

#### 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

April 21, 2014

# WELL WORK PERMIT

#### Horizontal 6A Well

This permit, API Well Number: 47-4902283, 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: JONES 3H

Farm Name: JONES, ROBERT

API Well Number: 47-4902283

Permit Type: Horizontal 6A Well

Date Issued: 04/21/2014

API Number: 49-02283

### 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 conditions may result in enforcement action.</u>

#### **CONDITIONS**

- 1. This proposed activity may require permit coverage from the United States Army Corps of Engineers (USACE). Through this permit, you are hereby being advised to consult with USACE 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 Operator: Trans Ene                                       | rgy Inc                             | 494481575               | Marion   | Mannington      | Glover Gap                          |
|---|-------------------------------------|-------------------------|--|-----------------|-------------------------------------|
| i) well operator.   |                                     | Operator ID             | County   | District        | Quadrangle                          |
| 2) Operator's Well Number: Jon                                    | es 3H                               | Well Pa                 | d Name: Jone   | es              |                                     |
| 3) Farm Name/Surface Owner:                                       | Robert Jones                        | Public Roa              | ad Access: R   | t 4/3           |                                     |
| 5) Well Type (a) Gas  | 0.11                                | Elevation, proposed Und | post-construction post-constru |                 |                                     |
| 1-7-1-1-1   | llow                                | Deep                    |  |                 |                                     |
| 6) Existing Pad: Yes or No Yes                                    |                                     |                         | - 10   |                 |                                     |
| 7) Proposed Target Formation(s) Marcellus Shale 7900' 60' thick   |                                     | icipated Thickness      | and Associate  | ed Pressure(s)  | :                                   |
| 8) Proposed Total Vertical Depti                                  | h: 7900'                            |                         |  |                 |                                     |
| 9) Formation at Total Vertical D                                  |                                     | s Shale                 |  |                 |                                     |
| 10) Proposed Total Measured Do                                    | epth: 11,950'                       |                         |  |                 |                                     |
| 11) Proposed Horizontal Leg Le                                    | ngth: 4,050                         |                         |  |                 |                                     |
| 12) Approximate Fresh Water S                                     | trata Depths:                       | 60, 150'                |  |                 |                                     |
| 13) Method to Determine Fresh                                     | Water Depths:                       | Water Wells drilled     | in the County, i   | information pro | ovided by Health Dept.              |
| 14) Approximate Saltwater Dept                                    | ths: 1525'                          |                         |  |                 |                                     |
| 15) Approximate Coal Seam De                                      | pths: N/A                           |                         |  |                 |                                     |
| 16) Approximate Depth to Possi                                    | ible Void (coal                     | mine, karst, other):    | N/A  |                 |                                     |
| 17) Does Proposed well location directly overlying or adjacent to | n contain coal so<br>an active mine | eams<br>? Yes           | 1  | No 🗸            |                                     |
| (a) If Yes, provide Mine Info:                                    | Name:                               |                         |  |                 |                                     |
| ***   | Depth:                              |                         |  |                 | RECEIVED                            |
|   | Seam:                               |                         |  | Offic           | e of Oil and Gas                    |
|   | Owner:                              | 04                      |  |                 | APR 0 3 2014                        |
|   |                                     | what<br>3-31-14         |  | Envi            | V Department of romental Protection |

Page 1 of 3

WW-6B (9/13)

18)

### CASING AND TUBING PROGRAM

| TYPE         | Size   | New<br>or<br>Used | Grade | Weight per ft. (lb/ft) | FOOTAGE: For Drilling | INTERVALS:<br>Left in Well | CEMENT:<br>Fill-up (Cu.<br>Ft.) |
|--------------|--------|-------------------|-------|------------------------|-----------------------|----------------------------|---------------------------------|
| Conductor    | 20     | new               | J-55  | 94                     | 110'                  | 110'                       | CTS                             |
| Fresh Water  | 13-3/8 | new               | J-55  | 54.5                   | 1000'                 | 1000'                      | CTS                             |
| Coal         | 1      |                   |       |                        |                       |                            |                                 |
| Intermediate | 9-5/8  | new               | J-55  | 36                     | 3000'                 | 3000'                      | CTS                             |
| Production   | 5-1/2  | new               | P-110 | 20                     |                       | 11,950'                    | CTS                             |
| Tubing       |        |                   |       |                        |                       |                            |                                 |
| Liners       |        |                   |       |                        |                       |                            |                                 |

WRH 3-31-14

| TYPE         | Size   | Wellbore<br>Diameter | Wall<br>Thickness | Burst Pressure | Cement Type   | Cement Yield<br>(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              | 1360           | Poz H Class H | 1.18 cu ft/sk               |
| Tubing       |        |                      |                   |                |               |                             |
| Liners       |        |                      |                   |                |               |                             |

