

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 09, 2014

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-10302999, issued to STONE ENERGY CORPORATION, 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

Operator's Well No: ERLEWINE 5H

Farm Name: ERLEWINE, RICHARD

API Well Number: 47-10302999

Permit Type: Horizontal 6A Well

Date Issued: 07/09/2014

API Number: 103-02-999

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. Failure to adhere to the specified permit conditions may result in enforcement action.

CONDITIONS

- 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

			103	1	501
1) Well Operator: Stone En	ergy Corporation	494490923	Wetzel	Proctor	New Martinsville
Martin Committee of the		Operator ID	County	District	Quadrangle
2) Operator's Well Number: _	Erlewine #5H	Well Pac	l Name:	Er	lewine
3) Farm Name/Surface Owner:	Erlewine, Richard	et al Public Roa	d Access:	Wetzel Co	ounty Route 1/2
4) Elevation, current ground:	1,220' Ele	vation, proposed	post-construct	ion:	1,212'
5) Well Type (a) Gas	Oil	Unde	erground Stora	ige	
Other					
(b)If Gas Sl	nallow	Deep			
He	orizontal				DAH
6) Existing Pad: Yes or No _	No				3-27-14
7) Proposed Target Formation(s), Depth(s), Anticip	pated Thickness a	and Associated	Pressure(s)	
Target formation is the Marcel	lus Shale @ 6,765' TV	/D (-5,535' SS), 50'	thick, w/ anticp	ated pressure	of 3,800 to 4,400 psi
8) Proposed Total Vertical Dep 9) Formation at Total Vertical					
10) Proposed Total Measured		@ TD			
11) Proposed Horizontal Leg L	ength: 4,600' from	LP and 5,881' from	m KOP		
12) Approximate Fresh Water	Strata Depths:	Shallowest @ 85' a	ind deepest @ 9	30'	
13) Method to Determine Fresh	h Water Depths: D	epth of bit w/show	of fluid at flowlin	e or when dril	ling soap is injected
14) Approximate Saltwater De	pths: Shallowest @	0 1,800'			
15) Approximate Coal Seam D	epths: 925'				
16) Approximate Depth to Pos	sible Void (coal mir	ne, karst, other):	None Anticipate	d	
17) Does Proposed well location directly overlying or adjacent t		Yes	No		V
(a) If Yes, provide Mine Info	: Name:				
	Depth:				
	Seam:			RECEIV	
	Owner:		Offi	ce of Oll a	mt/Gas
				XOU DAY	(Ve.)

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WW-6B (9/13)

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CASING AND TUBING PROGRAM

ТҮРЕ	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	L/S	94.0	80'	80'	77 - CTS
Fresh Water/Coal	13.375	New	J55	54.5	1,190'	1,190'	1,092 CTS
Intermediate 1	9.625"	New	J55	36.0	2,400'	2,400'	Lead 647 - Tail 312 CTS
Intermediate 2							
Production	5.5"	New	P110	20.0		11,950'	Lead 1,021 - 1,920 Tail TOC @ 1,400*
Tubing	2.375"	New	J55	4.7		6,200'	N/A
Liners							

Note: The Fresh Water/Coal string will be set just above Sea Level. In no instance will the casing be set below Sea Level. This setting depth is necessary due to a rubble zone below the Pittsburgh coal seam.

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	20"	24.0"	0.375"	N/A	Type 1	1.18
Fresh Water/Coal	13.375"	17.5"	0.380"	2,730	Class A	1.19
Intermediate 1	9.625"	12.25"	0.352"	3,520	10% NACI & Class A	1.25 Lead - 1.19 Tail
Intermediate 2						
Production	5.5"	8.75"	0.361	12,360	GasStop & Class A	1.26 Lead - 1.20 Tail
Tubing	2.375"	N/A	0.190"	7,700	N/A	N/A
Liners						

7-27-14

PACKERS

Kind:	Tam Cap Inflatable	
Sizes:	9.625"	
Depths Set:	1,140' TVD	REGEIVED
	4	Office of Oil and Gas

APR 2 4 2014

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20.6

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WW-6B (9/13)

19)	Describe	proposed	well w	vork.	including	the	drilling	and	plugging	back	of any	pilot	hole:
,	,	p p		,		,			L DD	,		P	

