

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

August 01, 2014

WELL WORK PERMIT

Horizontal Well

This permit, API Well Number: 47-1502899, issued to CUNNINGHAM ENERGY, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days completion of permitted well work, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin

Chief

Operator's Well No: J.S. COCHRAN #8H

Farm Name: CONNER, CHESSIE .. ET AL

API Well Number: 47-1502899

Permit Type: Horizontal Well

Date Issued: 08/01/2014

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. <u>Failure to adhere to the specified permit conditions may result in enforcement action</u>.

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. Pursuant to 35 CSR § 4-19.1.a, at the request of the surface owner all water wells or springs within 1000 feet of the proposed well that are actually utilized for human consumption, domestic animals or other general use shall be sampled and analyzed.
- 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.
- 4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 5. 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.
- 6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours.
- 7. Well work activities shall not constitute a hazard to the safety of persons.
- 8. This permit is being conditioned to address the possibility of flooding in the area of this well. Any tanks stored on this location must be securely anchored in cement to prevent the loss of tanks should a flood occur. In addition, cages must be placed around the well head to prevent debris from damaging the well head.

WW - 2B (Rev. 8/10) OK 9269

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

Well Operate	or: CUN	NINGHA	M ENERGY, LL	C 494508594	CLAY - 15	UNION - 5	ELKHURST 7.5
				Operator ID	County	District	Quadrangle
2) Operator's V	Vell Numb	per: J.S.	COCHRAN 8H		3) Elevation:	1,215'	
4) Well Type: (a	a) OilX	or Ga	as X				
(1	b) If Gas:	Produ	iction X / Un	derground Sto	orage	_	
			p/ 8	A A A A A A A A -			
5) Proposed Ta 6) Proposed To 7) Approximate 8) Approximate	fresh wa	iter strata		Formation at	Proposed Tar Proposed Tota	get Depth: 2 al Depth: NJ	100' TU)
9) Approximate	coal sea	m depth	s: NO COAL L	ISTED ON TI	TLE		
10) Approxima	te void de	pths,(co	al, Karst, other):	NONE			_
11) Does land	contain co	oal seam	s tributary to ac	tive mine?	NONE		
			nd fracturing meth				
		The second	HE LATERAL DO	R. P. P. S. P. L.		A STATE OF THE STA	THE PARTY OF THE P
URFACE USIN	NG THE	VEATHE	RFORD WET S	SHOE SYSTE	M AND PERF	ORATE.	
13)	12	715/14	ASING AND TU	BING PROGE	RAM		
TYPE //S	PECIFIC			FOOTAGE	INTERVALS	S CEME	NT
1	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu	. Ft.)
Conductor	13"	LS	43.6 LBS	30	30	CTS	
Fresh Water	9 5/8"	LS	26 LBS	400'	400'	OF SEE	EIVED
Coal				7050	2050	Office of	Oil and Gas
Intermediate	7"	J-55	20 LBS	4775	1775	Mets	\$ 2 2014
Production	4 1/2"	N-80	11.6 LBS	5143'	5143'	PACKERS	PLUS of
Tubing					E	nvirenmen	lai Pretection
Liners							
Packers: Kind Size Dep					,		09/01/201



Cochran #8H Frac Design

• 15 Stages (every 200' in the lateral)

