



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

June 05, 2015

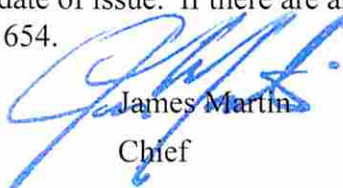
WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-3903151, 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.

Upon completion of the plugging well work, the above named operator will reclaim the site according to the provisions of WV Code 22-6-30. The above named operator will also file, as required in WV Code 22-6-23, an affidavit on form WR-38 by two experienced persons in the operator's employment and the Oil and Gas inspector that the work authorized under this permit was performed and a description given. Failure to abide by all statutory and regulatory provisions governing all duties and operations here under may result in suspensions or revocation of this permit and in addition may result in civil and/or criminal penalties being imposed upon the operator.

This permit will expire in two (2) years from date of issue. If there are any questions, please free to contact me at (304) 926-0499 ext. 1654.



James Martin
Chief

Operator's Well No: 4129
Farm Name: WISEMAN, MATTIE
API Well Number: 47-3903151
Permit Type: Plugging
Date Issued: 06/05/2015

Promoting a healthy environment.

06/05/2015

PERMIT CONDITIONS

West Virginia Code §22-6-11 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. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
2. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
3. Well work activities shall not constitute a hazard to the safety of persons.
4. This well is under a consent order and must be plugged under the terms of that agreement.

WW4-A
Revised
2/01

1) Date: 2/12/2015
2) Operator's Well No. 804129 P&A
3) API Well No. 47-039-03151

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE OF APPLICATION TO PLUG AND ABANDON A WELL

4) Surface Owner(s) to be served:
(a) Name Louis P. Cervone
Address 461 Cervone lane ✓
St. Albans, WV 25177

(b) Name May Ann Kronk
Address 48 Fulton Avenue ✓
Beacon, NY 12509

(c) Name _____
Address _____

6) Inspector Terry Urban
Address P.O. Box 1207
Clendenin, WV 25045

Telephone 304-549-5915

5) Coal Operator
(a) Name None
Address _____

Coal Owner(s) with Declaration
(b) Name _____
Address See Attached List for Coal
Owner Information

Name _____
Address _____

Coal Lessee with Declaration
(c) Name None
Address _____

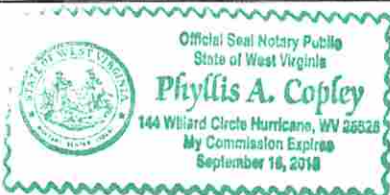
Name _____
Address _____

TO THE PERSONS NAMED ABOVE: You should have received this Form and the following documents:

- (1) The application to Plug and Abandon a Well on Form WW-4B, which sets out the parties involved in the work and describes the well its and the plugging work order; and
- (2) The plat (surveyor's map) showing the well location on Form WW-6.

The reason you received these documents is that you have rights regarding the application which are summarized in the instructions on the reverses side. However, you are not required to take any action at all.

Take notice that under Chapter 22-6 of the West Virginia Code, the undersigned well operator proposes to file or has filed the Notice and Application and accompanying documents for a permit to plug and abandon a well with the Chief of the Office of Oil and Gas, West Virginia Department of Environmental Protection, with respect to the well at the location described on the attached Application and depicted on the attached Form WW-6. Copies of the Notice, the Application, and the plat have been mailed by registered or certified mail or delivered by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of mailing or delivery to the Chief.



Well Operator: Chesapeake Appalachia, L.L.C.
By: R.E. [Signature]
Its: Completion Superintendent
Address: P.O. Box 18496
Oklahoma City, OK 73154-0496
Telephone: 405-935-4073

Subscribed and sworn before me this 12th day of February the year of 2015
Phyllis A. Copley Notary Public
My Commission Expires September 16, 2018

RECEIVED
Office of Oil and Gas

FEB 17 2015

WV Department of

06/05/2015

Corrected. 3/2/2015

Well Number: 804129 P&A
API Number: 047-039-03151

804129 COAL OWNERS

- ✓ Margaret Gifford
260 Collingswood Street
San Francisco, CA 94114
- ✓ Elizabeth Chaney Tolbert
P.O. Box 314
West River, MD 20778
- William A. Cracraft, Jr. ✓
1944 Westmoreland Drive
Oak Hill, WV 25901
- ✓ Robert H. Tolbert
5826 Runley Road
Graham, NC 27253
- ✓ Anne Heller Cracraft
6043 Tennyson Lane
Knoxville, TN 37909
- ✓ Phillip K. Jones
790 Maybry Road
Atlanta, GA 30328

Well 804129
 API 47-039 03151P

Page 1 of 2

7014 2120 0003 6636 5767

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BEACON NY 12508

OFFICIAL USE

Postage	\$ 1.40	0523
Certified Fee	\$ 3.30	03
Return Receipt Fee (Endorsement Required)	\$ 2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 7.40	02/13/2015

804129 P&A

Sent To: Mary Ann Kronk
 Street & Apt. No., or PO Box No.: 48 Fulton Ave
 City, State, ZIP+4: Beacon, NY 12509

PS Form 3800, July 2014 See Reverse for Instructions

7014 2120 0003 6636 5675

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SAINT ALBANS WV 25177

OFFICIAL USE

Postage	\$ 1.40	0523
Certified Fee	\$ 3.30	03
Return Receipt Fee (Endorsement Required)	\$ 2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 7.40	02/13/2015

804129 P&A (surface)
 Louis P. Cervone
 461 Cervone Lane
 St. Albans, WV 25177

PS Form 3800, July 2014 See Reverse for Instructions

7014 2120 0003 6636 5613

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ATLANTA GA 30328

OFFICIAL USE

Postage	\$ 1.40	0523
Certified Fee	\$ 3.30	03
Return Receipt Fee (Endorsement Required)	\$ 2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 7.40	02/13/2015

804129 P&A (coal)
 Phillip K. Jones
 790 Maybry Road
 Atlanta, GA 30328

PS Form 3800, July 2014 See Reverse for Instructions

7014 2120 0003 6636 5637

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WEST RIVER MD 20778

OFFICIAL USE

Postage	\$ 1.40	0523
Certified Fee	\$ 3.30	03
Return Receipt Fee (Endorsement Required)	\$ 2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 7.40	02/13/2015

804129 P&A (coal)
 Elizabeth Chaney Tolbert
 P.O. Box 314
 West River, MD 20778

PS Form 3800, July 2014 See Reverse for Instructions

7014 2120 0003 6636 5620

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GRAHAM NC 27253

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Postage	\$ 1.40	0523
Certified Fee	\$ 3.30	03
Return Receipt Fee (Endorsement Required)	\$ 2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 7.40	02/13/2015

804129 P&A (coal)
 Robert H. Tolbert
 5826 Runley Road
 Graham, NC 27253

PS Form 3800, July 2014 See Reverse for Instructions

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KNOXVILLE TN 37909

OFFICIAL USE

Postage	\$ 1.40	0523
Certified Fee	\$ 3.30	03
Return Receipt Fee (Endorsement Required)	\$ 2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 7.40	02/13/2015

804129 P&A (coal)
 Anne Heller Cracraft
 6043 Tennyson Lane
 Knoxville, TN 37909

PS Form 3800, July 2014 See Reverse for Instructions

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 Office of Oil and Gas

FEB 17 2015

WV Department of
 Environmental Protection

06/05/2015

Well 804129
 API 47-039-03151P

Page 2 of 2

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OFFICIAL USE

SAN FRANCISCO CA 94114

Postage	\$ 1.40	0523
Certified Fee	\$3.30	03
Return Receipt Fee (Endorsement Required)	\$2.70	Postmark 02/13/2015
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$7.40	

7014 2120 0003 6636 5668

PS 804129 P&A (coal)
 Margaret Gifford
 260 Collingswood Street
 San Francisco, CA 94114

PS F See reverse for instructions

7014 2120 0003 6636 5651

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OFFICIAL USE

OAK HILL WV 25901

Postage	\$ 1.40	0523
Certified Fee	\$3.30	03
Return Receipt Fee (Endorsement Required)	\$2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$7.40	

7014 2120 0003 6636 5651

PS 804129 P&A (coal)
 William A. Cracraft, Jr.
 1944 Westmoreland Drive
 Oak Hill, WV 25901

PS F See reverse for instructions

06/05/2015

FORM WW-4 (B)
Reverse

Farm Name

API No. 47-039-03151

Mattie Wiseman

Well No. 804129 P&A

**INSTRUCTIONS TO COAL OPERATORS
OWNERS AND LESSEE**

The well operator named on the obverse side of WW-4 (B) is about to abandon the well described in the enclosed materials and will commence the work of plugging and abandoning said well on the date the inspector is notified. Which date shall not be less than five days after the day on which this notice and application so mailed is received, or in due course should be received by the Department of Environmental Protection Office of Oil & Gas.

This notice and application is given to you in order that your respective representatives may be present at the plugging and filling of said well. You are further notified that whether you are represented or not the operator will proceed to plug and fill said well in the manner required by Section 24, Article 6, Chapter 22 of the Code and given in detail on obverse side of this application.

NOTE: If you wish this well to be plugged according to 22-6-24(d) then as per Regulation 35CSR4-13.9 you must complete and return to this office on form OB-16 "Request by Coal Operator, Owner, or Lessee for plugging" prior to the issuance of this plugging permit.

WAIVER

The undersigned coal operator _____ / owner / lessee _____ / of the coal under this well location has examined this proposed plugging work order. 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.

