

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 17, 2014

WELL WORK PERMIT Horizontal 6A Well

This permit, API Well Number: 47-10302994, issued to TRANS 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 feet free to contact me at (304) 926-0499 ext. 1654.

James Martin

Chief

Operator's Well No: DEWHURST II 301H

Farm Name: STATE OF WEST VIRGINIA

API Well Number: 47-10302994

Permit Type: Horizontal 6A Well

Date Issued: 07/17/2014

API Number: 103-02994

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.

WW-6B (9/13)

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

	WEEL WORK	EKWIT IK TEJET	103	4	349
I) Well Operator: Trans Ene	ergy Inc.	494481575	Wetzel	Grant	Folsom
ar and a second		Operator ID	County	District	Quadrangle
2) Operator's Well Number: D	ewhurst 301H	Well Pa	ad Name: Dev	vhurst	
3) Farm Name/Surface Owner	State of West \	Virginia Public Ro	ad Access: 84	4/1	
4) Elevation, current ground:	1388'	Elevation, proposed	l post-construc	ction: 1346.	50
5) Well Type (a) Gas Other	Oil _	Un	derground Stor	rage	
	nallow	Deep	-		DmH
	Yes				3.24-14
7) Proposed Target Formation Marcellus Shale 7500' 60' th		icipated Thickness	and Associate	d Pressure(s)):
3) Proposed Total Vertical Dep	pth: 7500'				
) Formation at Total Vertical	Depth: Marcellu	S			
0) Proposed Total Measured	Depth: 12,500				
1) Proposed Horizontal Leg I	ength: 5,000				
2) Approximate Fresh Water	Strata Depths:	50, 100			
13) Method to Determine Fres	h Water Depths:	County Health Depa	artment		
14) Approximate Saltwater De	epths: 1525'				
15) Approximate Coal Seam D	Depths: 900'				
16) Approximate Depth to Pos	sible Void (coal i	mine, karst, other):	None		
17) Does Proposed well location			N	No 🗸	
(a) If Yes, provide Mine Info	: Name:				
	Depth:			Hece	eived
	Seam:			VDD.	0.000
	Owner:			APH +	2 2014

Office of Oil and Gas WV Dept. of Environmental Protection WW-6B (9/13)

18)

CASING AND TUBING PROGRAM

TYPE	Size	New or Used	<u>Grade</u>	Weight per ft. (lb/ft)	FOOTAGE: For Drilling	INTERVALS: Left in Well	CEMENT: Fill-up (Cu. Ft.)
Conductor	20	new	J-55	94	80	80	CTS
Fresh Water	13 3/8	new	J-55	54.5	400	400	CTS
Coal							
Intermediate	9 5/8	new	J-55	36	3300	3300	CTS
Production	5 1/2	new	P-110	20	12,500	12,500	CTS
Tubing							
Liners							

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	20	26	0.438	1530	Type 1	13 cu ft/sk
Fresh Water	13 3/8	17 1/2	.38	2730	Type 1	1.25 cu ft/sk
Coal						
Intermediate	9 5/8	12 1/2	.352	3520	Type 1	1.26 cu ft/sk
Production	5 1/2	8 3/4	.361	12360	Poz H Class H	1.18 cu ft/sk
Tubing						
Liners						

Dn H 3-24-19

PACKERS

Kind:		
Sizes:		
Depths Set:		Received

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Office of Oil and Gas WV Dept. (c) Environmental Protection

WW-6B (9/13)

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:
Drill and complete horizontal well in the Marcellus Shale. Lateral to be approximately 5,000' in length.
20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:
A water fracture treatment is proposed a mixture of sand and water will be used to stimulate the Marcellus Shale.
Max Pressure 10,000 Max Rate 100 bbl/min
21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 36.34 acres
22) Area to be disturbed for well pad only, less access road (acres): 3.84 acres
23) Describe centralizer placement for each casing string:
Fresh Water String - 1 centralizer every 160' Intermediate String - 1 centralizer every 100' from 3300' to 900' Production String - 1 centralizer every 80' from TD to above ROP (7000')
24) Describe all cement additives associated with each cement type:
Standard Type 1 cement - retarder and fluid loss (surface and interm) Type 1 = 2% CaCl ₂ + Y4# Flake - Surface Cement mixed @ 15.6 ppg CaCl ₂ , Flake (cellophane flake) Type 1 = 2% CaCl ₂ + Y4# Flake - Intermediate Cement mixed @ 15.6 ppg Class H in lateral - retarder and fluid loss and free water additive
25) Proposed borehole conditioning procedures:
Before cement casing mud will be thinned and all gas will be circulated out of the mud before cementing.
Received
7-24-14 APR - 2 2014
3-34-14 APR - 2 2014

*Note: Attach additional sheets as needed.

