> County, West Virginia containing <u>133.42</u> acres, more or less, and conveyed to Grantor in Deed Book <u>268</u>, at page <u>129</u>. Map <u>27</u> Parcel <u>23</u>

- 1. <u>Subsurface</u>. For purposes of this Agreement, the subsurface shall be limited to the subsurface region and underground lying below the deepest economically mineable and merchantable coal seam.
- 2. Grant. In consideration of Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor grants to EQT a non-exclusive, perpetual right of way and subsurface easement within and underlying the Land for the purpose of locating and maintaining a total of three wellbores (513756 / 513757 / 513758) for the production of hydrocarbons by EQT from EQT's adjacent mineral tracts and leases. This right of way and casement shall run with the land and shall remain in force and effect until released and relinquished by EQT back to the Grantor, in writing.
- 3. Wellbores. Upon completion of any wellbore within the subsurface underlying the Land (the "Subsurface Land"), the subsurface easement in the area of the wellbore and the one hundred (100') feet on each side of the wellbore that parallels it shall become an exclusive right of way and easement in that area. The wellbore locations are generally described in the plat(s) filed with the West Virginia Department of Environmental Protection (the "DEP") for well(s): If an as-built plat is not available from the DEP for a wellbore located within the Subsurface Land, any third-party with the right to operate within the Subsurface Land may contact EQT's land department for a copy of such as-built plat. After the date of this Agreement, EQT shall provide notice of additional wellbores located within the remaining Subsurface Land by filing an amendment, affidavit or other appropriate document.
- 4. <u>No Surface Operations</u>. This Agreement does not grant EQT the right to conduct any operations on the surface of the Land. No surface operations shall be conducted on the Land by EQT unless the parties enter into a separate agreement.

5. Miscellaneous Provisions

(a) This instrument may be executed in one or more counterparts, each of which will be deemed to be an original copy of this instrument and all of which will be deemed to comprise one single instrument.

MOD

- (b) The parties agree that this Agreement shall be filed of record together with all exhibits thereto.
- (c) For no additional consideration, Grantor shall execute such further documents as may be reasonably requested by EQT from time to time to effectuate the intent of this Agreement.

IN WITNESS WHEREOF, effective as of the date first above written. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors, assigns, heirs and administers and executors.

[NAME OF GRANTOR]

Jon Matthew Bonnell Dan Dr. Bonel
Sherri L. Bonnell @Recips famille

EQT PRODUCTION COMPANY

STATE/ OF West Virginia: **COUNTY OFDoddridge:**

non

Before me, Rex K. Bumgardner II, a Notary Public, on this day personally appeared Jon Mathew Bonnell and Sherrri Bonnell, his wife, known to me and acknowledged to me that he/she executed the instrument for the purposes and consideration therein expressed as his/her free act and deed. Given under my hand and seal of office this 20th day of Man, 2014

My Commission expires: 4/13/2014

[SEAL]

OFFICIAL SEAL'
Commissioner Of West Virginia
REX K. BUMGARDNER II
145 Ocello St. Clarksburg, WV 26301 My Commission Expires June 13, 2016

Notary Public

STATE OF West Virginia; COUNTY OFHarrison_:

me Aewie II., a Notary Public, on this day personally appeared, known to me to be the The Danato of EQT PRODUCTION COMPANY, subscribed to the foregoing instrument, and acknowledged to me that he/she executed the instrument for the purposes and consideration therein expressed as his/her free act and deed. Given under my hand and seal of office this 2014 day of May 2014

6/13/2014

My Commission expires:_

OFFICIAL SEAL
Commissioner Of West Virginia
REX K. BUMGARDNER II 145 Ocello St. Clarkeburg, WV 26301 My Commission Expires June 13, 2016

Notary Eublic

Prepared by: EQT Production Company, 625 Liberty Avenue, Suite 1700, Pittsburgh, PA 15222



May 20, 2016

Mr. James Martin
West Virginia Department of Environmental Protection
Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304

