

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

PERMIT MODIFICATION APPROVAL

June 16, 2015

NORTHEAST NATURAL ENERGY LLC 707 VIRGINIA STREET EAST CHARLESTO, W\ 25301

Re: Permit Modification Approval for API Number 6101707, Well #: MIP 3H

Adjust and extend lateral

Oil and Gas Operator:

The Office of Oil and Gas has reviewed the attached permit modification for the above referenced permit. The attached modification has been approved and well work may begin. Please be reminded that the oil and gas inspector is to be notified twenty-four (24) hours before permitted well work is commenced.

Please call James Martin at 304-926-0499, extension 1654 if you have any questions.

Sincerely,

Gene Smith

Assistant Chief of Permitting

Office of Oil and Gas



June 9, 2015

WV Department of Environmental Protection Office of Oil and Gas 601 57th Street SE Charleston, WV 25304

Re: MIP 3H Permit Modification API # 47-061-01707

Dear Permit Reviewer,

Northeast Natural Energy LLC ("NNE") would like to request a modification to its existing MIP 3H Permit (061-01707). NNE has adjusted and extended the horizontal well bore to allow for more efficient development of the natural gas surrounding its MIP Well Pad. Please find enclosed with this request an updated Mylar Plat, Well Bore Schematic, WW-6A-1 form and attachment and both a revised WW-6B and Site Safety Plan initialed by the inspector.

Should you have any questions please contact me at 304.241.5752 Ext. 7108 or by email at hmedley@nne-llc.com.

Sincerely,

Hollie M. Medley

Regulatory Coordinator

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Received
Office of Oil & Gas

JUN 09 2015

WW-6B (9/13)

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

1) Well Operator: North	east Na	atural En	ergy LLC	494498281	Monongalia	Grant	Morgantown South
				Operator ID	County	District	Quadrangle
2) Operator's Well Numb	er: MI	P 3H		Well Pad	Name: MIP		
3) Farm Name/Surface O	wner:	Enrout F	Properties	, LLC Public Road	d Access: CR	19/19; Indus	strial Park Rd
4) Elevation, current grou	ınd:	1,058'	Ele	evation, proposed p	oost-construction	on: 1,058'	
5) Well Type (a) Gas			Oil Underground Storage				
Other							
(b)If Gas	Sha	llow		Deep			
		rizontal			Mak	4 9 201	-
6) Existing Pad: Yes or N	o Yes	5			12 BIC	4/4/201	3
7) Proposed Target Form			(s), Antici	pated Thickness a	nd Associated I	Pressure(s):	:
Marcellus ; 7,528' ; 103'	, 3,270	psi					
8) Proposed Total Vertica	ıl Dept	h: 7,52	8'				
9) Formation at Total Ve	tical D	epth: _	Marcellus				
10) Proposed Total Meas	ured D	epth: _	14,085'				
11) Proposed Horizontal	Leg Le	ngth: 6	5,104'				
12) Approximate Fresh V	Vater S	trata De _l	oths:	50' , 450'			
13) Method to Determine	Fresh	Water D	epths: D	riller's Log from Offs	et Wells		
14) Approximate Saltwat	er Dep	ths: _1.	600'				
15) Approximate Coal Se	am De	pths: 2	00' , 225'				
16) Approximate Depth t	o Possi	ble Voic	l (coal mi	ne, karst, other): 1	N/A		
17) Does Proposed well I directly overlying or adja				Yes	No	V	
(a) If Yes, provide Mine	e Info:	Name:					teceived
		Depth:				— Office	of Oil & Gas
		Seam:					N 0 9 2015
		Owner	:			JU	1 0 9 2010

WW-6B (9/13)

18)

CASING AND TUBING PROGRAM

TYPE	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	STD	78.67	40'	40'	GTS
Fresh Water	13 3/8"	New	J-55	54.5	530'	500'	CTS
Coal							
Intermediate	9 5/8"	New	J-55	40	1,830'	1,800'	CTS
Production	5 1/2"	New	P-110	20	14,085'	14,055'	3,364 cu. ft.
Tubing	2 3/8"	New	J-55	4.7		7,800'	NA
Liners							

MAIC 6/9/2015

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	20"	24"	.375	499	Grout	NA
Fresh Water	13 3/8"	17 1/2"	.38"	2,760	Class A	1.23
Coal						
Intermediate	9 5/8"	12 1/4"	.395"	3,950	Class A	1.3
Production	5 1/2"	8 3/4"	.361"	12,530	50:50 Poz	1.21
Tubing	2 3/8"	NA	.190"	7,700	NA	NA
Liners						

