

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

February 20, 2015

WELL WORK PERMIT Horizontal 6A Well

This permit, API Well Number: 47-10303049, issued to GASTAR EXPLORATION 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 feel free to contact me at (304) 926-0499 ext. 1654.

James Martin

Chie

Operator's Well No: LACKAWANNA 4H

Farm Name: M. B. INVESTMENTS

API Well Number: 47-10303049

Permit Type: Horizontal 6A Well

Date Issued: 02/20/2015

API Number: 4710303049

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

- 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.

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

1) Well Operato	r: Gastar E	Exploration Ir	nc.	494487685	Wetzel	Magnolia	Porters Falls
				Operator ID	County	District	Quadrangle
2) Operator's W	ell Number:	4H		Well Pad	Name: Lackar	wanna	
3) Farm Name/S	Surface Owne	er: M.B, Inve	stments	Public Road	d Access: Cour	nty Route 30	Whiteman Hill Road
4) Elevation, cu	rrent ground:	1329'	Ele	evation, proposed p	oost-construction	on: 1302'	
5) Well Type	(a) Gas _		Oil	Unde	rground Storag	e	
	Other _	······································					
	(b)If Gas	Shallow _		Deep			
		Horizontal _					
6) Existing Pad:	Yes or No	No					
· •	•	• • •	-	pated Thickness ar		• •	
The Marcellus	is the target f	ormation at a d	lepth of (6829', thickness of 4	6' and an anticip	ated pressu	re of approx. 3200 psi.
8) Proposed Tot	al Vertical D	epth: 6975'					
9) Formation at	Total Vertica	al Depth: On	ondaga				
10) Proposed To	otal Measured	d Depth: 13	,997'				
11) Proposed Ho	orizontal Leg	Length: 625	50'				
12) Approximat	e Fresh Wate	er Strata Depth	ns:	750'		<u></u>	
13) Method to D	etermine Fre	esh Water Dep	oths: N	loticeable flow at flov	vline or when nee	eded to start	soaping
14) Approximat	e Saltwater I	Depths:1740	0'				
15) Approximat	e Coal Seam	Depths: Sev	vickley a	t 1079' and Pittsburg	h at 1220'		
16) Approximat	e Depth to Po	ossible Void (coal mi	ne, karst, other): 1	None Anticipated		
17) Does Propos directly overlyin		_		ns Yes	No	7	
(a) If Yes, pro	vide Mine In	fo: Name:					
		Depth:					
		Seam:					
Rece Office of	eived Oil & Gas	Owner:					

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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	PE	54.5#/ft		40'	241 cuft (CTS)
Fresh Water	13 3/8"	New	H-40	48#/ft		1275'	885 cuft (CTS)
Coal	13 3/8"	New	H-40	48#/ft		1275'	885 cuft (CTS)
Intermediate	9 5/8"	New	J-55	36#/ft		2650'	901 cuft (CTS)
Production	5 1/2"	New	P-110	20#/ft		13,997'	3579 cuft (CTS)
Tubing	2 3/8"	New	N-80	4.7#/ft		7309'	N/A
Liners							

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)	
Conductor	20"	26"	.25"	880 psi	Class A	1.2	-
Fresh Water	13 3/8"	17.5"	.33"	1730 psi	Class A	1.2	1
Coal	13 3/8"	17.5"	.33"	1730 psi	Class A	1.2	1
Intermediate	9 5/8"	12.25"	.352"	3520 psi	Class A	1.2	
Production	5.5"	8.875" & 8.75"	.361"	12,640 psi	Class H	1.18	[
Tubing	2 3/8"	4.653"	.19"	11,200 psi		7	P.3/1
Liners						<i>う</i>	1 -1