Re: OXF 163, 513757, 47-08510133

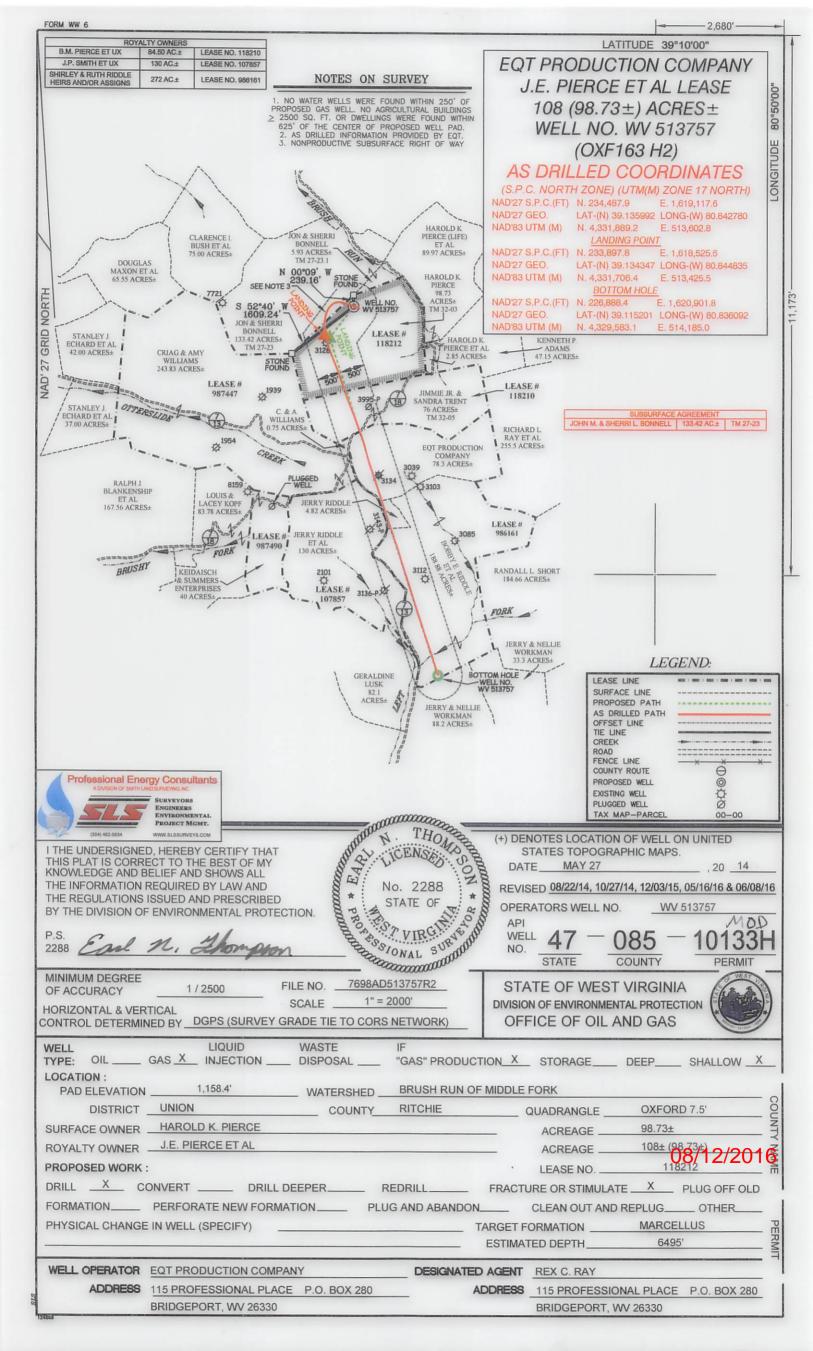
Dear Mr. Martin,

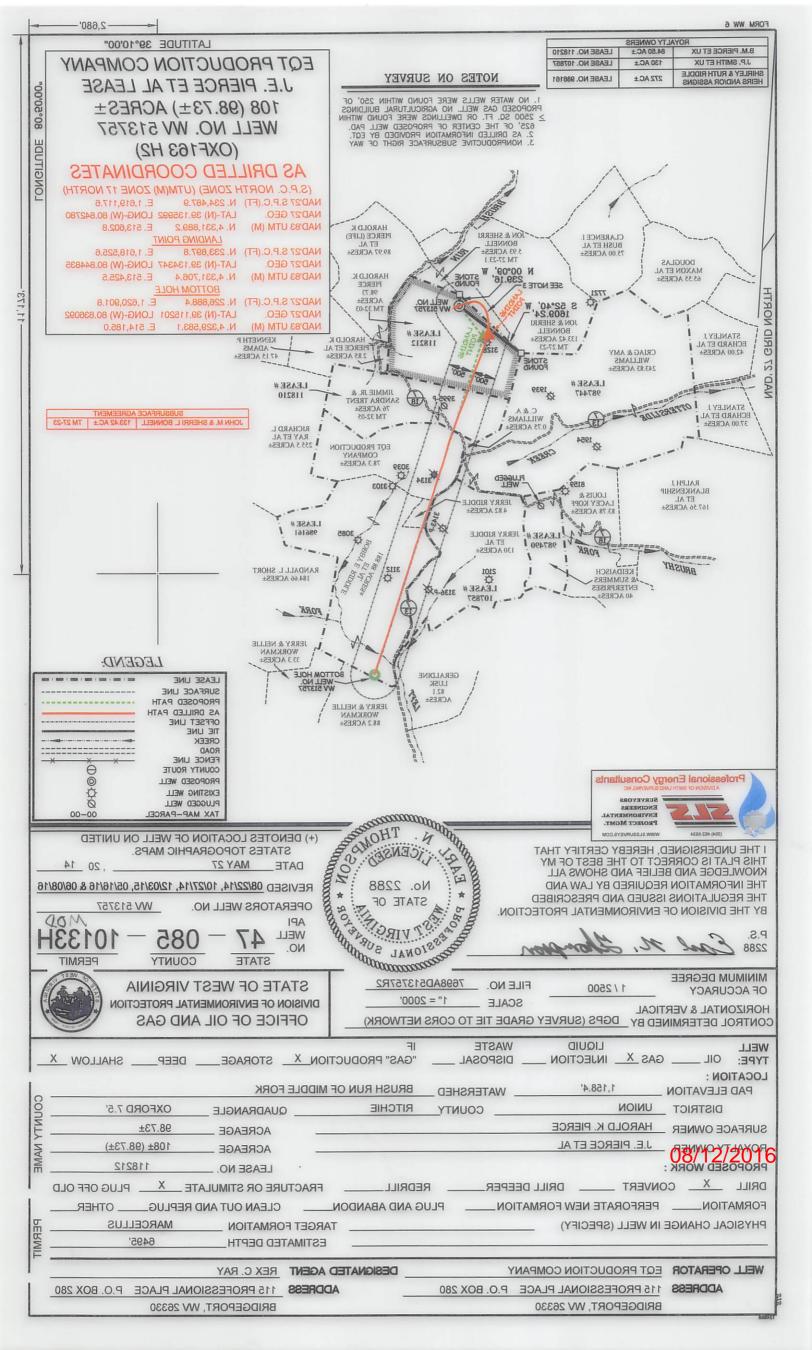
EQT Production Company is submitting an application for a new well work permit for the above well number. Upon information and belief, Operator's lease and/ or other real property rights permit it to conduct drilling operations for the subject well in the location shown on the plat, including under any public roads that the well lateral crosses.