PACKERS

Kind:	
Sizes:	
Depths Set:	Office of Oil & Gas

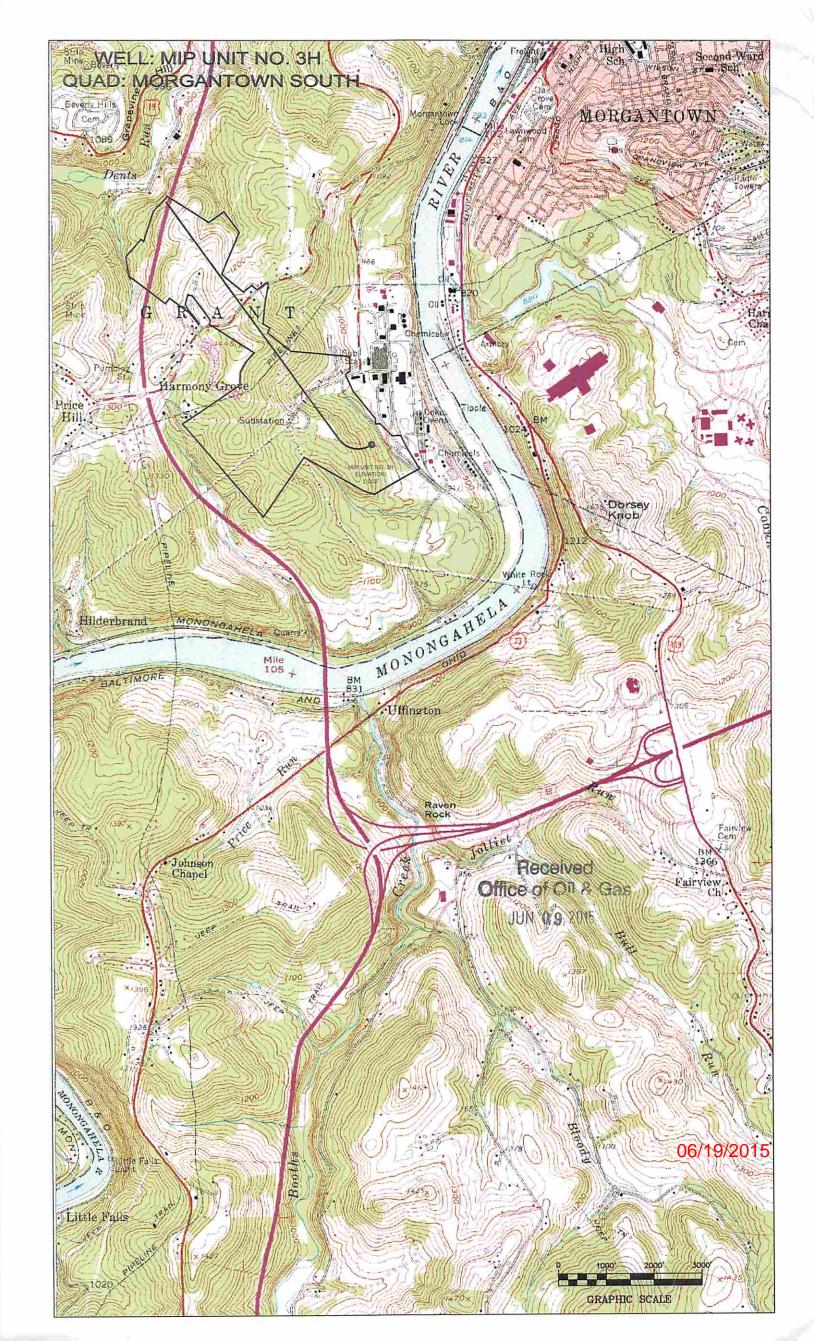
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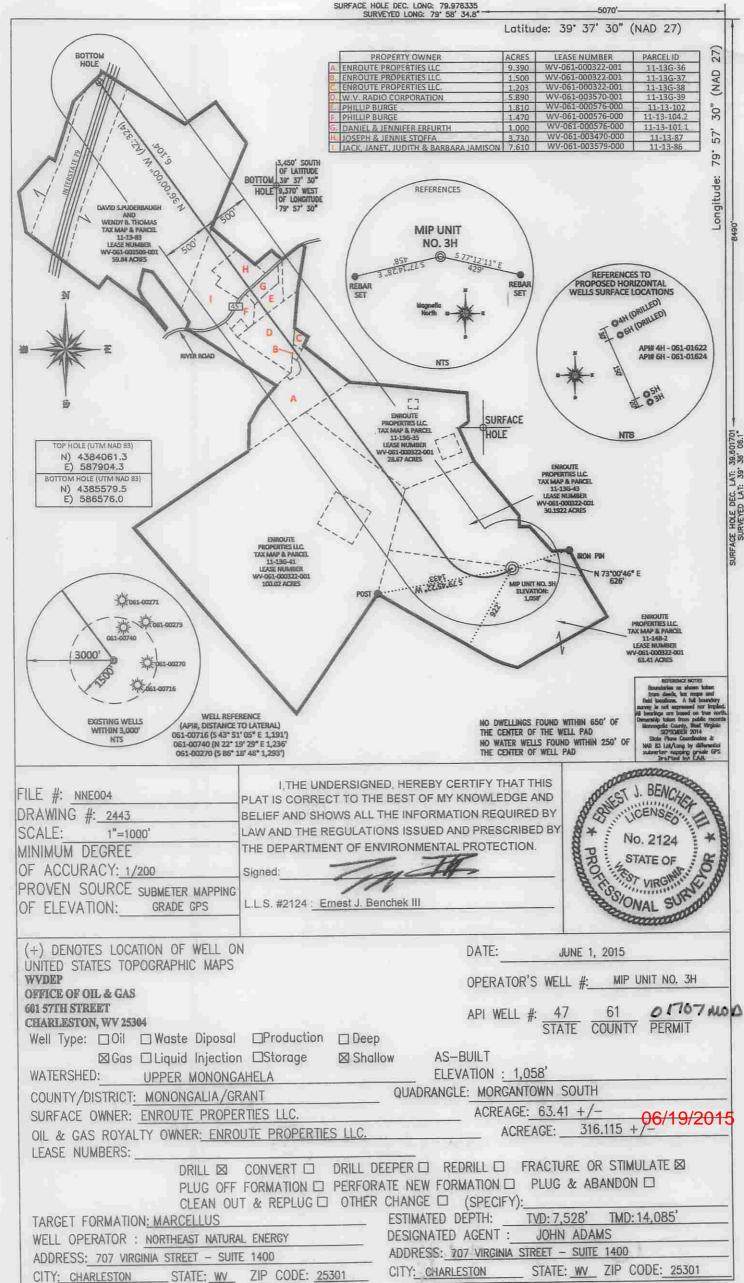
WW-6B (9/13)

