



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

November 15, 2012

FINAL INSPECTION REPORT

New Well Permit Cancelled

CHESAPEAKE APPALACHIA, L.L.C.,

The FINAL INSPECTION REPORT for the CANCELLED permit, API Well Number: 47-9703513, issued to CHESAPEAKE APPALACHIA, L.L.C., and listed below has been received in this office. The permit has been cancelled as of 11/15/2012.

James Martin Chief

Operator: CHESAPEAKE APPALACHIA, L.L.C.

Operator's Well No: 626749

Farm Name: SANDERS, WILLIAM E

API Well Number: 47-9703513

Date Issued: 03/19/2008

Date Cancelled: 11/15/2012

Promoting a healthy environment.

INSPECTORS PERMIT SUMMARY FORM

GPS YES[] NO[]

DA	TE STARTED/LOCATION:	(OPERATOR:	CHESAPEAKE APPAL	ACHIA, L.L.C	
DRILLING COMMENCED:			FARM:	SANDERS, WILLIAM I	3	
TO DATE: DEPTHS:			Well No:	626749		
W	ATER DEPTHS:		COAL DEPTHS	S		
	JESTIONS FOR THIS REPORT ARE IN ACCOR. 2.1 AND 35CSR 4-16 AND THE GENERAL WA	DANCE C			ONS 35CSR	
PO	DINTS ARE TO BE GIVEN UP TO MAXIMUM	1 AS SHO	WN BASED C	ON PERFORMANCE.		
1.	DID OPERATOR GIVE PROPER NOTICE TO	INSPECT	OR BEFORE T	HE FOLLOWING:		
	A. CONSTRUCTION YE	ES[] N	IO[] (2_PTS	5)	(4_PTS)	
	B. DRILLING YE	ES[] N	O[] (2_PTS)		
2.	WAS THE TIMBER CUT, STACKED, AND BR BEFORE DIRT WORK STARTED? YE	RUSH USI ES [] N	ED FOR SEDIN NO [] (2_PT	MENT BARRIERS (S)	(4_PTS)	
3.	ARE ALL LOCATION AND/OR ROAD BANKS	S BEING	SLOPED? YES	S[] NO[] (4_PTS)	(4_PTS)	
	WERE THE FOLLOWING SEDIMENT CONTROL STRUCTURES PROPERLY INSTALLED/MAINTAINED? A. ROAD DITCHES (1)_(2)_(3)_(4)_(PTS) B. CROSS DRAINS (1)_(2)_(3)_(4)_(5)_(PTS) C. CULVERTS (1)_(2)_(3)_(4)_(5)_(PTS) D. CREEK CROSSINGS (1)_(2)_(3)_(PTS) E. DIVERSION DITCHES (1)_(2)_(3)_(PTS) F. BARRIERS (1)_(2)_(3)_(PTS) G. TEMPORARY SEEDING YES[
5.	HAS TOP SOIL (F ANY) PER STOCKED PIL			-	(33_PTS) (2_PTS)	
6.	IS THE PIT PROJERLY INSTALLED AND MA				(9 PTS)	
7.	RECLAMATION:		DD: IDS[]	NO[] (7_115)	(7_1 13)	
٠.	A ROADWAY (1) (2) (3) (PTS)	R	LOCATION	(1)_(2)_(3)_(PTS	3)	
	C. PITS (1) (2) (3) (PTS)	D.	PIPELINES	(1)_(2)_(3)_(1 1 (1)_(2)_(3)_(1 1 (1)_(2)_(3)_(1 1 (1)_(3)_(3)_(1 1 (1)_(3)_(3)_(1 1)_(3)_(1 1)_(3)_(1 1 (1)_(3)_(3)_(1 1)_(3)_(1 1)_(3)_(1 1)_(3)_(1 1)_(1	S)	
	E. TANK DIKES (1) (2) (3) (PTS)	F.	API INSTA	CEIVERS NO	1 (3 PTS)	
	C. PITS (1)_(2)_(3)_(PTS) E. TANK DIKES (1)_(2)_(3)_(PTS) G. ADEQUATE SEEDING MATERIALS (1) H. WAS SEED BED ADEQUATE (1)	(2) (3)	(PTS Office	of Oil & Gas	1 ()	
	H. WAS SEED BED ADEOUATE (1	(2)_(3)_	(PTS) NO	V 1 3 2012		
	` ` `			E FOR QUESTION 7:	(24 PTS)	
			WV De	epartment of	- /	
8.	WAS RECLAMATION COMPLETED WITHIN 6 MTHS OF TD 6_PTS ONLY; 4 MTHS OF T	l:	Environ	and Dentention		
	o MITHS OF ID 0_FIS ONLI, 4 MITHS OF I					
		POINT	'S AVAILABL	E FOR QUESTION 8:	(19_PTS)	
]	TOTAL MAXIMUM POSSIBLE SCORE OF 99).	TOTAL D	RECLAMATION SCORE	•	
				1 A A A A A		
	11/13/12 DATE RELEASED		Bill	SPECTOR'S SIGNATURE	3	