300 bbl Water/Stage

25,000 lbs Sand/Stage

• 30 bbl/Minute Downhole Rate

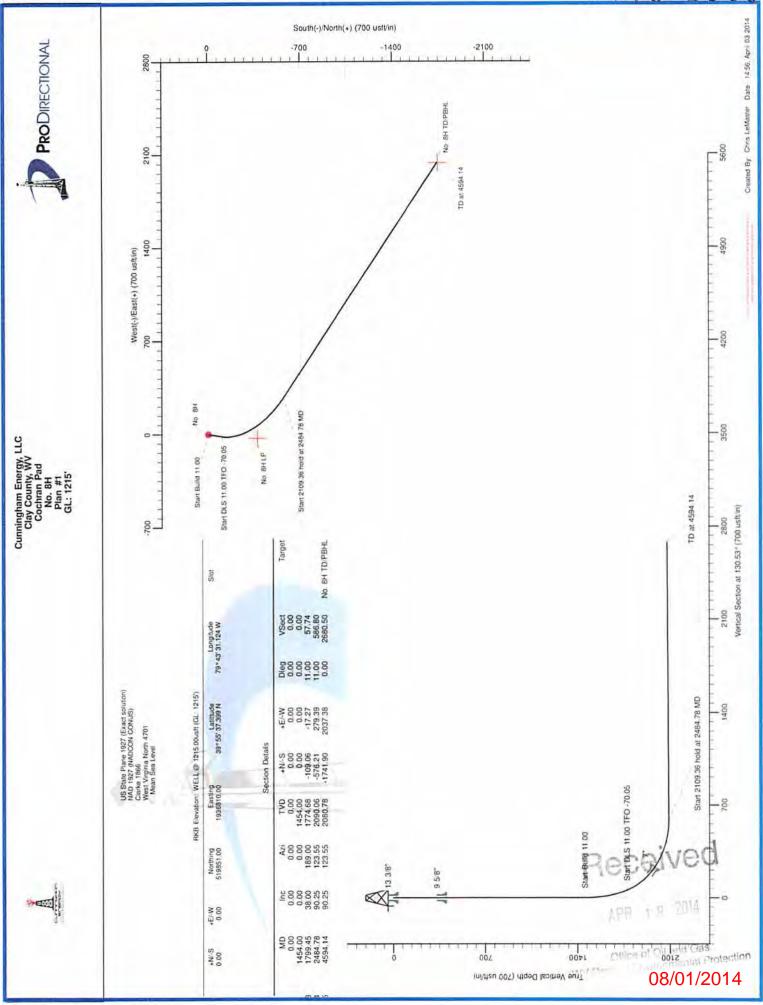
PRESSURE NOT TO EXCEED 3000 PSI.

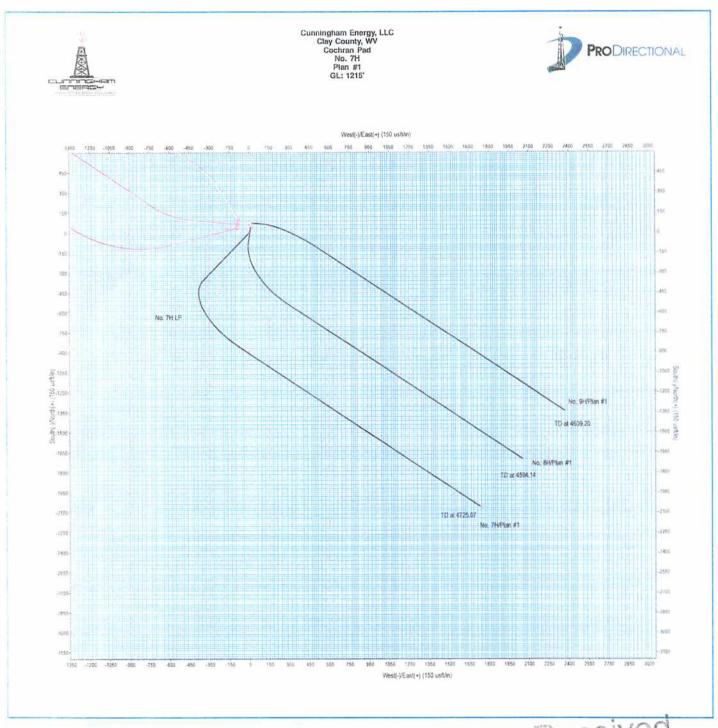
Received

APR 1 R 2014

Office of Oil and Gas WV Dept. ol Environmental Protection

08/01/2014





Received

APR 18 2014

Office of Oil and Gas
WV Dept. of Environmental Protection
08/01/2014



WW-2A (Rev. 6-07)

1). Date: MARCH 11, 2014 2.) Operator's Well Number J.S. COCHRAN #8H State County Permit 47-

015

3.) API Well No .:

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

4) 0.40.	(a) to be seened	. /	EV (a) Coal On				
	vner(s) to be served		5) (a) Coal Op	erator			
(a) Name	CHESSIE CONNER, ET	1/	_ Name				
Address	1412 SATTES CIRCLE	V	Address	_			
2022	NITRO, WV 25143			-	4-7-7-5-		
(b) Name				wner(s) with	Declaration	on	
Address			Name				
	-		Address	_			_
(c) Name			Name				
Address			Address				
6) Inspector	ED GAINER		(c) Coal Le	essee with D	eclaration		_
Address	P.O. BOX 821		Name	13544.5440	220002520		
0.000.000	SPENCER, WV 25276		Address	*			
Telephone	304-389-7582		- ********	_			
2.51540.150.15	TO THE	PERSONS NA	MED ABOVE T	AKE NOTICE	F THAT		
Included is the						ight to extract oil and g	200
I have re issued under this I certify this application footsining the info	Certified Mail (I Publication (No ead and understand C application. under penalty of law orm and all attachmentation, I believe that	tice of Publication thapter 22-6 and that I have persents, and that ba to the information	tal receipt attache on attached) d 35 CSR 4, and conally examined ased on my inquir is true, accurate	I agree to the and am famili ry of those inc and complete	iar with the dividuals im	id conditions of any pe information submitted inmediately responsible the possibility of fine	d on
-10-6-14-1704-1-15-29		Well Operator	CUNNINGHAM ENE	ERGY, LLC			
		Ву:	RYAN E. M. CUNNI	NGHAM			
		Its:	PRESIDENT				
		Address	3230 PENNSYLVAN				
		Selection Selection	CHARLESTON, WV	25302			
0.7 - 0.5 (0.4)		Telephone	304-344-9291			Doggivo	d
Subscribed and s	sworn before me this	_15 ^L day of	MARCH AT	100	, 2014	LICOCIVE	M.
De	uen. V	3-		Nota	ry Public		
My Commission	Expires FEBRUARY	10, 2015					
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 clion 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