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:
Drilling and completion of a horizontal Marcellus well. The well will be drilled on air to KOP at an approximate depth of 6,500' TVD/MD. From KOP, the well will then be horizontally drilled on synthetic based mud to approximately 7,528' TVD / 14,085' MD along a 324 degree azimuth.
20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:
Multi-stage / high-rate slickwater fracture treatment using various size sands as proppant. First stage will be initiated via pressurization against a burst disc ran in the production casing string or perforated with coiled tubing. Subsequent stages will be perforated with pumped down guns ran on wireline. Individual stages will be isolated with composite frac plugs. Maximum pump rate during any stage will be 110 BPM with a maximum allowable surface pressure of 9,500 PSI. Composite bridge plugs will be set at the end of the last stage to isolate the treated formation.
21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): N/A - Existing Pad
22) Area to be disturbed for well pad only, less access road (acres): N/A - Existing Pad
23) Describe centralizer placement for each casing string:
Surface and intermediate casing strings will have bow spring centralizers placed every third joint (~120') from shoe joint to surface. Production casing will have rigid body centralizers placed at a minimum every fourth joint (~160') from TD to surface.
24) Describe all cement additives associated with each cement type:
Surface string cement will be a Class A + Max 3% bwoc Calcium Chloride Fresh Water blend. Intermediate string cement will be a Class A Cement + Max 3% bwoc Calcium Chloride + Fresh Water. Production string cement will be (50:50) Poz (Fly Ash):Type I Cement with a gas migration additive.
25) Proposed borehole conditioning procedures:
Surface string will use a 25.0 bbls Gel Pill + LCM + 25 lbs Cello Flake + 20 lbs/bbl Bentonite @ 8.4 ppg & 10 bbls fresh water spacer prior to cement. Intermediate string will use a 25.0 bbls Gel Pill + LCM + 25 lbs Cello Flake + 20 lbs/bbl Bentonite @ 8.4 ppg & 10 bbls fresh water spacer prior to cement. Production string will use a 50.0 bbls sealbond 25 + 1 gal/bbl US-40 + 275 lbs/bbl Barite + 1 gal/bbl SS-2 Spacer @ 13.5 ppg prior to cement.
JUN 0 9 2015

^{*}Note: Attach additional sheets as needed.

4706101707mod True Vertical Depth northeast 000 M 6000 5000 3000 2000 7000 4000 1000 Rig Name: Patterson 258 State/County: WV/ Mon Country: US API Number: 0 Location: MIP Job Number: Company: Northeast Natural Energy Lease/Well: MIP 3H 9 5/8" CSG., 1800.00 MD 20" CSG., 40.00 MD 13 3/8" CSG., 500,00 MD 1000 2000 3000 6,500 6,530 6,560 Vertical Section (1000 Ft/Div) VSP: 323.00° 4000 Distance 19.97 20.43 21.91 TO FOR Onondaga Upper Marcellus Performance Drilling Technology, Inc. - HawkEye™ ©2014 Hamilton Lower Marcellus ully 5000 1.57 1.59 1.70 14,085 6,500 7,982 M MIP 3H 6000 7,480 7,428 7,328 7,264 MIP 5H MIP 5H Well 6,500 7,528 7,528 **TVD** 7000 Projection System: US State Plane 1983
Projection Group: West Virginia Northern Zone
Projection Datum: GRS80
Magnetic Declination: -9.02
Grid Convergence: -0.30366 W Elevation (To MSL): 1060.00 ft RKB: 18.00 ft Date: Tuesday, June 02, 2015 South - North -5000 MIP 3H 4000 Received -3000 West - East Office of Oil & Gas JUN 0 9 2015 -2000 -1000 -1000 2000 4000 6000 3000 5000 1000 06/19/2015





WW-6A1 (5/13)

Operator's Well No. M	111-	31
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INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6A, Section 5(a)(5) 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:

Lease Name or Number	Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page
See Attachment	See Attachment	See Attachment	See Attachment	See Attachmen

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 hereby acknowledges 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

JUN 09 2015

- 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 acquired from the appropriate authority before the affected activity is initiated.

Well Operator:	Northeast Natural Energy LL	c
By:	Hollie Medley	
Its:	Regulatory Coordinator	<u> </u>

WW-6A1

Operator's Well No. MIP 3H

	NNE Lease No.	Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page	Tax Map & Parcel
/	WV-061-000322-001	Enroute Properties, LLC	Northeast Natural Energy LLC	0.125 or greater	1420/577	14B-2; 13G- 43,35,41,36,37,38
1	WV-061-003570-001	WV Radio Corporation	Northeast Natural Energy LLC	.125 or greater	1521/233	13G-39
	WV-061-000576-000	Morgantown Industrial Park Associates, L.P.	Northeast Natural Energy LLC	0.125 or greater	1420/571	11-13G-104.2,102,101.1
✓	WV-061-003470-000	STOFFA, JENNIE	Northeast Natural Energy LLC	0.125 or greater	1514/12	13-87
/	WV-061-003579-000	JAMISON, BARBARA	Northeast Natural Energy LLC	.125 or greater	1522/765	13-86
	WV-061-003509-001	MOORE, CHARLES	Northeast Natural Energy LLC	0.125 or greater	1517/65	13-83