# PACKERS

| Kind:       |  |  |
|-------------|--|--|
| Sizes:      |  |  |
| Depths Set: |  |  |

WW-6B (9/13)

| 19) Describe proposed well work, including the drilling and plugging back of any   | y pilot hole:                     |
|--|-----------------------------------|
| Drill and Complete horizontal well in the Marcellus Shale. Lateral to be approximately 50 circumstance will drilling penetrate below elevation (at 1042') before freshwater casing is  | 00' in length. Under no           |
|  |                                   |
|  |                                   |
|  |                                   |
| 20) Describe fracturing/stimulating methods in detail, including anticipated max   |                                   |
| Fracture 17-21 stages with Proppant: 150,000 of 100 mesh sand 80,000 of 20/40 white s Fluid summary: 1,500 of 15% HCL, 412,665 of Slickwater I, 11,000 Slickwater II.  | and, 169,998 of 40/70 white sand. |
| Max Pressure =10,000 psi Max Rate = 100 bbl./min.  |                                   |
| Max Rate - 100 bbi./min.   |                                   |
|  |                                   |
| 21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres):  | As Built                          |
| 22) Area to be disturbed for well pad only, less access road (acres):  | As Built                          |
| 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 <sub>2</sub> + Y4# Flake - Surface Cement mixed @ 15.6 ppg CaCl <sub>2</sub> , Flake (cells Type 1 = 2% CaCl <sub>2</sub> + Y4# Flake - Intermediate Cement mix @ 15.6 ppg  Class H in lateral - retarder and fluid loss and free water additive | ophane flake)                     |
| 25) Proposed borehole conditioning procedures:   |                                   |
| Before cement casing mud will be thinned and all gas will be circulated out of the mud be  | fore cementing.                   |
|  | RECEIVED                          |
|  | Office of Oil and Gas             |
|  | APR 0 3 2014                      |
|  | WV Department of                  |
| *Note: Attach additional sheets as needed.   | Environmental Protection          |
|  | Page 3 of 3                       |

04/25/2014

# **WELLBORE SCHEMATIC**

Well Name:

Jones 3H

**County:** 

Marion

Latitude:

39.585741

Longitude:

-80.427155

TVD:

7,900'

TD:

11,950'

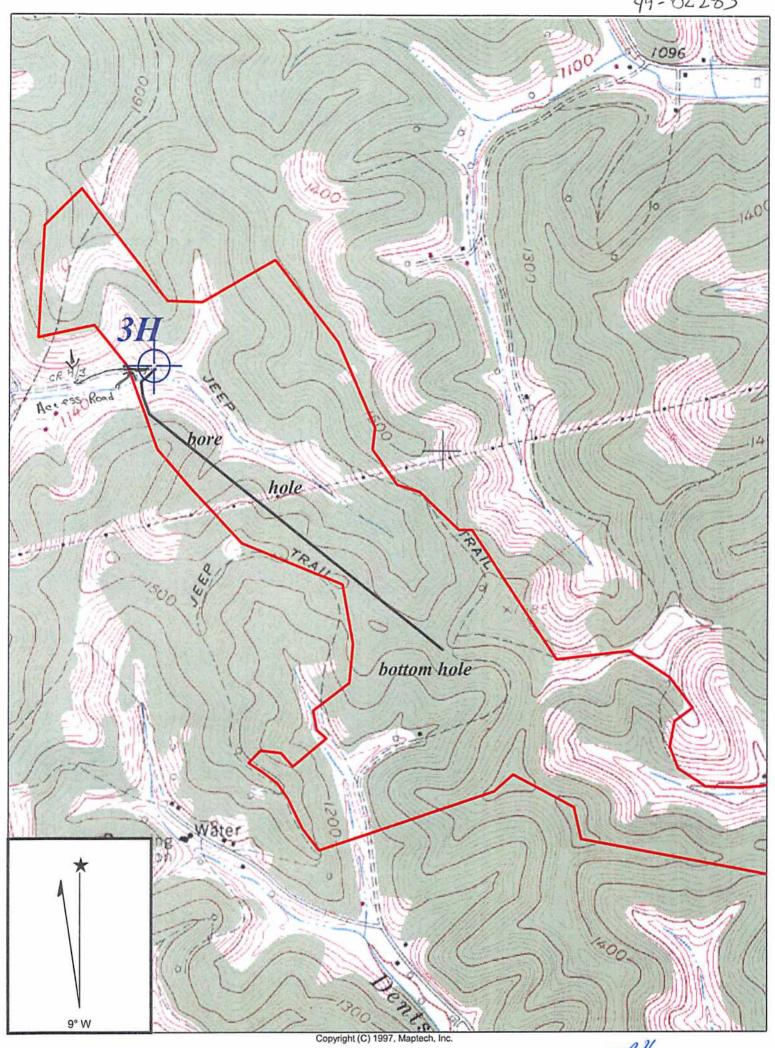
| Type of Casing | <u>Size</u> | <b>Footage</b> |
|----------------|-------------|----------------|
| Conductor      | 20"         | 100'           |
| Fresh Water    | 13-3/8"     | 850'           |
| Intermediate   | 9-5/8"      | 3,000'         |
| Production     | 5-1/2"      | 11.950'        |