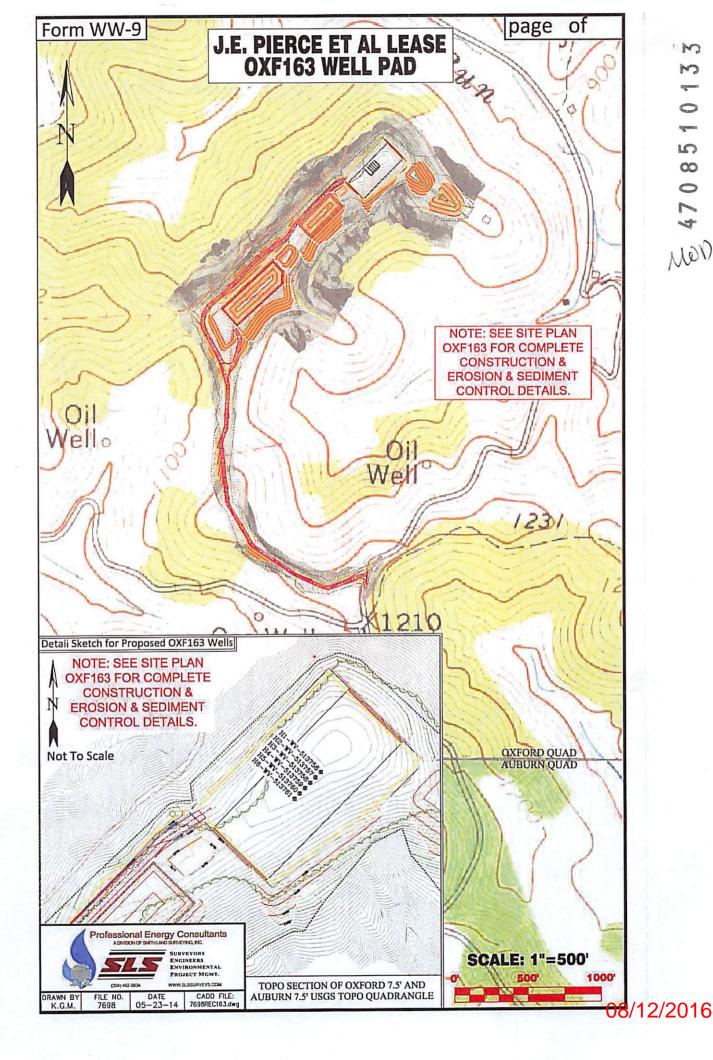
Sincerely,

Vicki Roark

Permitting Supervisor-WV







WW-6A1	
(5/13)	

Operator's	Well No.	513757

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6A, Section 5(a)(5) 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 1 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:

Lease Name or				
/ Number	Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page
Lease 118212			min pd 1/8th	
	J. E. Pierce, L. L. Pierce & Felsie Pierce	Pittsburgh & WV Gas. Co.		LB 45/257
	Pitisburg & WV Gas Co.	Equitable Gas Company		OB 126/473
	Equitable Gas Company	Equitrans, Inc.		LB 201/253
	Equitirans, Inc.	Equitable Production Company		LB 192/19
	Equitable Production Company	EQT Production		DB 281/348
✓ Lease 118210			min pd 1/8th	
	B. M. Pierce & G. M. Pierce	Pittsburgh & WV Gas. Co.		LB 45/253
	Pittsburg & WV Gas Co.	Equitable Gas Company		DB 126/473
	Equitable Ges Company	Equitrans, Inc.		LB 201/253
	Equitrans, Inc.	Equitable Production Company		LB 192/19
	Equitable Production Company	EQT Production		DB 281/346
✓ Lease 987447				
V 23333 497.111	Craig H. Williams & Amy L. Williams	EQT Production Co.		DB 370/952
/				
✓ <u>Lease 107857</u>	Roth, Joan Mutter	EQT Production Co.		LB 255/510
	Betty Jean Nutter			
	Jerry Allen Riddle	EQT Production Co.		LB 255/516

Upon information and belief, Operator's lease and/or other real property rights permit it to conduct drilling operations for the subject well in the location shown on the plat, including under any public roads that the well lateral crosses.

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

RECEIVED
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.

