



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

March 27, 2014

WELL WORK PERMIT
Horizontal 6A Well

This permit, API Well Number: 47-9502149, issued to JAY-BEE OIL & GAS, 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.

A blue ink signature of James Martin, Chief.

James Martin
Chief

Operator's Well No: MCINTYRE 2
Farm Name: WEEDON, JUANITA L. & KEITH I
API Well Number: 47-9502149
Permit Type: Horizontal 6A Well
Date Issued: 03/27/2014

Promoting a healthy environment.

03/28/2014

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 (USACOE). Through this permit, you are hereby being advised to consult with USACOE 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 fill material shall be within plus or minus 2% of the optimum moisture content as determined by the standard proctor density test, ASTM D698, Standard Test Method for Laboratory Compaction Characteristics of Soil Using Standard Effort. Each lift must meet 95 % compaction of the optimum density based on results from the standard proctor density test of the actual soils used in specific engineered fill sites. 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.

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

1) Well Operator: Jay-Bee Oil & Gas, Inc 24610 Tyler McElroy Center Point 7.5'
Operator ID County District Quadrangle

095 5 286

2) Operator's Well Number: McIntyre 2 Well Pad Name: McIntyre Pad

3) Farm Name/Surface Owner: Jaunita L. Weedon Public Road Access: McIntyre Fork Rd

4) Elevation, current ground: 1,351' Elevation, proposed post-construction: 1,351'

5) Well Type (a) Gas Oil Underground Storage

Other

(b) If Gas Shallow Deep

Horizontal

6) Existing Pad: Yes or No Yes

7) Proposed Target Formation(s), Depth(s), Anticipated Thickness and Associated Pressure(s):
Marcellus, 7,350', 3500#

8) Proposed Total Vertical Depth: 7,350'

9) Formation at Total Vertical Depth: Marcellus

10) Proposed Total Measured Depth: 14,760'

11) Proposed Horizontal Leg Length: 7,410'

12) Approximate Fresh Water Strata Depths: 461'

13) Method to Determine Fresh Water Depths: Well Record 17-2294 for Fresh, Salt and Coal Depths

14) Approximate Saltwater Depths: 2,186'

15) Approximate Coal Seam Depths: 686'-689' , 1,261'-1,263'

16) Approximate Depth to Possible Void (coal mine, karst, other): N/A

17) Does Proposed well location contain coal seams directly overlying or adjacent to an active mine? Yes No

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JAN 24 2014
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Environmental Protection

(a) If Yes, provide Mine Info: Name: _____
Depth: _____
Seam: _____
Owner: _____

[Handwritten Signature]
1-22-14

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	16	New	J55	40	30	30	8.22 <i>CTS</i>
Fresh Water	11 3/4	New	J55	32	525	525	248.94 <i>CTS</i>
Coal	N/A						
Intermediate	8 5/8	New	J55	23/24	2,000	2,000	508.43 <i>CTS</i>
Production	5 1/2	New	P110	17/20	14,760	14,760	2383.98
Tubing	N/A						
Liners	N/A						

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	16	17 1/2	.495	3,000	Class A Cement	1.19
Fresh Water	11 3/4	15	.333	1,500	Class A Cement	1.26
Coal	N/A					
Intermediate	8 5/8	11	.264	2,500	Class A Cement	1.45
Production	5 1/2	7 7/8	.304	15,000	Type 1 Cement	1.34
Tubing	N/A					
Liners	N/A					

PACKERS

Kind:	N/A		
Sizes:	N/A		
Depths Set:	N/A		

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[Handwritten Signature]
1-22-14

WW-6B
(9/13)

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:

Drill and Stimulate a new Horizontal Well. Using a top hole rig, we will drill top hole to kick off point by drilling the conductor, freshwater and intermediate holes. Using a directional rig we will drill the production holes.

20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:

300-350' per stage 8,500bbls of water, 150,000-400,000lbs of sand, friction reducer, 1# per gallon, scale inhibitor and bacteria prevention 1/4# per gallon 2000 gallons 15% vol acid.

21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 9.1

22) Area to be disturbed for well pad only, less access road (acres): 3.6

23) Describe centralizer placement for each casing string:

Vertical - Every 500' Bow Centralizer, and 50' from top of ground. Horizontal every 42' Spiral Centralizer, Curve - Every 84' Spiral Centralizer.

