

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 13, 2014

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-4902278, issued to TRANS ENERGY, INC., is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days 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: MICHAEL 1H

Farm Name: MICHAEL, WILLIAM J. & JUANII

API Well Number: 47-4902278

Permit Type: Horizontal 6A Well

Date Issued: 03/13/2014

API Number: 49-02278

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. <u>Failure to adhere to the specified permit</u> 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 moisture content of the fill material shall be within limits as determined by the Standard Proctor Density test of the actual soils used in specific engineered fill, ASTM D698, Standard Test Method for Laboratory Compaction Characteristics of Soil Using Standard Effort, to achieve 95 % compaction of the optimum density. 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 Operato	or: Trans E	nergy Inc	494481575	Marion	Mannington	Glover Gap
			Operator ID	County	District	Quadrangle
2) Operator's W	Vell Number:	Michael 1H	Well Pac	Name: Mich	ael	
3) Farm Name/	Surface Owne	T: Juanita O Michael & William J	Michael Public Roa	d Access: Co	Rd 3/3	
4) Elevation, cu	rrent ground:	1397' E	levation, proposed	post-construct	ion: 1390'	
5) Well Type (a) Gas Oil Underground Storage						
	Other			Ø		
	(b)If Gas S	Shallow _	Deep			
	ŀ	lorizontal _				
6) Existing Pad:	Yes or No 1	No				
7) Proposed Tar Marcellus Sha	get Formationale 7200' 60' t	n(s), Depth(s), Antic	cipated Thickness a	nd Associated	Pressure(s):	
8) Proposed Tot	al Vertical De	epth: 7200'				
9) Formation at		•	Shale			
10) Proposed To		-				
11) Proposed Ho	orizontal Leg	Length: 5000'				
12) Approximat	e Fresh Water	Strata Depths:	60, 150			
13) Method to E	etermine Fres	sh Water Depths: \	Water Wells drilled in	the County, info	ormation prov	ided by Health Dept.
14) Approximate		-			, , , , , , , , , , , , , , , , , , ,	idea by Health Dept.
15) Approximate	e Coal Seam I	Depths: 1200'				
16) Approximate	e Depth to Pos	ssible Void (coal mi	ne, karst, other): N	I/A		
17) Does Propos directly overlyin	sed well locati g or adjacent	on contain coal sear to an active mine?	ns Yes	No	V	
(a) If Yes, prov	vide Mine Info	o: Name:				
		Depth:				
		Seam:				
		ownece				

MAR - 4 2014

Office of Oil and Gas
WV Dept. of Environmental Protection

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18)

CASING AND TUBING PROGRAM

ТҮРЕ	Size	New or Used	Grade	Weight per ft. (lb/ft)	FOOTAGE: For Drilling	INTERVALS: Left in Well	CEMENT: Fill-up (Cu. Ft.)
Conductor	20	new	J-55	94	110'	110'	CTS
Fresh Water	13-3/8	new	J-55	54.5	1250'	1250'	CTS
Coal							
Intermediate	9-5/8	new	J-55	36	3000'	3000'	CTS
Production	5-1/2	new	P-110	20		12200'	CTS
Tubing							
Liners							

2-28-14

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	20	26	0.438	1530	Type 1	13 cu ft/sk
Fresh Water	13-3/8	17-1/2	.38	2730	Type 1	1.25 cu ft/sk
Coal						
Intermediate	9-5/8	12-1/2	.352	3520	Type 1	1.26 cu ft/sk
Production	5-1/2	8-3/4	.361	12360	Poz H Class H	1.18 cu ft/sk
Tubing			1-			543,434,434,74
Liners						

PACKERS

Kind:		
Sizes:		
Depths Set:		

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WW-6B (9/13)

