

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

January 08, 2015

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-5101773, issued to CHEVRON APPALACHIA, 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: CONNER 8H

Farm Name: KNABENSHUE, SARAH J. ET AL

API Well Number: 47-5101773

Permit Type: Horizontal 6A Well

Date Issued: 01/08/2015

API Number: 051-01773

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.
- 9. Operator shall provide the Office of Oil & Gas notification of the date that drilling commenced on this well. Such notice shall be provided by sending an email to DEPOOGNotify@wv.gov within 30 days of commencement of drilling.

WW-6B (9/13)

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

1) Well Operator: Chevron App	alachia, LLC	49449935	Marshall	Clay	Businessburg, WV 7.5'
i) wen operator.		Operator ID	County	District	Quadrangle
2) Operator's Well Number: 8H	~	Well Pag	l Name: Con	ner	
3) Farm Name/Surface Owner: C	Conner	Public Roa	d Access: Co	unty Hwy 88	3/6 (Kull Lane)
4) Elevation, current ground: 1	220' E	levation, proposed	post-construc	tion: 1220'	
5) Well Type (a) Gas		Und			
Other					
(b)If Gas Shall	low _	Deep			s.
Hori	zontal		De	8/19/14	ſ _
6) Existing Pad: Yes or No Yes					
7) Proposed Target Formation(s) Marcellus, 6323', 49'/0.65 psi/		cipated Thickness	and Associate	d Pressure(s	s):
8) Proposed Total Vertical Depth	1: 6,329'				
9) Formation at Total Vertical De	epth: Marcellus	\$			
10) Proposed Total Measured De	epth: 13,390'				
11) Proposed Horizontal Leg Lei	ngth: 6,559'				
12) Approximate Fresh Water St	rata Depths:	80',230'			
13) Method to Determine Fresh	Water Depths:	Local stream base/0	Conner 4H Pilot	/offset operat	ors
14) Approximate Saltwater Dept	ths: _3362'				
15) Approximate Coal Seam De	pths: 752'				
16) Approximate Depth to Possi		mine, karst, other):	None Anticipa	ited, Well t	oores are located
17) Does Proposed well location			in an inter isee coal	ior barri exhibit	er pillar
directly overlying or adjacent to	an active mine	? Yes ✓		No	
(a) If Yes, provide Mine Info:	Name: Ire	land Mine			
	Depth: 75	2'			
:	Seam: Pit	isburgh No 8 Coal S	eam		
Received	-	NSOL Energy		*	
Office of Oil & Gas					

11-1-29 1014

WW-6B (9/13)

18)

CASING AND TUBING PROGRAM

TYPE	Size	New	Grade	Weight per ft.	FOOTAGE: For	INTERVALS:	CEMENT:
		or Used		(lb/ft)	Drilling	Left in Well	Fill-up (Cu. Ft.)
Conductor	30"	New			40'	40'	CTS
Fresh Water	13-3/8"	New	J-55	54.5#	323'	323'	CTS
Coal							
Intermediate	9-5/8"	New	N-80	40#	2,157'	2,157'	CTS
Production	5.5"	New	P-110	20#	13,390'	14,118'	CTS
Tubing							
Liners							



TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	30"	36"				
Fresh Water	13-3/8"	17.5	0.380"	2,730 psi	Class A	1.18
Coal						
Intermediate	9-5/8"	12.25	0.395	5,750 psi	Class A	1.29
Production	5.5"	8.5	0.361	12,640 psi	Class A	2.2
Tubing						
Liners						

PACKERS

Kind:	
Sizes:	4
Depths Set:	Received
	SEP 12 7814

Office of Oil and Gas
WV Dept. ol Environmental Protection

WW-6B (9/13)