24) Describe all cement additives associated with each cement type:

Superior Well Services - 15" hole for the 11 3/4 fresh water case, Class A Cement, 2% Calcium Chloride, 1/4# flake.
 Superior Well Services - 11" hole for the 8 5/8 intermediate base, Class A Cement, 2% Calcium Chloride
 Baker Hughes - 7 7/8" hole for the 5 1/2 production case, Type 1 Cement, Fly Ash, Barite, Finetol 300L, R-3 Celio Flake, Sugar, CD-32, FL-62

25) Proposed borehole conditioning procedures:

Air Hole: 15" hole for the 11 3/4 fresh water case - Circulate until clean with air. If soaping, slug then dry.
 Air Hole: 11" hole for the 8 5/8 intermediate base - Circulate until clean with air. If soaping, slug then dry.
 7 7/8" hole for the 5 1/2 production case - Circulate with mud and sweeps for two times bottoms up.
 If needed weight up mud until no cuttings retrieved, then circulate with mud and sweeps for two times bottoms up.

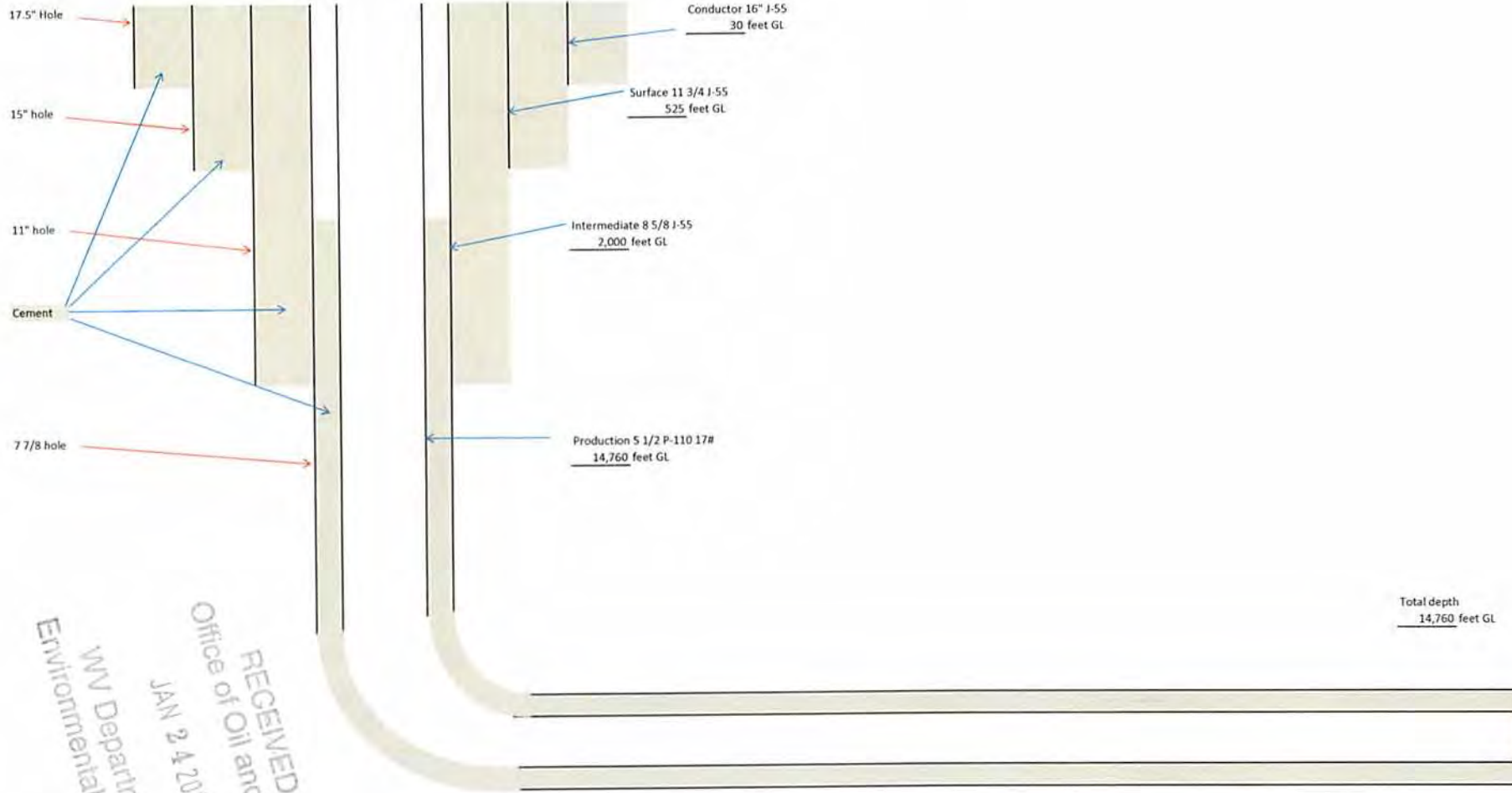
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 WV Department of
 Environmental Protection