See Attachment

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JUN 09 2015



MIP 3H SITE SAFETY PLAN

June 5, 2015

poll 2015

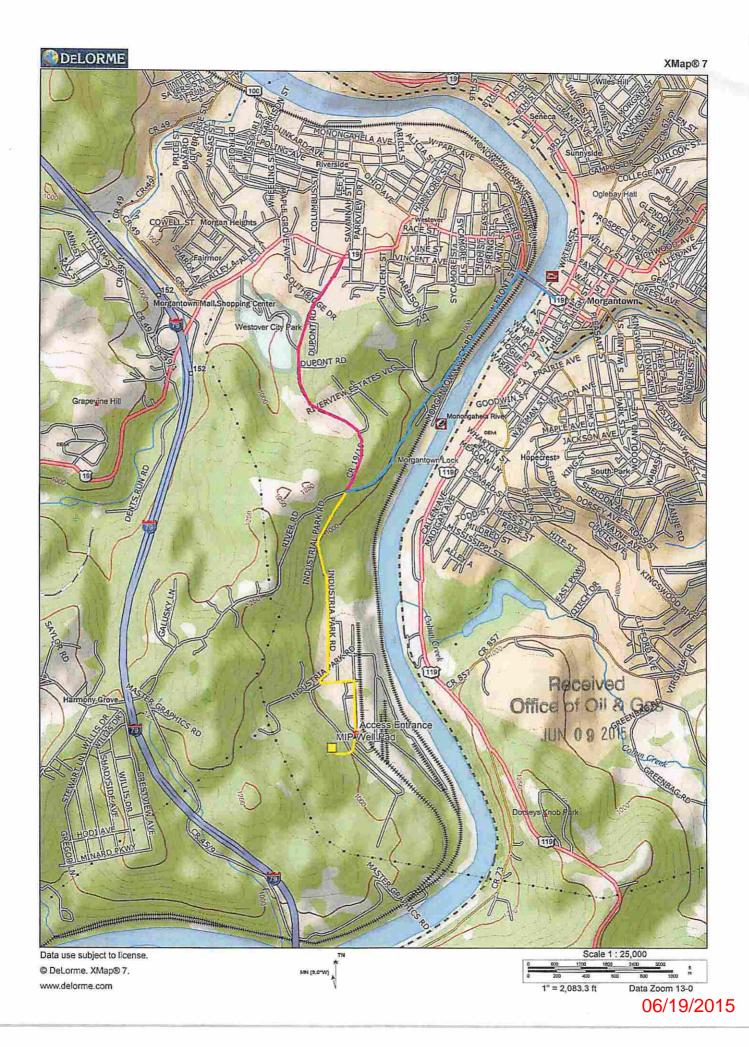
SITE NAME MIP 3H
COUNTY Monongalia
ACCESS ROAD ENTRANCE N39° 39' 10.22", E -79° 58' 28.30" (NAD 83)
N 4384179.85, E 588039.81(NAD 83 UTM)

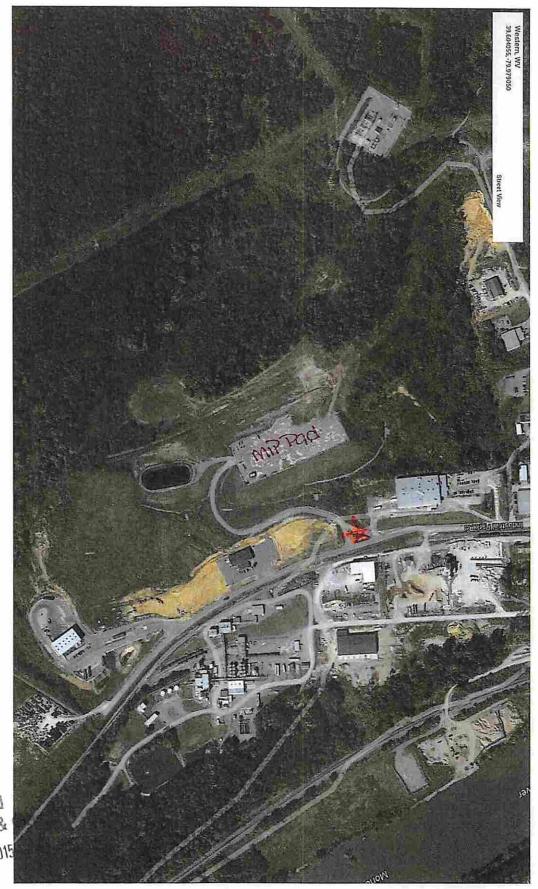
DIRECTIONS TO SITE:

From Westover, Take Fairmont Road to DuPont Road (CR 19/19), Follow DuPont Road (CR 19/19) for approximately 1.3 miles, Continue straight onto Industrial Park Road for approximately 0.8 miles, Turn left onto Industrial Park Road for approximately 0.1 miles, Turn right onto Industrial Park Road for approximately 0.2 miles, The MIP Well Pad Access Entrance will be on your right.

or

From Morgantown, Cross the Westover Bridge heading toward Westover, turn left onto River Road for approximately 1.6 miles, Turn left onto Industrial Park Road for approximately 0.8 miles, Turn left onto Industrial Park Road for approximately 0.1 miles, Turn right onto Industrial Park Road for approximately 0.2 miles, The MIP Well Pad Access Entrance will be on your right.





Office of Oil & JUN 09 2015

 $https://www.google.com/maps/place/Morgantown+Industrial+Park/\\ @39.6018484, -79.9754774, 855m/data=!3m1!1e3!4m2!3m...$

10/27/2014

Introduction

Northeast Natural Energy LLC ("NNE") is an oil and gas exploration and production company with company headquarters located at the following address:

Northeast Natural Energy LLC 707 Virginia Street East, Suite 1200 Charleston, WV 25301

And a Field Operations Office located at the following address:

Northeast Natural Energy LLC 48 Donley Street, Suite 601 Morgantown, WV 26501

NNE is committed to protecting the people, property, and resources of the company and of the communities in which it works by establishing a safe and healthy work environment that is free from recognized hazards and complies with all local, state and federal regulations.

This Plan will be reviewed annually and may be subject to revision and/or update whenever any of the following occur:

- An incident occurs.
- A new chemical or process is utilized onsite.
- Existing processes are modified significantly.
- Regulations are revised significantly.
- The current Plan fails in an emergency situation.
- Changes in emergency response equipment occur.
- Changes in internal and external emergency resources occur.

