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, 2012

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-5101545, issued to TRANS ENERGY, INC., is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, 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
Chief

Operator's Well No: MARTINEZ 1H
Farm Name: MARTINEZ, FERNANDA, ET AL
API Well Number: 47-5101545
Permit Type: Horizontal 6A Well
Date Issued: 06/05/2012

Promoting a healthy environment.

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. 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 § 22-6-20, 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.

2. 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 twenty-five 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.

3. Pursuant to 35 CSR § 4-19.1.c, if the operator is unable to sample and analyze any water well or spring within one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.

west virginia department of environmental protection

Office Name
Office Address
Phone/fax optional

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

June 06, 2012

Linda McCracken
6793 Dry Ridge Road
Cameron, WV 26033

Re: Martinez 1H API 051-01545

Linda McCracken:

The office of Oil and Gas (OOG) has completed its review of the referenced permit application submitted by Trans Energy Inc.. The Marshall County oil and gas inspector inspected the site to ensure compliance with all applicable requirements of Article 6, Chapter 22 of the West Virginia Code and Legislative Rule Title 35, Series 4. Also, your comments were sent to the applicant to ensure it was aware of your concerns. The applicant's response is enclosed for your records.

After considering your comments, the applicant's response, and the inspector's findings, the OOG has determined that the application meets the requirements set forth in the above statute and legislative rule. Consequently, the OOG is issuing the permit today. For your information and convenience, I am including with this letter a copy of the permit as issued.

As you may know, surface owners are entitled to compensation for damages to their property resulting from oil and gas drilling activity. Absent an agreement by the parties, such damage compensation may be addressed pursuant to Article 7, Chapter 22 of the West Virginia Code. Please contact Gene Smith at (304) 926-0499, extension 1652 if you have any questions.

Sincerely,

Gene Smith
Permitting Section

Enclosure
Cc: Trans Energy Inc.
Derek Haught

Trans Energy, Inc.

Oil and Gas Exploration and Development

RECEIVED
Office of Oil & Gas
APR 23 2012
WV Department of Environmental Protection

51-1545

April 18, 2012

Linda McCracken
6793 Dry Ridge Road
Cameron, WV 26033

RE: Comments and concerns: Trans Energy proposed in Marshall County
Martinez 1H API 051-01545

Dear Mrs. McCracken:

We just received your comments and concerns of 2/13/12, today about our proposed well in Marshall County. We would have responded immediately, but we were just notified. We would like to address all your comments and concerns. I have listed your comments/concerns in bold print and our answers below:

1. **Trans Energy is proposing to drill a horizontal well on top of a ridge adjacent to our farm. As you can see from the topo map (A1) part of our farm is the bottom land below the proposed well.**

   Yes, Trans Energy, Inc. plans to drill a horizontal well as depicted on the map.

1A. **We own the gas and oil on our property. How much of our gas and/or oil will they gather with this well.**

   It is *impossible to provide a specific amount of gas and/or oil that we will produce from this well. We believe this is a productive area and we will produce this well to itspotential.*

2. **All areas above and around our farm drain into Wharton Run. From the map it looks like any activity which results in contaminated water runoff, Hazardous waste spills and/or contaminated Air pollution and other contamination that migrate or are leeched in some way into the Air, water and/or the ground will end up on our farm see Map in (A2)**

   a. **Are you going to discharge water into the Wharton Run Watershed?**

   No, we will not discharge water into the Wharton Run watershed. All water will be hauled away to a disposal facility.

210 2nd Street, P.O. Box 393 St. Marys, WV 26170 304.684.7053 Fax 304.684.3658
www.transenergyinc.com

b. If you plan on discharging water will it be contaminated water?

We will not discharge any water.

c. Will you have the NPDES Permit and or Storm water Permit? How about a Air monitoring permit?

No, we will not have a NPDES Permit or Storm Water Permit. We will not have an Air monitoring permit. We will have a Oil and Gas Drilling permit from the WV DEP - Office of Oil and Gas.

d. What company will monitor and or sample for contaminants if you discharge contaminated water?