Date: 2/18/15

By: William Cracraft Jr

Its: _____

connect address is:
William Cracraft Jr
1914 West Maryland Dr
Oakh Hill, WV 25901

Well Number: 804129 P&A

Received

FEB 25 2015

Office of Oil and Gas
WV Dept. of Environmental Protection

06/05/2015

FORM WW-4 (B)
Observe
File Copy
(Rev. 2/01)

1) Date: 2/12/2015
2) Operator's Well No. 804129 P&A
3) API Well No. 47-039-03151

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

- 4) Well Type: Oil _____ Gas X Liquid injection _____ Waste disposal _____
 (Is Gas, Production X or Underground storage _____) Deep _____ Shallow X
- 5) Location: Elevation 691' Watershed Left Hand Fork of Tackett Creek
 District Jefferson County Kanawha Quadrangle Scott Depot, WV
- 6) Well Operator Chesapeake Appalachia, L.L.C. 7) Designated Agent Jessica Greathouse
 Address P.O. Box 18496 Address P.O. Box 6070
Oklahoma City, OK 73154-0496 Charleston, WV 25362
- 8) Oil and Gas Inspector to be notified 9) Plugging Contractor
 Name Terry Urban Name Chesapeake Appalachia, L.L.C.
 Address P.O. Box 1207 Address P.O. Box 18496
Clendenin, WV 25045 Oklahoma City, OK 73154-0496

10) Work Order: The work order for the manner of plugging this well is as follows:

CK 5244720
100⁰⁰

See Attached Sheet

*Inspects shall adjust plugging AS
Needed*

Notification must be given to the district oil and gas inspector 24 hours before permitted work can commence.

Work Order approved by Inspector _____ Date 2-12-15

06/05/2015

804129 P&A PROCEDURE

- 1) Prepare road and location, MIRU service rig
- 2) RIH with tools to check TD approximately at 2100'
- 3) Attempt to pull 3" and packers
 - A) If successful:
 - a) Run W.S. to 2100', spot gel
 - b) Spot ~~100'~~^{200'} cement plug 2100'-1900', pull W.S. to 1475'
 - c) Proceed to step 4
 - B) If unsuccessful:
 - a) Run W.S. to 2100', spot gel
 - b) Spot 125' cement plug 2100'-1975', pull W.S.
 - c) Cut 3 1/2" at free-point (approximately 1800') and pull
 - d) Run W.S. to 1800', spot gel
 - e) Spot 100' cement plug 1800'-1700', pull W.S. to 1475'
 - f) Proceed to step 4
- 4) Spot 150' cement plug 1475'-1325', pull W.S.
- 5) Cut 6 5/8" at free-point (approximately 925') and pull
- 6) Run W.S. to 925', spot gel
- 7) Spot 100' cement plug 925'-825', pull W.S. to 725'
- 8) Spot 100' cement plug 725'-625', pull W.S. to 475'

NOTE: If 8 1/4" is present, then attempt to pull. If unable to pull then rip or shoot approximately at 450' and 420', spot 100' cement plug 575'-475', spot plug in step 9, then cut and pull 8 1/4" from free-point.

- 9) Spot 100' cement plug 475'-375', pull W.S. to 125'
- 10) Spot 125' cement plug 125'-surface
- 11) Pull W.S. and top off with cement
- 12) Erect monument and reclaim as prescribed by law

Operator
Should make
a good attempt to pull
3" x 65

May adjust plugs
during plugging
process

Will set
Elevation plug &
Close all oil & gas
water fountains

691" Elevation

[Signature]
2/7/15

3903151A

WELL - 8041-27. ITV +

SERIAL WELL NO. 4129 LEASE NO. 30309 MAP SQUARE 48-61

RECORD OF WELL No. 1 on the Mattie Wiseman Farm of 112 Acres in Jefferson District Kanawha County Field, State of W. Va.		CASING AND TUBING			July 1924 TEST BEFORE SHOT	
		SIZE	USED IN DRILLING	LEFT IN WELL	of Water in 10ths. _____ of Merc. in 10ths. _____ Volume 105,000 _____ Cu.	
		16		21	TEST AFTER SHOT of Water in 10ths. _____ of Merc. in 10ths. _____ Volume _____ Cu.	
		13	21	21	Rock Pressure 21 2/4	
		10			Date Shot _____ Size of Torpedo _____	
Rig Commenced 193 Rig Completed 193 Drilling Commenced July 2, 1914 193 Drilling Completed July 17, 1914 193 Drilling to cost per foot _____ Contractor is: J. W. Ramsey Address: _____		8 1/4	541		Oil Flowed _____ bbls. 1st 24 h Oil Pumped _____ bbls. 1st 24 h	
		6 5/8	1409	1409	Well abandoned and Plugged _____ 193	
		5 3/16			Plugged _____ 1953	
		4 7/8				
		4				
		3		2154		
		2				
Driller's Name Well purchased from C'D.N.G.Co. by U.F.G.Co. Jan. 1, 1930.		SHUT IN Date _____ 3 in Tubing or Casing Size of Packer 3x6-5/8 Kind of Packer Anchor set at 1st Perf. Set _____ from _____ 2nd Perf. Set _____ from _____				

Elevation 691'

DRILLER'S RECORD

FORMATION	TOP	BOTTOM	THICKNESS	REMARKS
Coal	420	425	5	1 - 3x6-5/8" seed bag packer 1906.
Salt Sand	912	1340	328	well repaired Mar. 1926
Slate	1340	1345	5	2" tubing retained
Maxon	1345	1365	20	3" " used.
Little Lime	1365	1390	25	
Pencil Cave	1390	1395	5	This well produced gas from salt sand
Lime	1395	1400	5	at a depth of 926'. Later drilled through
Pencil Cave	1400	1405	5	Berea sand.
Big Lime	1405	1575	170	} plug
Gritty Lime	1575	1585	10	
Big Lime	1585	1610	25	
Slate and Shells.	1610	1760	150	
Sand	1760	1800	40	
Slate and shells	1800	1860	60	
Shale	1860	2062	202	
Brown Shale	2062	2082	20	
Berea Grit	2082	2110	28	Gas 2082 } plug
Total depth		2112		

plug
2-17-15

06/05/2015

API Number 47-039-03151
Operator's Well No. 804129 P&A

STATE OF 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

Operator Name Chesapeake Appalachia, L.L.C. OP Code 494477557
Watershed Left Hand Fork of Tackett Creek Quadrangle Scott Depot, WV
Elevation 691' County Kanawha District Jefferson

Description of anticipated Pit Waste: Plugging Returns/Cement

Will a synthetic liner be used in the pit? Yes 20 MIL.

Proposed Disposal Method For Treated Pit Wastes:
 Land Application
 Underground Injection (UIC Permit Number _____)
 Reuse (at API Number _____)
 Off Site Disposal (Supply form WW-9 for disposal location)
 Other (Explain _____)

Proposed Work For Which Pit Will Be Used:
 Drilling
 Workover
 Swabbing
 Plugging
 Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature R. E. Schindler

Company Official (Typed Name) Robert E. Schindler

Company Official Title Completion Superintendent

Subscribed and sworn before me this 12th day of February, 2015.

Phyllis A. Copley Notary Public.

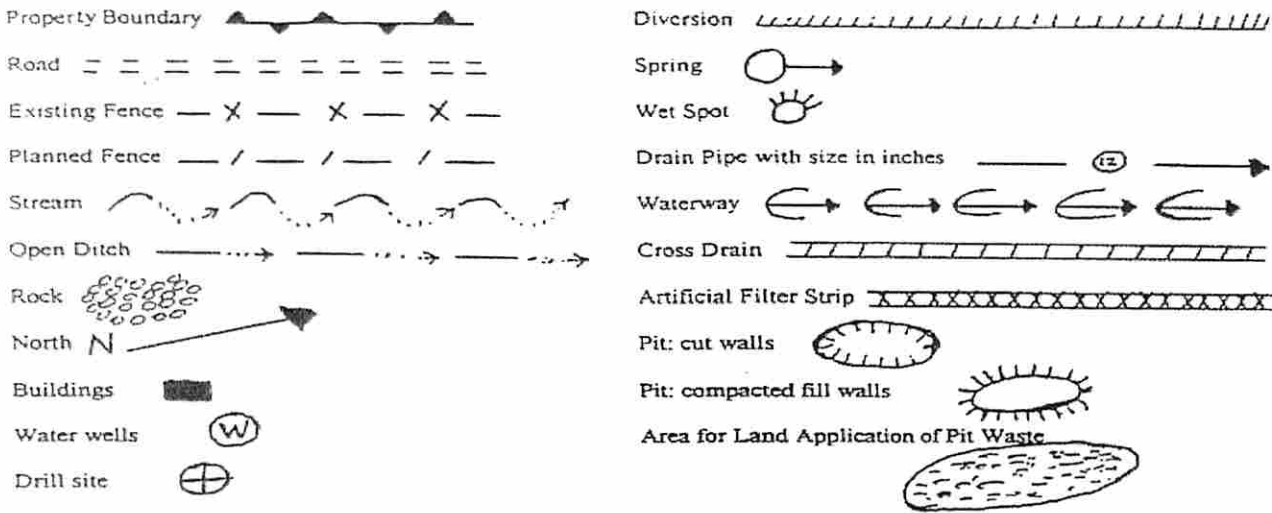
My Commission Expires September 16, 2018



Attachment #1

API #: 47-039-03151
 Operator's Well No. 804129 P&A

LEGEND



Proposed Revegetation Treatment: Acres Disturbed 1.0 Prevegetation pH 6.1

Lime 3 Tons/acre or to correct to pH 6.5

Fertilizer (10-20-20 or equivalent) 1/3 TON lbs/acre (500 lbs minimum)