*Note: Attach additional sheets as needed.

Jay-Bee Oil & Gas Inc.
Well Name McIntyre 2
GL Elevation 1,351
KB 14 feet

Date 1/21/2014
District McElroy
County Tyler
State West Virginia

Input by: Shane Dowell



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Environmental Protection

4709502149

WW-9
(9/13)

4709502149

API Number 47 - _____
Operator's Well No. McIntyre 2

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name Jay-Bee Oil & Gas, Inc OP Code 24610

Watershed (HUC 10) McIntyre Fork and Sunfish Run Quadrangle Center Point 7.5'

Elevation 1,351 County Tyler District McElroy

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

Will a pit be used? Yes No

If so, please describe anticipated pit waste: Drill Cuttings - Air Drilling Top Hole

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 47-085-09721)
- Reuse (at API Number _____)
- Off Site Disposal (Supply form WW-9 for disposal location)
- Other (Explain Using Contract Haulers Norte/CES (API's 47-085-05151))

Will closed loop system be used? If so, describe: Yes, Centrifuge System (Boss, Newalta) Possible, directional

Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. Water Based

-If oil based, what type? Synthetic, petroleum, etc. Brine Base Drilling Mud

Additives to be used in drilling medium? Bentonite, Salt, Soda Ash

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. Landfill

-If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) Landfill

-Landfill or offsite name/permit number? Meadowfill/Permit 101219WV

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.

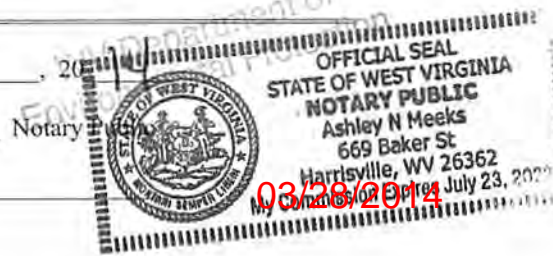
I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is 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) Shane Dowell
Company Official Title Office Manager

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Office of Oil and Gas
JAN 24 2014

Subscribed and sworn before me this 22nd day of Jan, 2014

My commission expires July 23, 2023



Form WW-9

Operator's Well No. McIntyre 2

Jay-Bee Oil & Gas, Inc

Proposed Revegetation Treatment: Acres Disturbed _____ Prevegetation pH 6.8

Lime 3 Tons/acre or to correct to pH 6.8

Fertilizer type 10-20-20

Fertilizer amount 750 lbs/acre

Mulch Hay 2000 Tons/acre

Seed Mixtures

Temporary

Permanent

Seed Type lbs/acre
Annual Ryegrass 40

Seed Type lbs/acre
KY-31 20

Creeping Red Fescue 30

Lathco Flat Pea/Perennial Ryegrass 30

Attach:

Drawing(s) of road, location, pit and proposed area for land application (unless engineered plans including this info have been provided)

