



west virginia department of environmental protection

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Jim Justice , Governor
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Tuesday, November 14, 2017
WELL WORK PERMIT
Coal Bed Methane Well / Partial Plug

ARP MOUNTAINEER PRODUCTION, LLC
425 HOUSTON, STE 300

FORT WORTH, TX 76102

Re: Permit approval for 1B-001-CBM-WV
47-001-02802-00-00

This well work permit 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 any additional specific 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 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.

Per 35 CSR 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- 0450.

James A. Martin
Chief

Operator's Well Number: 1B-001-CBM-WV
Farm Name: KETCHEM, CHARLES R
U.S. WELL NUMBER: 47-001-02802-00-00
Coal Bed Methane Well / Partial Plug
Date Issued: 11/14/2017

Promoting a healthy environment.

11/17/2017

PERMIT CONDITIONS
COALBED METHANE WELLS
OR COAL MINE THROUGH WELLS

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. If this well is associated with a mine through by a coal operator, then the plugging methodology (work order) must have Mine Safety and Health Administration (MSHA) approval.
5. This partial plugging permit is issued for mine through and not abandonment, therefore a WR-35 Completion Report (current version) must be submitted to the Office of Oil and Gas within 90 days of completion of this well work.

WW-4B
Rev. 2/01

- 1) Date 9-11, 2017
- 2) Operator's
Well No. Ketchem1B-001
- 3) API Well No. 47-001 - 02802

ex # 065651
100.00

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON A CBM WELL.

- 4) Well Type: Oil ___ / Gas X / Liquid injection ___ / Waste disposal ___ /
(If "Gas, Production ___ or Underground storage ___) Deep ___ / Shallow ___
- 5) Location: Elevation 1,575' Watershed HACKERS CREEK
District ELK County BARBOUR Quadrangle PHILIPPI
- 6) Well Operator ARP MOUNTAINEER PRODUCTION, LLC 7) Designated Agent CT CORPORATION SYSTEM
Address Atlas| Titan Address 5400 D BIG TYLER ROAD
425 Houston Street, Suite 300 | Fort Worth TX 76102 CHARLESTON, WV 25313
- 8) Oil and Gas Inspector to be notified 9) Plugging Contractor
Name KENNETH GREYNOLDS Name TBD
Address 613 Broad Run Road Jane Lew WV 26378 Address _____
Kenneth.L.Greynolds@wv.gov

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

MSHA 101 C EXEMPTION FOR A MINE-THROUGH.

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

Work order approved by inspector Kew Greynolds by phone Date 11/08/17

gwm

Ketchum 001B**API# 4700102802**PARTIAL **Plugging Procedure**

ARP Mountaineer Production, LLC proposes to perform a 2-4% bentonite squeeze using a redundant pumping system. The following procedures will be used for plugging:

1. MIRU WO Rig
2. POOH w rods and pump
3. Test 2 7/8" tubing to 300 psi
4. RIH w tubing to tag bottom
5. POOH strapping tubing
6. Talley tubing to verify bottom is at least 895' GL
7. RIH w tubing to 870' GL
8. MIRU cement company
9. Pump 330 bbls (1 bbl = 42 gallons) of water down 2 7/8 tubing
This is 125% of the volume of the laterals and all interconnected open/cased hole volumes
10. Pump 270 bbls (150% of lateral volume) of 2% - 4% bentonite slurry down 2 7/8 tubing
11. Displace bentonite slurry with 235 bbls of water (volume of Ketchum 1B well and laterals)
12. Rig Down Move Off Workover Rig and Cement Company

Prior to mixing bentonite, a water sample will be taken and submitted to the cement company in order to verify suitability.

A backup pumping system will be on standby and used if necessary.

Flow rates, pressures and densities of all fluids will be continuously monitored and recorded.

Grab samples of the bentonite will be taken and weighted on mud balance every 15 minutes.

The Ketchum A & B will be left open to vent until mining is complete and vertical sections are cemented.

UPON COMPLETION OF TESTING, BOTH THE KETCHUM 1A (API 47-001-02836) AND KETCHUM 1B (API 47-001-02802) MUST BE PLUGGED BY SOLID PLUG METHOD TO SURFACE. PLUGGING PERMIT APPLICATIONS MUST BE SENT TO THE OFFICE OF OIL & GAS FOR EACH WELL. AFTER THE WELLS HAVE BEEN COMPLETELY PLUGGED, THEN A PLUGGING AFFIDAVIT MUST BE SENT TO THE O&G. (WR-38)

U.S. Department of Labor
DEC 16 2011

In the matter of:
Wolf Run Mining Company
Sentinel Mine
I.D. No. 46-04168

Mine Safety and Health Administration
1100 Wilson Boulevard
Arlington, Virginia 22209-3939

Petition for Modification



Docket No. M-2009-050-C

Proposed Decision and Order

On October 29, 2009, a petition was filed seeking a modification of the application of 30 C.F.R. § 75.1700 to Petitioner's Sentinel 2 Mine located in Barbour County, West Virginia. The petitioner alleges that the alternative method outlined in the petition will at all times guarantee no less than the same measure of protection afforded by the standard.

Section 30 C.F.R. § 75.1700 provides:

Each operator of a coal mine shall take reasonable measures to locate oil and gas wells penetrating coalbeds or any underground area of a coal mine. When located, such operator shall establish and maintain barriers around such oil and gas wells in accordance with State laws and regulations, except that such barriers shall not be less than 300 feet in diameter, unless the Secretary or his authorized representative permits a lesser barrier consistent with the applicable State laws and regulations where such lesser barrier will be adequate to protect against hazards from such wells to the miners in such mine, or unless the Secretary or his authorized representative requires a greater barrier where the depth of the mine, other geologic conditions, or other factors warrant such a greater barrier.

The extraction of methane from coal seams and surrounding strata is a rapidly growing component of the domestic natural gas supply. Recent innovations in drilling techniques have resulted in development of several types of wells and production methods to extract coalbed methane (CBM) resources. Drill holes are deviated in both the horizontal and vertical planes using these techniques. These techniques differ from vertical gas wells and require different techniques in order to plug the wells. Procedures to address the potential hazards presented by CBM wells must be implemented to protect the coal miners who will be exposed to these wells. When coal mines intersect inadequately plugged CBM wells, methane inundations, ignitions and explosions are possible.

The alternative method proposed by Petitioner would include well plugging procedures, water infusion and ventilation methods, and procedures for mining through each CBM well and/or its branches.

Finding of Fact and Conclusion of Law

The Sentinel 2 Mine is an underground coal mine that operates in the Lower Kittanning Seam. The mine includes one slope and two shafts, employs nearly 245 people, and operates three shifts per day, six days per week. The mine currently has three working sections utilizing continuous mining machines. On average, the Sentinel Mine produces 8,000 tons of run-of-mine coal daily. The coal bed ranges from 60 to 108 inches in height and the mine is ventilated by one blowing fan. The second quarter 2011 total liberation results for the mine were 4,139,677 cubic feet of methane in 24 hours.

Sentinel Mine extracts CBM from the coal seam prior to mining in order to reduce methane emissions and, thus, the incidence of face ignitions. The wells are drilled from the surface using directional drilling technology to develop horizontal branches within the coal seam being mined. Drill holes may be deviated in both the horizontal and vertical planes using these techniques. Multiple horizontal branches may be developed from a single well and multiple seams may be developed from a single well. The drilling industry has trademarked several different proprietary names for these drilling processes. For purposes of this Order, these proprietary drilling processes will be referred to as generic "surface directional drilled" (SDD) wells.