Mulch Hay 2 Tons/acre

Seed Mixtures

Area I		Area II	
Seed Type	lbs/acre	Seed Type	lbs/acre
CHESAPEAKE CONTRACTOR'S MIX	40	ORCHARD GRASS	15
ALSIKE CLOVER	5	ALSIKE CLOVER	5
ANNUAL RYE	15		

Attach:
 Drawing(s) of road, location, pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: [Signature]

Title: Field Impact Assessment

Date: 2-17-15

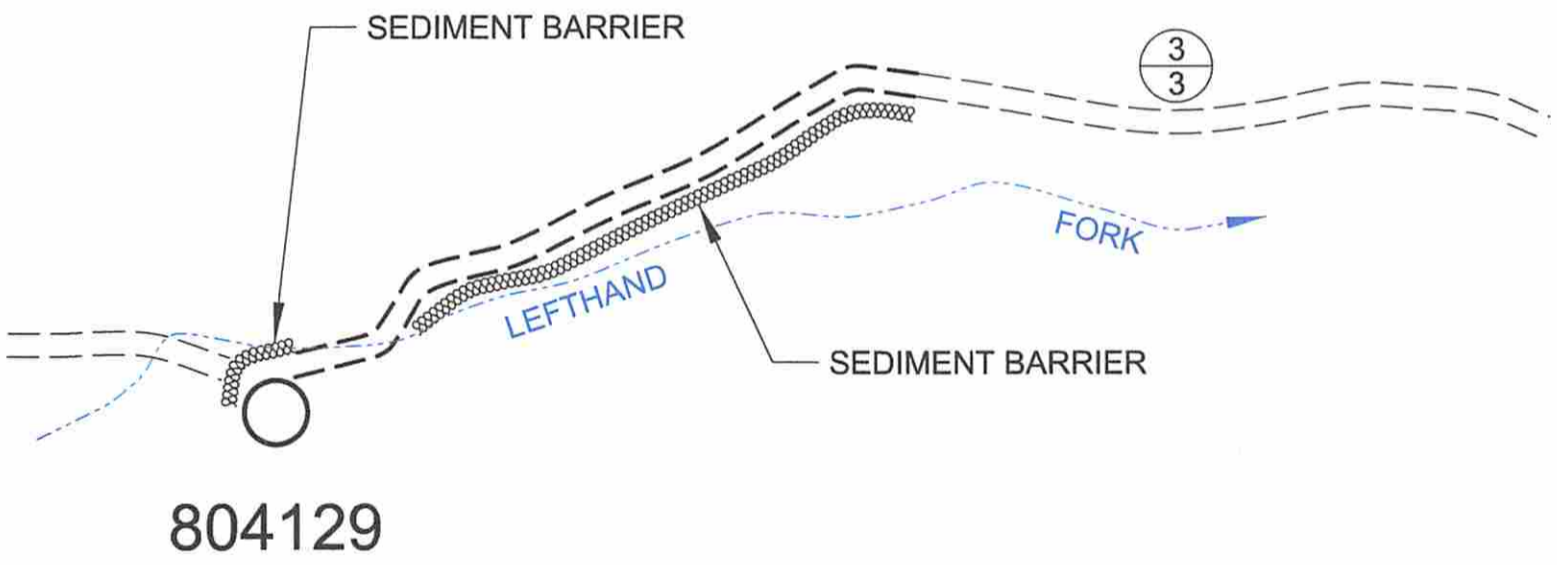
Field Reviewed? () Yes () No

3903151A

CHESAPEAKE APPALACHIA, L.L.C.

RECLAMATION DIAGRAM
WELL LOCATION 804129

API 47-039-03151



804129

GENERAL NOTES

This drawing is a schematic representation of the well site and access road. Proposed structures such as well site, drilling pit, roadways, culverts, sediment barriers, etc. are shown in approximate pre-planning configurations.

All culvert pipes will be a minimum of 15 inches in diameter. All culvert pipes installed will be accompanied by an entrance sump with dimensions no less than 3 feet (width) x 3 feet (length) x 4 feet (deep). Culverts will be installed at an angle to ensure proper flow. The out fall of culverts will be protected from erosion and sedimentation using large rocks or other sediment controls deemed necessary in the prevention of erosion and sedimentation. Storm water from the ditches to the culverts will be directed to stable natural vegetative areas. Where culverts are not practical, operator will have other sediment control in place to minimize erosion sedimentation.

Cross drains, broad based dips, water bars, and diversion ditches, will be employed during the construction phase. These erosion and sediment control structures will be used to control erosion and sedimentation during the construction phase, where applicable, and in areas that will allow. These structures will be considered permanent and used as such.

Permanent seeding: See Attachment #1.

06/05/2015

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Office of Oil and Gas

FEB 17 2015

WV Department of
Environmental Protection

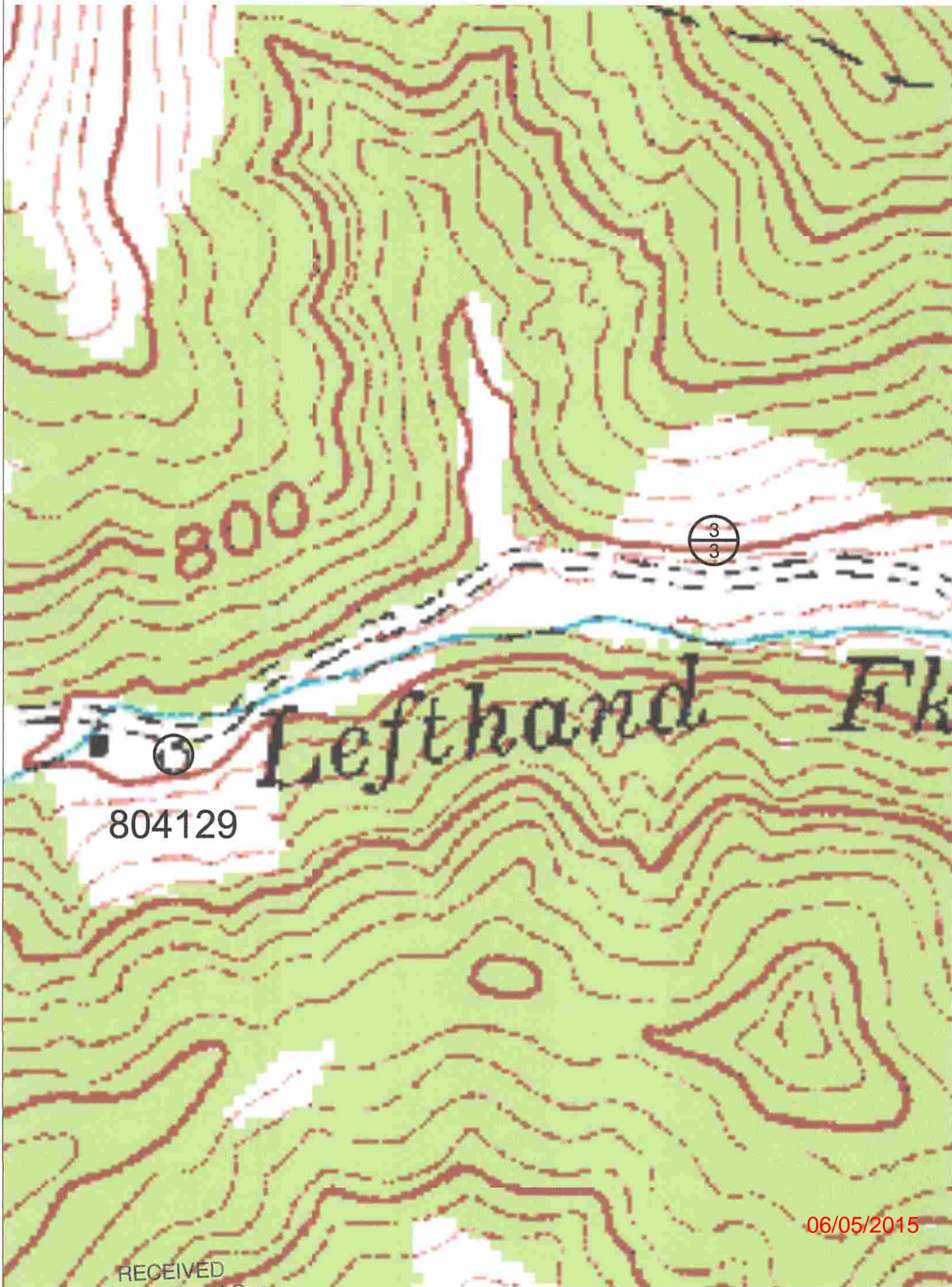
CHESAPEAKE ENERGY CORPORATION - EASTERN DIVISION
P.O. BOX 579 - 8165 COURT AVENUE - HAMLIN, WV 25523
304 824-5141 - FAX 304 824-2247

3903151P

CHESAPEAKE APPALACHIA, L.L.C.