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:
Drill and Complete horizontal well in the Marcellus Shale. Lateral to be approximately 5000' in length.
L
20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:
Fracture 17-21 stages with Proppant: 150,000 of 100 mesh sand 80,000 of 20/40 white sand, 169,998 of 40/70 white sand. Fluid summary: 1,500 of 15% HCL, 412,665 of Slickwater I, 11,000 Slickwater II,
Max Pressure = 10,000 psi
Max Rate = 100 bbl/min
21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 10.85 acres
22) Area to be disturbed for well pad only, less access road (acres):
23) Describe centralizer placement for each casing string:
Fresh Water String - 1 centralizer every 160' Intermediate String - 1 centralizer every 100' from 3300' to 900'
Production String - 1 centralizer every 80' from TD to above ROP (7000')
24) Describe all cement additives associated with each cement type:
Standard Type 1 cement - retarder and fluid loss (surface and interm)
Type 1 + 2% CaCl ₂ + Y4# Flake - Surface Cement mixed @ 15.6 ppg CaCl ₂ , Flake)cellophane flake). Type 1 + 2% CaCl ₂ + Y4# Flake - Intermediate Cement mixed @ 15.6 ppg
Class H in lateral - retarder and fluid loss and free water additive
25) Proposed borehole conditioning procedures:
Before cement casing mud will be thinned and all gas will be circulated out of the mud before cementing
m : d
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NATE A COLD
*Note: Attach additional sheets as needed.

WELLBORE SCHEMATIC

Well Name: Michael 2H

County: Marion

Latitude: 39.555285 Longitude: -80.413743

TVD: 7,200 ft.

TD: 12,200 ft.

Type Casing	<u>Size</u>	<u>Footage</u>
Conductor	20"	110'
Fresh Water	13-3/8"	1250'
Intermediate	9-5/8	3,000'
Production	5-1/2"	12,200'

RECEIVED
Office of Oil and Gas

OCT 22 2013

WV Department of
Environmental Protection

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name Trans Energy	Inc	OP Code 494481575
Watershed (HUC 10) Dents	Run & Bartholomew Fork	Quadrangle Glover Gap
Elevation 1397	County Marion	District_Mannington
Do you anticipate using more Will a pit be used? Yes	than 5,000 bbls of water to complete to	the proposed well work? Yes No No
	anticipated pit waste:	If so, what ml.?
	be used in the pit? Yes No ethod For Treated Pit Wastes:	ii so, what mi.?
Lan Uno Reu Off	d Application Iderground Injection (UIC Permit Number (at API Number Site Disposal (Supply form WW-9 for	
Will closed loop system be use	ed? If so, describe: _yes	
Drilling medium anticipated for	or this well (vertical and horizontal)?	Air, freshwater, oil based, etc. / minute med unit meching Messales per synthetic
-If oil based, what typ	e? Synthetic, petroleum, etc.Synthetic	3.
Additives to be used in drilling	g medium? None	
Drill cuttings disposal method	? Leave in pit, landfill, removed offsi	te, etc. All cuttings will be hauled to approved landfill
	to solidify what medium will be used	
	me/permit number:Short Creek Landf	
on August 1, 2005, by the Offi provisions of the permit are el law or regulation can lead to e I certify under penal application form and all atta obtaining the information, I I penalties for submitting false i	ce of Oil and Gas of the West Virgini inforceable by law. Violations of any inforcement action. Ity of law that I have personally exa chments thereto and that, based on pelieve that the information is true, information, including the possibility of	til
Company Official (Typed Na		Office of Oil and
Company Official Title_VP-C	Operations	Emminification of the season o
Subscribed and sworn before r	ne this 7th day of Oc was 29, 2020	lolu STATE OF WEST VIRGINIA NOTARY PUBLIC Debra A. Martin Tirrans Energy Incorporated 210 2nd Street 210 2nd Street P.St., Mary's, WV 26170 My Commission Expires Nov. 29, 2020

Operator's Well No. Michael 1H Form WW-9 Trans Energy Inc Proposed Revegetation Treatment: Acres Disturbed ______ 10.85 Total - 2.24 Well Pad Prevegetation pH _____ _____Tons/acre or to correct to pH 65 Fertilizer type ___ Fertilizer amount 600 lbs/acre Mulch 90 Bales Tons/acre **Seed Mixtures** Temporary Permanent Seed Type Seed Type lbs/acre lbs/acre Meadow Mix 100 **Meadow Mix** 100 Oats or Rye 50 Oats or Rye 50 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: Bell Henglished Comments: RECEIVED
Office of Oil and Gas Title: INDIFOMENTA TISPECTOF Date: 10-17-13 WV Department of Environmented 14 Field Reviewed?