On February 16, 2010, MSHA conducted an investigation of Sentinel's petition and filed a report of its findings and recommendations with the Administrator for Coal Mine Safety and Health. Based on information gathered during the investigation, MSHA evaluated Petitioner's proposed alternative method and, as amended by the terms and conditions of MSHA, concluded that it would provide the same measure of protection afforded by 30 C.F.R. § 75.1700. The alternative method has been successfully used to prepare CBM wells for safe intersection by using one or more of the following methods: (1) Cement Plug, (2) Polymer Gel, (3) Bentonite Gel, (4) Active Pressure Management and Water Infusion, and (5) Remedial Work. The alternate method will prevent the CBM well methane from entering the underground mine.

Petitioner's proposed alternative method includes provisions from previously approved petition requests that permit a smaller barrier and/or permit mining through properly plugged oil and gas wells. These alternative methods have proven safe and effective when properly implemented. In addition, Sentinel's petition request also includes additional provisions that are specific to SDD wells.

Accordingly, after a review of the entire record, including the petition and MSHA's investigative report, Wolf Run Mining Company is granted a modification of the application of 30 C.F.R. § 75.1700 to its Sentinel 2 Mine, and this Proposed Decision and Order (PDO) is issued.

ORDER

Wherefore, pursuant to the authority delegated by the Secretary of Labor to the Administrator for Coal Mine Safety and Health, and pursuant to Section 101(c) of the Federal Mine Safety and Health Act of 1977, 30 U.S.C. § 811(c), and 30 C.F.R. Part 44, a modification of the application of 30 C.F.R. § 75.1700 at the Sentinel 2 Mine is hereby:

GRANTED, to allow mining within or through the 300 foot barrier around SDD oil and gas wells, conditioned upon compliance with the following terms and conditions:

1. **DISTRICT MANAGER APPROVAL REQUIRED**

A minimum working barrier of 300 feet in diameter shall be maintained around all SDD wells until approval to proceed with mining has been obtained from the District Manager. This barrier extends around all vertical and horizontal branches drilled in the coal seam. This barrier also extends around all vertical and horizontal branches within overlying coal seams subject to caving or subsidence from the coal seam being mined when methane leakage through the subsidence zone is possible. The District Manager may choose to approve each branch intersection, each well, or a group of wells as applicable to the conditions. The District Manager may require a certified review of the proposed methods to prepare the SDD wells for intersection by a professional engineer in order to assess the applicability of the proposed system(s) to the mine-specific conditions.

2. **MANDATORY PROCEDURES FOR PREPARING, PLUGGING, AND REPLUGGING SDD WELLS**

a. **MANDATORY COMPUTATIONS AND ADMINISTRATIVE PROCEDURES PRIOR TO PLUGGING OR REPLUGGING**

1. **Probable Error of Location** - Directional drilling systems rely on sophisticated angular measurement systems and computer models to calculate the estimated location of the well bore. This estimated hole location is subject to cumulative measurement errors so that the distance between actual and estimated location of the well bore increases with the depth of the hole. Modern directional drilling systems are typically accurate within one or two degrees depending on the specific equipment and techniques. The probable error of location is defined by a cone described by the average accuracy of angular measurement around the length of the hole. For example: a hole that is drilled 500 vertical feet and deviated into a coal seam at a depth of 700 feet would have a probable error of location at a point that is 4,000 feet from the hole collar (about 2,986 ft. horizontally from the well collar) of 69.8 ft. (4,000 ft. x sine (1.0

degree)) if the average accuracy of angular measurement was one degree and 139.6 ft if the average accuracy of angular measurement was two degrees. In addition to the probable error of location, the true hole location is also affected by underground survey errors, surface survey errors, and random survey errors.

2. Minimum Working Barrier Around Well - For purposes of this Order, the minimum working barrier around any coalbed methane well or branches of a coalbed methane well in the coal seam is 50 feet plus the probable error of location. For example: for a hole that is drilled 500 vertical feet and deviated into a coal seam at a depth of 700 feet using drilling equipment that has an average accuracy of angular measurement of one degree, the probable error of location at a point that is 4,000 feet from the hole collar is 69.8 ft. Therefore, the minimum working barrier around this point of the well bore is 120 ft. (69.8 ft. plus 50 ft., rounded up to the nearest foot). The 50 additional feet is a reasonable separation between the probable location of the well and mining operations. When mining is within the minimum working barrier distance from a coalbed methane well or branch, the mine operator must comply with the provisions of this Order. Coalbed methane wells must be prepared in advance for safe intersection and specific procedures must be followed on the mining section in order to protect the miners when mining within this minimum working barrier around the well. The District Manager may require a greater minimum working barrier around coalbed methane wells where geologic conditions, historical location errors, or other factors warrant a greater barrier.

3. Ventilation Plan Requirements - The ventilation plan shall contain a description of all SDD coalbed methane wells drilled in the area to be mined. This description should include the well numbers, the date drilled, the diameter, the casing information, the coal seams developed, maximum depth of the wells, abandonment pressures, and any other information required by the District Manager. All or part of this information may be listed on the 30 C.F.R. § 75.372 map. The ventilation plan shall include the techniques that the mine operator plans to use to prepare the SDD wells for safe intersection, the specifications and steps necessary to implement these techniques, and the required operational precautions that are required when mining within the minimum working barrier. In addition, the ventilation plan will contain any additional information or provisions related to the SDD wells required by the District Manager.

4. Ventilation Map - The ventilation map specified in 30 C.F.R. § 75.372 shall contain the following information:

- i. The surface location of all coalbed methane wells in the active mining area and any projected mining area as specified in 30 C.F.R. § 75.372(b)(14);
- ii. Identifying information of coalbed methane wells (i.e. API hole number or equivalent);
- iii. The date that gas production began from the well;
- iv. The coal seam intersection of all coalbed methane wells;
- v. The horizontal extents in the coal seam of all coalbed methane wells and branches;
- vi. The outline of the probable error of location of all coalbed methane wells; and
- vii. The date of mine intersection and the distance between estimated and actual locations for all intersections of the coalbed methane well and branches.

b. **MANDATORY PROCEDURES FOR PLUGGING OR REPLUGGING SDD WELLS**

The mine operator shall include one or more of the following methods to prepare SDD wells for safe intersection in the mine ventilation plan. The methods approved in the ventilation plan must be completed on each SDD well before mining encroaches on the minimum working barrier around the well or branch of the well in the coal seam being mined. If methane leakage through subsidence cracks is a problem when retreat mining, the minimum working barrier must be maintained around wells and branches in overlying coal seams or the wells and branches must be prepared for safe intersection as specified in the mine ventilation plan.

1. Cement Plug - Cement may be used to fill the entire SDD hole system. Squeeze cementing techniques are necessary for SDD plugging due to the lack of tubing in the hole. Cement should fill void spaces and eliminate methane leakage along the hole. Once the cement has cured, the SDD system may be intersected multiple times without further hole preparation. Gas cutting occurs if the placement pressure of the cement is less than the methane pressure in the coal seam. Under these conditions, gas will bubble out of the coal seam and into the unset cement creating a pressurized void or series of interconnected pressurized voids. Water cutting occurs when formation water and standing water in the hole invades or displaces the unset cement. Standing water has to be bailed out of the hole or driven into the formation with compressed gas to minimize water cutting. The cement

pressure must be maintained higher than the formation pressure until the cement sets to minimize both gas and water cutting. The cementing program in the ventilation plan must address both gas and water cutting.