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:
Drill 17.5" hole to 323' then run and cement 13-3/8"" casing to surface covering the fresh water. Drill 12.25" hole 2157' then run and cement to surface 9 5/8" casing. Drill 8 1/2" hole to KOP. Drill 8 1/2" curve and lateral to 14,118' MD and 6,329' TVD. Run 5 1/2" production casing and cement back to surface.
20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:
Chevron will utilize plug and perf method with 42 stages using 8,572 bbl of fluid and 315,000 lbm of sand per stage
21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 9.9 ac
22) Area to be disturbed for well pad only, less access road (acres): 3.8 ac
23) Describe centralizer placement for each casing string:
There will be a bow spring centralizer every two jts on the Water string and intermediate. The production string will have two centralizer every it in the lateral and curve, then one every two jts from KOP to surface.
Contrained overy jein the lateral and out of their one overy two jet new view to entered
24) Describe all cement additives associated with each cement type:
The Water String blend will contain class A cement, 3% CaCl2, and flake. The intermediate will contain class A cement, 10% CaCl2, Salt, and flake. The Production cement will have a lead and tail cement. The lead will contain class A cement, KCl, dispersant, suspension agent, and retarder. The tail will contain class A cement, Calcium Carbonate, KCl, dispersant, de-foamer, suspension agent, and friction reducer.
25) Proposed borehole conditioning procedures:
Well will be circulated a minimum of 3 bottoms up once casing point has been reached on all hole sections and until uniform
mud properties are achieved.
SEP 1 2 2014

*Note: Attach additional sheets as needed.

Office of Oil and Gas WV Dept. of Environmental Protection

Scenario-1: Marcellus well drilled first as Pilot well:

- a. If a void is encountered, we will drill ahead to min 30' or max 50' below mine void and stop drilling.
 - Notify DEP Inspector and obtain permit/ approval to plug back hole. The plugback procedure will be as follows:
 - o Trip in hole with 2-7/8" tubing cement stinger to 20' above top of void.
 - o Mix and pump cement to fill rat hole below void. Trip out of hole and lay down tubing
 - o Trip in hole with Open Hole Packer and set at 20' above top of void. Test packer.
 - Trip out of hole and lay down packer running tool
 - o TIH w/ 2-7/8" tubing to 5'+/- from top of packer
 - o Mix and pump 15.6pgg cement on top of packer and fill hole to within 10' from surface.
 - o Trip out of hole and lay down tubing.
 - Nipple down BOPE and related equipment
 - o Cut casing, lay wellhead and casing cut piece
 - o Weld on steel plate to cover casing
 - o Rig down and skid rig to next well. Note: Cellar ring removal, cellar filling and installation of land mark will be done later

The rest wells original plan will be revised to incorporate a coal casing string as follows:

b. Marcellus Wells Contingency Casing Plan:

- Drill 26" hole to 330' (min 50' or max 150' beyond freshwater zone)
- Run 20" 94.5# J-55 BTC casing
- Cement casing to surface using displacement method with 30% excess
- Drill 17-1/2" hole to 800' (min 30'or max 50 beyond mine void)
- Run 13-3/8" 54.5# J-55 BTC casing with cement basket 20' above mine void
- Cement casing using displacement method to bottom of mine void using 100% excess
- Grout from surface to cement basket using whatever volume of cement necessary to get cement to surface
- Drill 12-1/4" hole to 2,157' (50' below the base of the Burgoon)
- Run 9-5/8" 40# N-80 BTC casing to isolate shallow gas sand and salt water zones
- Cement casing to surface using displacement method with 30% excess
- Drill 8-1/2" production hole to TD
- Run 5 ½" 20# P-110 VA Superior production casing to TD
- Cement casing to surface using displacement method with 10% excess

Fleceived

SEP 1 2 2014

Scenario-2: Drilling String/ Bottom Hole Assembly Stuck during drilling: Office of Oil and Gas

If the drill string/BHA gets stuck during drilling operation:

WV Dept. of Environmental Protection

- Make all necessary effort and attempt to free the drill string/BHA.
- If all effort and attempts proves unsuccessful, will notify WV DEP Inspector of situation and obtain verbal and/or email approval to plug hole back with cement plug(s) and sidetrack well
- Cement plug(s) will be set as needed to the desired depth adequate for successful sidetrack of well without compromising anti-collision with the original hole and ghost well(s)/adjacent wells on the same pad
- Cement plug(s) additives will contain Class H cement, KCl, Dispersant, Anti-Foam, and Retarder.
- o Trip in hole with Drilling Bottom Hole Assembly
- Dress/drill cement to proposed kick off point
- Kick off and sidetrack well and directionally drill sidetrack well to original casing point

CEMENT ADDITIVES

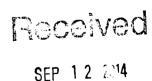
The Water String blend will contain class A cement, 3% CaCl2, and flake.

The intermediate will contain class A cement, 10% CaCl2, Salt, and flake.

The Production cement will have a lead and tail cement.