Well Operator:	EQT Production Company	
By:	1/100/11	
Its:	Permitting Supervisor	
		Page 1 of 1

CASING AND TUBING PROGRAM

18)

10)		,					
TYPE	Size	New or Used	Grade	Weight per ft.	FOOTAGE: for Drilling	INTERVALS: Left in Well	CEMENT: Fill- up (Cu.Ft.)
Conductor	20	New	MC-50	81	40	40	38 C.T.S.
Fresh Water	13 3/8	New	MC-50	54	1,055	1,055	914 C.T.S.
Coal	-	-	-	-	-	_	_
Intermediate	9 5/8	New	MC-50	40	2,955	2,955	1,152 C.T.S.
Production	5 1/2	New	P-110	20	13,706	13,706	See Note 1
Tubing	2 3/8		J-55	4.6		4	May not be run, if run will be set 100' less than TD
Liners							

afforched

TYPE	Size	Wellbore Diameter	<u>Wall</u> <u>Thickness</u>	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	20	24	0.375	-	Construction	1.18
Fresh Water	13 3/8	17 1/2	0.38	2,480	* See Note 2	1.21
Coal						
Intermediate	9 5/8	12 3/8	0.395	3,590	* See Note 2	1.21
Production	5 1/2	8 1/2	0.361	12,640	-	1.27/1.86
Tubing						
Liners						

Packers

Kind:	N/A	The same	
Sizes:	N/A	and the same	
Depths Set:	N/A	the forther	

Note 1: EQT plans to bring the TOC on the production casing cement job 1,000' above kick off point, which is at

least 500' above the shallowest production zone, to avoid communication.

Note 2: Reference Variance 2014-17. (Attached)

RECEIRAGE of 3
Office of Oil and Gas

SEP 11 2014

WV Department of Environmental Protection

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS W.VA. CODE §22-6A - WELL WORK PERMIT APPLICATION

4) W. H. G				Ţ-				
Well Operator: EQT Production Company	0	085	4	526				
	Operator ID	County	District	Quadrangle				
2) Operator's Well Number: 513757		Well Pad Name	. OX	F163				
3) Farm Name/Surface Owner : Pierce		Public Road Acc	cess:	CR 7/18				
4) Elevation, current ground: 1,175.0 Elevat	tion, proposed po	st-construction:	1,158.5					
5) Well Type: (a) Gas Oil Und	derground Storag	je	onuncionà					
Other		At all the layer on the state of the state of		****				
(b) If Gas: Shallow -	Deep							
Horizontal								
6) Existing Pad? Yes or No:								
7) Proposed Target Formation(s), Depth(s), Anticipated Thicknesses and Associated Pressure(s):								
Target formation is Marcellus at a depth of 6527' with the anticip	pated thickness to be	53 feet and anticip	ated target pressure	of 4262 PSI				
9) Proposed Total Vertical Donth		6527'						
Proposed Total Vertical Depth: Formation at Total Vertical Depth:	Marcellus							
40) Deserved Total Managed Dooths		13,706						
11) Proposed Horizontal Leg Length	5,900							
12) Approximate Fresh Water Strata Depths:		173, 450, 51	4					
13) Method to Determine Fresh Water Depth:	By offset wells							
14) Approximate Saltwater Depths: 1,153								
5) Approximate Coal Seam Depths: none reported								
16) Approximate Depth to Possible Void (coal mine, karst, other):								
17)Does proposed well location contain coal seams directly overlying or								
adjacent to an active mine?								
(a) If Yes, provide Mine Info: Name:	74	- The						
Depth:	1111	Aller.						
Seam:	- 1	4.						
Owner:								

Page 1 of 3

RECEIVED
Office of Oil and Gas

SEP 11 2014

WV Department of Environmental Protection



July 8, 2016

Mr. Gene Smith West Virginia Department of Environmental Protection Office of Oil and Gas 601 57th Street SE Charleston, WV 25304

Re: Modification of 47-085-10133

Dear Mr. Smith,

Please accept the attached updates for the above referenced permit. Upon inspection of our as-drilled plat, we noted the curve geometry crossed into an additional tract, for which EQT had acquired a subsurface agreement. Enclosed is an updated WW-6A1, WW-6B, mylar plat and rec plan reflecting corrections to update the permit file to be consistent with the as-drilled well bore.

If you have any questions, please do not hesitate to contact me at (304) 848-0076.

Sincerely,

Vicki Roark

Permitting Supervisor-WV

Enc.

Office of Oil and Gas

JUL 12 2016

WV Department of
Environmental Protection