Due to the large volume to be cemented and potential problems with cement setting prior to filling the entire SDD system, adequately sized pumping units with back-up capacity must be used. Various additives such as retarders, lightweight extenders, viscosity modifiers, thixotropic modifiers, and fly ash may be used in the cement mix. The volume of cement pumped should exceed the estimated hole volume to ensure the complete filling of all voids. The complete cementing program, including hole dewatering, cement, additives, pressures, pumping times and equipment must be specified in the ventilation plan. The material safety data sheets (MSDS) for all cements, additives and components and any personal protective equipment and techniques to protect workers from the potentially harmful effects of the cement and cement components should be included in the ventilation plan. Records of cement mixes, cement quantities, pump pressures, and flow rates and times should be retained for each hole plugged.

SDD holes may be plugged with cement years in advance of mining. However, the District Manager shall require suitable documentation of the cement plugging in order to approve mining within the minimum working barrier around coalbed methane wells.

2. Polymer Gel - Polymer gels start out as low viscosity, water-based mixtures of organic polymers that are crosslinked using time-delayed activators to form a water-insoluble, high-viscosity gel after being pumped into the SDD system. Although polymer gel systems never solidify, the activated gel should develop sufficient strength to resist gas flow. A gel that is suitable for treating SDD wells for mine intersection will reliably fill the SDD system and prevent gas-filled voids. Any gel chemistry used for plugging SDD wells should be resistant to bacterial and chemical degradation and remain stable for the duration of mining through a SDD system.

Water may dilute the gel mixture to the point where it will not set to the required strength. Water in the holes should be removed before injecting the gel mixture. Water removal can be accomplished by conventional bailing and then injecting compressed gas to squeeze the water that accumulates in low spots back into the formation. Gas pressurization should be continued until the hole is dry. Another potential problem with gels is that dissolved salts in the formation waters may interfere with the cross-linking reactions. Any proposed gel mixtures must be tested with actual formation waters.

Equipment to mix and pump gels should have adequate capacity to fill the hole before the gel sets. Back-up units should be available in case something breaks while pumping. The volume of gel pumped should exceed the estimated hole volume to ensure the complete filling of all voids and allow for gel to infiltrate the joints in the coal seam surrounding the hole. Gel injection and setting pressures should be specified in the ventilation plan. To reduce the potential for an inundation of gel, the final level of gel should be close to the level of the coal seam and the remainder of the hole should remain open to the atmosphere until mining in the vicinity of the SDD system is completed. Packers may be used to isolate portions of the SDD system.

The complete polymer gel program, including advance testing of the gel with formation water, dewatering systems, gel specifications, gel quantities, gel placement, pressures, and pumping equipment must be specified in the ventilation plan. The MSDS for all gel components and any personal protective equipment and techniques to protect workers from the potentially harmful effects of the gel and gel components should be included in the ventilation plan. A record of the calculated hole volume, gel quantities, gel formulation, pump pressures, and flow rates and times should be retained for each hole that is treated with gel. Other gel chemistries other than organic polymers may be included in the ventilation plan with appropriate methods, parameters, and safety precautions.

3. Bentonite Gel - High-pressure injection of bentonite gel into the SDD system will infiltrate the cleat and butt joints of the coal seam near the well bore and effectively seal these conduits against the flow of methane. Bentonite gel is a thixotropic fluid that sets when it stops moving. Bentonite gel has a significantly lower setting viscosity than polymer gel. While the polymer gel fills and seals the borehole, the lower strength bentonite gel must penetrate the fractures and jointing in the coal seam in order to be effective in reducing formation permeability around the hole. The use of bentonite gel is restricted to depleted CBM applications that have low abandonment pressures and limited recharge potential. In general, these applications will be mature CBM fields with long production histories.

A slug of water should be injected prior to the bentonite gel in order to minimize moisture-loss bridging near the well bore. The volume of gel pumped should exceed the estimated hole volume to ensure that the gel infiltrates the joints in the coal seam for several feet surrounding the hole. Due to the large gel volume and potential problems with premature thixotropic setting, adequately sized pumping units with back-up capacity are required. Additives to the gel may be required to modify viscosity, reduce filtrates, reduce surface tension, and promote sealing of the cracks and

joints around the hole. To reduce the potential for an inundation of bentonite gel, the final level of gel should be approximately the elevation of the coal seam and the remainder of the hole should remain open to the atmosphere until mining in the vicinity of the SDD system is completed. If a water column is used to pressurize the gel, it must be bailed down to the coal seam elevation prior to intersection.

The complete bentonite gel program, including formation infiltration and permeability reduction data, hole pretreatment, gel specifications, additives, gel quantities flow rates, injection pressures and infiltration times, must be specified in the ventilation plan. The ventilation plan should list the equipment used to prepare and pump the gel. The MSDS for all gel components and any personal protective equipment and techniques to protect workers from the potentially harmful effects of the gel and additives should be included in the ventilation plan. A record of hole preparation, gel quantities, gel formulation, pump pressures, and flow rates and times should be retained for each hole that is treated with bentonite gel.

4. Active Pressure Management and Water Infusion - Reducing the pressure in the hole to less than atmospheric pressure by operating a vacuum blower connected to the wellhead may facilitate safe intersection of the hole by a coal mine. The negative pressure in the hole will limit the quantity of methane released into the higher pressure mine atmosphere. If the mine intersection is near the end of a horizontal branch of the SDD system, air will flow from the mine into the upstream side of the hole and be exhausted through the blower on the surface. On the downstream side of the intersection, if the open hole length is short, the methane emitted from this side of the hole may be diluted to safe levels with ventilation air. Conversely, safely intersecting this system near the bottom of the vertical hole may not be possible because the methane emissions from the multiple downstream branches may be too great to dilute with ventilation air. The methane emission rate is directly proportional to the length of the open hole. Successful application of vacuum systems may be limited by caving of the hole or water collected in dips in the SDD system. Another important factor in the success of vacuum systems is the methane liberation rate of the coal formation around the well – older, more depleted wells that have lower methane emission rates are more amenable to this technique. The remaining methane content and the formation permeability should be addressed in the ventilation plan.

Packers may be used to reduce methane inflow into the coal mine after intersection. All packers on the downstream side of the hole must be equipped with a center pipe so that the inby methane pressure may be measured or so that water may be injected. Subsequent intersections should

not take place if pressure in a packer-sealed hole is excessive. Alternatively, methane produced by the downstream hole may be piped to an in-mine degas system to safely transport the methane out of the mine or may be piped to the return air course for dilution. In-mine methane piping should be protected as stipulated in "Piping Methane in Underground Coal Mines," MSHA IR 1094, (1978). Protected methane diffusion zones may be established in return air courses if needed. Detailed sketches and safety precautions for methane collection, piping and diffusion systems must be included in the ventilation plan (30 C.F.R. § 75.371(ee)).

Water infusion prior to intersecting the well will temporarily limit methane flow. Water infusion may also help control coal dust levels during mining. High water infusion pressures may be obtained prior to the initial intersection by the hydraulic head resulting from the hole depth or by pumping. Water infusion pressures for subsequent intersections are limited by leakage around in-mine packers and limitations of the mine water distribution system. If water infused prior to the initial intersection, the water level in the hole must be lowered to the coal seam elevation before the intersection.