For delivery inform	ation vis	sit our website at	www.usps.com _®
Postage	s	161	
Certified Fee		3 30	Postmark
Return Receipt Fee Endorsement Required)		276	Here
Restricted Delivery Fee Endorsement Required)			
Total Postage & Fees	\$	761	8-4
Sent To			et al

Received

APR 1 8 2014

To Whom It May Concern:

I, Peggy Conner, heir to the Chessie Conner Estate, do hereby authorize Jean Miller as my Agent in any and all business, decisions and other legal matters pertaining to the real estate located in Union District, Clay County WV better described as Tax Map 17 Parcel 54 and any other lands that Cunningham Energy operates.

Peggy Conner

WITNESS the due execution hereof, this 16 day of Januay, 2014

Witness

Office of Oil and Gas

JUL 28 2014

Environmental Protection

SURFACE OWNER WAIVER

County	CLAY	Operator	CUNNINGHAM ENERGY, LLC
		Operator well number	J.S. COCHRAN 8H

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas,

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas Department of Environmental Protection 601 57th St. SE Charleston, WV 25304 (304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure a dequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective:
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies:
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

<u>List of Water Testing Laboratories</u>. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ____ including a work order on F orm WW2-B, a s urvey plat, and a s oil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PE	RSON		FO	OR EXECUTION BY A CORPORATION, ETC.	
Jean E. Miller	Date	5-9-14	Company Name		
Signature			Ву	RECEIVED	
Jean Miller	_		Its	Office of Oil and Gas	Ī
Print Name				MAY 2 2 2514	
				Signature Date WV Department of	

WW-2A1 (Rev. 1/11)

Operator's Well Number J.S. COCHRAN #8H

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page
ALVIN ENGELKE, AGENT	CUNNINGHAM ENERGY, LLC	1/8	21/1065; 21/1189

Acknowledgement of Possible Permitting/Approval In Addition to the Office of Oil and Gas

The permit applicant for the proposed well work addressed in this application he reby a cknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

- WV Division of Water and Waste Management
- WV Division of Natural Resources
- WV Division of Highways
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overrides, replaces, or nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be ac quired from the appropriate aut hority before the affected activity is initiated.

Well Operator:

By:Its:

PRESIDENT

APR 1 8 2014

WW-2B1 (5-12)

Well No. J.S. COCHRAN #8H

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

Be advised, you have the right to sample and analyze any water supply at your own expense.

Listed below is the laboratory chosen by operator to perform analysis, and contactor chosen to collect sample.

Certified Laboratory Name STURM ENVIRONMENTAL

Sampling Contractor

HUPP SURVEYING

Well Operator CUNNINGHAM ENERGY, LLC

Address

3230 PENNSYLVANIA AVENUE

CHARLESTON, WV 25302

Telephone

304-344-9291

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

SEC ATTACHED

Received

APE I

HUPP Surveying & MappingP.O. BOX 647

GRANTSVILLE, WV 26147

(304) 354-7035 hupp@frontiernet.net FAX: (304) 354-6548

February 12, 2014

RE: Water Samples for J.S. Cochran #8H

There appears to be one (1) potable water sources within 1,500' of J.S. Cochran #8H, therefore tests should be offered and samples taken as required.