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: _____



Comments: _____

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JAN 24 2014

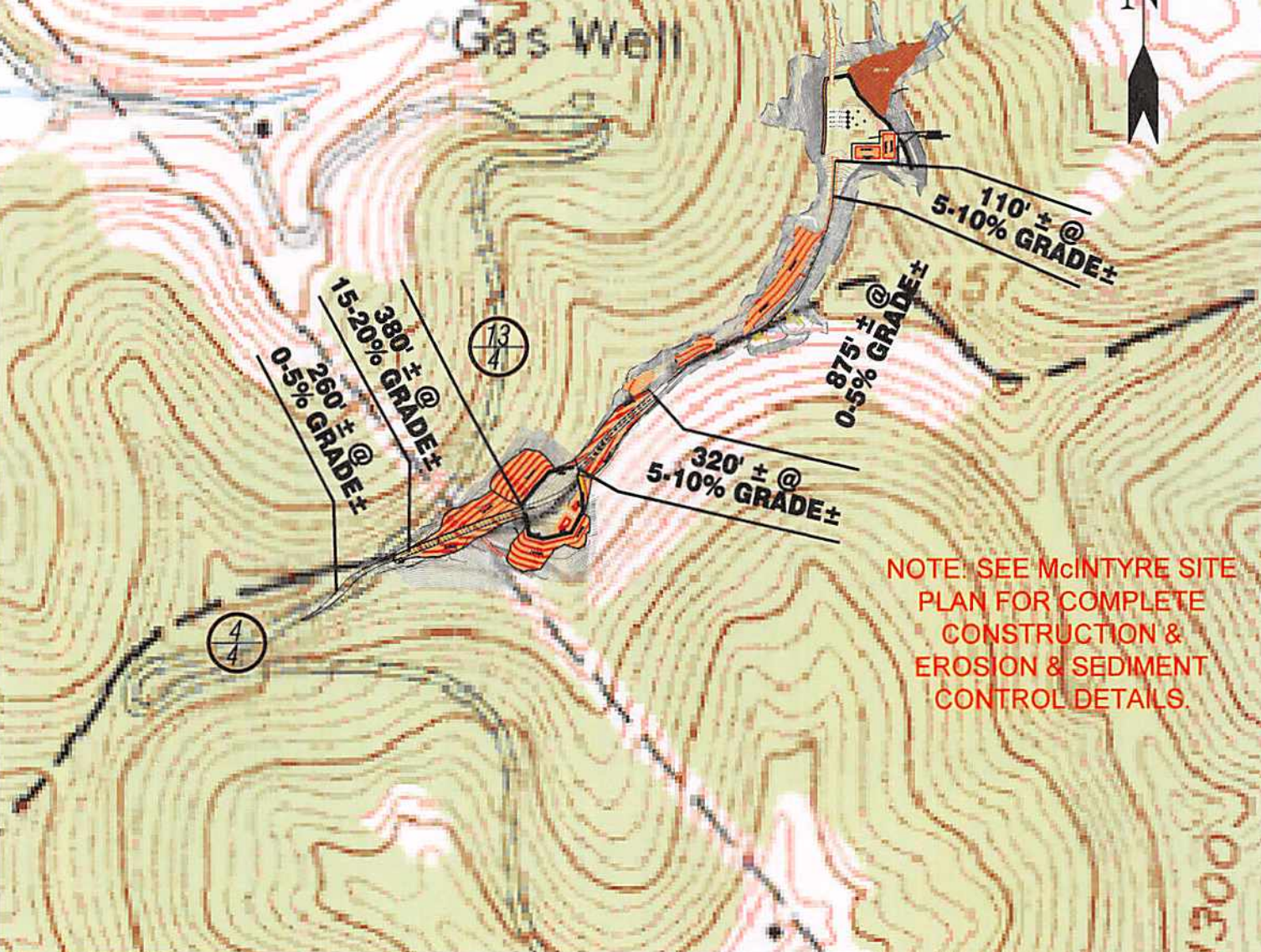
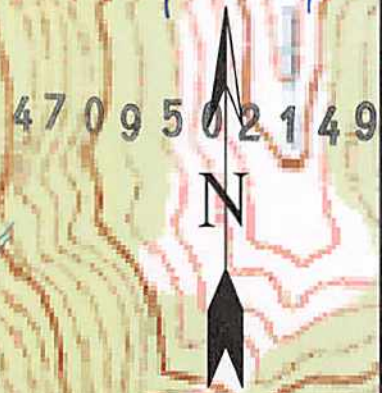
WV Department of
Environmental Protection