The complete pressure management strategy including negative pressure application, wellhead equipment, and use of packers, in-mine piping, methane dilution, and water infusion must be specified in the ventilation plan. Procedures for controlling methane in the downstream hole must be specified in the ventilation plan. The remaining methane content and formation permeability should be addressed in the ventilation plan. The potential for the coal seam to cave into the well should be addressed in the ventilation plan. Dewatering methods should be included in the ventilation plan. A record of the negative pressures applied to the system, methane liberation, use of packers and any water infusion pressures and application time should be retained for each intersection.

5. Remedial work – If problems are encountered in preparing the holes for safe intersection, then remedial measures must be taken to protect the miners. For example: if only one-half of the calculated hole volume of cement could be placed into a SDD well due to hole blockage, holes should be drilled near each branch that will be intersected and squeeze cemented using pressures sufficient to fracture into the potentially empty SDD holes. The District Manager will approve remedial work in the ventilation plan on a case-by-case basis.

3. **MANDATORY PROCEDURES AFTER APPROVAL HAS BEEN GRANTED BY THE DISTRICT MANAGER TO MINE WITHIN THE MINIMUM WORKING BARRIER AROUND THE WELL OR BRANCH OF THE WELL**

- a. The mine operator, the District Manager, the miners' representative, or the State may request a conference prior to any intersection or after any intersection to discuss issues or concerns. Upon receipt of any such request, the District Manager shall schedule a conference. The party requesting the conference shall notify all other parties listed above within a reasonable time prior to the conference to provide opportunity for participation.
- b. The mine operator must notify the District Manager, the State and the miners' representative at least 48 hours prior to the intended intersection of any coalbed methane well.
- c. The initial intersection of a well or branch of a well typically has a higher risk than subsequent intersections. The initial intersection typically indicates if the well preparation is sufficient to prevent the inundation of methane. For the initial intersection of a well or branch, the following procedures are mandatory:
 1. When mining advances within the minimum barrier distance of the well or branches of the well, the entries that will intersect the well or branches must be posted with a readily visible marking. For longwalls, both the head and tailgate entries must be so marked. Marks must be advanced to within 100 feet of the working face as mining progresses. Marks will be removed after well or branches are intersected in each entry or after mining has exited the minimum barrier distance of the well.
 2. Entries that will intersect vertical segments of a well shall be marked with drivage sights in the last open crosscut when mining is within 100 feet of the well. When a vertical segment of a well will be intersected by a longwall, drivage sights shall be installed on 10-foot centers starting 50 feet in advance of the anticipated intersection. Drivage sights shall be installed in both the headgate and tailgate entries of the longwall.
 3. The operator shall ensure that fire-fighting equipment, including fire extinguishers, rock dust, and sufficient fire hose to reach the working fact are of the mine-through (when either the conventional or the continuous mining method is used) is available and operable

during all well mine-throughs. The fire hose shall be located in the last open crosscut of the entry or room. The operator shall maintain the water line to the belt conveyor tailpiece along with a sufficient amount of fire hose to reach the farthest point of penetration on the section. When the longwall mining method is used, a hose to the longwall water supply is sufficient. All fire hoses shall be connected and ready for use, but do not have to be charged with water, during the cut-through.

4. The operator shall ensure that sufficient supplies of roof support and ventilation materials are available at the working section. In addition, emergency plugs, packers, and setting tools to seal both sides of the well or branch shall be available in the immediate area of the cut-through.
5. When mining advances within the minimum working barrier distance from the well or branch of the well, the operator shall service all equipment and check for permissibility at least once daily. Daily permissibility examinations must continue until the well or branch is intersected or until mining exits the minimum working barrier around the well or branch.
6. When mining advances within the minimum working barrier distance from the well or branch of the well, the operator shall calibrate the methane monitor(s) on the longwall, continuous mining machine, or cutting machine and loading machine at least once daily. Daily methane monitor calibration must continue until the well or branch is intersected or until mining exits the minimum working barrier around the well or branch.
7. When mining is in progress, the operator shall perform tests for methane with a handheld methane detector at least every 10 minutes from the time that mining with the continuous mining machine or longwall face is within the minimum working barrier around the well or branch. During the cutting process, no individual shall be allowed on the return side until the mine-through has been completed and the area has been examined and declared safe. The shearer must be idle when any miners are in the tail drum.
8. When using continuous or conventional mining methods, the working place shall be free from accumulations of coal dust and coal spillages, and rock dust shall be placed on the roof, rib, and

floor within 20 feet of the face when mining through the well or branch. On longwall sections, rock dust shall be applied on the roof, rib, and floor up to both the headgate and tailgate gob.

9. Immediately after the well or branch is intersected, the operator shall de-energize all equipment, and the certified person shall thoroughly examine and determine the working place safe before mining is resumed.
10. After a well or branch has been intersected and the working place determined safe, mining shall continue in by the well a sufficient distance to permit adequate ventilation around the area of the well or branch.
11. No open flame shall be permitted in the area until adequate ventilation has been established around the well bore or branch. Any casing, tubing or stuck tools will be removed using the methods approved in the ventilation plan.
12. No person shall be permitted in the area of the mine-through operation in by the last open crosscut during active mining except those actually engaged in the operation, including company personnel, representatives of the miners, personnel from MSHA, and personnel from the appropriate State agency.
13. The operator shall warn all personnel in the mine to the planned intersection of the well or branch prior to their going underground if the planned intersection is to occur during their shift. This warning shall be repeated for all shifts until the well or branch has been intersected.
14. The mine-through operation shall be under the direct supervision of a certified person. Instructions concerning the mine-through operation shall be issued only by the certified person in charge.
15. All miners shall be in known locations and in constant two-way communications with the responsible person under 30 C.F.R. § 75.1501 when active mining occurs within the minimum working barrier of the well or branch.
16. The responsible person required under 30 C.F.R. § 75.1501 is responsible for well intersection emergencies. The well intersection

procedures must be reviewed by the responsible person prior to any planned intersection.

17. A copy of the order shall be maintained at the mine and be available to the miners.
18. The provisions of this order do not impair the authority of representatives of MSHA to interrupt or halt the mine-through operation and to issue a withdrawal order when they deem it necessary for the safety of the miners. MSHA may order an interruption or cessation of the mine-through operation and/or a withdrawal of personnel by issuing either a verbal or a written order to that effect to a representative of the operator, which order shall include the basis for the order. Operations in the affected area of the mine may not resume until a representative of MSHA permits resumption of mine-through operations. The mine operator and miners shall comply with verbal or written MSHA orders immediately. All verbal orders shall be committed to writing within a reasonable time as conditions permit.
- d. For subsequent intersections of branches of a well, appropriate procedures to protect the miners shall be specified in the ventilation plan.

4. MANDATORY PROCEDURES AFTER SDD INTERSECTIONS

- a. All intersections with SDD wells and branches that are in intake air courses shall be examined as part of the pre-shift examinations required under 30 C.F.R. § 75.360.
- b. All other intersection with SDD wells and branches shall be examined as part of the weekly examinations required under 30 C.F.R. § 75.364.

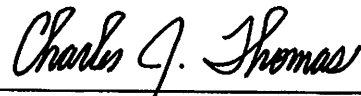
5. OTHER REQUIREMENTS

- a. Within 30 days after this Order becomes final, the operator shall submit proposed revisions for its approved 30 C.F.R. Part 48 training plan to the District Manager. These proposed revisions shall include initial and refresher training regarding compliance with the terms and conditions stated in the Order. The operator shall provide all miners involved in the mine-through of a well or branch with training regarding the requirements of this Order prior to mining within the minimum working barrier of the next well or branch intended to be mined through.