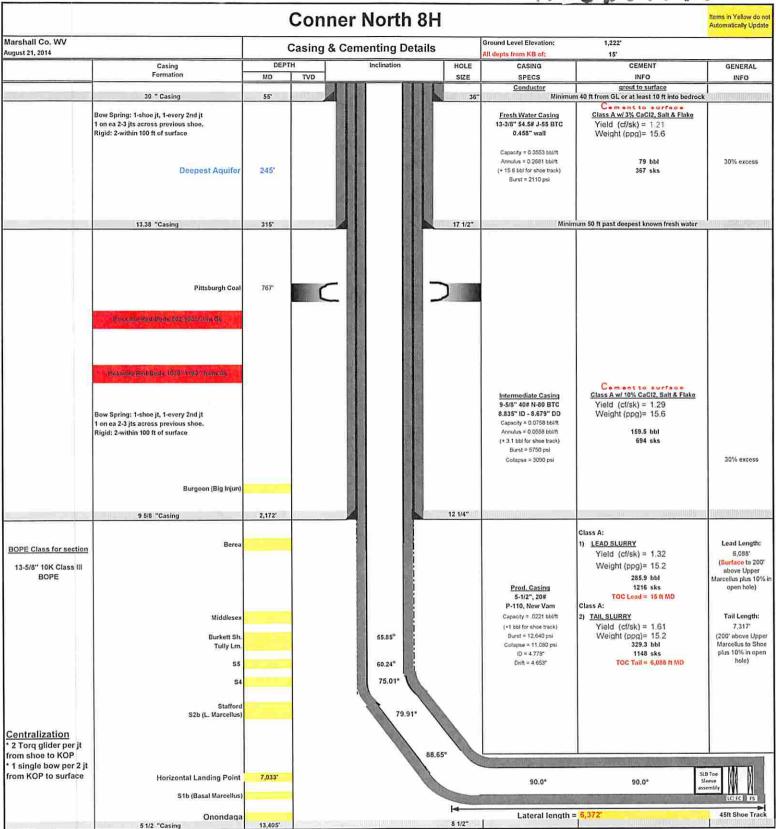
The lead will contain class A cement, KCI, dispersant, suspension agent, and retarder.

The tail will contain class A cement, Calcium Carbonate, KCl, dispersant, de-foamer, suspension agent, and friction reducer.



Office of Oil and Gas
WV Dept. of Environmental Protection

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Received

SEP 1 2 2014

Office of Oil and Gas WV Dept of Environmental Protection WW-9 (9/13)

API Number 47 -		
Operator's We	ell No. 8H	

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

EDGIDG/ COTTINGS DISTORAL CONSERVATION FOR THE
Operator Name Chevron Appalachia, LLC OP Code 49449935
Watershed (HUC 10) Middle Grave Creek - Grave Creek Quadrangle Businessburg, WV 7.5'
Elevation 1220' County Marshall District Clay
Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes No Will a pit be used? Yes No
If so, please describe anticipated pit waste:
Will a synthetic liner be used in the pit? Yes No If so, what ml.?
Proposed Disposal Method For Treated Pit Wastes:
Land Application 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: The Chilings are then prepared for transportation to another Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. Vertical on Air, Horizontal on Oil Based
-If oil based, what type? Synthetic, petroleum, etc. Synthetic
Additives to be used in drilling medium? Fluid loss control, emulsifier, and shale stabilizer
Percent Official
-If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) N/A
-Landfill or offsite name/permit number? Arden Landfill - Permit # - PA DEP 100172
I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.
Company Official Signature (IMM MUNALLY) Received
Company Official (Typed Name) Anna Shumaker Office of Oil & Gas
Company Official Title Permitting Coordinator DEC 2 9 2014
Subscribed and sworn before me this 12 day of August , 20 14 COMMONWEALTH OF PENNSYLVANIA Thomas Basinger Notary Public THOMAS BASINGER Notary Public CONNELLSVILLE GITY FAYETTE ONTY My commission expires 9/24/2017 01/09/201

Form WW-9 Operator's Well No. 8H Chevron Appalachia, LLC Prevegetation pH 6.5-7.0 Proposed Revegetation Treatment: Acres Disturbed 16.0 Tons/acre or to correct to pH 10-20-20 Fertilizer type Fertilizer amount 1,000 lbs/acre Mulch 3 Tons/acre Seed Mixtures Temporary Permanent Seed Type lbs/acre Seed Type lbs/acre Annual Ryegrass Mixture (Lolium Multigorum) - 10 LB per acre Perennial Ryegrass Mixture (Iolium Perenne) -10 lb per acre Creeping Red Fescue or Chewing Fescue - 10 lb per acre Kentucky Bluegrass Mixture (POA Pratensis) - 10 lb per acre Attach: Drawing(s) of road, location, pit and proposed area for land application (unless engineered plans including this info have been provided) Photocopied section of involved 7.5' topographic sheet. Plan Approved by:___ Comments: Title: Oil & Cox (uspector Date: 8/19/14 WV Dept. of Environmental Protection Field Reviewed?