 Thomas Rickmers 1484 Shelton Rd. Bomont, WV 25030 Tax Map 18 Parcel 4

WILL TEST

Received

APR - - PAK

Office of Oil and Gas

			Coverage Provided)
For delivery inform	ation visi USU	t our website	et www.usps.com
		\$0.49	0701
Postage	s	¥0./27	0101
Certified Fee		\$3.30	29
Return Receipt Fee (Endorsoment Required)		\$2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)		\$0.00	
Total Postage & Fees	\$	\$6.49	03/13/2014
Sent To	-		8-H
	Tho	mas Ric	kmers

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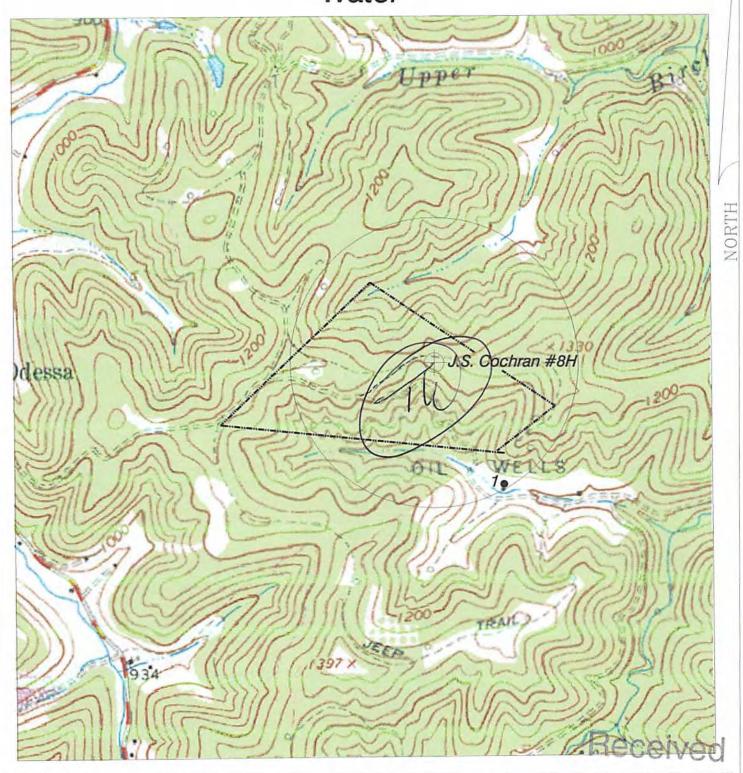
APR 18 2014

Office of Oil and Gas
WV Dept. of Environmental Protection
08/01/2014

Form W-9

CUNNINGHAM ENERGY J.S. Cochran #8H Water

Page 1 of 1



HUPP Surveying & Mapping

P.O. BOX 647 GRANTSVILLE, WV 26147 PH: (304)354-7035 E-MAIL: hupp@frontiernet net 1" = 1000' Elkhurst Quad Cunningham Energy, LLC.4
3230 Pennsylvania Ave.
Charleston, Dept. of Environmental Se

08/01/2014

WW-9	
(5/13)	

	Page	of	
API Number 47 -015	-02899		
Operator's Well 1	No. J.S. COCHE	NS MAS	

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name CUNNINGHAM	ENERGY, LLC	OP Code 494508594
Watershed (HUC 10) TRIBUT	ARY OF WADE FORK	Quadrangle ELKHURST 7.5'
Elevation 1,215'	County_CLAY	District_UNION
Do you anticipate using more that	in 5,000 bbls of water to complete	the proposed well work? Yes No X
• •	gs? Yes X No	
		NGS, FLUIDS FROM DRILLING AND FRACTURING
		o If so, what ml.? 30 MIL.
Proposed Disposal Met	nod For Treated Pit Wastes:	
Reuse Off Si	ground Injection (UIC Permit Nu (at API Number	
Will closed loop system be used	NO	
• •		ed, etc. AIR; FRESHWATER
	,	
	•	
•		Y STABILIZER
		site, etc. LEAVE IN PIT/ HAUL IF NEEDED
	-	d? (cement, lime, sawdust) CEMENT & LIME
-Landfill or offsite nam	e/permit number? CITY OF CHAF	RLESTON LANDFILL
on August 1, 2005, by the Office provisions of the permit are enflaw or regulation can lead to enflaw or regulation can lead to enflaw application form and all attach obtaining the information, I be	of Oil and Gas of the West Virgin preeable by law. Violations of an preement action. of law that I have personally ex ments thereto and that, based on	ditions of the GENERAL WATER POLLUTION PERMIT issued his Department of Environmental Protection. I understand that the sy term or condition of the general permit and/or other applicable amined and am familiar with the information submitted on this n my inquiry of those individuals immediately responsible for accurate, and complete. I am aware that there are significant of fine or imprisonment.
Company Official Signature		RECEIVED
Company Official (Typed Name	RYAN E.M. CUNNINGHAM	Office of Oll and Gas
Company Official Title PRES		MAY 2
		MAY 2 2 2014
Subscribed and sworn before me	this G - day of MAY	
- Laun	De-	Notary Public Property Notary Notary Public Property Notary
My commission expires 05/12/20	014	STATE OF WEST VARIANA DANIELLE N. BAYS S200 Ponnsylvania Charles N. W 25