- b. Within 30 days after this Order becomes final, the operator shall submit proposed revisions for its approved mine emergency evacuation and firefighting program of instruction required by 30 C.F.R § 75.1501. The operator shall revise the program to include the hazards and evacuation procedures to be used for well intersections. All underground miners shall be trained in this revised program within 30 days of the approval of the revised mine emergency evacuation and firefighting program of instruction.

Any party to this action desiring a hearing on this matter must file in accordance with 30 C.F.R. § 44.14, within 30 days. The request for hearing must be filed with the Administrator for Coal Mine Safety and Health, 1100 Wilson Boulevard, Arlington, Virginia 22209-3939.

If a hearing is requested, the request shall contain a concise summary of position on the issues of fact or law desired to be raised by the party requesting the hearing, including specific objections to the proposed decision. A party other than Petitioner who has requested a hearing may also comment upon all issues of fact or law presented in the petition, and any party to this action requesting a hearing may indicate a desired hearing site. If no request for a hearing is filed within 30 days after service thereof, the Proposed Decision and Order will become final and must be posted by the operator on the mine bulletin board at the mine.

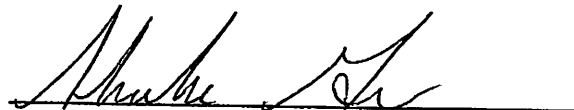


Charles J. Thomas
Deputy Administrator for
Coal Mine Safety and Health

Certificate of Service

I hereby certify that a copy of this proposed decision was served personally or mailed, postage prepaid, this 16 day of December, 2011, to:

April Min
ICG, LLC
300 Corporate Center Drive
Scott Depot, WV 25560


Shameka Green
Secretary

cc: Mr. C.A. Phillips, Director, West Virginia Department of Energy, Division of
Mines and Minerals

WR-35

API # 47-001-02802

State of West Virginia
Division of Environmental Protection
Section of Oil and Gas

Well Operator's Report of Well Work

Farm name: **Charles R. Ketchem** Operator Well No.: **Ketchem C, #1B**

LOCATION: Elevation: **1578'** Quadrangle: **Philippi 7.5'**

District: **Elk** County: **Barbour**
Latitude: **12140** Feet South of **39** Deg. **12** Min. **30** Sec.
Longitude: **2580** Feet West of **80** Deg. **05** Min. **00** Sec.

Company: **CDX GAS, LLC**
110 Wyoming St. Suite 200
Charleston, WV 25302

Agent: **Michael McCown**

INSPECTOR: **Craig Duckworth**
Permit Issued: **09/06/05**
Well work commenced: **08/24/06**
Well Work completed: **10/19/06**
Verbal Plugging
Permission granted on:
Rotary Cable Rig
Total Depth (feet) **956'** TD
Fresh water depths (ft) **none**
Salt water depths (ft) **none**
Is coal being mined in area (Y/N)? **y**
Coal Depths (ft): **777-780, 821-827**
889-893

Casing / Tubing Size	Used in Drilling	Left in Well	Cement Fill Sp. Cu. Ft.
11 3/4"	352'	352'	C.T.S.
8 5/8"	852'	852'	C.T.S.

OPEN FLOW DATA

Producing formation **Clarion Coal** Pay zone depth (ft) **see treat.**
Gas: Initial open flow **na** MCF/d Oil: Initial open flow **na** Bbl/d
Final open flow **89** MCF/d Final open flow **na** Bbl/d
Time of open flow between initial and final tests **4** Hours
Static Rock pressure **264** psig (surface pressure) after **48** Hours

Second producing formation **na** pay zone depth (ft) _____
Gas: Initial open flow _____ MCF/d Oil: Initial open flow _____ Bbl/d
Final open flow _____ MCF/d Final open flow _____ Bbl/d
Time of open flow between initial and final tests _____ Hours
Static rock pressure _____ psig (surface pressure) after _____ Hours

NOTE: ON BACK OF THIS FORM PUT THE FOLLOWING: 1). DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATION, PHYSICAL CHANGE, ETC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

For: *Daniel R. Chapman*
CDX GAS, LLC

By: **Daniel R Chapman, Geologist**

Date: **July 31, 2007**

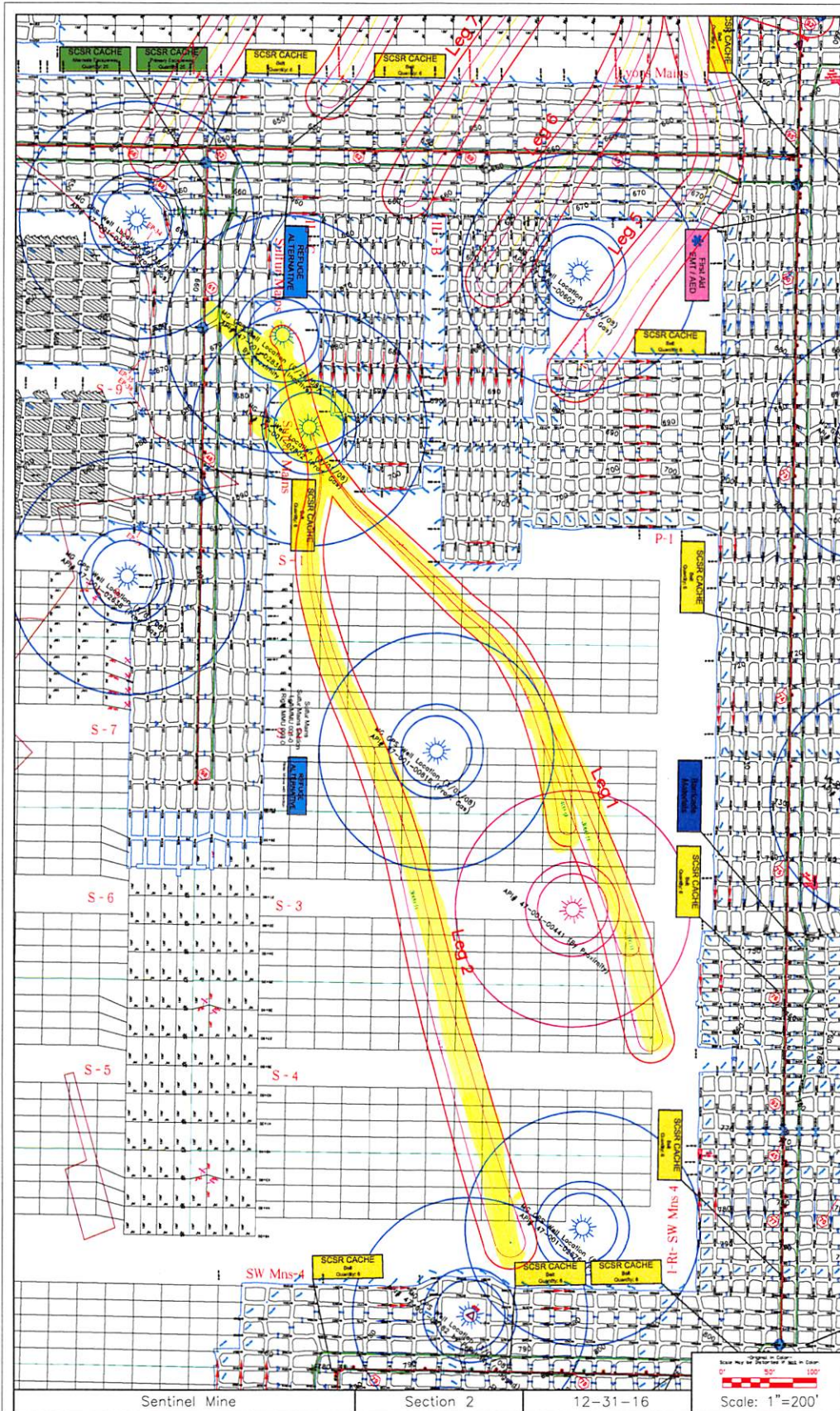
RECEIVED
Office of Oil & Gas
Office of Chief
JUL 31 2007
WV Department of
Environmental Protection