RECORD INSPECTIONS TO THIS WELL ON PAGE 2



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 Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

March 19, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-9703513, issued to CHESAPEAKE APPALACHIA, L.L.C., 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 of completion of drilling, 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.

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: 626749

Farm Name: SANDERS, WILLIAM E

API Well Number: 47-9703513

Permit Type: New Well Date Issued: 03/19/2008

Promoting a healthy environment.

API Well#:	047	097	-	0351	٦
				Permit	_

State of West Virginia Department of Environmental Protection, Office of Oil and Gas **Well Work Permit Application**

1) Well Operator: Chesapeake Appalachia, L.L.C.				2) Operator ID #: 494477557			
3) Operator's Well #: 626749				4) Elevation: 1822'			
5) County/District: 097-	-Upshur / 1-Ba	nks		6) Quadrangle: 582 - ROCK CAVE			
	□ Production □ Storage				o Onondaga Gr nto Onondaga (
8) Proposed Target For	mation(s): Ma	rcellus	•				
9) Proposed Total Depti	h: 7,132'						
10) Approximate fresh	water depths: 1	81', 260	ı				
ll) Approximate coal s	eam depths: N	Vone					
12) Approximate salt w	ater depths: N	Vone					
13) Does land contain c	oal seams tribi	itary to	active mine	e? □YES	⊠NO	-	
14) Describe proposed v	well work: Dr	ill and s	timulate zo	ones			
5) CASING AND TU	BING PROGR	AM					
TYPE	SPE	CIFICA	TIONS	FOOTAGE INTERVALS CEMEN		CEMENT	
	Size	Grade	Weight per ft	Used For Drilling	Left in Well	Fill-Up (Cu. Ft.)	
Conductor	11 3/4"	H-40	42#	300'	300'	CTS	
Fresh Water						CTS	
Intermediate	8 5/8"	J-55	32#	1700'	1700' /	CTS	
Production	4 1/2"	P110	11.6#	7132'	7132' /	As Needed	
Tubing							
						CM 2-13-08	
Check #: 762 00 6040 Amount: 4 6 50.0	9	<u> </u>	Packer	s: Kind: none Sizes: Depths Set			

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1) Date: February 7, 2008				
2) Operator's Well #: 626749				
3) API Well #: 047 097	<u>0350</u>			