We will not discharge contaminated water.

e. How will you handle Hazardous waste spills or other contamination.

We do not anticipate any hazardous contamination. Our company has a safety and spill plan to handle any emergency situation. Our safety plan has been approved by the WV DEP.

f. If you have an impoundment pond any spill from it will end up on our property, how will you keep storm water or other incidents from releasing water onto our land.

We do not have an impoundment pond that will release any water onto your land.

g. I am requesting all of the monitoring and any other pertinent info that may adversely effect our land, cattle or our health. Are you willing to supply this information?

This facility will have, tanks, pits, etc available to avoid any contamination. We are willing to supply you with the information we have available.

How close to the 5, 30 inch gas transmission lines will this well be and will they have to drive across the lines to reach their well site. In the event of a fire or explosion at the well site will these 5 transmission lines be effected.

There are 2, 30 inch gas transmission lines and 2, 36" transmission lines on the property, owned by other transmission companies. Trans Energy, Inc. will need to cross these lines. All of this work will follow the Texas Eastern pipeline requirements. Trans Energy crosses transmission lines in our normal course of business. We will take every safety precaution at these areas to prevent any hazardous situation..

I hope that I had addressed all of your concerns and comments.

Sincerely,

Leslie A. Gearhart
VP - Operations

TransEnergy
INCORPORATED

210 2nd Street, P.O. Box 393 St. Marys, WV 26170 304.684.7053 Fax 304.684.3658
www.transenergyinc.com

WW-9
Rev. 5/10

Page ____ of ____
API Number 47 - 51 - 01545H
Operator's Well No. Martinez 1H

RECEIVED
Office of Oil & Gas
DEC 21 2011
WV Department of Environmental Protection

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 Trans Energy Inc. OP Code ____

Watershed Wharton Run Quadrangle Cameron

Elevation 1338' County Marshall District Cameron

Description of anticipated Pit Waste: None

Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes X No ____

Will a synthetic liner be used in the pit? N/A. If so, what mil.? N/A

Closed loop

Proposed Disposal Method For Treated Pit Wastes:

- ____ Land Application
- ____ Underground Injection (UIC Permit Number ____)
- ____ Reuse (at API Number ____)
- X Off Site Disposal (Supply form WW-9 for disposal location)
- X Other (Explain All frac fluids will be flowed back into storage containers and Buckeye Water Service Company will haul to an approved water disposal facilities

Drilling medium anticipated for this well? Air, freshwater, oil based, etc. freshwater mud until reaching Marcellus, then synthetic mud

-If oil based, what type? Synthetic, petroleum, etc. synthetic

Additives to be used? None

Will closed loop system be used ? Yes

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. All cuttings will be hauled to approved landfill

-If left in pit and plan to solidify what medium will be used? Cement, lime, sawdust sawdust

-Landfill or offsite name/permit number? Short Creek Landfill SWF-1034

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, 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 [signature]

Company Official (Typed Name) Leslie Gearhart

Company Official Title VP Operations

RECEIVED
Office of Oil & Gas
JAN 09 2012
WV Department of Environmental Protection

Subscribed and sworn before me this 20 day of December, 20 11

Debra A. Martin [signature] Notary Public

My commission expires November 29, 2020

OFFICIAL SEAL
STATE OF WEST VIRGINIA
NOTARY PUBLIC
Debra A. Martin
Trans Energy Incorporated
210 2nd Street
St. Mary's, WV 26170
My Commission Expires Nov. 29, 2020

51-1545 #1545

Form WW-9

Operator's Well No. Martinez 1H

LEGEND

Property Boundary
Road
Existing Fence
Planned Fence
Stream
Open Ditch
Rock
North N
Buildings
Water wells
Drill site

Diversion
Spring
Wet Spot
Drain Pipe with size in inches
Waterway
Cross Drain
Artificial Filter Strip
Pit: cut walls
Pit: compacted fill walls
Area for Land Application of Pit Waste

Proposed Revegetation Treatment: Acres Disturbed 3.52 = Location 2.86 Road .76 Prevegetation pH 6.5