TOPOGRAPHICAL MAP OF ACCESS AND
WELL LOCATION 804129

API 47-039-03151



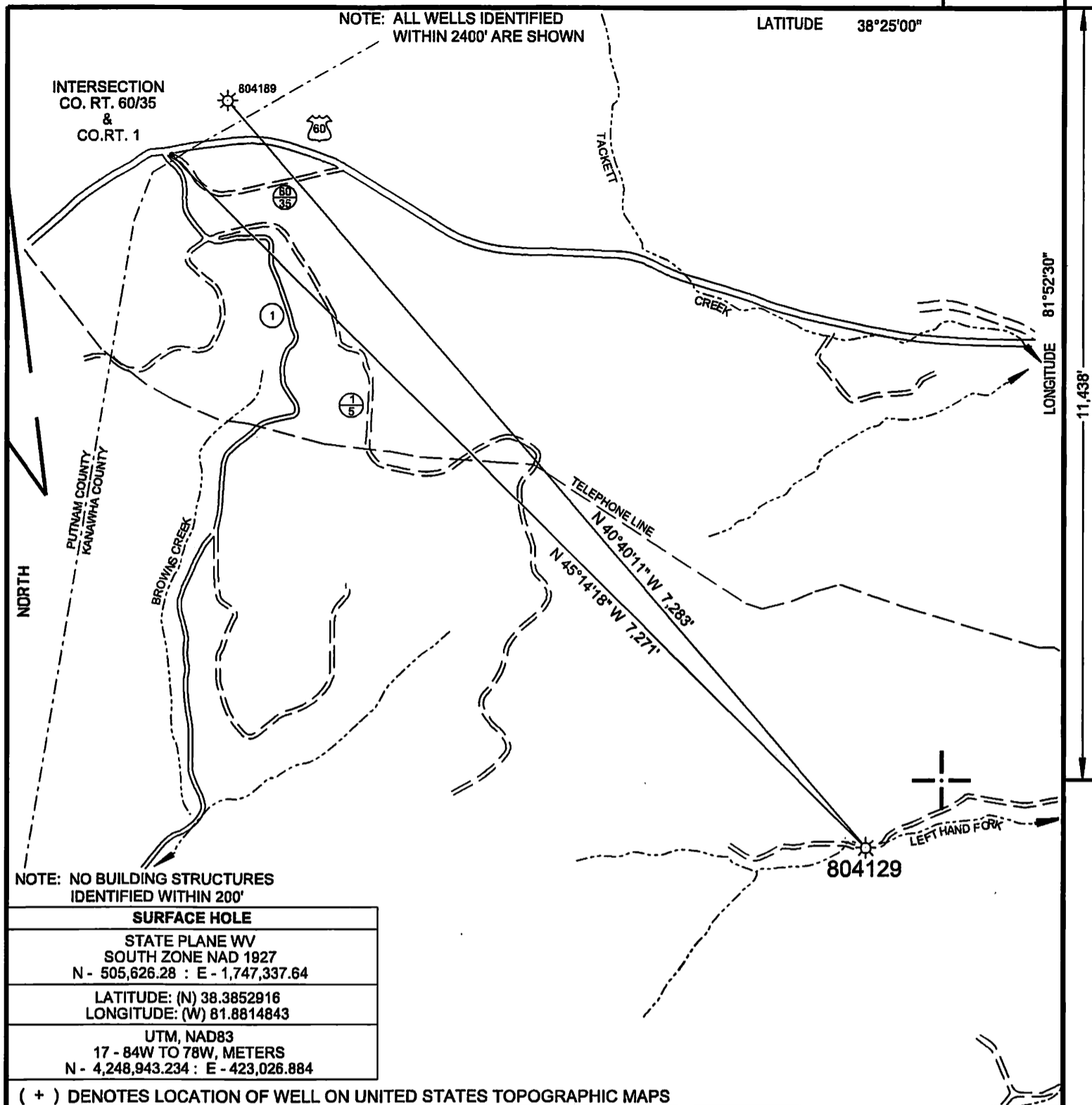
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Office of Oil and Gas

FEB 17 2015

WV Department of
Environmental Protection

CHESAPEAKE ENERGY CORPORATION - EASTERN DIVISION
P.O. BOX 579 - 8165 COURT AVENUE - HAMLIN, WV 25523
304 824-5141 - FAX 304 824-2247



SURFACE HOLE
STATE PLANE WV SOUTH ZONE NAD 1927 N - 505,626.28 : E - 1,747,337.64
LATITUDE: (N) 38.3852916 LONGITUDE: (W) 81.8814843
UTM, NAD83 17 - 84W TO 78W, METERS N - 4,248,943.234 : E - 423,026.884

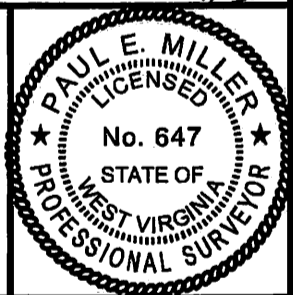
(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO.	804129P&A.DGN
DRAWING NO.	804129 P&A
SCALE	1" = 1000'
MINIMUM DEGREE OF ACCURACY	1 : 200
PROVEN SOURCE OF ELEVATION	MAPPING GRADE GPS

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 ENVIRONMENTAL PROTECTION.

(SIGNED) *Paul E. Miller*

R.P.E. _____ L.L.S. 647



STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OIL AND GAS DIVISION



DATE JANUARY 30, 20 15
OPERATOR'S WELL NO. 804129
API WELL NO.

47 039 03151 P
STATE COUNTY PERMIT

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL
(IF "GAS,") PRODUCTION STORAGE DEEP SHALLOW

LOCATION: ELEVATION 691' WATER SHED LEFT HAND FORK OF TACKETT CREEK

DISTRICT JEFFERSON COUNTY KANAWHA

QUADRANGLE SCOTT DEPOT

SURFACE OWNER LOUIS P. GERVONE ACREAGE _____

OIL & GAS ROYALTY OWNER _____ LEASE ACREAGE _____

LEASE NO. _____

PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____

PLUG AND ABANDON CLEAN OUT AND REPLUG

TARGET FORMATION _____ ESTIMATED DEPTH _____

WELL OPERATOR CHESAPEAKE APPALACHIA L.L.C. DESIGNATED AGENT JESSICA GREATHOUSE

ADDRESS PO BOX 18496 OKLAHOMA CITY, OK 17354-0496 ADDRESS PO BOX 6070, CHARLESTON, WV 25362

FORM WW-6

COUNTY NAME
PERMIT

06/05/2015

McLaughlin, Jeffrey W

39 03151 P

From: LouisCervone@aol.com
Sent: Thursday, June 04, 2015 7:07 AM
To: McLaughlin, Jeffrey W
Subject: From the Desk of Louis P. Cervone

June 4th 2015

Louis P. Cervone
461 Cervone Lane
St. Albans WV 25177

Operator # 804129
API # 47-039-03151

Jeff McLaughlin/Terry Urban

In regard to the plugging of the well on my property, unless the DEP has some environmental concern about the issues I have raised, I formally withdraw my objection to the plugging. I am confident that I have laid the ground work for future litigation if any of my concerns become valid.

Sincerely:

Louis P. Cervone
Pro Se



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street, SE
Charleston, WV 25304

Earl Ray Tomblin, Governor
Randy C. Huffiman, Cabinet Secretary
dep.wv.gov

Louis P. Cervone
461 Cervone Lane
St. Albans, WV 25177-2790

API Well # 47-039-03151 Plugging Permit Application

Mr. Cervone,

I have sent your timely comments for the above-referenced application to Ms. Phyllis Copley at Chesapeake Energy by email on 03/23/2015 for her review and response. I will send you a copy of her response as soon as I receive it. This letter has three (3) included attachments that I am sending to you for your records, as I am not sure the carbon copy (cc) of my email to Ms. Copley got through to you.

Regards,

Jeffrey W. McLaughlin, B. S. Petroleum Eng.
Technical Analyst, Office of Oil and Gas
WV Dept. of Environmental Protection
Phone: 304-926-0499 ext. 1614
Cell Phone: 304-206-6769

Enclosures (3)

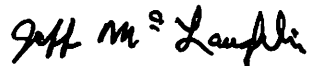
McLaughlin, Jeffrey W

From: McLaughlin, Jeffrey W
Sent: Monday, March 23, 2015 12:07 PM
To: Phyllis Copley (phyllis.copley@chk.com)
Cc: LouisCervone@aol.com
Subject: Chesapeake Well 804129 (API 39-03151) Plugging Permit Application
Attachments: LouCervoneComment of 02092015 for API 3903151.pdf;
LouCervoneComment02202015for API 3903151.pdf

Ms. Copley,

The Office of Oil and Gas has received timely comments about the plugging permit application for the above-referenced well from Mr. Louis Cervone. I am attaching the documents for your review and response. Please send your response to me by email. I will then send a copy to Mr. Cervone.

Regards,



Jeff McLaughlin, B. S. Petroleum Eng.
Technical Analyst, Office of Oil & Gas
WV Dept. of Environmental Protection
Phone: 304-926-0499 ext. 1614
Cell Phone: 304-206-6769

McLaughlin, Jeffrey W

From: LouisCervone@aol.com
Sent: Friday, February 20, 2015 11:12 AM
To: McLaughlin, Jeffrey W
Subject: Surface Owner Waiver/ Louis P. Cervone

RECEIVED
Office of Oil and Gas

FEB 20 2015

WV Department of
Environmental Protection

Louis P. Cervone
461 Cervone Lane
St. Albans WV

Operator's Well Number 804129 P&A

Comments & Objections

Ladies & Gentlemen:

I do object to the nature of the plugging of the well on my property and hereby ask for a continuance until such time as my rights and compensations as the surface owner of the property are clearly outlined.

My treatment, thus far in this matter is as an object. Leaving me the surface owner out of any decision making process. As someone that can't possibly understand all of this. If there is not something to hide why only give the surface owner FIVE DAYS to file a comment? What's the big rush?

(1) There is a water well providing water to a dwelling within approximately 25 ft of the gas well which is to be plugged. This matter needs to be addressed before the plugging.

(2) Prepare Road & Location, MIRU There are two culverts the wooden bridge and the road itself. The conditions of which and how it will be left must be in writing and not verbal assurance.