Title: OOG - Inspector

Date: 1-22-14

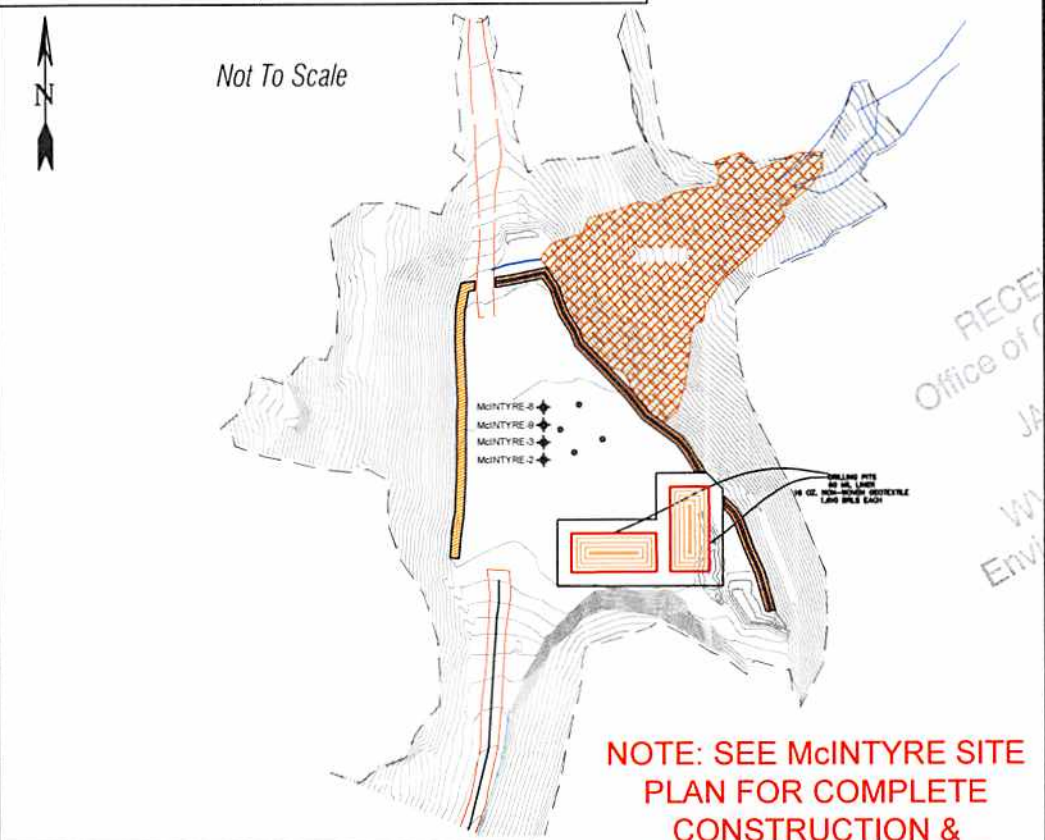
Field Reviewed? (X) Yes () No

McINTYRE WELLS 2, 3, 8 & 9



NOTE: SEE McINTYRE SITE PLAN FOR COMPLETE CONSTRUCTION & EROSION & SEDIMENT CONTROL DETAILS.

Detail Sketch for Proposed McINTYRE 2,3,9 & 8 Wells



NOTE: SEE McINTYRE SITE PLAN FOR COMPLETE CONSTRUCTION & EROSION & SEDIMENT CONTROL DETAILS.

03/28/2014

SCALE: 1"=500'