BAR 2502

11/17/2017

1st Stage: No stimulation

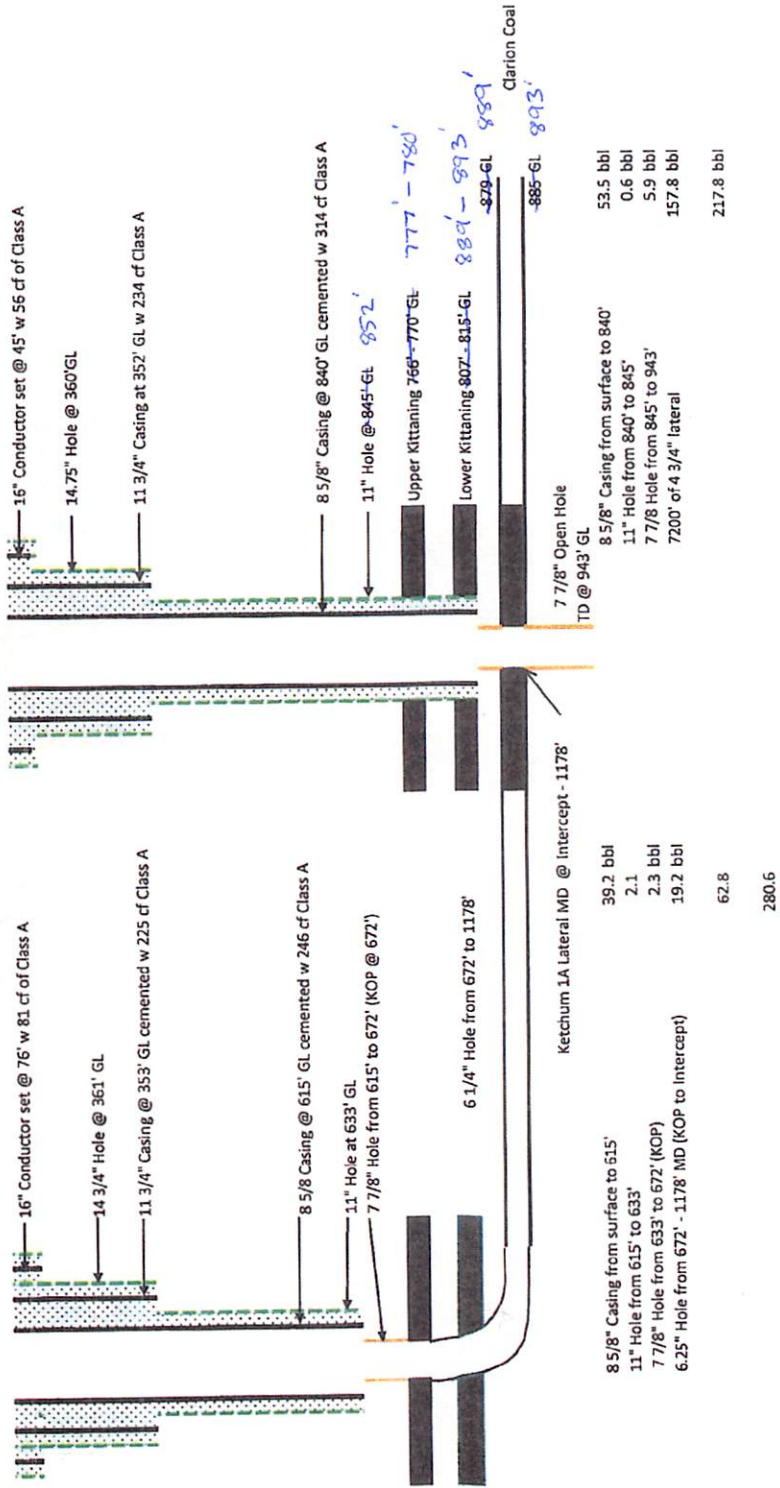
sand, shale	0	196	No water reported
Morgantown Sandstone	196	228	
sand, shale	228	467	
Saltsburg Sandstone	467	491	
shale	491	622	
Mahoning Sandstone	622	699	
Sand, shale	699	779	
Upper Kittanning Coal	779	782	
sand, shale	782	823	
Lower Kittanning Coal	823	829	
Sand, shale	829	891	
Clarion Coal	891	895	KB
Sand, shale	895	956	TD



Ketchum 001A and Ketchum 001B Current Wellbore Schematics

Ketchum 001A
API# 4700102836

Ketchum 001B
API# 4700102802



WW-4A
Revised 6-07

1) Date: 9-11-2017
2) Operator's Well Number
Katchem1B-001

3) API Well No.: 47 - 001 - 02802

**STATE OF WEST VIRGINIA
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:	5) (a) Coal Operator
(a) Name <u>Shirley Stillsell, Executrix of the Estate of</u>	Name <u>Wolf Run Mining LLC</u>
Address <u>Charles R Ketchem</u>	Address <u>City Place 1, Suite 300</u>
<u>P O Box 236 Phillippi, WV 26416</u>	<u>St. Louis, MO 63141</u>
(b) Name <u>Kathryn R Ketchem Trust c/o</u>	(b) Coal Owner(s) with Declaration
Address <u>Charles R Ketchem</u>	Name <u>See attachment</u>
<u>P O Box 236 Phillippi, WV 26416</u>	Address _____
(c) Name <u>Philip Scott</u>	Name _____
Address <u>166 Summit Woods Dr</u>	Address _____
<u>Morgantown, WV 26508</u>	
6) Inspector <u>KENNETH GREYNOLDS</u>	(c) Coal Lessee with Declaration
Address <u>613 Broad Run Road Jane Lew WV 26378</u>	Name <u>Wolf Run Mining LLC</u>
<u>Kenneth.L.Greynolds@wv.gov</u>	Address <u>City Place 1, Suite 300</u>
Telephone <u>Phone 304-206-6613</u>	<u>St. Louis, MO 63141</u>

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.

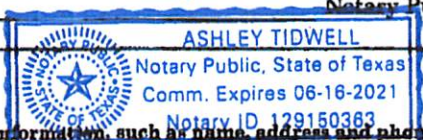
The reason you received these documents is that you have rights regarding the application which are summarized in the instructions on the reverse side. However, you are not required to take any action at all.

Take notice that under Chapter 22-6 of the West Virginia Code, the undersigned well operator proposes to file or has filed this 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 this 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 ARP MOUNTAINEER PRODUCTION, LLC
 By: Julie Harris *Julie Harris 9/17/17*
 Its: Director, EHS
 Address Atlas Titan
425 Houston Street, Suite 300 | Fort Worth TX 76102
 Telephone 817-665-8836

Subscribed and sworn before me this 7 day of September

Ashley Tidwell Notary Public
My Commission Expires _____



Oil and Gas Privacy Notice

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov.