PACKERS

Kind:	n/a		
Sizes:	n/a		
Depths Set:	n/a		

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19) Describe proposed well work, including the drilling and plugging back of any pilot hole:
Drill through the Marcellus tagging less than one hundred (100') feet from the top of the Onondaga to get depths and log data. Then plug the well back to proposed kick off point (TBD). Drill the horizontal section to planned and proposed TD. Run casing and cement back to surface. Run a bond log from approximately 60 degrees back to surface, pressure test casing and set a master valve. Make a clean out run on the casing and perforate then stimulate.
20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:
Gastar Exploration plans to fracture the well using a typical slickwater fracture design. Gastar will pump roughly 7000 bbls of water and 320,000 lbs of sand per stage. There will be approximately 29 stages. The designed frac rate will be 80 bpm and an anticipated max pressure of 8500 psi.
21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 25.45
22) Area to be disturbed for well pad only, less access road (acres): 4.01
23) Describe centralizer placement for each casing string:
Gastar will run 3 centralizers on the surface casing at an equal distance. The intermediate casing will have 7 centralizers at 300' spacing. The production casing will have one centralizer every other joint in the lateral, one centralizer per joint through the curve and one centralizer every other joint in the vertical section.
24) Describe all cement additives associated with each cement type:
Class A + 2% CaCl2 + 1/4# Flake - Surface Cement mixed at 15.6 ppg. CaCl2 (calcium chloride), Flake (cellophane flake) Class A + 1% CaCl2 + 1/4# Flake - Intermediate Cement mixed at 15.6 ppg. 50:50 Class H .2%CD32 1.2%FL62 .1% ASA301 .4%SMS - Long String Lead mixed 14.5 ppg. CD32 (cement dispersant), FL 62 (fluid loss), SMS (sodium metasilicate), ASA (minimizes free fluid). 50:50 TYPE 1 .4% R3 1%FL62 .15%ASA301 .3%CD32-Long String Tail-14.5ppg

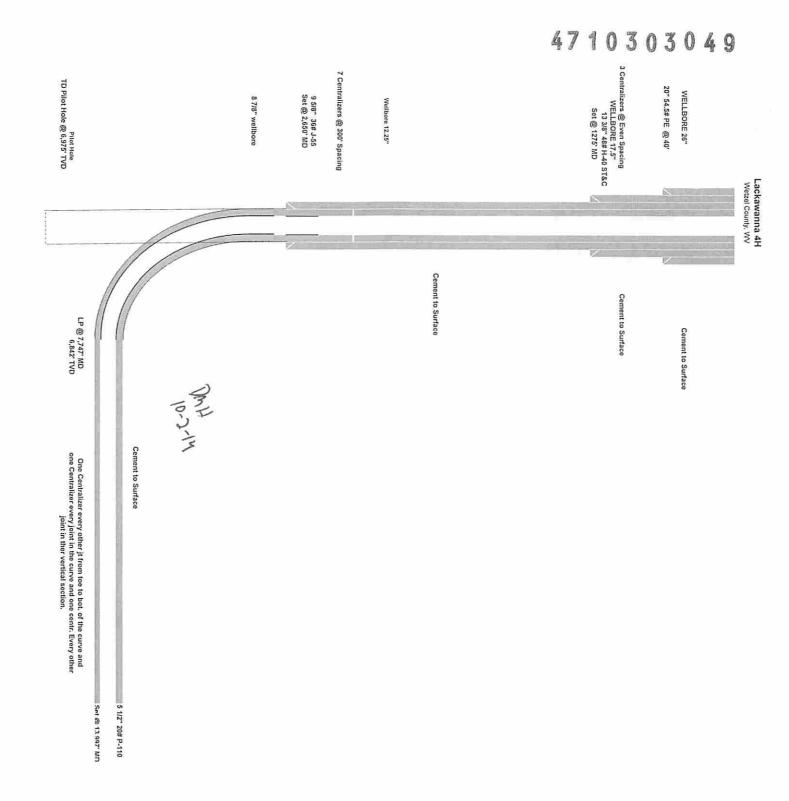
25) Proposed borehole conditioning procedures:

Gastar will circulate the hole a minnimum of 3 hours upon TD. We will then pull out to the bottom of the curve and circulate for another 2 hours. Then come out of the hole.