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JUN 0 9 2015

TABLE OF CONTENTS

- 1 Contacts, Schedules and Meetings
- 2 Maps and Diagrams
- 3 Well Work
- 4 Chemical Inventory & MSDS
- 5 BOP and Well Control
- 6 Hydrogen Sulfide (H₂S)
- 7 Flaring
- 8 Collision Avoidance Safeguards, Practices and Standards

1

Contacts, Schedules and Meetings

A. NORTHEAST NATURAL ENERGY LLC CONTACTS:

24 hour emergency number 1-866-207-1846

Construction/Reclamation

•	Mike Shreve – Construction Coordinator	304.918.3050
•	Dave McDougal — Manager of Civil Engineering	304.941.5033
•	Brett Loflin – VP of Regulatory Affairs	304.414.7063

Drilling/Completion

•	Jay Hewitt – Drilling Manager	304.382.1825
•	Ian Costello – Completions Engineer	304.610.9764
•	Zack Arnold – Manager of Operations	304.203.8059

Production

•	Ryan Warner - Production Engineer	304.777.3287
•	Zack Arnold – Manager of Operations	304.203.8059

B. <u>EMERGENCY CONTACTS</u>:

In the case of an emergency call 911

1. OPERATOR CONTACTS

• 24 hour emergency number 1-866-207-1846

2. DRILLING CONTRACTORS

Performance Drilling –Vertical Drilling 304.553.2180
 Pioneer Drilling – Horizontal Drilling 570.465.2151

KEY CONTRACTORS AND VENDORS

 Baker Hughes – Cement/Pumping 	724.743.9208	Received
Halliburton – Cement/Pumping	888.223.4255	Office of Oil & Gas
Schlumberger – Logging/Cement	724.820.3360	JUN 0 9 2015

3. WV DEP/ OFFICE OF OIL AND GAS

Pollution and Emergency Spills 1-800-642-3074

James Martin – Chief
 Gayne Knitoswski – Inspector
 Joe McCourt– WV DEP Northern Inspector Supervisor
 304.926.0499 Ext. 1654
 304.546.8171
 304.380.2467

4. LOCAL EMERGENCY RESPONSE UNITS

MONONGALIA COUNTY OFFICE OF EMERGENCY MANAGEMENT

• Mike Wolfe – Director

304.598.0301

• James Smith – Deputy Director

FIRE DEPARTMENTS

Blacksville Volunteer

304.432.8282

AMBULANCE / EMS

• MON EMS

304.599.0650

• JAN-CARE

304.296.9700

LIFE FLIGHT AMBULANCE SERVICE (HELICOPTER)

Angel MedFlight

866.604.8307

STATE POLICE

Morgantown Detachment

304.285.3200

COUNTY POLICE

• Monongalia Sheriff

304.291.7290

5. LOCAL ER PERSONNEL

HOSPITAL

Ruby Memorial (trauma 1)

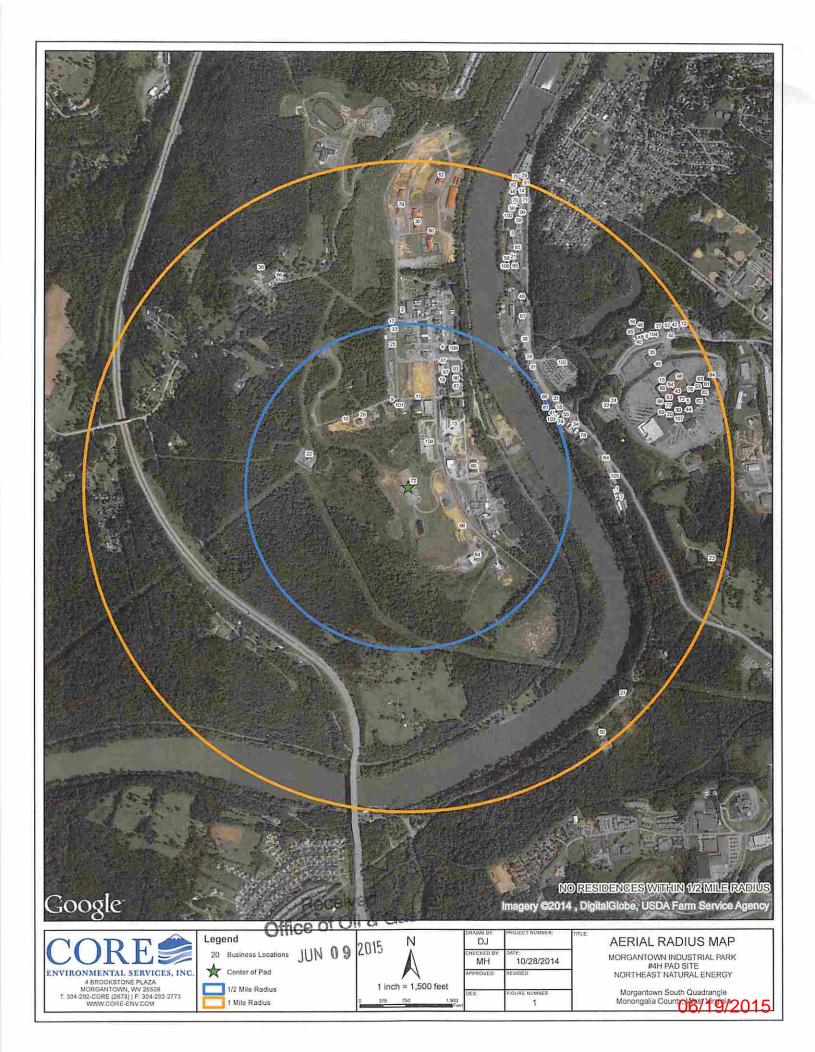
304.598.4000

Monongalia General (trauma 4)