WW 4A Attachment Ketchem 1B – 001 API 47-102802

COAL OWNERS:

JERRY L WHITE ✓

608 Ohio Avenue

Nutterfort, WV 26301

AMY SUE WHITE ✓

P. O. Box 2822

Elkins, WV 26241

GEORGE A. WHITE ✓

P. O. BOX 3

BELINGTON, WV 26250

MIKE ROSS, INC. ✓

P. O. BOX 219

CIAKTIBM WV 26257

MILDRED R. WHITE ✓

111 EVERGREEN DRIVE

ELKINS, WV 26241

RICHARD W. WHITE ✓

25915 NORTH 131st DRIVE

PEORIA, AZ 85383

WW 7 Attachment Ketchem 1B – 001 API 47-102802

Surface Owners:

Shirley Stillsell, Executrix of the

Estate of Charles R Ketchem

P O Box 236

Philippi, WV 26416

Kathryn R Ketchem Trust

c/o Charles R Ketchem

P O Box 236

Philippi, WV 26416

Philip Scott

156 Summit Woods Dr

Morgantown, WV 26508

WW 7 Attachment Ketchem 1B – 001 API 47-102802

COAL OWNERS:

JERRY L WHITE
608 Ohio Avenue
Nutterfort, WV 26301

AMY SUE WHITE
P. O. Box 2822
Elkins, WV 26241

GEORGE A. WHITE
P. O. BOX 3
BELINGTON, WV 26250

MIKE ROSS, INC.
P. O. BOX 219
CIAKTIBM WV 26257

MILDRED R. WHITE
111 EVERGREEN DRIVE
ELKINS, WV 26241

RICHARD W. WHITE
25915 NORTH 131st DRIVE
PEORIA, AZ 85383

WW-9
(5/16)

API Number 47 - 001 - 02802
Operator's Well No. 13-001-CBM-W ✓

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS
FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name ARP MOUNTAINEER PRODUCTION, LLC OP Code 494508804
Watershed (HUC 10) 0502000107 Quadrangle PHILIPPI

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 NO EARTHEN PIT WILL BE USED. See W-1111

If so, please describe anticipated pit waste: Water and Cement to be collected in open top tank
Will a synthetic liner be used in the pit? Yes No If so, what ml? _____

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

Will closed loop system be used? If so, describe: _____

Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. _____
-If oil based, what type? Synthetic, petroleum, etc. _____

Additives to be used in drilling medium? _____

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. _____
-If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) _____
-Landfill or offsite name/permit number? _____

Permittee shall provide written notice to the Office of Oil and Gas of any load of drill cuttings or associated waste rejected at any West Virginia solid waste facility. The notice shall be provided within 24 hours of rejection and the permittee shall also disclose where it was properly disposed.

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on April 1, 2016, 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.

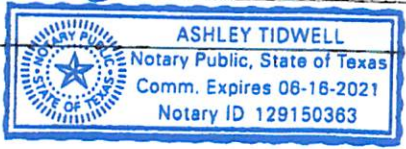
I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is 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 Julie Harris 9/7/17
Company Official (Typed Name) Julie Harris
Company Official Title Director, EHS

RECEIVED
Office of Oil and Gas
OCT 12 2017
WV Department of
Environmental Protection

Subscribed and sworn before me this 7 day of September, 2017
Ashley Tidwell Notary Public

My commission expires _____



Form WW-9

Operator's Well No. 1B-001-CBM-WV

Proposed Revegetation Treatment: Acres Disturbed 0.5 Prevegetation pH 5-6.5

Lime 2 Tons/acre or to correct to pH 6

Fertilizer type 10-20-20

Fertilizer amount 500 lbs/acre

Mulch HAY / STRAW Tons/acre

Seed Mixtures

Temporary		Permanent	
Seed Type	lbs/acre	Seed Type	lbs/acre
Tall Fescue or Orchard Grass	40		
Annual Rye Grass	5		

Attach:

Maps(s) of road, location, pit and proposed area for land application (unless engineered plans including this info have been provided). If water from the pit will be land applied, provide water volume, include dimensions (L, W, D) of the pit, and dimensions (L, W), and area in acres, of the land application area.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: _____

Comments: _____

Title: _____ Date: _____

Field Reviewed? () Yes () No

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

Operator Name: ARP MOUNTAINEER PRODUCTION, LLC
Watershed (HUC 10): 0502000107 Quad: PHILIPPI
Farm Name: KETCHEM, CHARLES R.

- 1. List the procedures used for the treatment and discharge of fluids. Include a list of all operations that could contaminate the groundwater.

Waste water that is collected into the portable tank will be treated and ground disbursed using a 2" portable gasoline powered trash pump. Jc

- 2. Describe procedures and equipment used to protect groundwater quality from the list of potential contaminant sources above.

While in operation, the portable 2" gasoline powered trash pump will be placed inside containment eliminating chances for potential spillage of gasoline onto the surface.

- 3. List the closest water body, distance to closest water body, and distance from closest Well Head Protection Area to the discharge area.

1,000' +/- to Right hand fork of Hackers Creek.

- 4. Summarize all activities at your facility that are already regulated for groundwater protection.

Not applicable.

- 5. Discuss any existing groundwater quality data for your facility or an adjacent property.

Not Applicable

6. Provide a statement that no waste material will be used for deicing or fill material on the property.

No wastes will be used for deicing, ice control, structural fills, road base or other uses.

7. Describe the groundwater protection instruction and training to be provided to the employees. Job procedures shall provide direction on how to prevent groundwater contamination.

All employees will be trained on their responsibility to ensure groundwater protection. Current job procedures provide direction on how to prevent ground water contamination through proper work practices.

