

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

PERMIT MODIFICATION APPROVAL

May 07, 2014

STONE ENERGY CORPORATION 6000 HAMPTON CENTER, SUITE B MORGANTOWN, WV 26505

Re: Permit Modification Approval for API Number 10302792, Well #: SMITH 4H

Extended Lateral

Oil and Gas Operator:

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.

Please call James Martin at 304-926-0499, extension 1654 if you have any questions.

Sincerely,

Gene Smith

Regulatory/Compliance Manager

Office of Oil and Gas



6000 Hampton Center, Suite B Morgantown, WV 26505-1748 Telephone: (304) 225-1600

January 17, 2014

Laura Cooper
West Virginia Department of Environmental Protection
Office of Oil & Gas
601 57th Street SE
Charleston, West Virginia 25304

RE: Proposed Smith 2H and 4H Modifications

Well work permit application's API #'s are as follows:

2H- 103-02793 4H- 103-02792

Dear Laura:

Please find enclosed modifications for two of our currently permitted Smith permit applications. They are the 2H and 4H.

We are able to extend these laterals through additional leasing/acquisition efforts. The additional interest is reflected on the WW-6A1 form and shown on the plats under the new rules.

There are no changes to the top holes.

If you should have any questions or concerns, please contact us.

Your assistance is greatly appreciated.

Sincerely,

Tim McGregor

Land Coordinator/Appalachia Basin

Stone Energy Corporation

(304) 225-1788

mcgregortp@stoneenergy.com

Received

JAN 2 1 2014

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

1) Well Operator:	Stone Ener	gy Corporation	494490923	Wetzel	Magnolia	New Martinsville
			Operator ID	County	District	Quadrangle
2) Operator's Well	Number:	Smith #4H	Well Pad	Name:	S	mith
3) Farm Name/Surf	face Owner:	Smith, Sonny & Ch	arlotte Public Roa	d Access:	Wetzel Co	ounty Route 22
4) Elevation, currer	nt ground:	1,335' Ele	evation, proposed	post-construction	on:	1,321'
	Gas	Oil	Unde	erground Storag	ge	
Oth	ner					
(b)	If Gas Sha	llow _	Deep	+		
	Hor	izontal _	s			Da 11
6) Existing Pad: Ye	es or No	Yes		- 8		5-679
7) Proposed Target	Formation(s)	, Depth(s), Antici	pated Thickness a	nd Associated	Pressure(s):	- 079
Target formation is	the Marcellus S	Shale @ 6,799' TVD	(-5,460 SL), thickness	s is 50', with rock p	pressure betw	veen 3,800 & 4,400 psig
8) Proposed Total V	Vertical Deptl	n: 6,880' TVD @	TD (Down-Dip Well)	and 6,830' TVD	@ LP	
9) Formation at Tot	tal Vertical D	epth: Marcellus S	Shale			
10) Proposed Total	Measured De	epth: 12,800' MD	@ TVD			
11) Proposed Horiz	ontal Leg Le	ngth: 5,420' from	LP and 6,689' from	m KOP		
12) Approximate F	resh Water St	rata Depths:	80' Shallowest and	1,120' Deepest		
13) Method to Dete	ermine Fresh	Water Depths: _	epth of bit when wate	er shows in the flo	wline or wher	n drilling soap is injected
14) Approximate S	altwater Dept	hs: 1,740'				
15) Approximate C	Coal Seam Dep	oths: 1,115'				Ta .
16) Approximate D	epth to Possi	ble Void (coal mi	ne, karst, other):	None Anticipated		
17) Does Proposed directly overlying of			ns Yes	No	√	
(a) If Yes, provide	e Mine Info:	Name:				
		Depth:		Red	ceive	d
		Seam:				
		Owner:		JAN	2 1 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	20"	New	LS	94.0	80'	80'	77 - CTS
Fresh Water	13.375"	New	J55	54.5	1,300'	1,300'	1,188 - CTS
Coal	13.375"	New	J55	54.5	1,300'	1,300'	1,188 - CTS
Intermediate	9.625"	New	J55	36.0	2,600'	2,600'	640 Lead - 393 Tail CTS
Production	5.5"	New	P110	20.0		12,800'	973 Lead - 2,142 Tail TOC @ 1,600'
Tubing	2.375"	New	J55	4.7		6,100'	N/A
Liners	N/A						

Note: Fresh Water/Coal casing is set just above elevation. At no time will it ever be set below elevation. This setting depth is due to sloughing formation below the Pittsburgh Coal seam.