State of West Virginia

Department of Environmental Protection, Office of Oil and Gas

Well Work Permit Application

Well Work Per	mit Application
4) Surface Owners to be served: a) Name Pamela Ruiz and William E. Sanders	5)(a) Coal Spontor: Name Hannyhouse Coal Can Tue
Address 6802 Craig Lane	Address 300 Cosposate Contes Dr.
City Climton State MD Zip Code 20735	Cay Scott Depot State WV Zip Code 35560
b) Name	b) Coal Owner with Declaration: Name
Address	Address
City State Zip Code	City State Zip Code
6) Inspector: Name Craig Duckworth	c) Coal Lessee with Declaration: Name
Address Box 107 Davison Route	Address
City Gassaway State WV Zip Code 25624	City State Zip Code
TO THE PERSONS NAMED A Included is the lease or leases or other contiming or	
OR ▼ Included is the information required by Chapter 22.	Article 6, Section 8(4) of the Code of West Virginia (see page 2)
I certify that as required under Chapter 22-6 of the West Ymyinia Code accompanying documents on the above named parties by:	I have served copies of this notice and application, a location plat, and
	postal receipt attached) Publication (Notice of Publication attached)
application. I certify under penalty of law that I have personally exami- form and all attachments, and that based on my inquiry of those indivi- that the information is true, accurate and complete. I am aware that the	intele immediately comparelly durabality of the state of
MS DOSMANDAY OF THE SHE INTERCEMENT.	perator: Chesapeake Appalachia, L.L.C.
Signed	TARY -
Its: VI	ce President, Operations
	S P.O. Box 6070
	harleston State WV Zip Code 25362 Number: (304) 353-5000
Subscribed and swom before me this 8th day of	U 1 -
My Commission Expires: November 18, 2008	Tablex Notary Public
and the month of the configuration of the configura	eety ka valones ei joodsella vaa sal
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Operator:	Chesapeake	Appalachia,	LL.C.
Operator:	omesaheare.	мрражени,	بالطما

Operator's Well#:

626749

API Well#: 047

097 County

035

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 eath 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 -

- 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 communing 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 0015X @ 00321
W.E. Morris Et Al	M.G. Young	1/8	
	,		
		· ·	

Well Operator:	Chesapeake Appalachla, LLC.
Signed by (print); Michael John
Its: Vice-Presid	lent Operations
Signature:	MILL
Date: 2	809

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WV Department of
Environmental Protection

Operator: Chesapeake Appalachia, L.L.C.			
Operator's Well #:	626749		
API Well #: 047	097 63513		

West Virginia Department of Environmental Protection Office of Oil and Gas

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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:

			yee the water samples.	
	☑Contractor Name Sta	ım Environmenta	l	
	☐Well operator's privat			
	Well Operator: Chesa	peake Appalachia	LL.C.	
	Address P.O. Box 60	70		
	City Charleston	State WV	Zip Code 25362	
	Phone Number:	(304)	353-5000	
indicate by	side the one(s) that contacte	ed you and reques have selected to	ted sampling and anal sample and analyze.	hich were given this notice. Place an yes. If there were no requests made, If there are no water wells or springs
	⊠ No water wells or sp	rings within 1000	feet.	
	Water wells or spring See attached sheet for	gs are present with r names and addre	in 1000 feet of the prosses of surface owners	posed location. with water sources within 1000 feet.

Operator: Chesapeake Appalachia, L.L.C.				
Operator's Well #:	626749			
API Well #: 047	097 03513 County Permit			