Lime 2T Tons/acre or to correct to pH _____

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

Mulch 1 Tons/acre

Seed Mixtures

Area I		Area II	
Seed Type	lbs/acre	Seed Type	lbs/acre
Meadow Mix	100	Meadow Mix	100
Oats or Rye	50	Oats or Rye	50

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]

Comments: _____

Title: Environmental Inspector Date: 12-20-11

Field Reviewed? (✓) Yes ( ) No

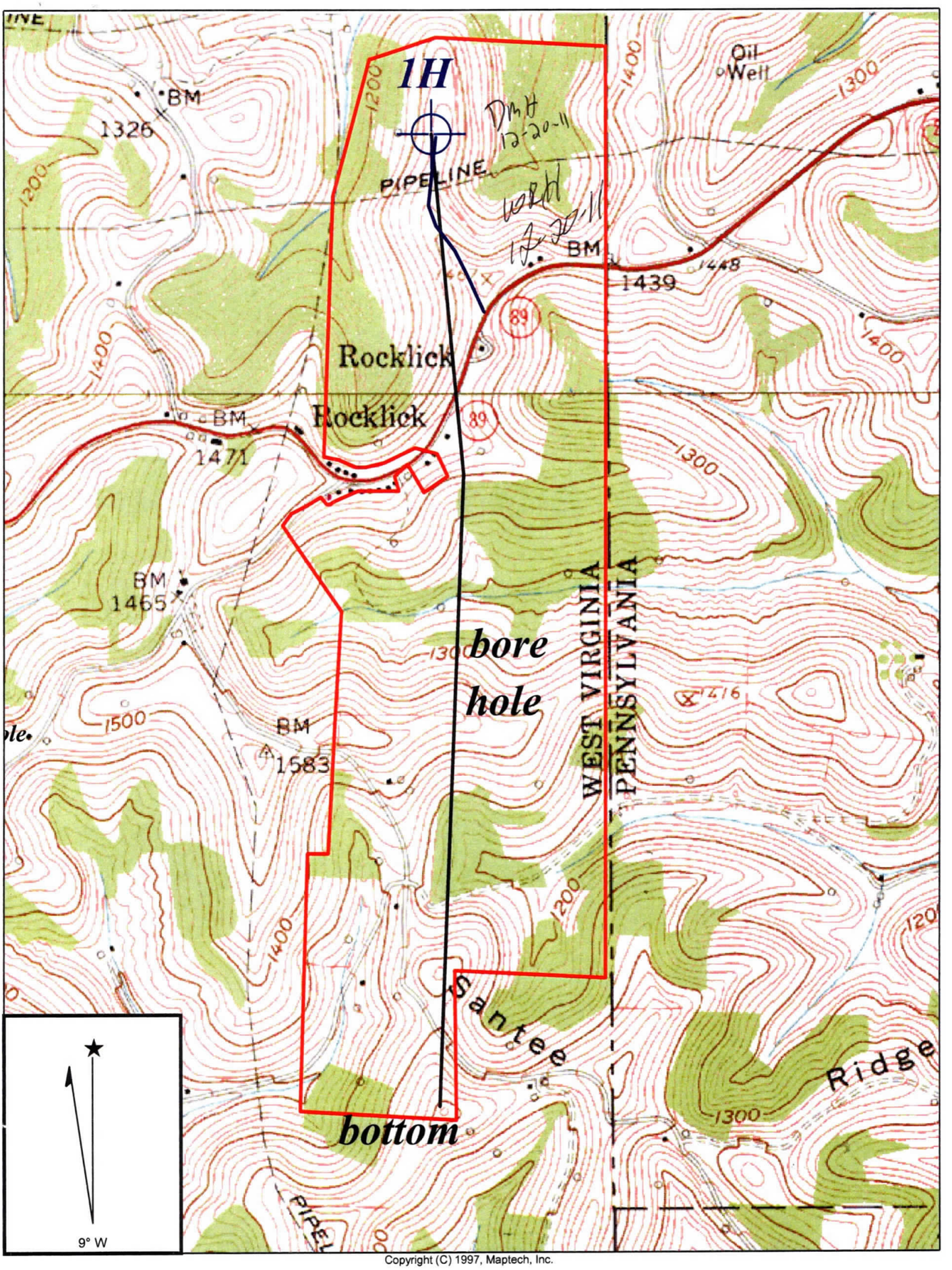
01/15/2012

TRANS ENERGY INC.