(3) The Right to be compensated for damages and loss work time during the process

(4) The 1948 lease provides for storage of equipment. All Abandon Meters and Abandoned Pipe lines must be removed and clearly marked and located. All active gas lines that are not necessary to the providing of gas to the two dwellings on my property must be located and removed.

(5) A commitment from the Gas Entity involved that we, the owners of 461 Cervone Lane continue to have gas for the two dwellings. It would be a severe hardship for us to find another energy. It is the implied threat, comments to the affect that the backflow pipe providing us gas is not cost effect from a maintenance stand point just to provide gas to our two dwellings.

(6) I will sorely miss the free gas "Royalty" I do not contest the loss of gas royalty, however as per the 1948 lease 100 are provided each YEAR and I ask that I be allowed to keep the full hundred units for this year as provided by the lease and begin paying for gas when the 100 mcfs are used up.

(7) This is the flaw in the state's mandate policy, while it addresses reclamation & water it only provides for damages to publicly owned lands and resources, but does not address fair compensation and damages to the individual land owner.

(8) The matter of timing. When was it determined to plug this specific well. Was it before my fathers death or after I out the gas accounts into my name. It may seem minor to you but important to me to get a gauge of the people I am dealing with.

Any information withheld from the surface owners pertaining to free gas, future gas exploration

06/03/2015

the viability of the well and possible dangers involved with the plugging of the well would be considered a breach of trust.

I have forward these comments to Senate Manchin for his attention.

Because of the extreme weather conditions I hope that you will extent my deadline for filing a comment if I have not made it in time.

Please respond to let me know that you did receive this.

Louis P. Cervone

RECEIVED
Office of Oil and Gas

FEB 20 2015

WV Department of
Environmental Protection

McLaughlin, Jeffrey W

From: LouisCervone@aol.com
Sent: Monday, February 09, 2015 8:04 AM
To: McLaughlin, Jeffrey W
Subject: From the desk of Louis P. Cervone

Louis P. Cervone
461 Cervone Lane
St. Albans West Virginia 25177

Mr. Mclaughlin:

I have been receiving Gas Royalty from well that has been on my property since 1913 under a 1948 lease #30309. I get 100mcf per year under said lease. Your representative, Chris Arnold has informed me that the well no longer produces and that under DEP regulations must be plugged ending the lease and Gas Royalty. There is reclamation and road improvement involved. Well okay I am amendable to all this yet now I am being told that the back flow pipe that has been providing me gas to my two dwelling will be cut as well meaning I will have to find another heat source!

I am 60 years old I don't have the financial means to find another heat source. We have been on gas for over 45 years. I don't like being threatened especially since I acquiesce to the loss of the Free Gas. Or is it just a veil threat to distract me from something more?

I am also open to future Gas Exploration by your company, as I know there is an abundance of gas on my property. The gas well dates to 1913 with the technology we have today the source and profits could be enormous!

The Plugging is scheduled for April 2015. I am requesting that I be allowed to keep the last 100 mcfs for this year and begin paying gas when that hundred runs out. I am told "THEY" would not approve that but I would like to address the issue with "THEY". I also want a firm commitment that I can keep my gas service.

Could you please help me navigate through this?

Louis P. Cervone
louiscervone@aol.com

I wish the plugging permit for this well to be postponed until all parties are satisfied.

RECEIVED
Office of Oil and Gas

FEB 9 2015

WV Department of
Environmental Protection

06/05/2015

39031511

McLaughlin, Jeffrey W

From: LouisCervone@aol.com
Sent: Sunday, March 01, 2015 10:20 AM
To: McLaughlin, Jeffrey W
Subject: From the desk of Louis P. Cervone

Out of courtesy I wanted to send this information to you.

March 1, 2015

Louis P. Cervone
461 Cervone Lane
St. Albans, WV 25177-2790

Senator Joe Manchin
306 Hart Senate Office Building
Washington D. C. 20510

ATTN: Senator Joe Manchin & Gerrie Greene

I want to take this opportunity to thank you for your assistance in this matter. Since my initial contact with your office there have been several development in regards to the termination of the "Free Gas Royalty" attached to the deed of my property and the well that is on it.

I have enclosed the names of all parties I have spoken with and a list of comments and questions. I hope that this will aid you and your staff in helping me resolve this serious issue of the property rights of the owner and the rights of Chesapeake Energy, Mountaineer Gas, and the West Virginia Department of Environmental Protection.

Sincerely:

Louis P. Cervone
louiscervone@aol.com

304-395- 8866
304-722- 3992

List of contacts & pertinent information

Chesapeake Energy
Contact person: Chris Arnold 304 -807-7724

WV Dept. of Env.
Office of Oil and Gas

MAR 2 2015

WV Department of
Environmental Protection

Mountaineer Gas

3903151P

West Virginia Department of Environmental Protection
Terry Urban
Oil & Gas Inspector 304-549-5915

RECEIVED
Office of Oil and Gas

Jeff McLaughlin
Technical Analyst
304 926 0499 ext 1614
304 206 6769

MAR 2 2015

WV Department of
Environmental Protection

Operator's Well # 804129 P&A
API # 47-039-03151

Property Owners Deed: Book 2770 page 95

The permit has been issued for the plugging of this well and it is set for April or May. I cannot afford an attorney and I am requesting an injunction to stop the plugging of API #47-039-0351 until such time as certain issues are resolved between the landowner, Louis P. Cervone of 461 Cervone Lane, St. Albans, WV 25177. Further, a full investigation as to the terms and conditions of the Free Gas Royalty, (1) is it legal for a corporation to change the terms and conditions of a landowners Deed? (2) If Chesapeake Energy is allowed to terminate the Free Gas Royalty I wish to keep the full 100 mcfs provided by the 1948 Lease that has been allotted for me for this year 2015 so that I may use up the 100 mcfs in oppose to loosing them. Since the Lease provides 100 mcfs per year I should be allowed to keep them for that year regardless of the time of the plugging and begin paying for gas when those 100 mcfs run out.

If there is nothing that can be done to prevent the termination of the Free Gas Royalty, there are several questions that I (the owner of the property) has pertaining to the plugging of well #47-039-03151

- (1) A water well is within 25 ft of the gas well could the plugging of this well affect the water?
- (2) The Gas Well #47-039-0351 is still under pressure. If the well is plugged with concrete as proposed in 804129 P&A Procedure is there a possibility that the gas pressure could (a) build up and explode? (b) Contaminate the water table and my water.
- (3) An affidavit to be filed by Chesapeake Energy that clearly states that for any future gas or oil exploration on my property a new leasing agreement must be made with the property owner, Louis P. Cervone.
- (4) It has also come to pass that there is a gas line on my property that provides gas to a neighbor on the city side of the hollow (Cervone Lane). The family claims that while they are not currently using the gas their did also provides for Free Gas Royalty for life. My Deed also gives a LIFE ESTATE INTEREST & SURVIVOR CLAUSE.
- (5) The half-mile stretch of road that Chesapeake Energy will "Up-grade" as a result of the plugging is an upside to all of this. There are two culverts; both have been damaged over time due to heavy gas and electric vehicles. And the Wooden Bridge with the cracked support pipe. This road services four other families on what is now CERVONE LANE. It is important that the ENTIRE road be upgraded and not just those sections that pleases the needs of Chesapeake Gas!
- (6) We, the owners of said property, have received a Free Gas Royalty for nearly forty years; the gas well had stopped producing sometime in 2006. Throughout this time frame there has been no

mention by the Gas Company about plugging this well. My mother passed away on April 17th 2010, then my father passed away June 10th 2014. Still no mention of plugging the well. I did not get around to changing the Mountaineer Gas bill for the two dwellings until November of 2014. It was then that representatives of Chesapeake Energy came out to inspect the gas well. Back in the 1970s when we first bought the property Columbia Gas approached my parents and told them they were not entitled to the Free Gas.

This was when the Gas well was still producing. Because of this I hope you can understand my lack of trust. If the Gas Company can arbitrarily change the terms and conditions of a landowners deed what would prevent some other entity from changing the boundaries and dimensions of my property.

(7) That in either case I would be able to continue to be provided gas.

This section pertains to the West Virginia Department of Environmental Protection.

A Surface owners Wavier has been sent to me and only gives a person FIVE DAYS to respond. I take issue with the time limitation for filing a Comment & Objection. Most people do not have the time to write a clear and detailed objection.

They work for a living and they cannot afford an attorney. While the WVDEP does provide for soil erosion and protection of water sources it only provides for damages that would occur on PUBLICLY OWNED LAND & RESOURCES, not private individuals land. The WVDEP is a state government entity and should protect the rights of the people and not just the narrow interests of the Energy Companies. The State Mandate to Plug these wells should not be used to alter the terms and conditions of a landowner's deed. Further the WVDEP will not guarantee that gas pressure would not build up beneath the plugged well and exploded, only that it probably would not, and that other plugged wells have not exploded, but what about ten or twenty years from now?

They have also claimed that plugging the well should not damage the water supply even though the person I spoke with was not aware that there was water well.

The West Virginia Department of Environmental Protection does not provide for an inspection of the gas well to ascertain whether the well is still a viable gas source.

Louis P. Cervone
461 Cervone Lane
St. Albans, WV 25177

RECEIVED
Office of Oil and Gas

MAR 2 2015

WV Department of
Environmental Protection

This Agreement, Made and entered into this 10 day of Feb. A.D., 1948, by and between Bess H. Crocraft, widow, Pauline O. Maynard Robinson & James Greed Robinson, her husband

of Charleston, W.Va., County of Kanawha, and State of W. Va.

part 4 of the first part, hereinafter called "Lessor", and UNITED FUEL GAS COMPANY, a corporation, party of the second part, hereinafter called "Lessee".