Depth 5-4-44

TYPE	Size	Wellbore	Wall	Burst Pressure	Cement Type	Cement Yield
		<u>Diameter</u>	Thickness			(cu. ft./k)
Conductor	20"	24"	0.375"	N/A	Type 1	1.18
Fresh Water	13.375"	17.5"	0.380"	2,730 psi	Class A	1.19
Coal	13.375"	17.5"	0.380"	2,730 psi	Class A	1.19
Intermediate	9.625"	12.25"	0.352"	3,520 psi	Class A	1.28 Lead - 1.19 Tail
Production	5.5"	8.75"	0.361	12,360 psi	Class A	1.28 Lead - 1.19 Tail
Tubing	2.375"	N/A	0.190"	7,700 psi	N/A	N/A
Liners						

PACKERS

Kind:	N/A	
Sizes:		D - civod
Depths Set:		Received

JAN 2 1 2014

WW-6B (9/13)

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

MIRU conductor rig and set 20" conductor into solid rock cementing back to surface. Typically the setting depth is 80'. RDMO conductor rig and MIRU top-hole rig. Drill and set 13.375" fresh water/coal casing cementing back to surface. Drill and set 9.625" intermediate casing cementing back to surface. Drill 8-3/4" production hole to just above KOP. This section will be drilled using a slant in order to maintain and reduce anti-collision concerns. Run gyro and displace with KCl fluid back to surface. RDMO top-hole rig and MIRU horizontal rig. Displace KCl fluid out of well bore with salt saturated drilling fluid. Drill to KOP and then drill curve to landing point. Continue drilling horizontal section of well bore to TD. Condition well bore at TD, TOOH, and run 5.5" production casing to TD. Cement production casing to 1000' inside of the 9.625" casing string. RDMO horizontal rig after installing night cap on top of well head.

20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:

MIRU coil tubing unit or service rig and clean out well bore to PBTD. Run CBL to approximately 30-60 degrees in curve back to surface. Toe prep horizontal for fracturing. RDMO coil tubing unit or service rig. MIRU stimulation equipment. Begin stimulation on first stage. Anticipated maximum treating pressure is 9000 psi. Anticipated maximum pump rate is between 85 and 90 bmp of slick-water with sand. Frac plugs will be pumped down during night-time operations. The number of stages to be pumped will be determined once the well is drilled and log information is reviewed. All other stages will pumped as described above. Once well is fraced the coil tubing unit or service rig (with snubbing unit) will be moved back on site and the frac plugs will be drilled out and the well bore will be cleaned up. Flow back time for the well will be dependent upon fluid return and gas production. All gas will be flared until the well is capable of production.

21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres):	14.22
22) Area to be disturbed for well pad only, less access road (acres):	10.30
23) Describe centralizer placement for each casing string:	
Fresh Water/Coal string will use bow spring centralizers w/ one just above guide shoe and the intermediate string will use bow spring centralizers w/ one just above the guide shoe, one just hen on every 3rd jt. to surface. One straight vane rigid centralizer will be placed as close as peroduction string will use alternating left/right rigid centralizers on every 4th jt. from TD to 500't, from 500' above KOP to top of slant. Bow spring centralizers every 3rd jt. will be used from the straight of the straight strai	above the float collar and bractical to the surface. If above KOP and on every 3rd

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

Fresh Water/Coal cement is typically Class A w/ 0.25 pps Cello-Flake and 1.0% to 3.0% CaCl2. Intermediate cement is a lead/tail blend with the lead being Class A w/ 10% Salt and 0.25 pps Cello-Flake. Tail is Class A w/ 0.25 pps Cello-flake + 1.0% to 3.0% CaCl2 + .02% Anti-Foam. Production cement is a lead/tail blend with the lead being Class "A" w/ 10% Salt blend w/ 0.02% Anti-foam and tail being HES's HALCEM blend w/ 0.65% Retarder and 0.1% Dispersant or SLB with lead/tail with the lead being Class A w/ 10% Salt or Class A w/ FlexSeal and the tail being Class A w/ 0.2% Dispersant, 0.4% Fluid Loss, 0.2% Anti-Foam, 0.15% Retarder, and 0.2% Anti-Settling Agent.