DHH
5-24-12

WELL SITE SAFETY PLAN
Martinez 1H

51-01545 H



MAJORSVILLE QUADRANGLE

SCALE 1" = 1000'

TRANS ENERGY, INC.

WELL: MARTINEZ 1 H
MARTINEZ +/- 457 ACRE LEASE

CAMERON ***DISTRICT*** ***MARSHALL COUNTY*** ***WEST VIRGINIA***

bottom hole 80°32' 01.75" (80.533819) — 6930'

top hole 80°31' 28.74" (80.524650) — 6890'

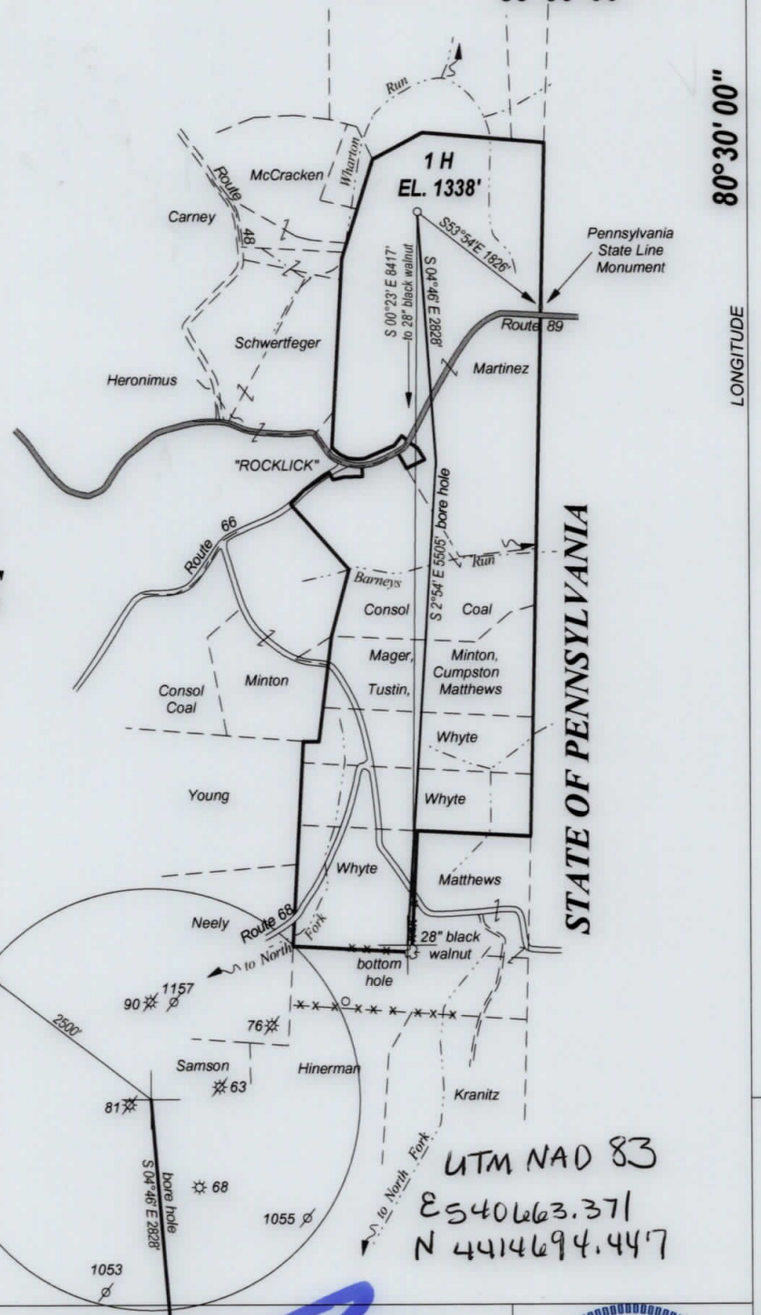
LATITUDE 39°55' 00"