WITNESSETH: The Lessor, in consideration of the sum of One (\$1.00) Dollar, paid by the Lessee, the receipt of which is hereby acknowledged, and of the covenants hereinafter contained, on the part of the Lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let, with covenants of quiet possession and sole right so to grant and demise, unto the Lessee, for the purpose of searching for, exploring, drilling and operating for and marketing oil and gas, and of storing gas of any kind regardless of the source thereof in the oil and gas strata therein including the right of injecting gas therein and removing the same therefrom together with the right to lay pipe lines, and build tanks, stations, telephone, telegraph and electric power lines, houses for gates, meters and regulators with all other rights, privileges, appliances and structures necessary, incident or convenient for the operation of this land

alone and conjointly with neighboring lands, all that certain tract of land situate in Jefferson District, Kanawha County and State of West Virginia, on the waters of Tacketts Creek

bounded substantially as follows:

- On the North by lands of W. H. Thompkins
- On the East by lands of Dean Heiss
- On the South by lands of Hattie Holman
- On the West by lands of Jake Aisher

Containing Six (6) acres, more or less, but no well shall be drilled by either party, except by mutual consent, within 100 feet of the dwelling house or barn now on said premises.

IN CONSIDERATION OF THE PREMISES, the parties hereto covenant and agree:

FIRST: That this lease shall continue for a term of five years from and after the date hereof, and so long thereafter as said tract of land is operated by Lessee in the search for or production of oil and gas and the removal of same.

SECOND: Lessee will deliver to the owner or owners of the oil, free of cost, in the pipe line to which said Lessee may connect its wells, a royalty of the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

THIRD: While gas is marketed from and used off of said premises, to pay Lessor an annual rental of \$300.00, payable quarterly, in advance, for the gas produced and marketed from each gas well drilled on said premises, including wells drilled to the stratum known as Big Lime, in which Lessor may store gas hereunder, such payments to begin within sixty days following completion of each such well, Lessee to have the right to install and maintain on said premises all necessary equipment and appliances and to do any and all other things as may be reasonably necessary for the purpose of utilizing said premises for the production and storage of gas, as well as the injection of gas therein and the removal of same therefrom.

In the event the emoluments provided for in Paragraphs Second and Third hereof, inuring to the owner or owners of the oil and gas underlying the above described tract of land, do not, in the aggregate, equal or exceed a sum of money equivalent to One (\$1.00) Dollar per acre per year, then Lessee shall pay to such owners thereof the difference between the emoluments so received and One (\$1.00) Dollar per acre per year, to the end that Lessee shall, in any event, pay to the owners of the oil and gas underlying said tract of land a minimum of One (\$1.00) Dollar per acre per year.

FOURTH: If the Lessor does not have title to all the oil and gas under said premises, or if the acreage or area herein recited is in excess of the true quantity of land in said premises, the Lessor agrees, on demand made, to refund delay rentals and royalties paid and release Lessee from the payment of future rentals or royalties in proportion to the outstanding title or difference between the recited and true acreage. In case of the failure of Lessor to so refund, Lessee shall have and is here given the right to apply future rentals and/or royalties on such overpayment until the amount thereof is paid. If the recited acreage or area be found to be less than the quantity of land in said premises, Lessee, on demand made, shall pay up arrears or deficiency in rental payments on the basis of the excess of the true over the said recited acreage, and thereafter make payments under this lease on the basis of the true acreage.

FIFTH: Lessee shall have the right to abandon any well which has heretofore or may hereafter be drilled on said premises to the said storage stratum, known as Big Lime, as well also as the right of abandoning any well drilled to any other stratum which is not producing oil or gas in paying quantities. In such event, however, the owners of the oil and gas underlying said tract of land, until this lease is duly surrendered, shall be paid not less than One (\$1.00) Dollar per year per acre, as provided in Paragraph Third hereof.

#60. Mail: United Fuel Gas Co. City

SIXTH: Lessor hereby warrants and agrees to defend the title to the property herein leased, and agrees that Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and Lessor further agrees, in case of notice of any adverse claim or suit filed affecting the title to the leased premises or affecting all or any part of the emoluments hereunder, that Lessee may withhold the emoluments accruing hereunder until the ownership is determined by final decree of a court of competent jurisdiction without in anywise affecting its rights hereunder.

SEVENTH: All payments due hereunder may be made by cash or check to Bess H. Crockett or by deposit to credit in the _____ Bank of _____ or by check made payable to her order and mailed to 1505 - Lee St at Charleston W.Va. County, State of W.Va. who is hereby appointed Agent of the Lessor for such purposes.

EIGHTH: Regardless of whether or not any well or wells is or are drilled or utilized for the production of gas, or for the injection and/or withdrawal of gas from the _____ said tract of land, Lessee agrees that the surface owner and/or owners, tenants, lessees, and/or the tenant who resides thereon, at the direction of such owner or owners, may use free of charge, subject to the conditions and provisions hereinafter contained, for light and heat in one dwelling house located on said tract of land, 100,000 cubic feet of gas per year. All gas in excess of 100,000 cubic feet used in each year shall be paid for by such user at the current published local rates of the Lessee. This privilege is granted upon condition that such user shall furnish and install the necessary line, regulators and all other equipment and appliances necessary to receive and control said gas and assume all risk in connection therewith, and _____ shall use said gas with economy through and in safe and suitable appliances, and shall subscribe to and be bound by the reasonable rules and regulations of the Lessee, relating to such use of gas. All connections shall be made by the Lessee at points it may select. Before making such connection, satisfactory evidence of the right and privilege to the use of free gas shall be furnished by said surface owner and/or owners to Lessee, and, in no event, shall more than one free gas privilege be granted on said tract of land, and said gas shall be exclusively used on said premises. If such user does not promptly pay for gas used in excess of said 100,000 cubic feet per year, Lessee may, if it so elects, and is here given the right to, apply the emoluments accruing hereunder to such user to satisfy any sums which then may be due for such excess gas. Each and all of the terms, conditions and provisions hereof, with respect to the use of free gas, shall be fully complied with and shall be considered and construed to be conditions precedent to the right to the use thereof.

NINTH: It is agreed that said Lessee is to have the privilege of using sufficient water, gas and surface rock from said premises to operate all machinery necessary for drilling and operating thereon, the plugging and abandoning of any well or wells on said premises, and at any time to remove all machinery and fixtures placed on said premises; and further, upon the payment of One (\$1.00) Dollar, at any time, by said Lessee to said Lessor, or to the above named Agent, said Lessee shall have the right to surrender this lease for cancellation, after which all payments and liabilities hereunder, including said free gas privilege, shall cease and determine, and this lease become absolutely null and void. The parties hereto agree that the recordation of a deed of surrender in the proper county, and the mailing in the post office of a check payable as above provided, for said last mentioned sum and all amounts then due hereunder, shall be full surrender and termination of this lease.

TENTH: It is agreed and understood that upon the complete execution of this agreement by the owners of each and every interest therein, the same shall, in all respects, supersede and take the place of that certain other oil and gas lease on said premises, executed by Mattie E. Dauds Wiseman, h.w to said party of the second part on the 16 day of June, 1914, and recorded in the office of the Clerk of the County Court of Kanawha County, W.Va. in Lease Book 34 at page 535.

ELEVENTH: All terms, conditions, limitations and covenants between the parties hereto shall extend to their respective heirs, successors, personal representatives and assigns, but no change in the ownership of the land or assignment of the emoluments hereunder shall be binding on the Lessee until after the Lessee has been furnished with satisfactory evidence of such written transfer or assignment. The covenants herein on behalf of the Lessor are the joint and several covenants of each of the parties of the first part.

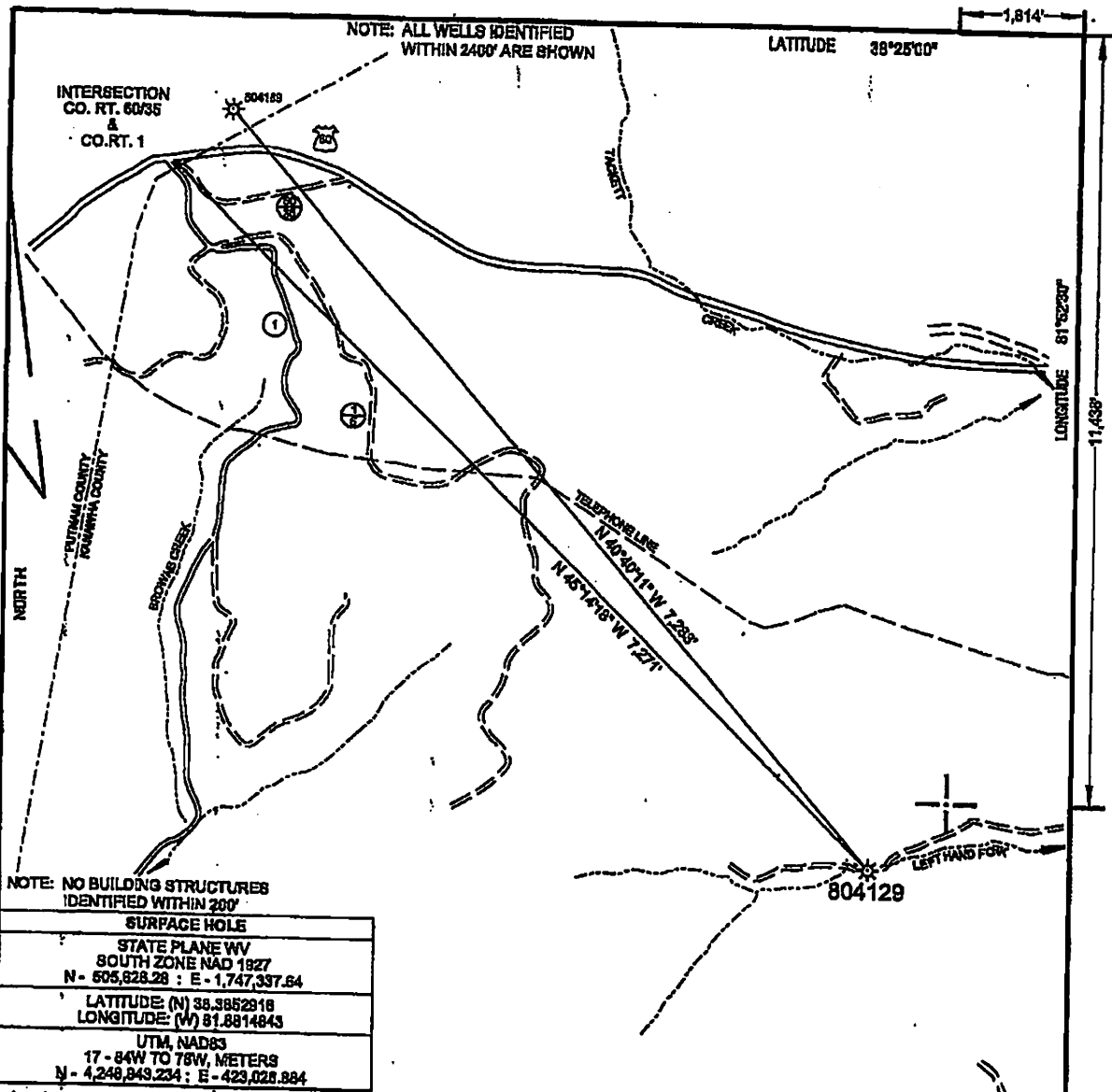
Witness the following signatures and seals the day and year first above written.