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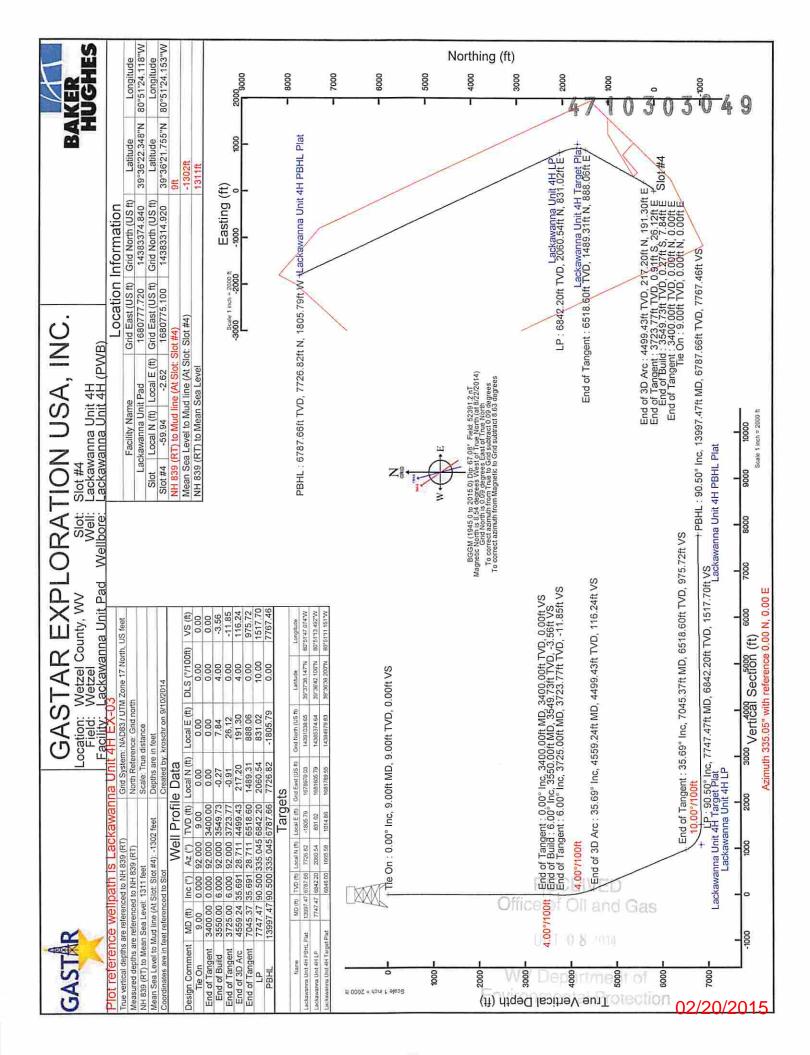
^{*}Note: Attach additional sheets as needed.



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WV Department of Environmental Protection