# 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) Eastern   | n Branch of Bartholomew Fork  | Quadrangle Glover Gap  |
| Elevation 1042   | County Marion   | District Mannington  |
| Do you anticipate using more Will a pit be used? Yes   | than 5,000 bbls of water to complete  | the proposed well work? Yes No   |
|  | anticipated pit waste:  |  |
| Will a synthetic liner   | be used in the pit? Yes No  | lo If so, what ml.?  |
| Proposed Disposal N  | lethod For Treated Pit Wastes:  |  |
|  | nd Application  |  |
|  | derground Injection ( UIC Permit Nu<br>use (at API Number   | umber  |
| Off  | Site Disposal (Supply form WW-9)  | for disposal location)   |
| Oti  | ner (Explain All frac fluids will be flowed back into sto   | orage containers and Buckeye Water Service Company will haul to an approved water disposal facilities  |
| Will closed loop system be us  | ed? If so, describe;yes   |  |
| Drilling medium anticipated f  | or this well (vertical and horizontal)?   | Air, freshwater, oil based, etc. Freshwater mud until reaching Marcellus then synthetic  |
|  | pe? Synthetic, petroleum, etc.Synthetic   |  |
| Additives to be used in drillin  |   |  |
|  |   | ata All cuttings will be hauled to approved landfill   |
|  |   | site, etc. All cuttings will be hauled to approved landfill  |
|  | to solidify what medium will be use   |  |
| -Landfill or offsite na  | nme/permit number?Short Creek Landfill  | I SWF - 1034   |
| on August 1, 2005, by the Off<br>provisions of the permit are el<br>law or regulation can lead to e<br>I certify under pena<br>application form and all atta<br>obtaining the information, I | rice of Oil and Gas of the West Virgin<br>enforceable by law. Violations of an<br>enforcement action.<br>Ity of law that I have personally ex-<br>achments thereto and that, based or | ditions of the GENERAL WATER POLLUTION PERMIT issued an Department of Environmental Protection. I understand that the system or condition of the general permit and/or other applicable samined and am familiar with the information submitted on this in my inquiry of those individuals immediately responsible for accurate, and complete. I am aware that there are significant of fine or imprisonment. |
| Company Official (Typed Na   | me) Leslie Gearhart   |  |
| Company Official Title VP C  |   |  |
|  |   | , di   |
| Subscribed and sworn before  Debra A Martin  | me this 12th day of   | OFFICIAL SEAL STATE OF WEST VIRGINIA   |
| 1  | 7   | Debra A. Martic  |
| My commission expires  | Done when If 2020   | St. Mary's, WV 26)4/25/20  |
|  |   | My Commission Expires Nov. 29, 200   |

| Form WW-9                   |                         | Operator's V            | vell No. Jones 3H |
|-----------------------------|-------------------------|-------------------------|-------------------|
| Trans Energy Inc            |                         | operator 3              |                   |
| Proposed Revegetation Trea  | atment: Acres Disturbed |                         | н                 |
| Fertilizer type             |                         |                         |                   |
| Fertilizer amount           | 300                     | lbs/acre                |                   |
| Mulch 90 Bale               |                         | Tons/acre               |                   |
|                             |                         | Seed Mixtures           |                   |
| T                           | emporary                | Perm                    | anent             |
| Seed Type<br>Meadow Mix     | lbs/acre<br>100         | Seed Type<br>Meadow Mix | lbs/acre<br>100   |
| Oats or Rye                 | 50                      | Oats or Rye             | 50                |
| Photocopied section of invo |                         |                         |                   |
| Comments:                   | Can ff graters          |                         |                   |
|                             |                         |                         |                   |
|                             |                         |                         |                   |
|                             |                         |                         |                   |
|                             |                         |                         | 69.               |
|                             |                         |                         | obio d            |
| Title: Environe Sta         | 1 Inspector             | Date: 11-13-13          | Cocino P          |



GLOVER GAP QUADRANGLE

SCALE 1" = 1000"

# TRANS ENERGY, INC.

WELL: JONES 3H 411.355 ACRE UNIT R. JONES, ET AL

Office of Oil and Gas

REC04/25/2014

APR 0 3 2014

WV Department of MANNINGTON DISTRICT MARION COUNTY WEST VIRGINIA Protection