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

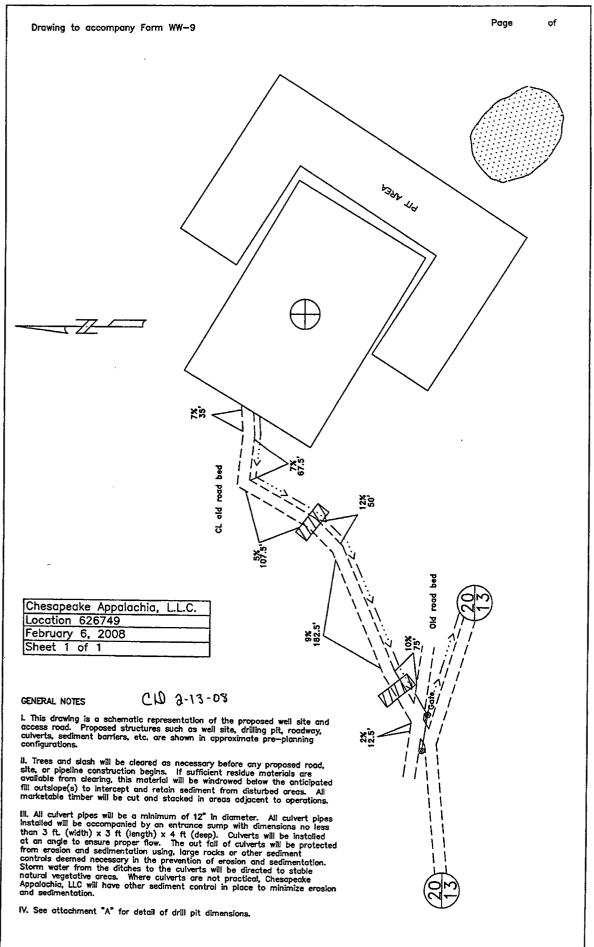
1) Well Operator: Chesapeake Appalachia, L.L.C.	2) Operator ID #: 494477557
3) Watershed: Little Kanawha River	4) Elevation: 1822'
5) County/District: 097-Upshur / 1-Banks 6) Quadr	angle: 582 - ROCK CAVE
7) Description of anticipated Pit Waste: Drill water, frac blow back &	Various formation cuttings
8) Will a synthetic liner be used in the pit? Yes No	
9) Proposed Disposal Method for Treated Pit Waste: ☐ Land Application ☐ Underground Injection at UIC Permit Number ☐ Reuse at API Number: ☐ Off Site Dispposal (Supply form WW-9 for of Other (Explain):	disposal location)
10) Proposed Work For Which Pit Will Be Used: Drilling Pingging Swabbing Other (Explain:	☐ Workcover
I certify that I understand and agree to the terms and conditions of the GEN issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia De that the provisions of the permit are enforceable by law. Violations of any term or or law or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and am familiform and all amediments thereto and that, based on my inquiry of those individuals in I believe that the information is true, accurate, and complete. I am aware that information, including the possibility of fine or imprisonment. Company Official Signature:	partment of Environmental Protection. I understand addition of the general permit and/or other applicable are with the information submitted on this application
Company Official (Typed Name): Michael John	
Company Official Title Vice-President, Operations	
Subscribed and swom before me this 8th day of 5	ebruary ,2008 Notary Public
My Commission Expires: November 18. 2008	- Weby Public

	LEC	CEND							
Property Boundary		Diversion (1911)							
Road = = = = = = =	==== :	Spring O-							
Existing Fence — X — X	- x -	Wet Spot Drain Pipe with size in inches @							
Planned Fence//_	_/								
Open Ditch — — — — — — — — — — — — — — — — — — —		Waterway Cross Drain Artificial Filter Strip							
					North N	,	Pit: cut walls		
					Buildings 📆		Pit: compacted fill walls		
Water wells W		Area for Land Application of Pit Waste	`						
Drill site			,						
Proposed Revegetation Treatment: Acres	s Disturbed: 5	Prevegetation pH:	6.0						
Lime as determined by PH Test	Tons/acre c	or to correct to pH: 6.5 Mulch: Hay/str	aw 2 Tons/Acre						
Fertilizer (10-20-20 or equiva			<u></u>						
	los/acre ((500 lbs minimum)							
Area I	11/	Area II	,						
Seed Type	lbs/acre	Seed Type	lbs/acre						
Kentucky Bluegrass		Kentucky Bluegrass							
Red Top	15	Red Top	15						
White Clover	15	White Clover	15						
Attach to this form: Drawing(s) of road, location,pit and proposed Photocopied section of involved 7.5' topograp									
Plan Approved by: Craig LOur	Secott								
Comments:		· · · · · · · · · · · · · · · · · · ·	. •						
Title: Oil and Gas Inspector		Date: 2-13-08							
Field Reviewed: YES	□ NO								



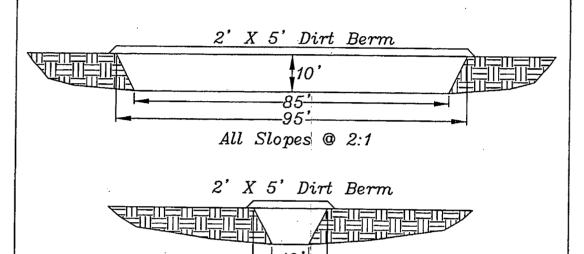
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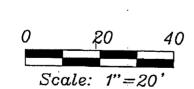
Chesapeake Drill Pit Dimensions Attachment "A"