25) Proposed borehole conditioning procedures:

Fresh Water/Coal section will be done by circulating air through the drill string at TD between 30 and 90 minutes or until the well bore clears of cuttings.

Intermediate section will be done by circulating air and/or stiff foam through the drill string at TD between 30 and 120 minutes or until the well bore clears of cuttings.

Production section will be done by circulating drilling fluid through the drill string at TD between 120 to 720 minutes (a minimum of 3 bottoms up) until the shakers are clear of cuttings.

*Note:	Attach	addit	ional	sheets	as needed.

District: Magnolia

WV Dept. of Environmental Protection

STONE ENERGY - PROPOSED HORIZONTAL - Modification Revision: 12-Nov-13

Permit Number: 47-103-02792 Permit Issued: 10/12/2012

As Built Ground Elevation: 1321' Kelly Bushing: 18'

Rig:

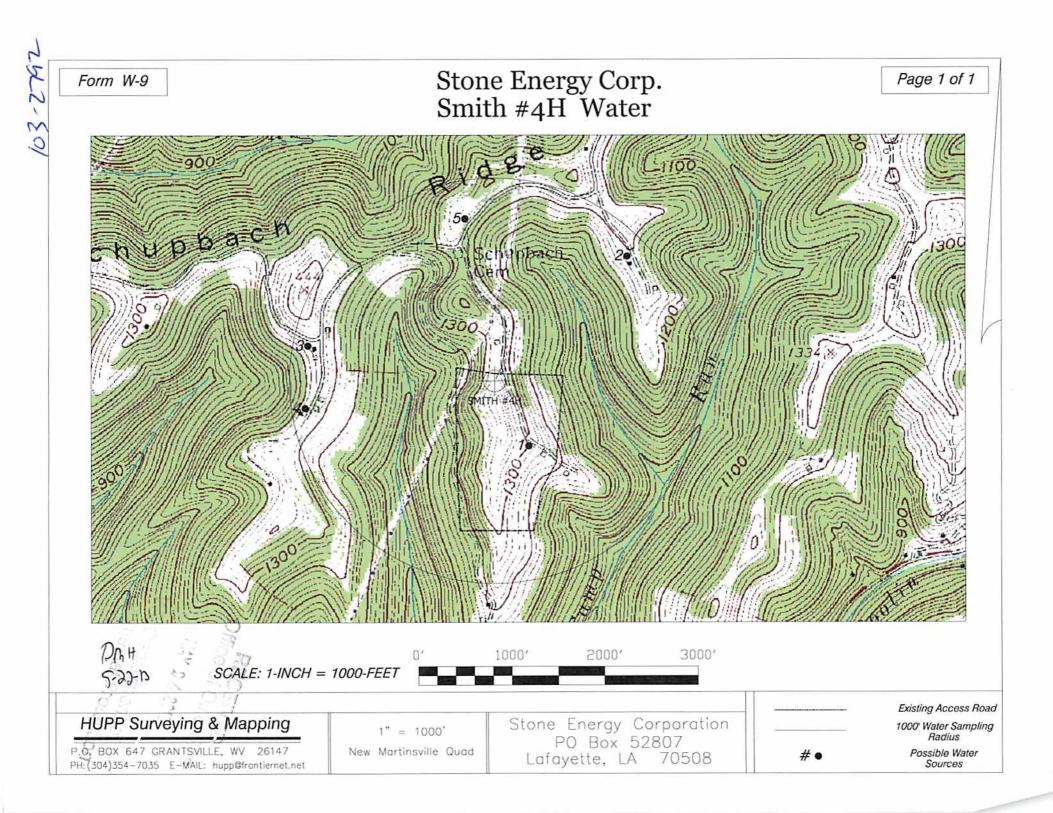
Spud Date: TD Date:

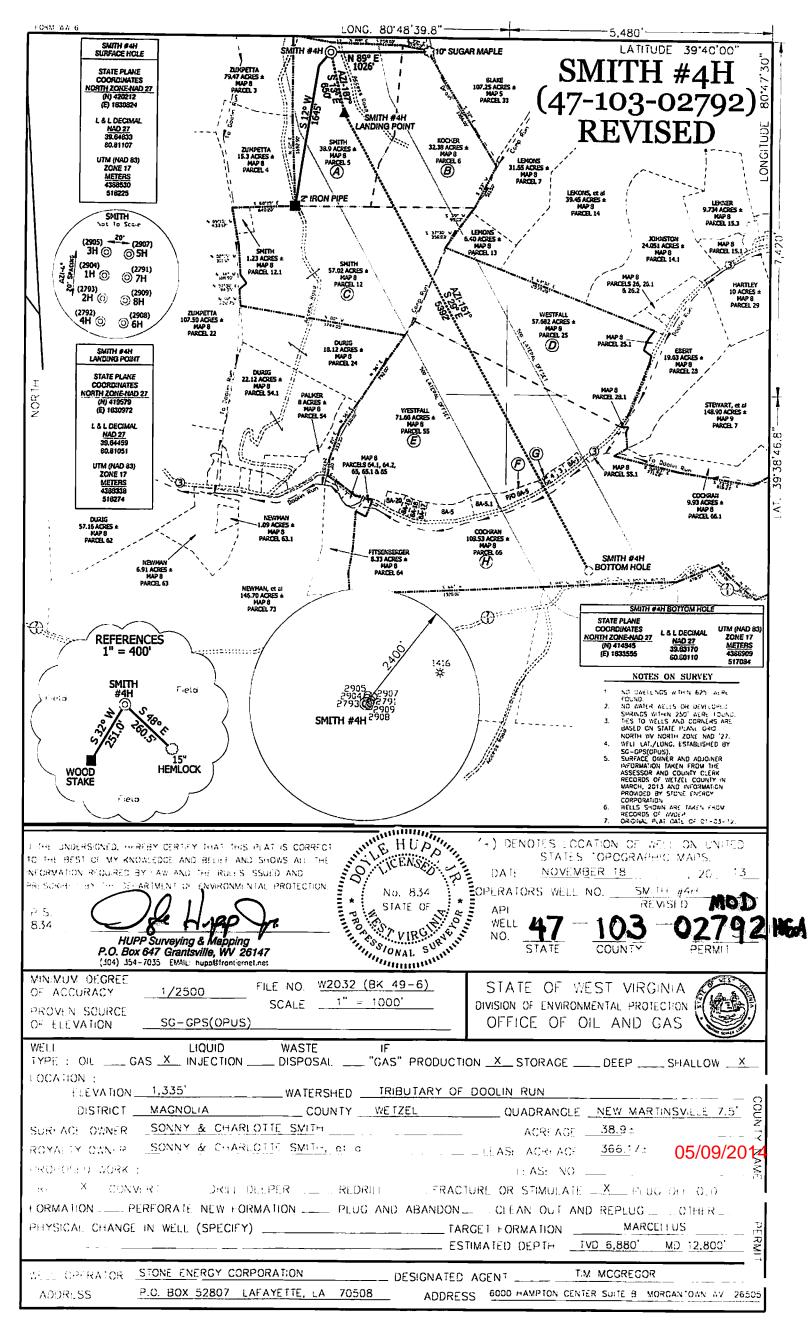
Rig Release Date:

Prospect: Mary Location: Surface: North = 4,388,530 East = 516,225 (UTM NAD 83) PBHL: North = 4,386,909 East = 517,084 (UTM NAD 83)