2 Jo 14

07/10/2012



Received

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TRANS ENERGY INC.

Office of Oil and Gas
WV Dept. of Environmental Protection



WELL SITE SAFETY PLAN Michael 1H, 2H

west virginia department of environmental protection



Water Management Plan: Primary Water Sources



WMF-01650

API/ID Number

047-049-02278

Operators

Trans Energy Inc.

Michael 1H

Important:

For each proposed primary water source (including source intakes for purchased water sources) identified in your water management plan, and summarized herein, DEP has made an evaluation concerning water availability over the specified date range. DEP's assessment is based on the following considerations:

- Statistical analysis of historical USGS stream gauge data (transferred to un-gauged locations as necessary);
- •Identification of sensitive aquatic life (endangered species, mussels, etc.);
- Quantification of known existing demands on the water supply (Large Quantity Users);
- . Minimum flows required by the Army Corps of Engineers; and
- Designated stream uses.

Based on these factors, DEP has provided, for each intake location (and origination point for purchased water), a reference gauge location and discharge flow reading which must be surpassed prior to withdrawals. Additionally, DEP has established a minimum passby flow at the withdrawal location which must also be surpassed prior to withdrawals. These thresholds are considered terms of the permit and are enforceable as such.

DEP is aware that some intake points will be used for mutiple wells and well sites. In these cases, the thresholds set by the Water Management Plan are to be interepreted as total withdrawal limits for each location over the specified date range regardless of how many wells are supported by that intake.

For all purchased water intakes, determinations of water availability are made at the original source intake location. It is the responsibility of the Oil and Gas Operator, not the seller, to cease withdrawal of water from the seller when flows are less than the minimum gauge reading at the stream gauge referenced by the Water Management Plan in order to protect stream uses.

Note that the determinations made herein are based on the best available data, but it is impossible to predict water availability in the future. While the DEP has carefully established these minimum withdrawal thresholds, it remains the operator's responsibility to protect aquatic life at all times. Approval to withdrawal is contingent upon permission from the land owner. It is the responsibility of the operator to secure and maintain permission prior to any withdrawals.

The operator is reminded that 24-48 hours prior to withdrawing (or purchasing) water, DEP must be notified by email at DEP.water.use@wv.gov.

APPROVED DEC 0 3 2013

Source Summary

WMP-01650

API Number:

047-049-02278

Operator:

Trans Energy Inc.

Michael 1H

Stream/River

· Source Ohio River @ J&R Excavating Marshall

Owner:

J&R Excavating

Start Date

End Date

Total Volume (gal)

Max. daily purchase (gal)

Intake Latitude

Intake Longitude:

6/15/2014

6/15/2015

6,300,000

39.998509

-80.737336

Regulated Stream?

Ohio River Min. Flow Ref. Gauge ID:

9999999

Ohio River Station: Willow Island Lock & Dam

Max. Pump rate (gpm):

2,940

Min. Gauge Reading (cfs):

6,468.00

Min. Passby (cfs)

DEP Comments:

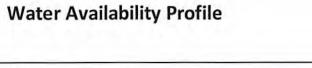
Refer to the specified station on the National Weather Service's Ohio River forecast

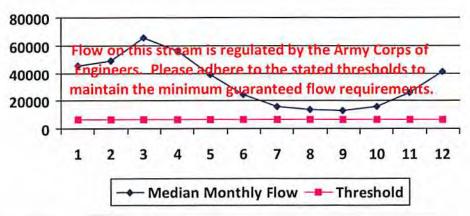
website: http://www.erh.noaa.gov/ohrfc//flows.shtml