APR - 2 2014

CEMENTING ADDITIVE	DULLIAND
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1		CG610L Lie	nid: Wate	ficini	ì	. Seterat	l	(Soluble	ini Coment slurry has
			mbee	veila	w ≤180°	ealt we		C cold	•
				visco	29	SER WE		wate	r i is not extended.
•				- liquid	j 		:		
			Dry&	White	CF CF		•		i High purity, small
		CG610S-	witter	سنت		Seturate	ed.	Soluble	dosago, good sturry
•		P Powder	mbed dual	yellor	<u>≤180</u> 1	C salt wat		i ecid	fluidity and not
	AMPS		-purpos	powde	ž			' Welcz	extended.
q	uadripolyn	261	perpus	4-	٠.			,	
•		CG6108-D	Dev	Pray		Seturate		Partly	Easy storage, long
		High purity	mixed	-	≤180°t	Saft water		- weter	
		powder	,	1 1	•			solubi	fluidity and not
· Muhi-			Dry&	•		• • •	• ·		extended. Using flexibly and
functional fluid			Water				1	Soluble	
less additives		' CG610S-T Powder	mixed	White	: ≤18010		7 —	- ' cold	starry's fluidity is
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			purpose	•	•		ı		extended.
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		CO2 IOT FICH	mbred	yellow	≤150°C		-157	C ' cold	Slurry's fluidity is
			,	viscous		water.	1	1 water	good, slight extend.
				liquid	.		!		1
	AMPS		Dry&	White or			•	• • •	162-1
u	upolymer	CG510S-P	water	Skint		18% salt		Soluble i	High purity, small or desage, good sharry
•		High purity	mixed	yellow	. ₹120,C	Water		- , cold	fluidity and slight
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		•						D. d.	
		į	water	Chint	1			Partly	Easy storage, long
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	:		ا است	powder		18% salt		Soluble in	bas the properties of
•	:	CF510S Powder	purpose		≤150°C	water	_	cold	fluid loss controlling.
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) 	<u>.</u> .				,	is slight extended.
			Water ('olerless		1896 eelt ,	***	Soluble in	Toma cap
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	-		! •• •• • •			wa.u. ,		water	
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•	(CH210S-P High		White -		18% salt		Solable in	High purity and low
		purity powder	mbed	powder i	55-110°C	water	_	cold	dosego.
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Moderato temperature	(ट्यार्ट्स े		purpose:	- ·j				•	
		CH3108-D .	Dry	Cray	ee 110 0 0	1896 salt		Partly	Easy storage and
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			Dry&					soluble	•••
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				ı.		•			and

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APR - 2 2014

Office of Oil and Gas
WV Dept. of Environmental Protection

WELLBORE SCHEMATIC

Well Name: DEWHURST 301H

county: Wetzel

Latitude: 39.473505 Longitude: -80.598340

TVD: 7,500 ft.

TD: 12,500 ft.

 Type Casing
 Size
 Footage

 Conductor
 20"
 80'

 Fresh Water
 13-3/8"
 400'

 Intermediate
 9-5/8
 3,300'

 Production
 5-1/2"
 12,500'

Received
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Office of Oil and Gas WV Dept. of Environmental protection