CHEVRON APPALACHIA, LLC



West Virginia Well Site Safety Plan

Conner Site Well 8H Marshall County, West Virginia

Prepared in Conformance with:

West Virginia's Code §22-6A and Legislative Rule §35-8-5.7 and

West Virginia Department of Environmental Protection's, Office of Oil and Gas documents: "Well Site Safety Plan Standards" (issued August 25, 2011), and "Deep Well Drilling Procedures and Site Safety Plan Requirements" (issued October 22, 2012)

gw 8/19/14

Revision 1

Original: September 2012

Revised: June 2013

Revised: May 2014

Received

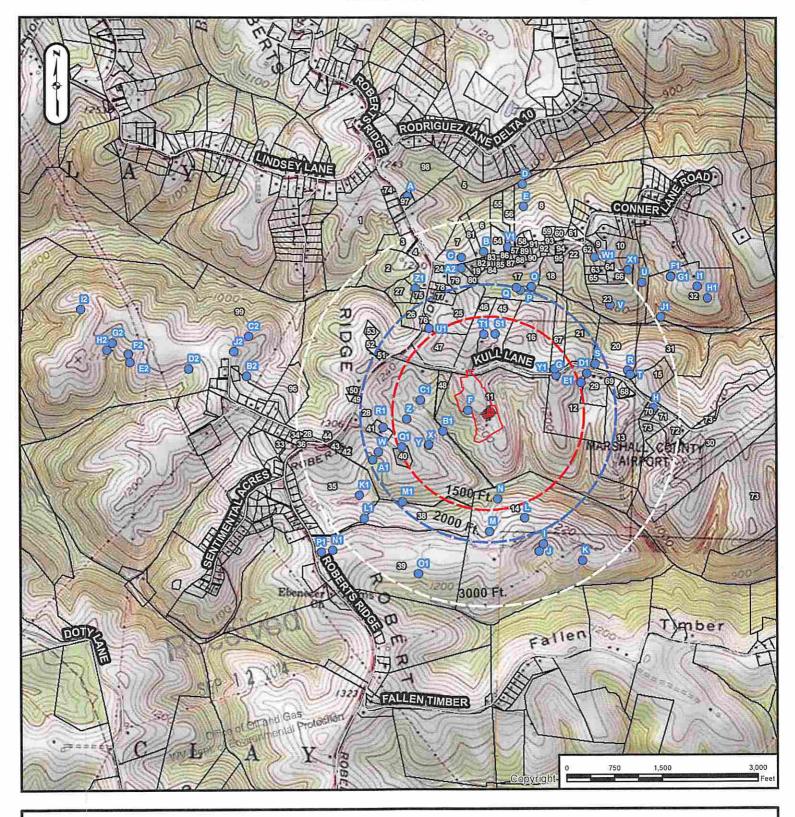
SEP 1 2 214

Office of Oil and Gas WV Dept. of Environmental Protection

01/09/2015

Date: 6/2/2014

WATER SUPPLY EXHIBIT 47 051 917 CONNER Blue Mountain Inc.