API Number 47 -	103	¥
Operator's	Well No	. 4H

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

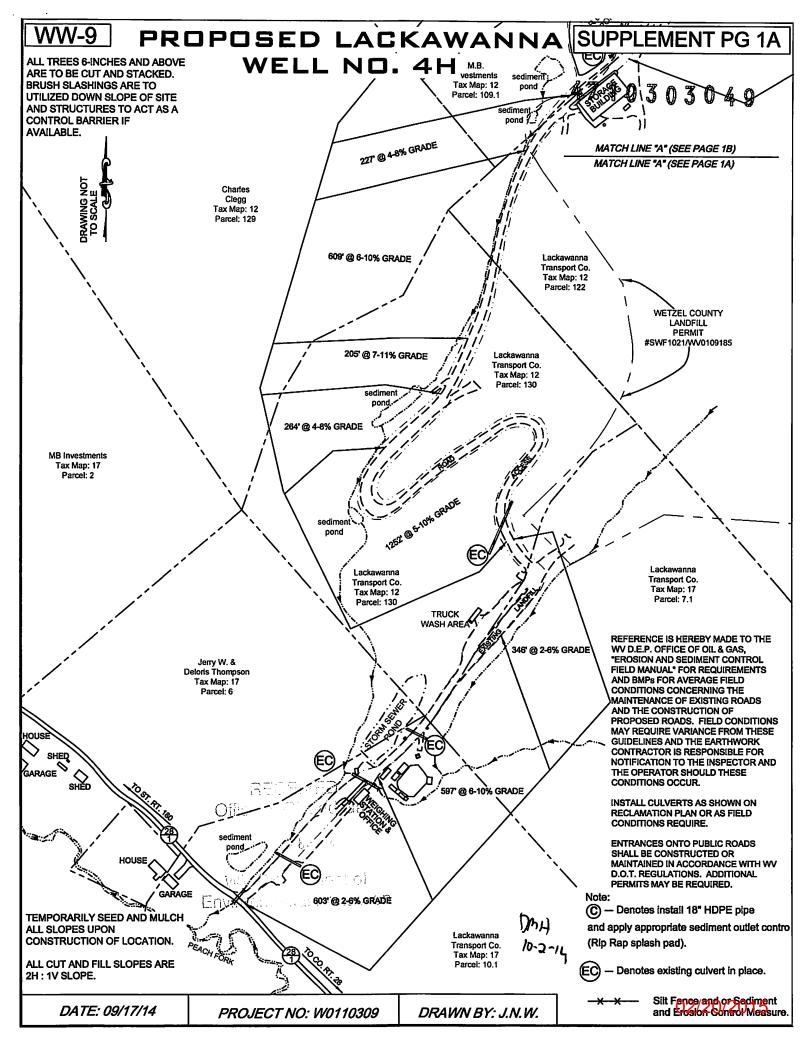
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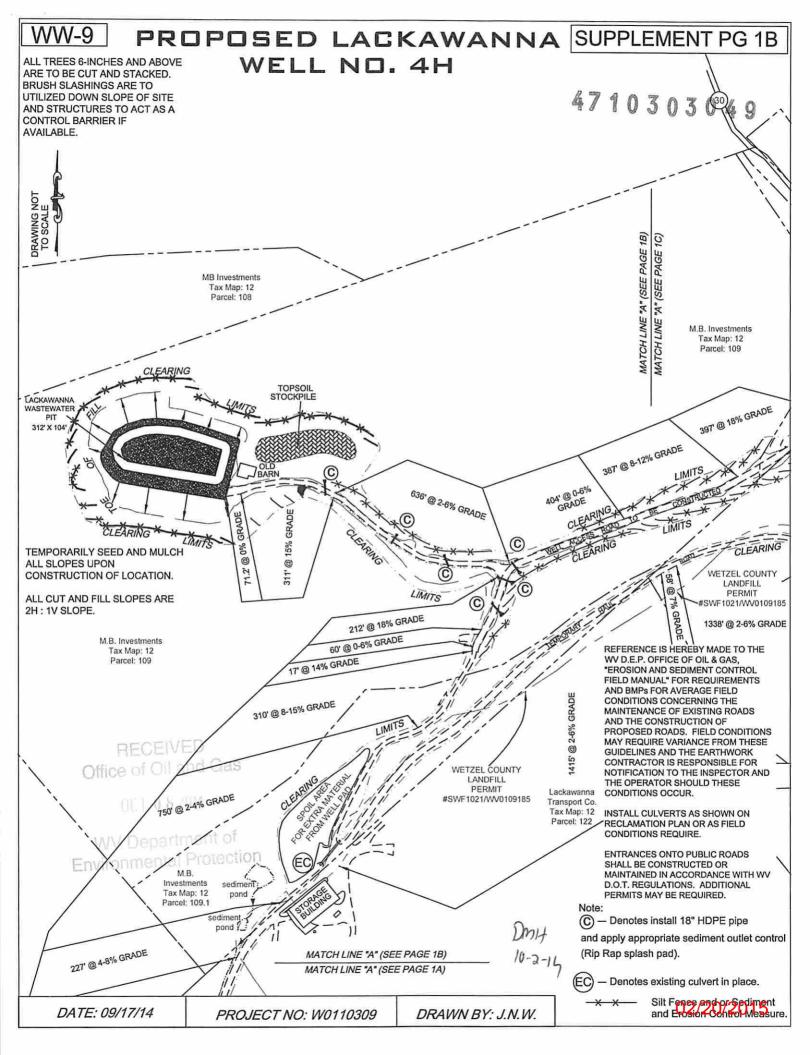
FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