Source Detail

WMP-01650	API/ID Number:	047-049-02278	Operator: Trans Er	nergy Inc.
	Mic	chael 1H		
ource ID: 30519 Source Nam	e Ohio River @ J&R Excavati	ng	Source Latitude: 39.	998509
	J&R Excavating		Source Longitude: -80	.737336
Drainage Area (sq. mi.): ☐ Endangered Species? ☐ Trout Stream? ☐ ☐	30106 25000 County: Mussel Stream? Fier 3? To River Min. Flow	Marshall	Anticipated withdrawal start date: Anticipated withdrawal end date: Total Volume from Source (gal): Max. Pump rate (gpm): Max. Simultaneou Max. Truck pump ra	
Reference Gaug 999 Drainage Area (sq. mi.)	9999 Ohio River Station: 25,000.00	Willow Island Lock	& Dam Gauge Threshold (cfs):	6468

Month	Median monthly flow (cfs)	Threshold (+ pump	Available water (cfs)
1	45,700.00	*	
2	49,200.00	1.0	4
3	65,700.00		
4	56,100.00		-
5	38,700.00	+1	+
6	24,300.00	141	9
7	16,000.00	141	4
8	13,400.00	le.	4
9	12,800.00	(+)	18
10	15,500.00		
11	26,300.00	1+	+
12	41,300.00	1	4





Water Availability Assessment of Location

Ungauged Stream Safety (cfs):	0.00
Headwater Safety (cfs):	0.00
Pump rate (cfs):	6.55
Downstream Demand (cfs):	0.00
Upstream Demand (cfs):	0.00
Base Threshold (cfs):	-

"Threshold", as depicted in the chart above is meant only to indicate the calculated base threshold at the proposed withdrawal location. This value does not include the proposed pump rate or existing demand on the stream. Refer to the monthly breakdown above for a more complete estimation of water availability by month.

west virginia department of environmental protection



Water Management Plan: Secondary Water Sources



WMF 01650

API/ID Number

047-049-02278

Operator:

Trans Energy Inc.

Michael 1H

Important:

For each proposed secondary water source identified in your water management plan (i.e., groundwater well, lake/reservoir, recycled frac water, multi-site impoundment, out-of-state source), DEP makes no estimation of the availability of water. These sources may prove to be unsuitable water supplies. Please review the following notes:

- For groundwater supply wells, DEP recommends that the operator contact the local health department prior to drilling any new well; and reminds the operator that all drinking water wells within 1,500 feet of a water supply well shall be flow- and quality-tested by the operator at the request of the drinking well owner prior to operation of the water supply well.
- For each proposed multi-site impoundment water source identified in your water management plan (if applicable), DEP will review the withdrawal limits established in the referenced Water Management Plan for current suitability and provide to the operator these limits for each identified intake. Note that withdrawal limits may be modified as necessary based on changing demands upon that water supply.

Lake/Reservior

Source ID: 30521 Source Name

Mannington Water Supply Dam (WV04921)

Source start date:

6/15/2014

City of Mannington

Source end date:

6/15/2015

Source Lat:

39.532404

Source Long:

-80.36676

County

Marion

Max. Daily Purchase (gal)

Total Volume from Source (gal):

6,300,000

DEF Comments:

WMP 01650 API/ID Number 047-049-02278 Operators Trans Energy Inc.

Michael 1H

Important:

For each proposed secondary water source identified in your water management plan (i.e., groundwater well, lake/reservoir, recycled frac water, multi-site impoundment, out-of-state source), DEP makes no estimation of the availability of water. These sources may prove to be unsuitable water supplies. Please review the following notes:

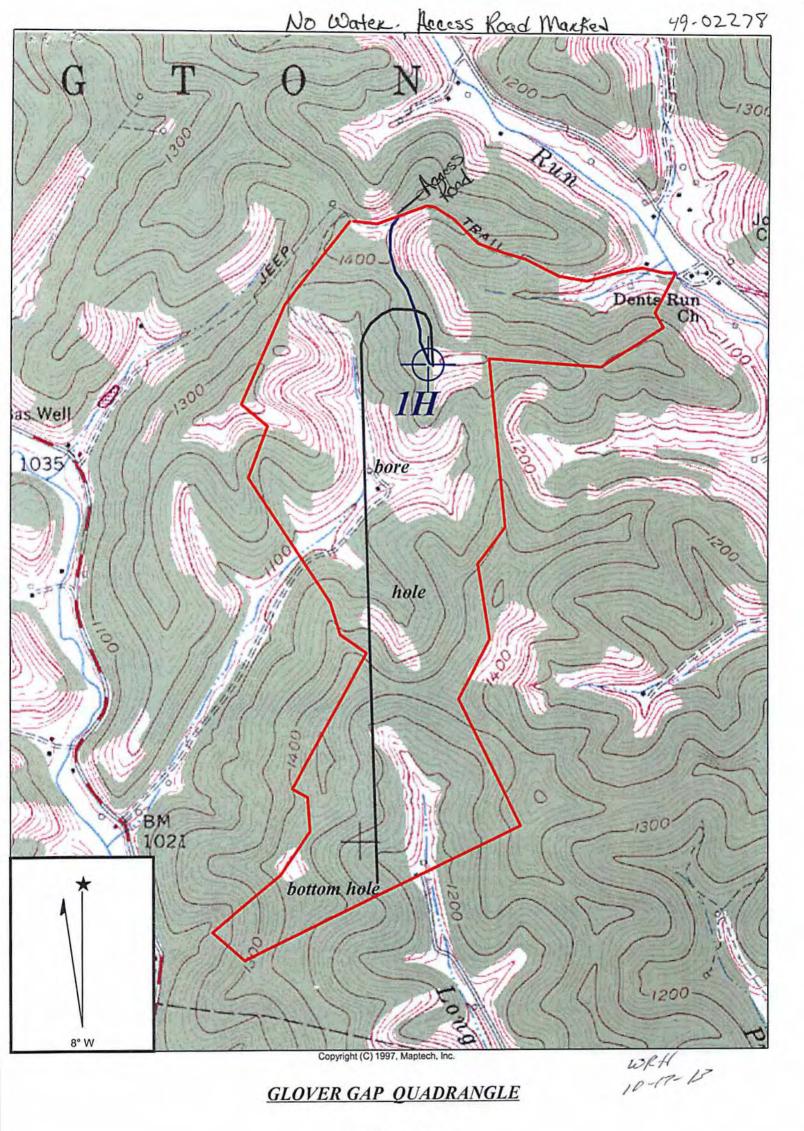
- •For groundwater supply wells, DEP recommends that the operator contact the local health department prior to drilling any new well; and reminds the operator that all drinking water wells within 1,500 feet of a water supply well shall be flow- and quality-tested by the operator at the request of the drinking well owner prior to operation of the water supply well.
- •For each proposed multi-site impoundment water source identified in your water management plan (if applicable), DEP will review the withdrawal limits established in the referenced Water Management Plan for current suitability and provide to the operator these limits for each identified intake. Note that withdrawal limits may be modified as necessary based on changing demands upon that water supply.

Source ID: 30523 Source Name Upper Buffalo No. 16 Dam (WV04928) Source start date: 6/15/2014
Source end date: 6/15/2015

Source Lat: 39.545545 Source Long: -80.387961 County Marion

Max. Daily Purchase (gal) Total Volume from Source (gal): 6,300,000

DEP Comments: Also known as Dent's Run Dam



SCALE 1" = 1000'

TRANS ENERGY, INC.

WELL: MICHAEL 1 H MICHAEL, ET AL +/- 386.5 ACRE UNIT

03/14/2014 RECEIVED Office of Oil and Gas OCT 222013 WV Department of MICHAEL, ET AL +/- 586.5 ACKE UNITED VV Department of

MANNINGTON DISTRICT MARION COUNTY WEST VIRGINIA DEPARTMENT OF