Side View

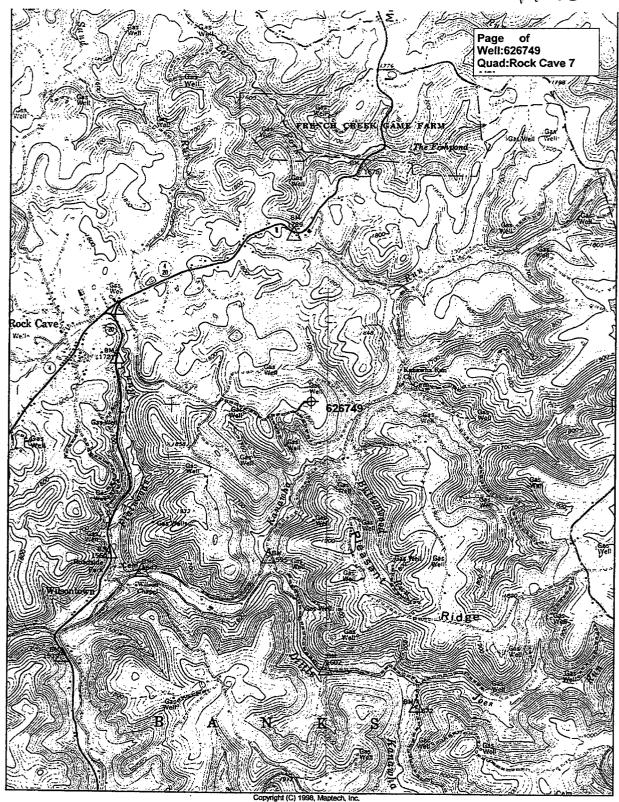


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End View



97-03513



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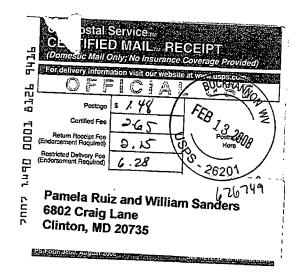
Operator: Chesapeake Appalachia, L.L.C.						
Operator's Well #:	626749					
API Well #: 047	097	03513	· · · ·			

COAL OWNER, OPERATOR, OR LESSEE WAIVER

INSTRUCTIONS TO COAL OWNER, OPERATOR, OR LESSEE

To the coal owner, or lessee named on page WW2-A. You are hereby notified that any objection you wish to make or are required to make by Code 22-6-15, 16 or 17, must be filed with the Chief of the Office of Oil and Gas within fifteen (15) days after the receipt of this application by the Office of Oil and Gas.

WAIVER					
The undersigned coal operator/ owner/ lessee/ of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations. In addition, I have no objection to the applicant drilling another well within 50 feet of the proposed location if necessary due to difficulty drilling of this well.					
FOR EXECUTION BY A NATURAL PERSON	FOR EXECUTION BY A CORPORATION, ETC. Company Name: Hawthorn Coal Company, Inc.				
Printed Name:	Signed by: O. Eusene Litts				
Signature:	Its: Roces da + A				
Date:	Date: 2/22/08				





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Rock Cave Operator: CHESAPEAKE APPALACHIA, L.L.C. 9703513 API: WELL No: 626749 Reviewed by: Due Date:

	CHECKLIST FOR FILING A PERMIT
,	New Well
	WW-2B WW-2B Inspector signature on WW-2B
\supset	Inspector signature on WW-2B
J	WW-2A (Notarized)
X	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
	Surface Owner Waiver
	Coal Owner / Lessee /Operator Waiver
₫,	WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
₫,	/ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
	WW-9 (Page 1 & 2) (Notarized)
X	Inspector Signature on WW-9
	Reclamation plan
	Topographic Map of location of well
\Box	Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
\mathbb{Z}_{p}	Bond
	Company is Registered with the SOS
Ø	Worker's Compensation / Unemployment Insurance account is OK
X	\$650.00 check (\$550.00 if no pit)
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