TOPO SECTION OF CENTER POINT 7.5' USGS TOPO QUADRANGLE

Professional Energy Consultants
A DIVISION OF SMITH LAND SURVEYING

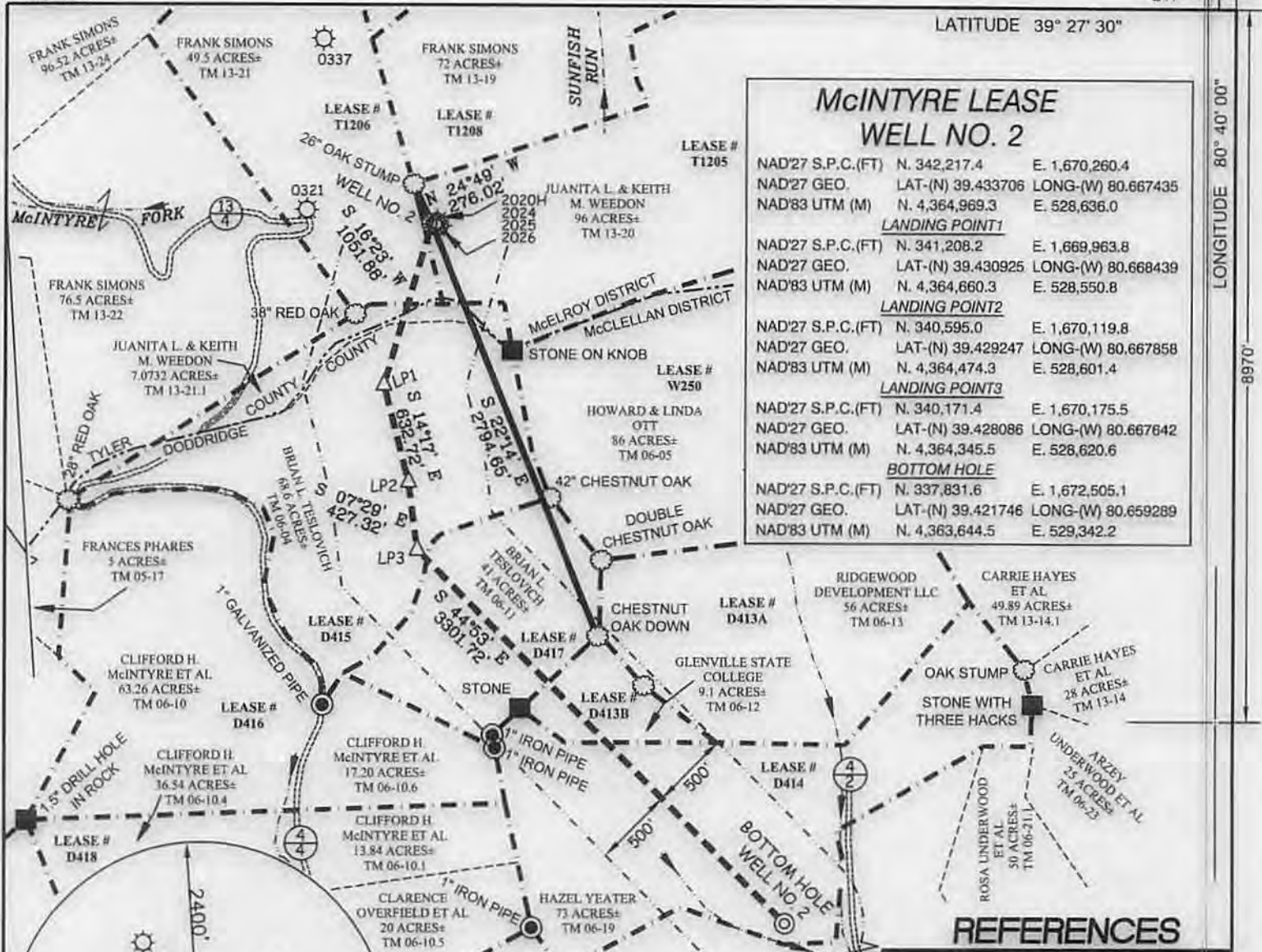
SURVEYORS PROJECT MGMT. **SLS** ENGINEERS ENVIRONMENTAL

P.O. Box 150
Glenville, WV 26031
(304) 462-5634

86065 Dilleys Bottom Road
Shawyersville, OH 43947
(740) 671-9911

HONESTY. INTEGRITY. QUALITY

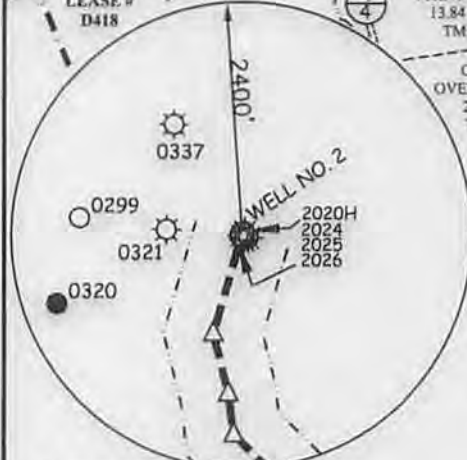
DRAWN BY K.D.W.	FILE NO. 8018	DATE 01-20-14	CADD FILE: 8030REC-McINTYRE.dwg
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McINTYRE LEASE WELL NO. 2