(SEAL) Bess H. Crockett (SEAL)
(SEAL) Pauline O. Morgan Robinson (SEAL)
(SEAL) Janice Chas Robinson (SEAL)
(SEAL) _____ (SEAL)
(SEAL) _____ (SEAL)
(SEAL) _____ (SEAL)
(SEAL) _____ (SEAL)

Witness: Dr. Martin

UNITED FUEL GAS COMPANY

By _____ President.



SURFACE HOLE	
STATE PLANE WV SOUTH ZONE NAD 1827	
N - 605,828.28 : E - 1,747,337.64	
LATITUDE (N) 38.3852918	
LONGITUDE (W) 81.8814843	
UTM, NAD83	
17 - 84W TO 78W, METERS	
N - 4,248,849.234 : E - 423,028.884	

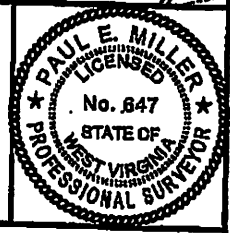
(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO.	804128P&A.DGN
DRAWING NO.	804128 P&A
SCALE	1" = 1000'
MINIMUM DEGREE OF ACCURACY	1:200
PROVEN SOURCE OF ELEVATION	MAPPING GRADE GPS

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 ENVIRONMENTAL PROTECTION.

(SIGNED) *Paul E. Miller*

R.P.E. _____ L.L.S. 847



STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OIL AND GAS DIVISION

DATE JANUARY 30, 20 15
OPERATOR'S WELL NO. 804129
API WELL NO. _____

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL
(IF "GAS," PRODUCTION STORAGE DEEP SHALLOW
LOCATION: ELEVATION 881' WATER SHED LEFT HAND FORK OF TACKETT CREEK
DISTRICT JEFFERSON COUNTY KANAWHA
QUADRANGLE SCOTT DEPOT

SURFACE OWNER LOUIS P. CERVONE ACREAGE _____
OIL & GAS ROYALTY OWNER _____ LEASE ACREAGE _____
LEASE NO. _____

PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____

PLUG AND ABANDON CLEAN OUT AND REPLUG
TARGET FORMATION _____ ESTIMATED DEPTH _____

WELL OPERATOR CHESAPEAKE APPALACHIA L.L.C. DESIGNATED AGENT JESSICA GREATHOUSE
ADDRESS PO BOX 18489 OKLAHOMA CITY, OK 73154-0488 ADDRESS PO BOX 6070, CHARLESTON, WV 26362

FORM WVS-8

COUNTY NAME

PERMIT

RETURN TO:
Luis Cervone
1206 Hickory Street
Martinsburg, WV 25877

THIS DEED, Made and entered into this 30th day of March, 2010, by and between **LOUIS CERVONE and MARY ANN CERVONE**, hereinafter referred to as parties of the first part, and **MARY ANN KRONK and LOUIS PETER CERVONE**, hereinafter referred to as parties of the second part.

WITNESSETH: That, for and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable considerations not herein mentioned, the receipt of all of which is hereby acknowledged, the said parties of the first part do hereby **GRANT and CONVEY** unto the said parties of the second part, as tenants in common, **THE SURFACE ONLY** of those certain lots or parcels of land, together with the improvements thereon and the appurtenances thereunto belonging, situate in Jefferson District, Kanawha County, West Virginia, and being more particularly bounded and described as follows:

PARCEL ONE:

Beginning at a stake between two Black Oaks on a ridge and thence running N. 69° E. 264 feet to a Chestnut Oak; thence N. 59° E. 330 feet to a Hickory; thence N. 14° W. 1402.5 feet to a stake in the Redmand line; thence with said Redmand line S. 30° 15' W. 1567.5 feet to a stake with Black Gum as pointer in the Tompkins line; thence S. 66° E. 660 feet to the place of beginning, containing twenty-three (23) acres, more or less.

PARCEL TWO:

Beginning at a Hickory on ridge, thence running with the ridge about 250 feet to a small Ash marked with three hackle-berry; thence down the hill about 1,000 feet to a rock at the creek; thence up the creek about 250 feet to a point; thence about 1,000 feet to the place of beginning, containing six (6) acres, more or less.

The aforesaid real estate being the same real estate conveyed unto Louis Cervone and Mary Ann Cervone, by virtue of a deed from Cecile M. Perry, dated July 3, 1970, and duly of record in the Office of the Clerk of the County Commission of Kanawha County, West Virginia in Deed Book 1594, at page 180, reference to said deed being made herein for all pertinent purposes.

DEED 2779 95
Recorded in Above Book and Page
03/20/2010 12:32:14 PM
Vera J. McDormick
County Clerk
Kanawha County, WV
Deed Tax 0.00
Recording Fee 16.00
TOTAL 16.00

AND FOR THE CONSIDERATION AFORESAID, the parties of the first part further **GRANTS AND CONVEYS** to the parties of the second part as aforesaid, that certain right of way appurtenant to the property herein conveyed, which right of way is more particularly described in that certain deed from Zibba Adkins and husband to Madison Wiseman, dated October 6, 1913, recorded in the aforesaid Clerk's Office in Deed Book 140 at page 460, and further **GRANTS AND CONVEYS** to the parties of the second part, all rights to free gas to a dwelling house on said property, as described in any valid and existing leases of record.

It is understood that this conveyance is of the surface only, all oil, gas and other minerals having been previously conveyed.

The parties of the first part do hereby **EXCEPT and RESERVE** unto themselves, and the survivor thereof, a life estate interest in and to the aforesaid real estate for and during their natural lifetime, it being the express intent of the parties of the first part that upon the death of the survivor of the parties of the first part herein fee simple title shall vest in the parties of the second part herein.

This conveyance is made subject to any and all right of way, easements, restrictions and reservations contained in prior deeds in the chain of title to the real estate herein conveyed.

Subject to the foregoing, the parties of the first part do hereby covenant to and with the said parties of the second part that they will **WARRANT GENERALLY** title to the property hereby conveyed.

DECLARATION OF CONSIDERATION OF VALUE: The party of the first part does hereby declare that this conveyance is exempt from State Excise Tax for the reason that it is a transfer from parents unto children with consideration of less than One Hundred Dollars (\$100.00).

WITNESS the following signatures and seals:

Louis Cervone (SEAL)
LOUIS CERVONE

Mary Ann Cervone (SEAL)
MARY ANN CERVONE

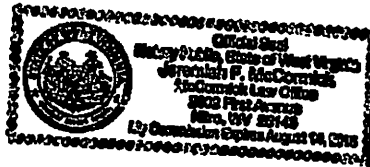
STATE OF WEST VIRGINIA,

COUNTY OF Kanawha TO-WIT:

I, *James F. ...* a Notary Public in and for the county and state aforesaid, do hereby certify that **LOUIS CERVONE**, whose name is signed to the foregoing deed bearing date the 30th day of March, 2010, has acknowledged the same before me in my said county and state.

Given under my hand this 30 day of May, 2010.

My commission expires _____
James F. ...
NOTARY PUBLIC

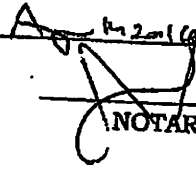


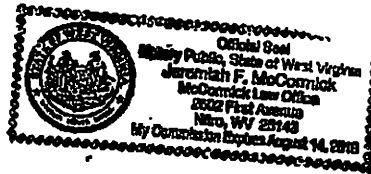
STATE OF WEST VIRGINIA,
COUNTY OF Kanawha, TO-WIT:

I, Jeremiah F. McCormick, a Notary Public in and for the county and state aforesaid, do hereby certify that **MARY ANN CERVONE**, whose name is signed to the foregoing deed bearing date the 30th day of March, 2010, has acknowledged the same before me in my said county and state.