PTD: 12800' MD / 6880' TVD

WELLBORE **CASING & CEMENTING DATA** MW & HOLE HOLE PILOT HOLE SIZE **FORMATION TOPS** DIAGRAM **DIRECTIONAL DATA FLUID TYPE** DEV. 24" Hole then Driven 98' KB (80' BGL) CONDUCTOR PIPE Vertical 20" x 3/8" wall L/S PE @ 98' (set in bedrock & grouted to surface) Shallowest FW 80' TVD Pittsburgh Coal 1115' TVD 17-1/2" Hole Air / Mist Deepest FW 1114' TVD 1300' TVD SURFACE CASING Vertical 13-3/8" 54.5# J-55 STC @ 1300' MD/TVD Salt Water 1740' TVD Set through fresh water zones Little Lime 2166' TVD Set through coal zones 12-1/4" Hole Stiff Foam Big Lime 2196' TVD Cemented to surface 2296' TVD Big Injun Sandstone Base of Big Injun 2396' TVD INTERMEDIATE CASING 2600' TVD Vertical 9-5/8" 36.0# J-55 LTC @ 2600' MD/TVD Berea Sandstone 2765' TVD Set through potential salt water zones Set below base of Big Injun Gordon Sandstone 2986' TVD Cemented to surface Air / Dust 8-3/4" Hole KOP @ 6111' TVD Rhinestreet Shale 6338' TVD WBM in Curve 8-3/4" Hole Middlesex Shale 6495' TVD West River Shale 6512' TVD Geneseo Shale 6709' TVD Tully Limestone 6739' TVD Hamilton Shale 6764' TVD 8-3/4" Hole in ~89.5* Marcellus Shale 6799' TVD WBM in Lateral Lateral Onondaga Limestone 6849' TVD TD @ 12800' MD / 6880' TVD PRODUCTION CASING Landing Point (LP) @ 7380' MD / 6830' TVD 5-1/2" 20.0# P-110 CDC @ 12800' MD ~89.5° angle Top of Cement @ 1600' (~1000' inside 9-5/8") ~151° azimuth





WW-6A1	(Attachment)
--------	--------------

Operator's Well Number:

Smith #4H

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page	Map/Parcel	Code
Sonny Smith	Stone Energy Corporation	1/8	111A/982	8-8-5	Α
Mary Lou Thomas	Stone Energy Corporation	1/8	364/233	8-8-6	В
Sonny L. Smith	Stone Energy Corporation	1/8	48/496	8-8-6	В
David L. Smith	Stone Energy Corporation	1/8	48/496	8-8-6	В
Milton O. Smith	Stone Energy Corporation	1/8	48/496	8-8-6	В
Ralph O. Smith	Stone Energy Corporation	1/8	48/496	8-8-6	В
Jeanette D. Kocher	Stone Energy Corporation	1/8	125A/279	8-8-6	В
Sarah M. Kocher	Stone Energy Corporation	1/8	125A/404	8-8-6	В
Bessie Stillwagoner	Stone Energy Corporation	1/8	125A/406	8-8-6	В
Murray D. Shackelford	Stone Energy Corporation	1/8	125A/408	8-8-6	В
Sarah M. Carpenter	Stone Energy Corporation	1/8	125A/410	8-8-6	В
Shelva Jean Whimpkey	Stone Energy Corporation	1/8	125A/412	8-8-6	В
Freda Eastmam	Stone Energy Corporation	1/8	125A/414	8-8-6	В
Nilla J. Montgomery	Stone Energy Corporation	1/8	125A/416	8-8-6	В
Linda Sue Irwin	Stone Energy Corporation	1/8	125A/418	8-8-6	В
Mary L. Hartley	Stone Energy Corporation	1/8	125A/420	8-8-6	В
William Jean McElwain	Stone Energy Corporation	1/8	125A/281	8-8-6	В
Harold F. Lewis	Stone Energy Corporation	1/8	125A/283	8-8-6	В
Gregory R. Richard	Stone Energy Corporation	1/8	125A/285	8-8-6	В
Lloyd A. Lewis	Stone Energy Corporation	1/8	125A/287	8-8-6	В
Annette M. Hinkle	Stone Energy Corporation	1/8	125A/289	8-8-6	В
Sharon L. Clutter	Stone Energy Corporation	1/8	125A/291	8-8-6	В
Mary L. Wright	Stone Energy Corporation	1/8	125A/293	8-8-6	В
Kathy Kay Tedrow	Stone Energy Corporation	1/8	125A/295	8-8-6	В
Tina I. Williamson	Stone Energy Corporation	1/8	125A/297	8-8-6	В
Case E.F. Garvey	Stone Energy Corporation	1/8	125A/299	8-8-6	В
Donald E. Richard	Stone Energy Corporation	1/8	125A/301	8-8-6	В
Judy E. Courtwright	Stone Energy Corporation	1/8	125A/303	8-8-6	В
Nancy Doty	Stone Energy Corporation	1/8	125A/305	8-8-6	В
Carla Hall	Stone Energy Corporation	1/8	125A/307	8-8-6	В
Deborah J. Richard Taylor	Stone Energy Corporation	1/8	125A/309	8-8-6	В
Eric Scott Richard	Stone Energy Corporation	1/8	125A/311	8-8-6	В
Christina Parr	Stone Energy Corporation	1/8	139A/836	8-8-6	В