NAD'27 S.P.C.(FT)	N. 342,217.4	E. 1,670,260.4
NAD'27 GEO.	LAT-(N) 39.433706	LONG-(W) 80.667435
NAD'83 UTM (M)	N. 4,364,969.3	E. 528,636.0
LANDING POINT1		
NAD'27 S.P.C.(FT)	N. 341,208.2	E. 1,669,963.8
NAD'27 GEO.	LAT-(N) 39.430925	LONG-(W) 80.668439
NAD'83 UTM (M)	N. 4,364,660.3	E. 528,550.8
LANDING POINT2		
NAD'27 S.P.C.(FT)	N. 340,595.0	E. 1,670,119.8
NAD'27 GEO.	LAT-(N) 39.429247	LONG-(W) 80.667858
NAD'83 UTM (M)	N. 4,364,474.3	E. 528,601.4
LANDING POINT3		
NAD'27 S.P.C.(FT)	N. 340,171.4	E. 1,670,175.5
NAD'27 GEO.	LAT-(N) 39.428086	LONG-(W) 80.667642
NAD'83 UTM (M)	N. 4,364,345.5	E. 528,620.6
BOTTOM HOLE		
NAD'27 S.P.C.(FT)	N. 337,831.6	E. 1,672,505.1
NAD'27 GEO.	LAT-(N) 39.421746	LONG-(W) 80.659289
NAD'83 UTM (M)	N. 4,363,644.5	E. 529,342.2

REFERENCES



NOTES ON SURVEY

- TIES TO WELLS, CORNERS AND REFERENCES ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
- WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SURVEY GRADE TIE TO CORS NETWORK).
- NO WATER WELLS WERE FOUND WITHIN 250 FEET OF PROPOSED GAS WELL. NO AGRICULTURAL BUILDINGS (GREATER THAN 2500 SQUARE FEET) OR DWELLINGS WERE FOUND WITHIN 625 FEET OF CENTER OF PROPOSED WELL PAD.

Professional Energy Consultants
A DIVISION OF SURVEYORS ENGINEERS ENVIRONMENTAL PROJECT MGMT.
SLS
SURVEYORS ENGINEERS ENVIRONMENTAL PROJECT MGMT.
0361-492-6824 WWW.SLSURVEYORS.COM

GREGORY A. SMITH
LICENSED
No. 677
STATE OF WEST VIRGINIA
PROFESSIONAL SURVEYOR

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 DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 *Gregory A. Smith*

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.
DATE JANUARY 20, 20 14
REVISED _____ 20 _____
OPERATORS WELL NO. McINTYRE #2
API WELL NO. 47 - 095 - 02149 *HGA*
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 8018P2
PROVEN SOURCE OF ELEVATION DGPS (SUVERY GRADE TIE TO CORS NETWORK) SCALE 1" = 1000'

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

OIL GAS LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION STORAGE DEEP SHALLOW

LOCATION:
ELEVATION 1351' WATERSHED McINTYRE FORK & SUNFISH RUN OF INDIAN CREEK
DISTRICT Mc ELROY COUNTY TYLER QUADRANGLE CENTER POINT 7.5'
SURFACE OWNER JUANITA L. & KEITH M. WEEDON ACREAGE 96±
ROYALTY OWNER WILLARD HARBERT (96 AC.±) / GERTRUDE SPENCER (49.5 AC.±) / MARGARET BARBEE (68.6 AC.± & 41 AC.±) / LELA BATES WEEKLY (9.10 AC.±) / MAIDAH HARRISON (73 AC.±)
PROPOSED WORK:
DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD
FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH TVD 8,000' / TMD 14,760'

WELL OPERATOR JAY BEE OIL & GAS, INC. DESIGNATED AGENT RANDY BRODA
ADDRESS 1720 RT. 22, EAST UNION, NJ 07083 ADDRESS RT. 1 BOX 5 CAIRO, WV 26337

LONGITUDE 80° 40' 00" COUNTY NAME PERMIT

03/28/2014