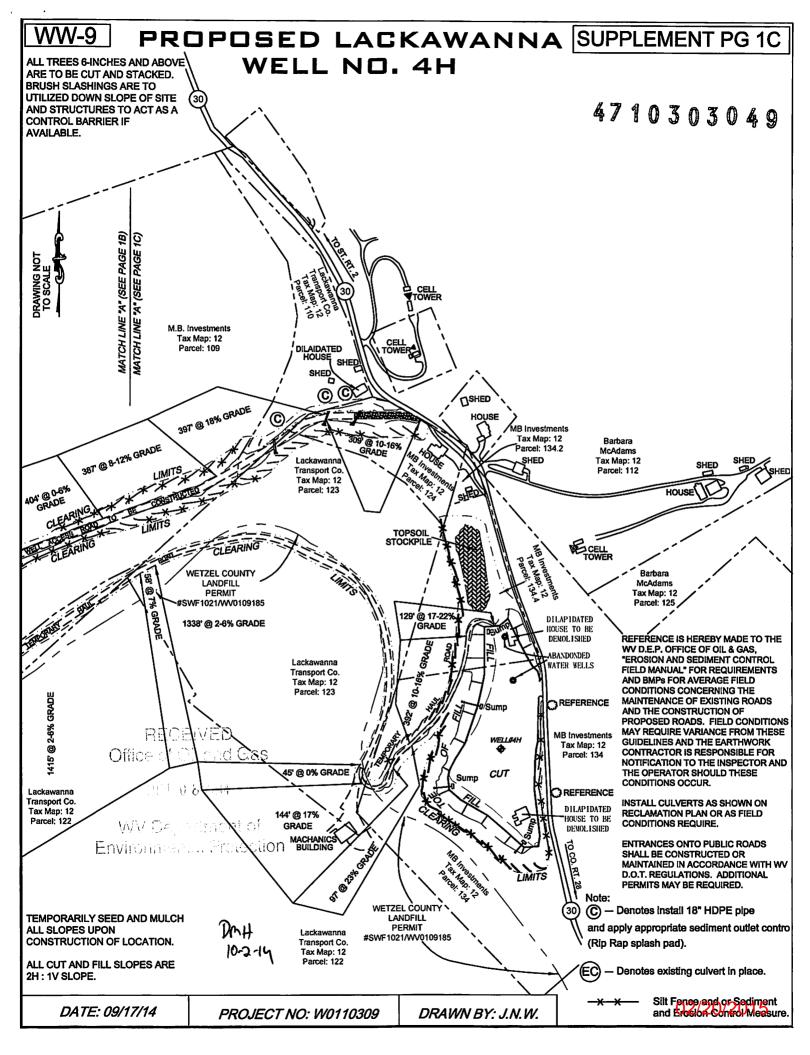
Operator Name Gastar Exploration Inc. OP Code 49448768	35
Watershed (HUC 10)_Outlet Middle Island Creek (undefined) Quadrangle Porters Falls 7.5'	
Elevation 1302 County Wetzel District Magnolia	1
Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes Will a pit be used? Yes No No	No _
If so, please describe anticipated pit waste: Frac water for frac and flow back water	
Will a synthetic liner be used in the pit? Yes No If so, what ml.? 60	
Proposed Disposal Method For Treated Pit Wastes:	
Land Application Underground Injection (UIC Permit Number UIC 359; UIC 2D0732540;	
Will closed loop system be used? If so, describe: Yes, for vertical and horizontal drilling	
Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. Air for	r vertical / Oil for horizontal
-If oil based, what type? Synthetic, petroleum, etc. Synthetic oil base	
Additives to be used in drilling medium? Barite for weight	
Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. All drill cuttings will be disposed of in Wetzel County St	ianitary Landfill (SWF-1021/WV0109185)
-If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust)	
-Landfill or offsite name/permit number? Wetzel County Sanitary Landfill (SWF-1021/WV0109185)	
I certify that I understand and agree to the terms and conditions of the GENERAL WATER P on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Proprovisions of the permit are enforceable by law. Violations of any term or condition of the general p law or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and am familiar with the inapplication form and all attachments thereto and that, based on my inquiry of those individuals obtaining the information, I believe that the information is true, accurate, and complete. I amaw penalties for submitting false information, including the possibility of fine or imprisonment.	otection. I understand that the permit and/or other applicable information submitted on this immediately responsible for
Company Official Signature Mulad Mc Com	Oll and Gas
Company Official (Typed Name) Michael McCown	0 8 7614
Company Official Title Senior VP & COO	District and a
Environme	Ital Protection
Subscribed and sworm before me this 29th day of September	OFFICIAL SEAL Notary Public, State of West Virginia DAVID W. PERKINSON
My commission expires 06/11/2020	377 Eastview Drive Parkersburg, WV 25104 My commission expires 0126/120/201

4710303049

Form WW-9		Opera	ator's Well No.			
Gastar Exploration Inc.						
roposed Revegetation Treatment: Acres Disturbed Lime Tons/acre or to co		Prevegeta	ation pH			
Fertilizer type 1/3 ton						
Mulch 2.5	Tons/ac	_lbs/acre				
	Seed	<u>Mixtures</u>				
Temporary			Permanent			
Seed Type lbs/acre Annual Ryegrass 40		Seed Type Fox / Grassy	lbs/acre 40			
		Perennial Rye	30			
		Crown Vetch	20			
hotocopied section of involved 7.5' topographic should be a section of involved 8.5' t	eet.					
			RECEIVED Office of Oil and Gas			
			(3			
			you Dyna Impat of Environmental Protection			
itle: Dil + Gas Tapusar		Date: 10-2-14				
ield Reviewed? Yes		_) No				









Well Site Safety Plan Gastar Exploration USA, Inc.

Well Name: Lackawanna 4H

Pad Location: Lackawanna Pad

Wetzel County, West Virginia

UTM (meters), NAD 83, Zone 17: Northing – 4,384,043.2

Easting - 512,301.3

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OCT 0 8 2014

WV Department of Environmental Protection 10-2-14 DWH

SLR Ref: 116.01034.00008

October 2014

WW-9

PROPOSED LACKAWANNA WELL No. 4H

SUPPLEMENT PG 2 4710303049