304.598.1200

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JUN 09 2015



Map#	Business Name	Physical Address	Phone Number	Latitude	Longitude
	24/7 Self Storage	30 Smithtown Road, Morgantown, WV 26508	(304)-296-1410	39.60173	-79.964432
	Addivant	1000 Morgantown Industrial Park, Morgantown WV, 26501	(304) 296-2554	39.609659	-79.976911
	Aldi	245 Don Knotts Blvd., Morgantown, WV 26501	(855) 955-2534	39.613092	-79.970605
	American Environmental	1750 Morgantown Industrial Park, Morgantown, WV 26501	(304) 292-0659	39.608008	-79.974592
	Animal Friends Thrift Shop	5000 Greenbag Road, Morgantown, WV 26505	(304) 290-4738	39.605672	-79.960385
	Aquilla Stone	271 Don Knotts Blvd. Morgantown, WV 26501	(304) 292-7950	39.614344	-79.970186
	Arnett Law Office	30 Smithtown Road, Morgantown, WV 26508	(304) 292-3604	39.601569	-79.964379
· · · · · · · · · · · · · · · · · · ·	Artistry House LLC Azimuth Incorporated	135 Green Bag Road, Morgantown, WV 26501	(304) 435-8090	39.608766	-79.96299
0	Black Diamond Equipment Rental	3741 Morgantown Industrial Park, Morgantown, WV 26501 4100 Morgantown Industrial Park, Morgantown, WV 26501	(304) 292-3700 (855) 250-5807	39.605673 39.604808	-79.977461 -79.98024
1	Blackhawk Interiors	3500 Industrial Park, Morgantown, WV 26501	(304) 292-4011	39.605797	-79.976043
2	Center Service Auto Body	181 Green Bag Road, Morgantown, WV 26501	(304) 292-0345	39.609126	-79.960743
3	Central Supply	3100 Morgantown Industrial Park, Morgantown, WV 26501	(304) 292-5577	39.604601	-79.973959
4	Chico Enterprises Inc.	281 Don Knotts Blvd., Morgantown, WV 26501	(304) 292-5480	39.614986	-79.970171
.5	Children's Discovery Museum of WV	Mountaineer Mall, 5000 Greenbag Road, Morgantown, WV 26508	(304) 292-4646	39.606598	-79.961976
6	Children's Home Society of WV	129 Green Bag Road, Morgantown, WV 26501	(304) 284-0992	39.609181	-79.96372
7 8	City Plumbing and Heating	1500 Morgantown Industrial Park Morgantown WV 26501	(304) 296-7135	39.609136	-79.977614
9	Coomb's Family Chiropratic Core Building Solutions	55 Don Knotts BoulevaRoad, Suite 4, Morgantown, WV 26508 2200 Industrial Park Road, Morgantown, WV 26501	(304) 943-0124	39.605369 39.606554	-79.967907 -79.974682
0	Dance Rebellion & Fitness	5000 Greenbag Road, Morgantown, WV 26505	(843) 847-1774	39.605078	-79.961434
1	Dinsmore & Shohl Law Office	215 Don Knotts Blvd., Morgantown, WV 26501	(304) 225-1414	39.612063	-79.970612
2	Dominion Resource	2800 Morgantown Industrial Park, Morgantown, WV 26501	(304) 288-2702	39.603245	-79.982312
3	Dorsey's Knob Lodge	Fawley Ln, Morgantown, WV 26508	(304) 296-8356	39.59867	-79.95904
4	Dunham's Sports	5000 Greenbag Road, Morgantown, WV 26505	(304) 292-4111	39.605674	-79.964769
5	Dynamic Industries	2800 Morgantown Industrial Park, Morgantown, WV 26501	(304) 413-0232	39.608108	-79.97755
:6	Easley Rivers	3800 Morgantown Industrial Park, Morgantown, WV 26501	(304) 291-6803	39.604992	-79.97925
27	Elite Gentlemen's Club	334 Smithtown Road, Morgantown, WV 26508	(304) 284-8448	39.592629	-79.964141
8 9	Enterprise Rent A Car Fabric On a Roll	75 Don Knotts Blvd., Morgantown, WV 26501 295 Don Knotts Blvd., Morgantown, WV 26501	(304) 225-6700	39.607598 39.615666	-79.969644 -79.970027
0	Flint Energy Services	451 N Metro Dr Morgantown, WV 26501	(304) 295-1922	39.613578	-79.976159
1	Galloway Florist	57 Don Knotts Blvd., Morgantown, WV 26508	(304) 292-7783	39.605555	-79.968076
12	GCO Carpet Outlet	82 Green Bag Road, Morgantown, WV 26501	(888) 311-0395	39.605459	-79.965099
13	Gerrick Electrical Company, LLC	1510 Morgantown Industrial Park, Morgantown, WV 26501	(304) 291-8114	39.609006	-79.977637
	Get Go	54 Don Knotts Blvd., Morgantown, WV 26508	(304) 291-4620	39.604608	-79.966956
	Giant Eagle	130 Green Bag Road, Morgantown, WV 26501	(304) 292-6066	39.607816	-79.962548
	Global Land - Radio Tower	860 River Road, Morgantown, WV 26501	(845) 359-0444	39.611512	-79.985182
	Goodyear Auto Service Center	149 Green Bag Road, Morgantown, WV 26501	(304) 296-1748	39.608997	-79.962201
	Greer Limestone Ground Zero Fighting Systems	Don Knotts Blvd., Morgantown WV 26508 5000 Greenbag Road, Morgantown, WV 26505	(304) 296-2463	39.608393 39.605263	-79.969919 -79.961029
	H&R Block	133 Green Bag Road, Morgantown, WV 26501	(304) 292-6846	39.603203	-79.96316
	Hawkeye Research Inc	55 Don Knotts BoulevaRoad, Suite 3, Morgantown, WV 26508	(304) 212-5597	39.605293	-79.967791