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

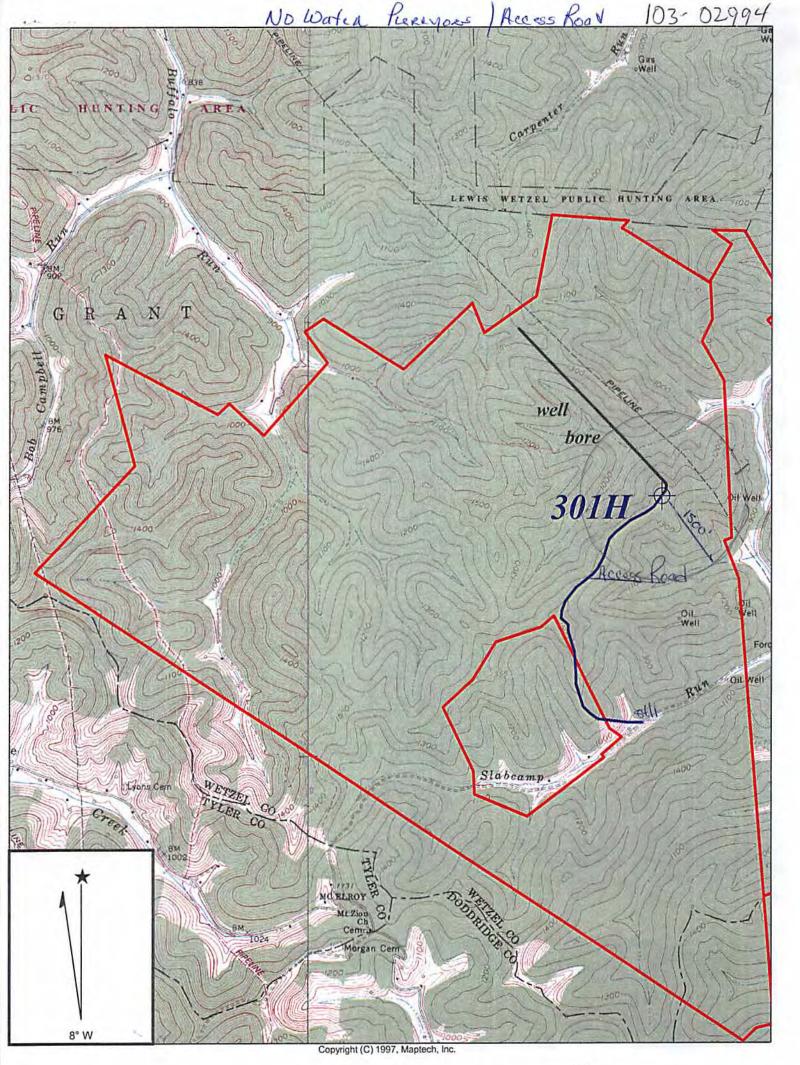
FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name_Trans En	ergy Inc.	OP Code 494481575	
Watershed (HUC 10) Ar	ches Fork & Horse Run	Quadrangle Folsom	
Elevation 1388	County_Wetzel	District Grant	
Do you anticipate using r Will a pit be used? Yes	nore than 5,000 bbls of water to complete	e the proposed well work? Yes	No
If so, please dese	cribe anticipated pit waste:		
Will a synthetic	liner be used in the pit? Yes	No 1f so, what ml.?	
Proposed Dispos	sal Method For Treated Pit Wastes:		DmH
	Land Application Underground Injection (UIC Permit N Reuse (at API Number	lumber	3-24-14
	Off Site Disposal (Supply form WW-9		
	Other (Explain All frac fluids will be flowed back into s	torage containers and Buckeye Water Service Company will hauf to an approvi	1
Will closed loop system b	be used? If so, describe: yes	Ti E	eceived
Drilling medium anticipa	ted for this well (vertical and horizontal)	? Air, freshwater, oil based, etc. Freshwater mud und in	saching Marcellus then synthetic
	at type? Synthetic, petroleum, etc. Synthe	AF	H - 2 2014
	rilling medium? See attached		
		Offi fsite, etc. <u>All cuttings will be hauled to ଜନ୍ମନିକେଟ</u> ଣ ।ଛା	ice of Oil and Gas- hanvironmental Protection
	plan to solidify what medium will be us		
-Landfill or offs	ite name/permit number? Short Creek Lan	diii SVVF - 1034	
on August 1, 2005, by the provisions of the permit law or regulation can lead I certify under application form and al obtaining the informatio penalties for submitting f	e Office of Oil and Gas of the West Virgi are enforceable by law. Violations of a I to enforcement action. penalty of law that I have personally e I attachments thereto and that, based on, I believe that the information is true alse information, including the possibility	nditions of the GENERAL WATER POLLU inia Department of Environmental Protection my term or condition of the general permit a samined and am familiar with the information my inquiry of those individuals immede, accurate, and complete. I am aware that y of fine or imprisonment.	n. I understand that the and/or other applicable ation submitted on this diately responsible for
Company Official Title_	VP Operations	200000000000000	=11111111111111111111111111111111111111
Subscribed and sworn be Debra A Martin My commission expires	la a Jose con	haras Tra	OFFICIAL SEAL ATE OF WEST VIRGINIA NOTARY PUBLIC Debra A. Martin ans Energy Incorporated 210 2nd Street St. Mary's, WV 26170 nmission Expires Nov. 29, 2020