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 KCI fluid back to surface. RDMO top-hole rig and MIRU horizontal rig. Displace KCI 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):	
22) Area to be disturbed for well pad only, less access road (acres):	
23) Describe centralizer placement for each casing string:	
-Fresh Water/Coal string will use bow spring centralizers with one above guide shoe and then every second joint intermediate string will will use bow spring centralizers with one being placed above the guide shoe, one above to collar and one on every third joint to surface. One rigid centralizers be placed as close as possible to the surface. Production string will use left/right rigid spiral centralizers one on every 4th joint from TD to KOP and then one on third joint from KOP to TOC.	he float
/ 24) Describe all cement additives associated with each cement type:	
-Fresh Water casing will be cemented using a Class "A" cement with between 1.0% an 3.0% CaCl2 and 0.25 Cello Flake/SxIntermediate casing will be cemented using a Class "A" cement with a Lead blend of 10.0% NaCl2. Tail cement will Class "A" with 2.0% CaC lb/sx Cello-FlakeProduction casing will be cemented with HalCem cement.	2 and 0.25
Dn.H	
25) Proposed borehole conditioning procedures: 3-אַרְרָבּר	
-Fresh Water/Coal section will be conditioned by circulating air/mist through the drill string at TD for between 30 6 until well bore is clean of cuttingsIntermediate section will be conditioned by circulating air/stiff foam through the drill string at TD for between 30 to minutes until well bore is clear of cuttingsProduction section will be conditioned by circulating drilling fluid through the drill string at TD for between 30 for the drill string at TD for between 30 for the drill string pulls free of postore. APR 2 4 2014	120 2 0 minutes
*Note: Attach additional sheets as needed. WV Department of Environmental Protections and Envir	

Revision: 30-Sept-13

Permit Issued: Post Construction Ground Elevation: 1212'

Kelly Bushing: 18'

Permit Number: 47-103-

Location: Surface: North = 4,392,663 East = 517,397 (UTM NAD 83)

PBHL: North = 4,394,183 East = 516,979 (UTM NAD 83)

PTD: 11950' MD / 6750' TVD

Well: Erlewine #5H

State: West Virginia

County: Wetzel

District: Proctor

Prospect: Mary

Rig: Spud Date: TD Date: Rig Release Date:

Gas

HOLE SIZE	PILOT HOL FORMATION 1	about the same of	WELLBORE DIAGRAM	CASING & CEMENTING DATA DIRECTIONAL DATA	MW & FLUID TYPE	HOL
24" Hole then Driven	80° K	B (62' BGL)	JII IIIL	CONDUCTOR PIPE	ECE of D	Vertic
17-1/2" Hole	Shallowest FW Pittsburgh Coal Deepest FW	925' TVD		20" x 3/8" wall L/S PE @ 80' (set in bedrock & grouted to surface) SURFACE CASING	Air / Mist	Verti
12-1/4" Hole	Salt Water Little Lime Big Lime Big Injun Sandstone Base of Big Injun		2 155 A 155	13-3/8" 54.5# J-55 STC @ 1190' MD/TVD Set through fresh water zones Set through coal zones Cemented to surface	Stiff Foam	
	Berea Sandstone Gordon Sandstone	2620' TVD 2625' TVD		9-5/8" 36.0# J-55 LTC @ 2400' MD/TVD Set through potential salt water zones Set below base of Big Injun Cemented to surface		_ Veri
8-3/4" Hole					Air / Dust	
	Rhinestreet Shale (Base)	6186' TVD	-\-\-\-\-\-\-\-\-\-\-\-\-\-\-\-\-\-\-\	DP @ 6069' TVD	WBM in Curve	-
3/4" Hole	Middlesex Shale West River Shale Geneseo Shale Tully Limestone Hamilton Shale	6280' TVD 6310' TVD 6645' TVD 6665' TVD 6725' TVD		Dm H 3-21-14	in curve	y.
8-3/4" Hole in Lateral	Marcellus Shale	6765' TVD			WBM in Lateral	1 ~9
	Onondaga Limestone s: Formation tops as per ve Curve & lateral tops will v Directional plan based u	ertical pilot hole vary due to str	uctural changes	Landing Point (LP) @ 7350' MD / 6790' TVD -90.5' angle -342' azimuth	TD @ 11950' MD / 6750' TVD PRODUCTION CASING 5-1/2" 20.0# P-110 CDC @ 11950' MD Top of Cement @ 1400' (~1000' inside 9-5/8")	