	Heidi's Hot Spot	177 Greenbag Road, Morgantown, WV 26508	(304) 241-1511	39.609073	-79.961279
	Hollywood Nails	5000 Greenbag Road, Morgantown, WV 26505	(304) 292-4018	39.60611	-79.961068
4	Horizon Medical Technologies	5000 Greenbag Road, Morgantown, WV 26505	(304) 599-7470	39.605302	-79.960435
	Huntington Bank	130 Green Bag Road, Morgantown, WV 26501	(304) 291-7790	39.607536	-79.962398
	Insane Cycles	285 Don Knotts Blvd., Morgantown, WV 26501	(304) 291-2453	39.615102	-79.970176
	Javins Corp.	2000 Morgantown Industrial Park, Morgantown, WV 26501	(304) 292-3234	39.6074	-79.974626
	Kinderhaus Child Care King Mixed Martial Arts	129 Green Bag Road, Morgantown, WV 26501 195 Don Knotts Blvd., Morgantown, WV 26501	(304) 292-7863 (772) 486-7736	39.609042 39.610291	-79.963114 -79.970109
	Kingdom Hall of Jehovah's	379 Smithtown Road, Morgantown, WV 26508	(304) 296-8304	39.590889	-79.965326
	Koreana Asian Grocery Market	293 Don Knotts Blvd., Morgantown, WV 26501	(304) 291-2388	39.61557	-79.970077
	LEAM Drilling Services LLC	200 N Metro Dr, Morgantown, WV 26501	(304) 381-2299	39.61566	-79.97483
	Long Arm Sally	5000 Greenbag Road, Morgantown, WV 26505	(304) 296-6802	39.606324	-79.959904
4	Lotus Place LLC	5000 Greenbag Road, Morgantown, WV 26505	(304) 612-1582	39.606393	-79.961232
	Mattress Warehouse	55 Don Knotts Blvd., Suite 2, Morgantown, WV 26508	(304) 296-6389	39.605209	-79.967699
	Maverick's Hot Spot	273 Don Knotts Blvd., Morgantown, WV 26501	(304) 284-0667	39.614424	-79.970216
	Meadow Mountain Catering	167 Green Bag Road, Morgantown, WV 26501	(304) 328-5124	39.609022	-79.961602
	Med Express Mon County Habitat for Humanity	215 Don Knotts Blvd., Suite 130, Morgantown, WV 26501 251 Don Knotts Blvd., Morgantown, WV 26501	(304) 291-3627	39.612159 39.613677	-79.970501 -79.970325
	Mon County Habitat for Humanity Mon County Solid Waste Authority	255 South Plant St. , Morgantown, WV 26501	(304) 291-2991	39.602733	-79.972826
	Morgantown Art Association Gallery	5000 Greenbag Road, Morgantown, WV 26505	(304) 291-5900	39.606586	-79.959579
	Morgantown Dance Studio	5000 Greenbag Road, Morgantown, WV 26505	(304) 292-3266	39.60613	-79.959829
	Morgantown Early Learning Facility	302 Scott Ave, Morgantown, WV 26508	(304) 291-5845	39.606659	-79.95978
4	Morgantown Motel	2 Smithtown Road, Morgantown, WV 26508	(304) 292-3374	39.603125	-79.965178
	Morgantown Outdoor Power	59 Don Knotts Blvd., Morgantown, WV 26508	(304) 212-7015	39.605825	-79.968587
	Morgantown Septic Service	816 River Road, Morgantown, WV 26501	(304) 599-5340	39.611181	-79.984127
	Morgantown Utility Board Treatment Facility	171 Don Knotts Blvd., Morgantown, WV 26501	(304) 292-8443	39.609408	-79.970055 -79.961929
	Mountaineer Home Medical Mylan Pharmaceuticals	5000 Greenbag Road, Morgantown, WV 26505 5005 Greenbag Road, Morgantown, WV 26501	(304) 225-6290	39.606227 39.605165	-79.961939 -79.961992
	NAPA Auto	275 Don Knotts Blvd., Morgantown, WV 26501	(304) 296-4468	39.614558	-79 970204
	Nationwide Insurance	277 Don Knotts Blvd., Morgantown, WV 26501	(304) 296-3229	39.614798	-79.970146 -79.97630 OCO -79.97630 OCO
	Northeast Natural Energy	Morgantown Industrial Park, Morgantown, WV 26501	(304) 241-5752	39.602038	-79.97630 PANA
3	Osher Lifelong Learning Institute	5000 Greenbag Road, Morgantown, WV 26505	(304) 293-1793	39.60576	78,660499
	Paula's Great Food and Fun	55 Don Knotts BoulevaRoad, Suite 1, Morgantown, WV 26508	(304) 284-9797	39.605183	79.660499 76.1669 Of Oil (
	Pipeline Swabs and Pigs	297 Don Knotts Blvd., Morgantown, WV 26501	(304) 282-1727		-79.969996
	Playworks Child and Adult Therapy	5000 Greenbag Road, Morgantown, WV 26505	(304) 292-0173	39.606198	-79.960369 9 201
	Pomeray Computer Resources	5000 Greenbag Road, Morgantown, WV 26505	(304) 296-7055	39.605641	
	Premier Computer Services	23 Don Knotts Blvd., Morgantown, WV 26508	(304) 292-7000	39.604115	-79.966508 -79.977112
	Premium Valve Services, LLC Professional Directional, LTD	Morgantown Industrial Park, Morgantown, WV 26501 421 N Metro Dr., Morgantown, WV 26501	(304) 284-8040 (936) 441-7266	39.614318 39.61317	-79.977112 -79.975379
	QCBS	57 Don Knotts Blvd., Morgantown, WV 26508	(304) 292-4991	39.605639	-79.968177
	RBS Hair	5000 Greenbag Road, Morgantown, WV 26505	(877) 379-6793	39.606518	-79.959503
33	Reliable Healthcare Solutions	5000 Greenbag Road, Morgantown, WV 26505	(304) 212-4342	39.606052	-79.961738