Form WW-9 Operator's Well No. Dewhurst 301H Trans Energy Inc. 3.84 acres 36.34 acks Prevegetation pH Proposed Revegetation Treatment: Acres Disturbed 65 Tons/acre or to correct to pH Fertilizer type Fertilizer amount lbs/acre Mulch Tons/acre Seed Mixtures Temporary Permanent Seed Type lbs/acre Seed Type lbs/acre Meadow Mix 100 Meadow Mix 100 Oats or Rye Oats or Rye 50 50 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: Comments: Received APR - 2 2014 Office of Oil and Gas WV Dept. of Environmental Protection 3-2479

Date:

Field Reviewed?



FOLSOM QUADRANGLE

DMH 3-24-14

SCALE 1" = 2000'

TRANS ENERGY, INC.

WELL: DEWHURST 301H J. W. DEWHURST, ET AL +/- 3156ACRE UNIT APR - 2 2014

Ree7418/2014

Office of Oil and Gas WV Dept. of Environmental Protection WEST VIRGINIA

GRANT DISTRICT

WETZEL COUNTY

top hole 80°35' 54.02" (80.598340)

4310'-

J. W. DEWHURST +/- 3156 ACRE LEASE

00

LONGITUDE

- bottom hole 39°28' 57.92" (39.482756)

hole 39°28' 24.62" (39.473505) top

All wells within 500 of bore hole are shown No water wells within 2000 of top hole No buildings of any kind within 625 of top hole

FILE NO._____ DRAWING NO. 1" = 2000" SCALE_ MINIMUM DEGREE OF ACCURACY_ PROVEN SOURCE GPS OF ELEVATION

FORM WW - 6

OBSERVATION

I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENERGY.

(SIGNED)

PROFESSIONAL SURVEYOR: 551



STATE OF WEST VIRGINIA DEPARTMENT OF ENERGY DIVISION OF OIL AND GAS

JUNE 30TH, 2014 OPERATORS WELL NO. DEWHURST II 301H

API 47 - 103 -02994 HGA

WELL TYPE: OIL XX GAS XX LIQUID INJECTION __ WASTE DISPOSAL __ (IF GAS) PRODUCTION XX STORAGE __DEEP __ SHALLOW XX

ARCHES FORK & HORSE RUN L QUADRANGLE _ WATER SHED WETZEL COUNTY DISTRICT GRANT

COUNTY NAME STATE OF WEST VIRGINIA ACREAGE SURFACE OWNER LEASE AC. OIL & GAS ROYALTY J. W. DEWHURST, ET AL

07/18/2014

PROPOSED WORK:DRILL XX CONVERT __ DRILL DEEPER __ REDRILL __
FRACTURE OR STIMULATE __ PLUG OFF OLD FORMATION
PERFORATE NEW FORMATION ___
OTHER PROPOSED WORK TO AND REPUBLIC

PLUG AND ABANDON ___ CLEAN OUT AND REPLUG_

ESTIMATED DEPTH TARGET FORMATION MARCELLUS SHALE

WELL OPERATOR TRANS ENERGY, INC. DESIGNATED AGENT _ LOREN BAGLEY 0. BOX 393 **ADDRESS** P. 0. BOX 393 **ADDRESS** ST. MARYS, WV 26170 ST. MARYS, WV 26170