Given under my hand this 7th day of May, 2010.

My commission expires August 14, 2013


NOTARY PUBLIC



This Instrument Was Prepared By:

Jeremiah F. McCormick
McCormick Law Office
2602 First Avenue
Nitro, West Virginia 25143

Without The Benefit Of A Title Examination, And By The Preparation Of This Instrument Alone, Makes No Representations Or Assurances To Any Person As To The Extent Or Quality Of The Title To The Herein Described Property

This instrument was presented to the Clerk of the County Commission of Kanawha County, West Virginia, on and the same is admitted to record.

APR 02 2010

Testa: David J. McCormick Clerk

Kanawha County Commission

This instrument was presented to the Clerk of the County Commission of Kanawha County, West Virginia, on and the same is admitted to record.

MAY 20 2010

Testa: David J. McCormick Clerk

Kanawha County Commission

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: June 3, 2015

CASE NO. 15-0415-GT-G-C

LOUIS P. CERVONE,
St. Albans, Kanawha County,

Complainant,

V.

CHESAPEAKE APPALACHIA, LLC,
a gas transportation corporation, and
MOUNTAINEER GAS COMPANY,
a public utility,

Defendants.

RECOMMENDED DECISION

This Order dismisses the complaint with prejudice for reasons of settlement, lack of jurisdiction and failure to allege a violation of Commission statutes or rules.

PROCEDURAL HISTORY

This case was filed on March 20, 2015, by Louis P. Cervone (Cervone) against the Mountaineer Gas Company (Mountaineer) and Chesapeake Appalachia, LLC (Chesapeake). Cervone alleged that the Defendants have "so far provided no detailed information as to the safety of plugging said gas well or safety to water well which is within 25 feet of said gas well." Cervone seeks the remedy of "fair and just compensation for use of my property, continuation of gas service, and what to do if the well explodes or my water is contaminated." Attached to the Complaint was a large amount of documentation stemming from a parallel complaint filed with the West Virginia Department of Environmental Protection.

Mountaineer filed an answer and motion to dismiss on March 30, 2015. Mountaineer argued that it is not the owner of the gas well at issue, and that the Complainant has alleged no denial of service by it. Mountaineer also argued that

It is well established that "disputes between individuals receiving free gas pursuant to lease or right-of-way agreements, on the one hand, and utilities, producers or pipelines, on the other hand, are not within the jurisdiction of the Public Service Commission." [citing *Robin K. Welch v. B&R Construction, Inc., Case No. 98-0269-G-C*] Indeed, the Commission has long reasoned that because free gas recipients are not "customers" of public utility services as

defined in *W.Va. Code §24-1-2* or *§24-2-1*, contractual disputes involving free gas rights fall well outside of the Commission's jurisdiction over public utility services. [citing *Linkinoggor v. Mutual Oil and Gas Company, Inc., Case No. 91-113-G-C*]

Finally, Mountaineer argued that the Commission has no jurisdiction to award monetary damages, and that Cervone's environmental concerns are under the jurisdiction of the West Virginia Department of Environmental Protection.

The same day, Chesapeake also filed an answer and motion to dismiss. Chesapeake acknowledged that it owns a gas well on Cervone's property and that it notified Cervone in February 2015 of its intent to cap the well. Chesapeake stated that it is complying with all applicable environmental regulations, and that the Complainant has not alleged any violations of Commission statutes or rules. Along with Mountaineer, Chesapeake asserted that the Commission has no jurisdiction over the applicable environmental regulations, nor over the gas rights at issue.

On March 31, 2015 the Complainant filed a response:

My intent was to have my safety and environmental concerns be addressed openly in a secondary forum in the event of future damages to my property. I have made numerous phone calls to Mountaineer Gas for clarification of future Gas use. The lease provides 100 mcf per year, I feel it only right that I be allowed to run those 100 units out before having to pay for gas...Mountaineer Gas is welcome to call me to discuss my future use of gas and the responsibility of the pipe providing said gas. I believe that it is standard that the homeowner is only responsible for the pipe from the homeowner's meter to the house, not the pipe providing the gas to the meter. [emphasis added]

On April 28, 2015, the Commission referred this matter to the Division of Administrative Law Judges for a decision to be rendered no later than October 16, 2015.

On May 4, 2015, a proposed "Agreed Order of Dismissal" was submitted, signed by all parties. The agreement states that Chesapeake will continue to provide free gas to Cervone for the rest of 2015, that Mountaineer will continue to provide pay-gas service to Cervone so long as the Chesapeake line to which he is currently connected remains in service, and that Chesapeake may immediately plug and abandon the well at issue. Finally the parties agree to dismiss the complaint with prejudice.

Commission Staff filed a Final Joint Staff Memorandum on May 21, 2015. Staff expressed concern that the *pro se* Complainant may not fully understand the finality of the proposed Agreed Order. It suggested that the Complainant be given 10 days to respond. Other than stating that the Commission cannot award damages, Staff did not address the jurisdictional matters raised.

On May 28, 2015, Cervone filed a response stating "I am only withdrawing my free gas. I do not wish to dismiss the case on the environmental issues, the safety or the possible pollution of the water table. I most definitely would hold Chesapeake damages to my property that may result from the plugging procedure."

On June 1, 2015 the Defendants objected to Cervone's response, noting that he signed a settlement agreement, and that issues he did not want to dismiss were outside the Commission's jurisdiction.

DISCUSSION

The complaint can roughly be divided into several concerns:

The environmental and safety concerns-

Cervone has argued that the plugging of Chesapeake's well could cause an explosion or pollution of his water table. These issues are regulated by the Department of Environmental Protection. Cervone has acknowledged the DEP's jurisdiction by stating on March 11, 2015 that his intent was to have his safety and environmental concerns be addressed "in a forum in the event of future damages to my property." The Commission is not a "forum" for matters that the Legislature has entrusted to the DEP. Therefore, regarding the settlement agreement, the environmental concerns should be dismissed.

The Complainant's free gas-

Like many residents of West Virginia, Cervone has received free gas from a local utility company in this case Chesapeake, in exchange for being able to drill on his property. Cervone claims that his lease with Chesapeake entitles him to continued free gas.

This issue has been settled by the parties, as acknowledged by Cervone in his 2015 filing. In any event, it is well established that such gas well agreements do not constitute a utility service and are outside the Commission's jurisdiction.

Future damages-

In his complaint, Cervone indicates concern about "what to do if the well explodes and the water is contaminated," and in his May 28, 2015 response, he states that he "wishes to hold Chesapeake liable for damages to my property that may result from the plugging procedure." The Commission cannot adjudicate a speculation that may or may not happen, and in any event, the Commission cannot award damages for torts.

the well at issue, its plugging nor the gas lease involve Mountaineer, nor has the Complainant alleged any failure of service on the part of Mountaineer.

FINDINGS OF FACT

1. Mr. Cervone filed a complaint against the Defendants, claiming a violation of a free gas lease, and expressing safety and pollution concerns regarding the plugging of the gas well on his property. (Complaint filed March 20, 2015).

2. The gas well in question is owned by Chesapeake, and Mountaineer has no control over it or its plugging. (Proposed Agreed Order of Dismissal filed May 4, 2015; Mountaineer Answer filed March 30, 2015).

3. The parties filed a signed proposed agreed order of dismissal, stating that Chesapeake will continue to provide free gas to Cervone for the rest of 2015, that Mountaineer will continue to provide pay-gas service to Cervone so long as the Chesapeake line to which he is currently connected remains in service, and that Chesapeake may immediately plug and abandon the well at issue. Finally the parties agree to dismiss the complaint with prejudice. (Proposed Agreed Order of Dismissal filed May 4, 2015).

4. The Complainant subsequently stated that he was indeed withdrawing his complaint over the free gas issue, but wanted to continue the matter on the safety and environmental issues regarding Chesapeake's well plugging. (Cervone response filed May 28, 2015).

CONCLUSIONS OF LAW

1. Disputes regarding free gas pursuant to lease agreements are outside Commission jurisdiction. *Robin K. Welch v. B&R Construction, Inc., Case No. 98-0269-G-C (1998)*.

2. The provision of free gas via a contract does not constitute a utility service. *Possiel v. North Coast Energy Eastern, Inc., Case No. 07-2045-G-C (2007)*.

3. Safety and pollution concerns regarding plugged and abandoned gas wells are not regulated by the Public Service Commission.

4. The Commission cannot award damages.

5. The matter should be dismissed, with prejudice, as having been settled by the parties.

6. Regardless of the validity of the settlement agreement, the matter should be dismissed with prejudice because the Complainant has not identified a matter in dispute that is subject to Commission jurisdiction.

ORDER

IT IS, THEREFORE, ORDERED that the complaint filed on March 20, 2015 P. Cervone against the Mountaineer Gas Company and Chesapeake Appalachia, LI hereby is, dismissed, with prejudice. The matter shall be removed from the open dock

The Executive Secretary is ordered to serve this Order upon the Commission a by hand delivery, upon all parties of record who have filed an e-service agreemer Commission by electronic service and by United States Certified Mail, return receipt upon all other parties.

Leave is granted to the parties to file written exceptions supported by a brief Executive Secretary of the Commission within fifteen days of the date of this exceptions are filed, the parties filing exceptions shall certify that all parties of record served the exceptions.

If no exceptions are filed, this Order shall become the order of the Commission further action or order, five days following the expiration of the fifteen day time per it is ordered stayed by the Commission.

Any party may request waiver of the right to file exceptions by filing an e petition in writing with the Executive Secretary. No such waiver, however, will b until approved by order of the Commission.



Darren Olofson
Administrative Law Judge

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