SURFACE OWNER: SARAH KNABENSHUE, ET AL

OIL/GAS OWNER: HOWARD BONAR CONNER, ET AL

WELL OPERATOR: CHEVRON APPALACHIA, LLC

ADDRESS: 800 MOUNTAIN VIEW DRIVE

SMITHFIELD, PA 15478

PHONE: 724-564-3700

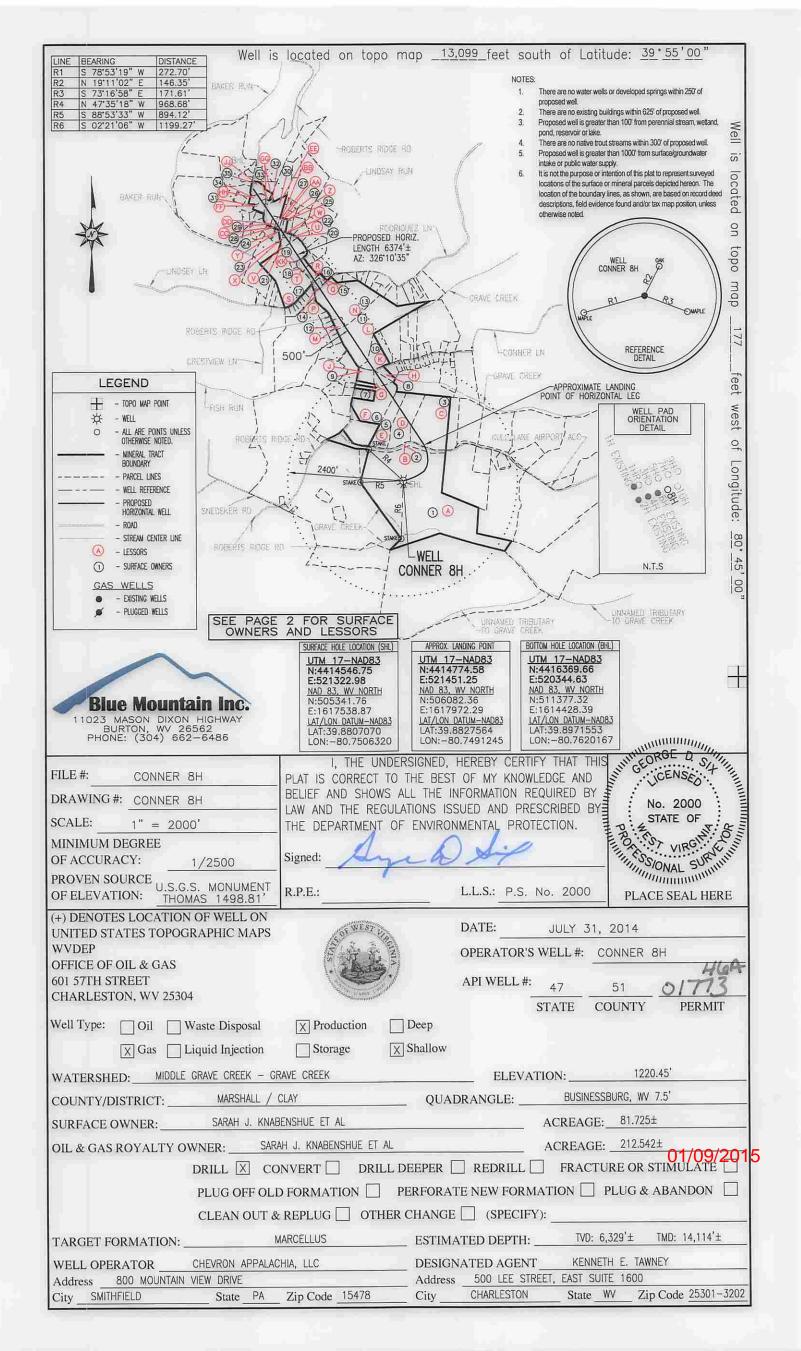
COUNTY: MARSHALL

DISTRICT: CLAY

SURVEYOR: BLUE MOUNTAIN INC.