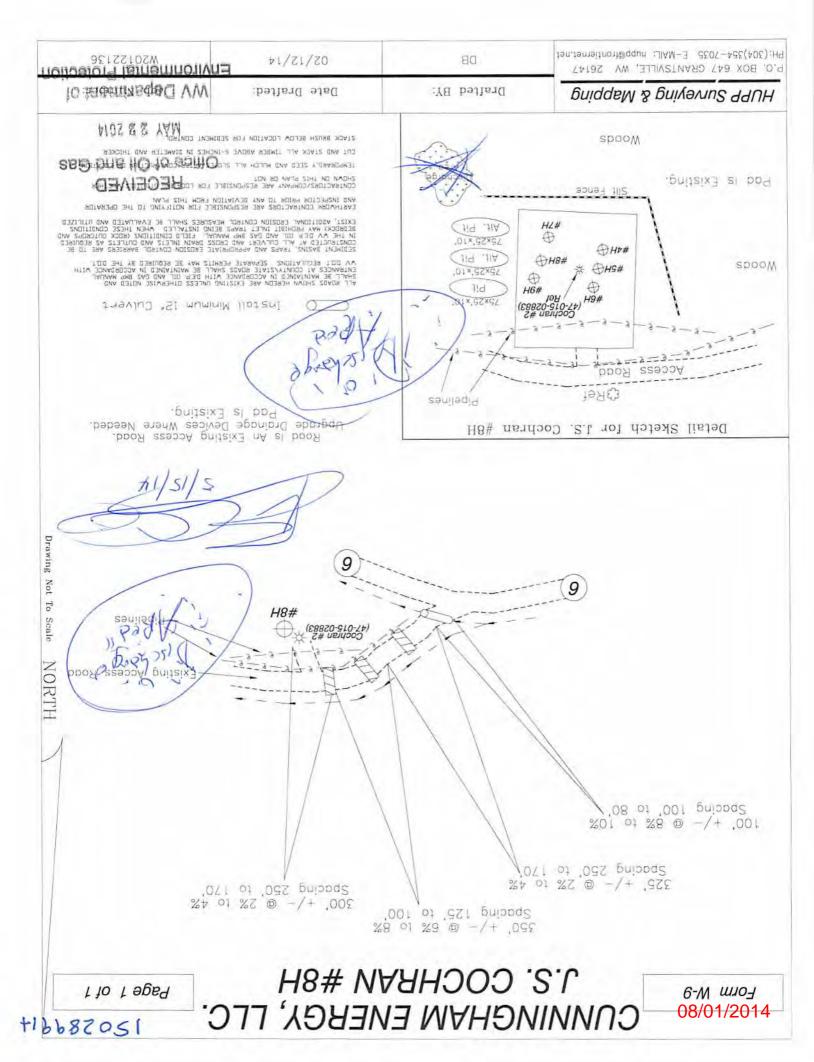
Form WW-9

Operator's Well No	J.S.	COCHRAN 8H

Proposed Revegetation Treatment:	Acres Disturbed	2.8	Prevegetation p	ын
2	ons/acre or to correct to pH	6.5	. Trevegetation p	
Fertilizer (10-20-20 or equi		cre (500 lbs min	ímum)	
		Mixtures		
Area I			A	rea II
and a factor	lbs/acre		Seed Type	lbs/acre
No. of Contract of	40	ORCHID		15
	5	ALSIKE (CLOVER	5
ANNUAL RYE	15			
Attach: Drawing(s) of road, location,pit and Photocopied section of involved 7.5		cation.	T	
Drawing(s) of road, location,pit and			etion nes,	shall be

MAY 2 2 2014

WV Department of Environmental Protection 08/01/2014



Form W-9

CUNNINGHAM ENERGY J.S. Cochran #8H

Page 1 of 1



HUPP Surveying & Mapping

P.O. BOX 647 GRANTSVILLE, WV 26147 PH: (304)354-7035 E-MAIL: hupp@frontiernet net 1" = 1000' Elkhurst Quad Cunningham Energy, LLC.
3230 Pennsylvania Ave.
Charlest WK Perw W Environmental Property Perws 120712