API Number 47 -	103	02999
Operator's	Well No	Erlewine #5H

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name	Stone E	nergy Corporation		OP Code	494490923	_
Watershed (HUC 10)_	Tributary of Pr	octor Creek	Quadrangle _	New	Martinsville	_
Elevation	1,212' C	ounty	Wetzel	District	Proctor	
Will a pit be used? Y	g more than 5,000 bbls Yes No V	waste: All waste	material will be la	ell work? Yes nd filled at a permit o, what ml.?	✓ No	
	tic liner be used in the p posal Method For Trea		No <u>t</u> II s	o, what mi.r		
	Land Application Underground Inject Reuse (at API Nut Off Site Disposal Other (Explain	mber (Supply form WW-	Flow back fluids will be st -9 for disposal loca	ored and used on addition	al stimulations	
Will closed loop system	m be used? If so, descr	ibe: A closed loop s	system will be used	for both top hole an	d horizontal sections	Dm H
	ipated for this well (ver					3-21-14
	what type? Synthetic, j					
Additives to be used in	drilling medium?		See attached V	VW-9 Addendum		
	method? Leave in pit,	landfill, removed o	offsite, etc.	Approved	Landfill	
	and plan to solidify who			e, sawdust) N/A		
10 10 11 11 11 11 11 11	ffsite name/permit num				WV109185)	
on August 1, 2005, by provisions of the perm law or regulation can l I certify undo application form and obtaining the informa	I understand and agree the Office of Oil and Coit are enforceable by I ead to enforcement action or penalty of law that all attachments theref tion, I believe that the g false information, income	ias of the West Vir aw. Violations of ion. I have personally o and that, based information is tr	ginia Department of any term or condi- examined and am on my inquiry of ue, accurate, and	of Environmental P tion of the general familiar with the of those individual complete. I am a	rotection. I understar permit and/or other a information submitte s immediately respon	nd that the applicable applicable on this assible for
Company Official Sign	nature	17	Mayor	, ,	Jul. July	4
Company Official (Ty	ped Name)			cGregor 7206 12		THE PARTY
Company Official Title	2		Land-Coordinato	(LAND MAN	Office of O	il and Gas
Subscribed and sworn	before me this	day of	April os	, 20/4	APR 2	4 2014
My commission expire	Specify s 5/18/2021		OFFICIAL SEA NOTARY PUE STATE OF WEST VI DANIELLE L SNO IR2 Box 248A, Fairmon	RGINIA SODERLY	VVV LIED	/2014 ^{lection}

07/11/2014

Operator's Well No._ Erlewine #5H Form WW-9 **Stone Energy Corporation** 20.6 Proposed Revegetation Treatment: Acres Disturbed Prevegetation pH 2.0 6.5 Tons/acre or to correct to pH Lime 10-20-20 or Equivalent Fertilizer type ___ 500 - 750 lbs/acre Fertilizer amount Mulch 0.50 to 0.75 TPA + Straw Tons/acre **Seed Mixtures Temporary** Permanent Seed Type Seed Type lbs/acre lbs/acre Marcellus Mix 100.0 Marcellus Mix 100.0 White or Ladino Clover 10.0 White or Ladino Clover 10.0 40.0 **Orchard Grass** 40.0 **Orchard Grass** 50.0 Winter Rye 50.0 Winter Rye Attach: Drawing(s) of road, location, pit and proposed area for land application (unless engineered plans including this info have been Photocopied section of involved 7.5' topographic sheet. Plan Approved by: RECEIVED Office of Oil and Gas APR :: 4 2014 0:1 + 6:5 Inspector Date: 7-27-14 WV Department of Field Reviewed? Environmental Protection



WW-9 ADDENDUM

Drilling Medium Anticipated for This well

- · Vertical section of well bore, down to KOP, will be drilled on air and/or a combination of air and drilling soap.
- · From KOP through the curve section and horizontal section of well bore will be drilled on a brine-water based mud system.