Under the oath 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 –

(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:

Well Operator Stone Energy Corporation

By MI Color Received

Title Land Coordinator

AN 2 1 2014

WW-6A1	(Attachment)
--------	--------------

0	per	ator	's	Wel	I Nu	mber:
-	~~.	ucui				

Sn	nith	#4	

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page	Map/Parcel	Code
Steven M. Lewis	Stone Energy Corporation	1/8	125A/313	8-8-6	В
Gregory R. Lewis	Stone Energy Corporation	1/8	124A/959	8-8-6	В
Kimberly A. Lewis	Stone Energy Corporation	1/8	124A/957	8-8-6	В
Scottie L. Lewis	Stone Energy Corporation	1/8	125A/315	8-8-6	В
Misty D. Brown	Stone Energy Corporation	1/8	125A/317	8-8-6	В
Deborah E. Hrancho	Stone Energy Corporation	1/8	125A/863	8-8-6	В
Elson Wells Lewis, Jr.	Stone Energy Corporation	1/8	125A/865	8-8-6	В
Gary Michael Richard	Stone Energy Corporation	1/8	126A/867	8-8-6	В
Terrill L. Lewis Sr., et ux	Stone Energy Corporation	1/8	127A/932	8-8-6	В
Nancy Doty	Stone Energy Corporation	1/8	131A/698	8-8-6	В
Ben Lewis	Stone Energy Corporation	1/8	131A/769	8-8-6	В
Danny Lewis	Stone Energy Corporation	1/8	135A/373	8-8-6	В
Donna Reynolds	Stone Energy Corporation	1/8	139A/574	8-8-6	В
Mary Lou L. Thomas, et al	Stone Energy Corporation	1/8	112A/96	8-8-12	С
Barry Sisler	Stone Energy Corporation	1/8	134A/133	8-8-12	С
Robert D. Schupbach	Stone Energy Corporation	1/8	134A/135	8-8-12	С
Nina Winters	Stone Energy Corporation	1/8	134A/163	8-8-12	С
Joel A. Potts, Jr	Stone Energy Corporation	1/8	134A/161	8-8-12	С
Carol Facci	Stone Energy Corporation	1/8	134A/159	8-8-12	С
Linda Wren	Stone Energy Corporation	1/8	134A/145	8-8-12	С
Ruth E. Mullett	Stone Energy Corporation	1/8	108A/906	8-8-25	D
Elizabeth M. Mullett	Stone Energy Corporation	1/8	108A/902	8-8-55	E
Elizabeth Mullett	Stone Energy Corporation	1/8	139A/588	8-8A-5	F
Danny Neff, et ux	Stone Energy Corporation	1/8	135A/403	8-8A-5.2	G
Mark I. Cochran	Stone Energy Corporation	1/8	119A/487	8-8-66	Н
Chesapeake	Stone Energy Corporation	1/8	406/459	8-8-66	Н
B&R Construction	Stone Energy Corporation	1/8	408/338	8-8-66	Н

Under the oath 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 –

(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:

Well Operator Stone Energy Corporation

By

Title Land Coordinator