ADDRESS: 11023 MASON DIXON HIGHWAY 11023 IVIASO.. _ BURTON, WV 26562 01/09/2015

PHONE: 304-662-6486



CONNER 8H PAGE 2 OF 2

	SURFACE OWNER	DIST-TM/PAR
1	SARAH J. KNABENSHUE ET AL	4-5/55
2	W VA DEPT OF HIGHWAYS	4-5/65
3	SARAH J. KNABENSHUE ET AL	4-5/56
4	CLEMENT R. & NANCY L. SHUTLER	4-5/56.3
5	CLEMENT R. SHUTLER ET UX	4-5/56.2
6	SIDNEY L. RAPER ET UX	4-5/60
7	JILL L. KULAVIK	4-5/59
8	HILDA M. BLAKE	4-5/58
9	*DANIEL E. HOLMES	4-5/60.1
10	JAMES COFER ET UX	4-5/25
11	LOREN F. CECIL ET UX - LIFE	4-5/24
12	LOREN F. CECIL ET UX - LIFE	4-5/21.2
13	LOREN F. CECIL ET UX - LIFE	4-5/21
14	WYNN T. MURPHY ET UX	4-2/29.2
15	WYNN T. MURPHY ET UX	4-2/29.4
16	NORMA LEE CHAMBERS	4-2/29.8
17	JOSEPH L. & CHRISTEN R. BLAKE	4-2/27
18	DONNIE K. MASTERS ET UX	4-2/28
19	*ALLEN NORMAN	4-2/27.1
20	DOLLYE GUZEK	4-2/26
21	WILLIAM L. WILSON	4-2/26.1
22	WILLIAM L. WILSON	4-2/25
23	WILLIAM L. WILSON	4-2/24.1
24	*WILLIAM L. WILSON	4-2/24.2
25	JACQUELINE K. HINERMAN	4-2/33
26	MARY C. KLUG	4-2/38
27	ERIC D. & TAMMY S. RIDING	4-2/38.1
28	ERIC D. & TAMMY S. RIDING	4-2/34
29	ALEX S. RICH ET UX	4-2/35
30	ALEX S. RICH ET UX	4-2/37
31	CARL L. ELLER ET UX	4-2/20.3
32	*RIKKI A. SEEVERS	4-2/36
33	RIKKI A. SEEVERS	4-2/37.2
34	JOSEPH M. KOVALCIK ET UX	4-2/20.4
35	ROBERT A. JAMES ET UX	4-2/39

	LESSOR			
A	HOWARD BONAR CONNER ET AL			
В	HOWARD T. CONNER			
	SARAH J. KNABENSHUE			
	MARY L. WHITTINGTON			
С	HOWARD BONAR CONNER ET AL			
D	R. A. CLEMENT & NANCY L. SHUTLER			
E	R. A. CLEMENT & NANCY L. SHUTLER			
F	SIDNEY L. RAPER			
G	THOMAS M. & JILL L. KULAVIK			
H	HILDA M. BLAKE			
J	*DANIEL E. HOLMES			
K	JAMES & ROBERTA COFER			
L	LOREN F. & PHYLLIS M. CECIL ET AL			
M	LOREN F. & PHYLLIS M. CECIL ET AL			
N	LOREN F. & PHYLLIS M. CECIL ET AL			
Р	WYNN T. & NANCY K. MURPHY			
Q	WYNN T. & NANCY K. MURPHY			
R	NORMA LEE CHAMBERS			
S	JOSEPH L. & CHRISTEN R. BLAKE			
T	DONNIE K. MASTERS			
U	DOLLYE GUZEK			
٧	WILLIAM L. & ANN L. WILSON			
W	WILLIAM L. & ANN L. WILSON			
X	WILLIAM L. & ANN L. WILSON			
Υ	*WILLIAM L. & ANN L. WILSON			
Z	JOHN S. & CYNTHIA M. MCCUTCHEON			
AA	MARY C. KLUG			
BB	ERIC D. & TAMMY S. RIDING			
CC	ERIC D. & TAMMY S. RIDING			
DD	ALEX S. & NAOMI J. RICH			
EE	ALEX S. & NAOMI J. RICH			
FF	CARL L. & ELLEN G. ELLER			
GG	*RIKKI A. SEEVERS (A/K/A CRUM)			
НН	JOSEPH M. & MARY J. KOVALCIK			
JJ	ROBERT A. & JUDITH M. JAMES			
KK	ALLEN R. NORMAN			

47-51-01773 H6A

01/09/2015

SURFACE HOLE LOCATION (SHL)

SURFACE HOLE LOCATION (SHL)

UTM 17-NAD83
N:4414546.75
E:521322.98
NAD 83, W NORTH
N:505341.76
E:1617538.87
LAT/LON DATUM-NAD83
LAT:39.8807070
LON:-80.7506320

APPROX. UNDING POINT
UTM 17-NADB3
N:4414774.58
E:521451.25
NAD 83. WV.NORTH
N:506082.36
E:1617972.29
LAT/LON DATUM-NADB3
LAT:39.8827564
LON:-80.7491245

APPROX. LANDING POINT BOTTOM HOLE LOCATION (BHL) BOTTOM HOLE LOCATION (BHL)

UTM 17-NADB3
N:4416369.66
E:520344.63
NAD 83. WV. NORTH
N:511377.32
E:1614428.39
LAT/LON DATUM-NADB3
LAT:39.8971553
LON:-80.7620167

JULY 31, 2014