Additives to be Used While Drilling

- Common additives when air drilling: KCl (CAS No. 1302-78-9 & 14808-60-7), soda ash (CAS No. 497-19-8), shale stabilizer (CAS No 67-48-1 & 7732-1835), drilling soap (CAS No. 111-76-2), air hammer/motor lubricant.
- Common water based additives for mud drilling: NaCl (CAS No. 7647-14-5), KCl (CAS No. 7447-40-7), barite (CAS No. 13462-86-7 & 14808-60-7), starch (CAS No. 9005-25-8), PAC (CAS No. 9004-32-4), xanthum gum (CAS No. 11138-66-2), PHPA (CAS No. 64742-47-8), polysaccharide (CAS No. 11138-66-2), sulfonated asphaltic material (CAS No. 269-212-0 & 238-878-4), aluminum silicate (CAS No. 37287-16-4), gilsonite (CAS No. 12002-43-6), graphite (CAS No.14808-60-7 & 7782-42-5), shale stabilizer (CAS No. 67-48-1 & 7732-18-5), fluid loss control polymers (CAS No. 9004-34-6), viscosity control polymers (CAS No. 11138-66-2 & 107-22-2), soda ash (CAS No. 497-19-8), sodium bicarbonate (CAS No. 144-55-8), NaOH (CAS No. 1310-73-2, 7647-14-5, & 7732-18-5), lime (CAS No. 1305-62-0), gypsum (CAS No.778-18-9), citric acid (CAS No. 77-92-9), biocide (CAS No. 52-51-7 or 7732-18-5 + 67-56-1 + 141-43-5), CaCO3 (CAS No. 471-34-1), cellulose fibers (CAS No. 14808-60-7), nut plug (CAS No. 9004-34-6 & 14808-60-7), cross-linking polymers (CAS No. 107-22-2 & 11138-66-2), other LCMs, surfactants (CAS No. 64-17-5), ROP enhancer/lubricant (CAS No. 8002-13-9), beads, corrosion inhibitor (CAS No. 7732-18-5), aluminum stearate (CAS No. 300-92-5), defoamer (CAS No. 246-771-9).

MSDS are available upon request.

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WW-9 ADDENDUM

Drill Cuttings Disposal Method

Closed loop drilling system will be incorporated. No waste pits will be constructed. All
drill cuttings are put through a drier system and hauled to and disposed of at approved
and permitted landfills.

Landfills or Offsite Names and Permit Numbers

Wetzel County Sanitary Landfill Rt. 1, Box 156A New Martinsville, WV 26155 SWF-1021 / WV01909185 Brooke County Sanitary Landfill Colliers, WV 26035 SWF-1013 / WV0109029

DWH 3-37-14

Office of GT and Gas

474 4 1114

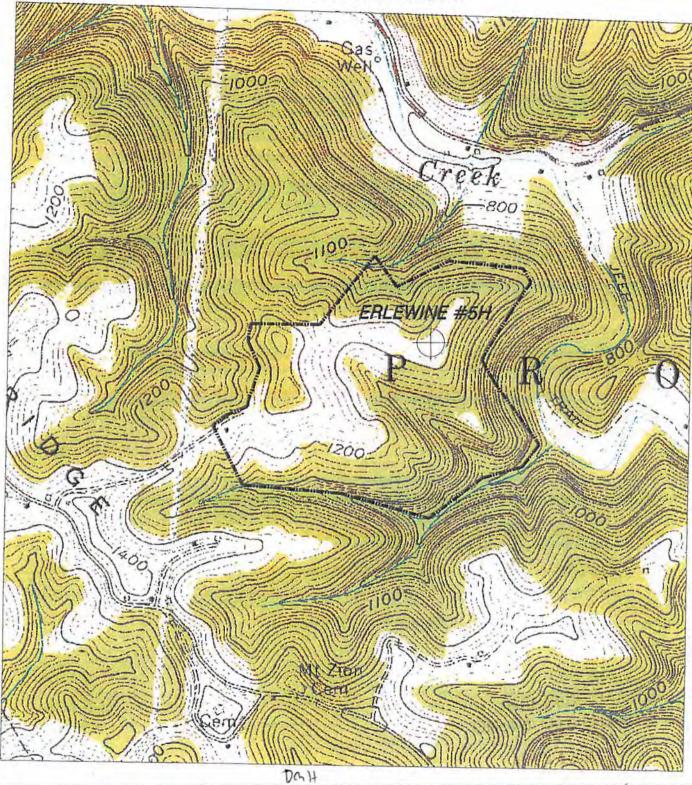
WV Department of Environmental Protection

103-02-999

Form W-9

Stone Energy Corporation Erlewine #5H

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HUPP Surveying & Mapping

P.O. BOX 647 GRANTSVILLE, WV 26147 PH:(304)354-7035 E-MAIL hupp@frontiernet.net 3-27-14

1" = 1000' New Martinsville 7.5' WV Department of

P.O. Box 52807 Lafayette, LA 70508