LONGITUDE 80°30' 00"

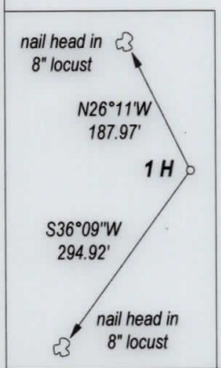
WV NORTH NAD. 27
N: 504727.741
E: 1712447.201

McELROY MINE
COORD.
N: -52566.989
E: 106662.960

MARTINEZ +/- 457 ACRE LEASE



NORTH



FILE NO.
DRAWING NO.
SCALE 1" = 2000'
MINIMUM DEGREE OF ACCURACY 1 : 200
PROVEN SOURCE OF ELEVATION GPS OBSERVATION

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

(SIGNED)
PROFESSIONAL SURVEYOR: 551

WILLIAM R. MOSSOR SURVEYOR No.551 STATE OF WEST VIRGINIA PROFESSIONAL

top hole 39°52' 52.51" (39.881253)

bottom hole 39°50' 39.97" (39.844436)

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

DATE DECEMBER 1ST, 2011
OPERATORS WELL NO. MARTINEZ 1H

API 47 - 051 - 01545H6A
STATE COUNTY PERMIT

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

LOATION: ELEVATION 1338' WATER SHED WHARTON RUN
DISTRICT CAMERON COUNTY MARSHALL QUADRANGLE MAJORSVILLE

SURFACE OWNER FERNANDA MARTINEZ, ET AL ACREAGE 212
OIL & GAS ROYALTY MARTINEZ, ET AL LEASE AC. +/- 457

PROPOSED WORK: DRILL XX CONVERT ___ DRILL DEEPER ___ REDRILL ___
FRACTURE OR STIMULATE ___ PLUG OFF OLD FORMATION ___
PERFORATE NEW FORMATION ___
OTHER PHYSICAL CHANGE IN WELL ___
PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___

TARGET FORMATION MARCELLUS SHALE ESTIMATED DEPTH 7200'

WELL OPERATOR TRANS ENERGY, INC.
ADDRESS P. 0. BOX 393
ST. MARYS, WV 26170

DESIGNATED AGENT LOREN BAGLEY
ADDRESS P. 0. BOX 393
ST. MARYS, WV 26170

FORM WW - 6

COUNTY NAME

PREMIT

FORM WW - 6

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

LOCATION: ELEVATION 1338' WATER SHED WHARTON RUN
DISTRICT CAMERON COUNTY MARSHALL QUADRANGLE CAMERON

SURFACE OWNER FERNANDA MARTINEZ, ET AL ACREAGE 212
OIL & GAS ROYALTY MARTINEZ, ET AL LEASE ACC. +/- 457

PROPOSED WORK: DRILL XX CONVERT ___ DRILL DEEPER ___ REDRILL ___
FRACTURE OR STIMULATE ___ PLUG OFF OLD FORMATION ___
PERFORATE NEW FORMATION ___
OTHER PHYSICAL CHANGE IN WELL ___
PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___

TARGET FORMATION MARCELLUS SHALE ESTIMATED DEPTH 7200'

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

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

API 47 - 051 - 01594GA
STATE COUNTY PERMIT

DATE DECEMBER 1ST, 2014
OPERATORS WELL NO. MARTINEZ 1H

FILE NO. ___
DRAWING NO. ___
SCALE 1" = 2000'
MINIMUM DEGREE OF ACCURACY 1 : 200
PROVEN SOURCE OF ELEVATION GPS
OBSERVATION

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

(SIGNED) ___
PROFESSIONAL SURVEYOR: 551

WILLIAM R. MOSSOR
WEST VIRGINIA PROFESSIONAL SURVEYOR
STATE OF WEST VIRGINIA
No. 551