8. Provide provisions and frequency for inspections of all GPP elements and equipment.

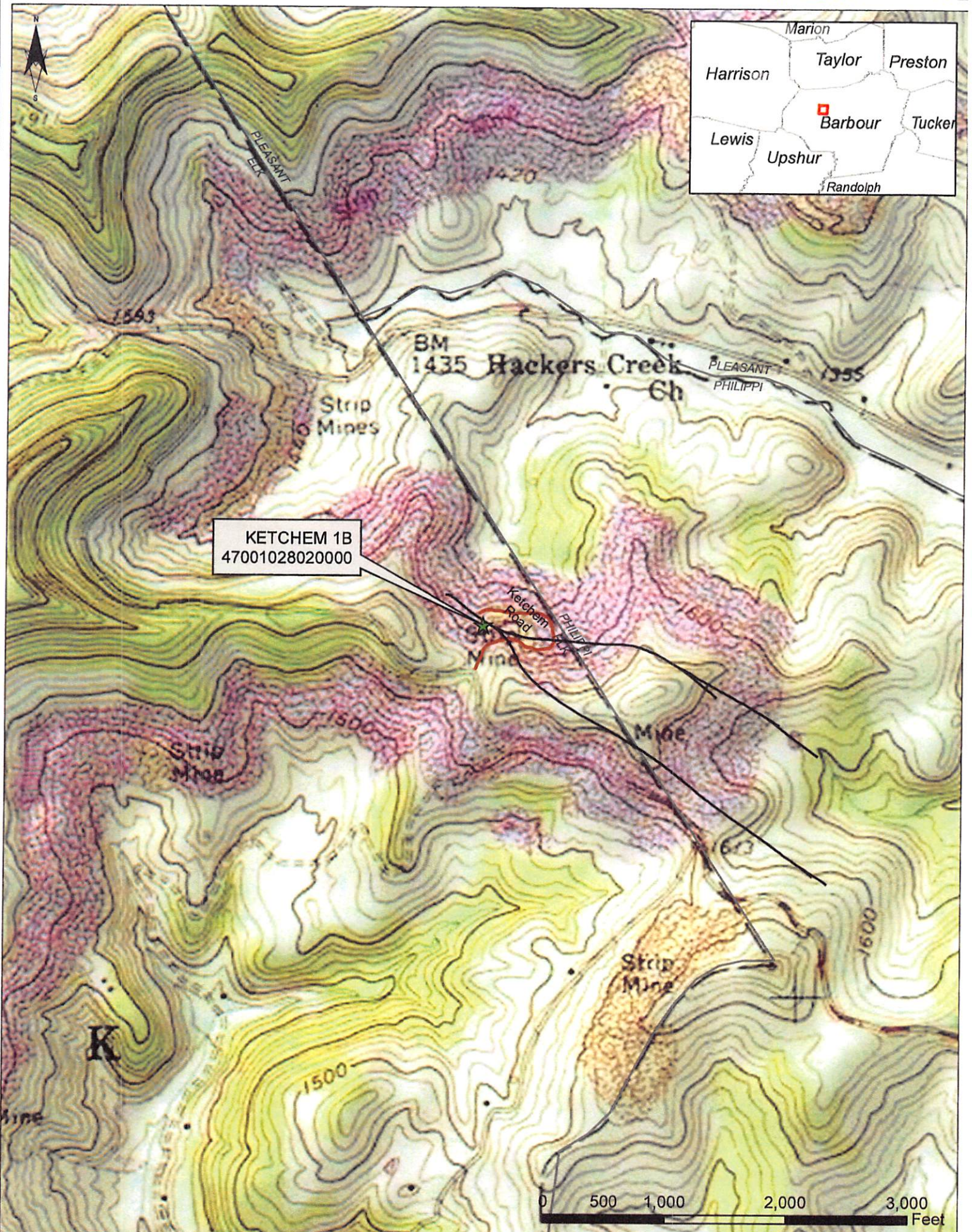
During the plugging and abandonment activities, the site will be inspected to ensure that all elements and equipment of the sites ground water protection program are in place, properly functioning, and appropriately managed.

Signature: Rocky Atwood

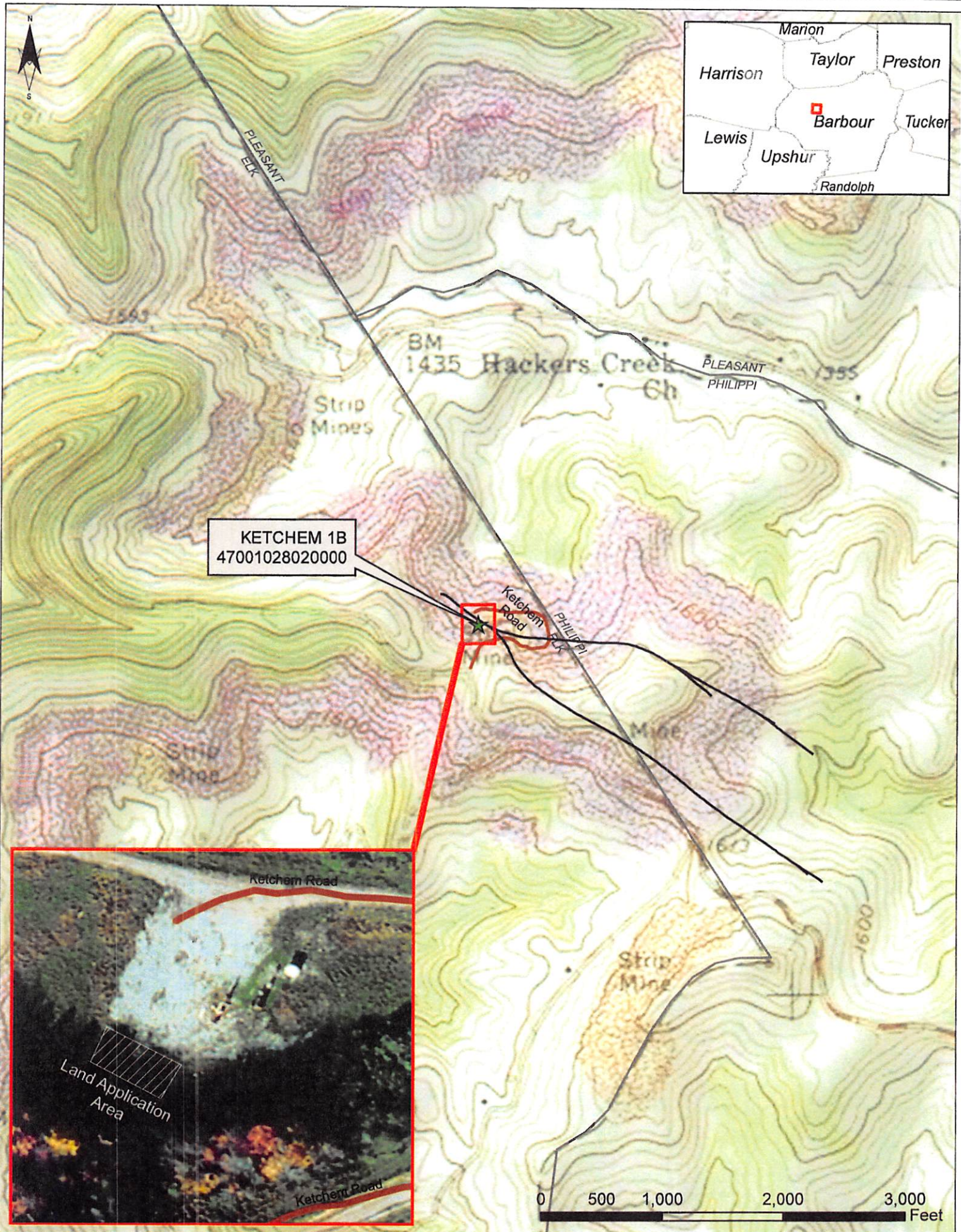
Date: 9-11-2017



11/17/2017



KETCHEM 1B
47001028020000



KETCHEM 1B
47001028020000



WW-7
8-30-06



West Virginia Department of Environmental Protection
Office of Oil and Gas
WELL LOCATION FORM: GPS

API: 47-001-02802 WELL NO.: Ketchem1B-001
 FARM NAME: Ketchem, Charles R
 RESPONSIBLE PARTY NAME: ARP MOUNTAINEER PRODUCTION, LLC
 COUNTY: BARBOUR DISTRICT: ELK
 QUADRANGLE: PHILIPPI
 SURFACE OWNER: See Attachment
 ROYALTY OWNER: See Attachment
 UTM GPS NORTHING: 0578419
 UTM GPS EASTING: 4336607 GPS ELEVATION: 1575'

The Responsible Party named above has chosen to submit GPS coordinates in lieu of preparing a new well location plat for a plugging permit or assigned API number on the above well. The Office of Oil and Gas will not accept GPS coordinates that do not meet the following requirements:

1. Datum: NAD 1983, Zone: 17 North, Coordinate Units: meters, Altitude: height above mean sea level (MSL) – meters.
2. Accuracy to Datum – 3.05 meters
3. Data Collection Method:

Survey grade GPS ____ : Post Processed Differential ____

Real-Time Differential ____

Mapping Grade GPS X : Post Processed Differential ____

Real-Time Differential X

4. **Letter size copy of the topography map showing the well location.**

I the undersigned, hereby certify this data 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 Office of Oil and Gas.

Rocky Atwell
Signature

HSE

Title

9-7-2017

Date

11/17/2017