84	Republic Services (Allied Waste)	Morgantown Industrial Park, Morgantown, WV 26501	(304) 368-7777	39.59877	-79.972573
85	Riverside Automotive	225 Don Knotts Blvd., Morgantown, WV 26501	(304) 241-1717	39.612465	-79.970376
86	Rob's Fitness Factory	5000 Greenbag Road, Morgantown, WV 26505	(304) 241-1516	39.605811	-79.961564
87	Roto Rooter	2203 Industrial Park Road, Morgantown, WV 26505	(304) 296-7686	39.606277	-79.973863
88	Safelite	173 Greenbag Road, Morgantown, WV 26501	(877) 609-6714	39.609031	-79.96147
89	Sargasso	215 Don Knotts Blvd., Morgantown, WV 26501	(304) 554-0100	39.611874	-79.970702
90	Schwebel's	Morgantown Industrial Park, Morgantown, WV 26501	(412) 257-6067	39.606634	-79.97387
91	Secure Us	63 Don Knotts Blvd., Morgantown, WV 26501	(304) 291-2994	39.607143	-79.969422
92	Sherwin Williams	289 Don Knotts Blvd., Morgantown, WV 26501	(304) 292-8409	39.615417	-79.970133
93	Sid Harvey's	Morgantown Industrial Park, Morgantown, WV 26501	(304) 296-0496	39.607039	-79.9739
94	Social Security Administration	5000 Greenbag Road, Morgantown, WV 26505	(800) 772-1213	39.606839	-79.959099
95	Styled & Pampered Salon	125 Greenbag Road, Morgantown, WV 26501	(304) 291-3223	39.608732	-79.963488
96	SustainU	Industrial Park Road, Morgantown, WV 26501	(304) 413-0418	39.600043	-79.973449
97	Swanson Industries	3400 Morgantown Industrial Park, Morgantown, WV 26501	(800) 327-6203	39.607051	-79.973955
98	Teletech	255 Scott Ave, Morgantown, WV 26501	(800) 835-3832	39.606763	-79.960966
99	The Hite Company - Electrical Lighting and Supply	269 Don Knotts Blvd. Morgantown, WV 26501	(304) 292-3316	39.614253	-79.970296
100	The Ranch Community Store	255 Don Knotts Blvd., Morgantown, WV 26501	(304) 381-2606	39.514043	-79.97035
101	Tradesmen International	3717 Industrial Park Road, Morgantown, WV 26501	(304) 212-6625	39.605639	-79.9774
102	University Motors	60 Don Knotts Blvd., Morgantown, WV 26508	(304) 296-4401	39.607352	-79.967835
103	Valley Alliance Treatment Services	53 Don Knotts Blvd., Morgantown, WV 26508	(304) 284-0025	39.604996	-79.967499
104	Viking Performance Training LLC	139 Green Bag Road, Morgantown, WV 26501	(304) 216-7496	39.608854	-79.96275
105	Wassick Novelty Co.	20 Smithtown Road, Morgantown, WV 26508	(304) 292-3791	39.602302	-79.964753
106	Waterfront Family Pharmacy	215 Don Knotts Blvd., Morgantown, WV 26501	(304) 225-7979	39.611921	-79.970493
107	Woodburn Shanks Pit BBQ	5000 Greenbag Road, Morgantown, WV 26505	(304) 504-3047	39.605341	-79.961067
108	WV United Linen Services	2100 Rail St. Morgantown, WV 26501	(304) 216-7644	39.603797	-79.975488
109	WVU College of Engineering	Morgantown Industrial Park, Morgantown, WV 26501	(304) 293-0111	39.607957	-79.974105

C. NOTIFICATION OF H2S GAS PRESENCE

Detection of H₂S shall sound an alarm which notifies personnel to shut in the well(s) and evacuate to the predetermined safe zone immediately.

A wind sock and/or flags will be utilized on location to identify wind direction. A safe zone upwind and away from the well will be established at the beginning of each tour. Personnel are trained to evacuate the well and gather at this safe zone immediately at the first sound of an H₂S explosive gas alarm.

When in a historically known area, or after H₂S is first detected, operations will halt, evacuation procedures will be followed, and all personnel will be trained for detailed H₂S protocols before operations begin or resume.

After personnel are located in a safe area, the onsite supervisor will take a head count, and make the proper offsite notifications. The DEP Office of Oil and Gas will be notified by a phone call to both the local inspector and the emergency number. The local emergency responders may also be notified of the detection.

In the event that H₂S has been detected, the onsite supervisor shall use his discretion as to the severity of the event and whether the local community should be notified. NNE will make a diligent effort to identify local residents and businesses within a ½ mile radius of its unconventional well sites (*see attached). Notification of such residence may be done in the form of a phone call or a door to door visit. NNE also recognizes that in most emergency situations the local emergency responders will coordinate any notification or evacuation procedures for the community and NNE will work closely with such emergency responders in their efforts.

D. PRE-SPUD MEETINGS

Prior to drilling operations, an onsite "Pre-Spud" meeting will be held to address operations and the site safety plan. This meeting shall include the overseeing NNE Drilling/Completions Engineer, the staff or contracted site supervisor(s) ("Company Man"), any staff or contracted safety personnel, key contractors to the drilling process, the contracted rig's superintendent/tool pusher, and the local oil and gas inspector if available. Local emergency response personnel may also be invited to the pre-spud meeting. The regional DEP inspector will be notified 48-hours in advance of the meeting. All attending personnel will be documented. Contractors will be provided copy of and instructed to go over the site safety plan with their respective individual employees.

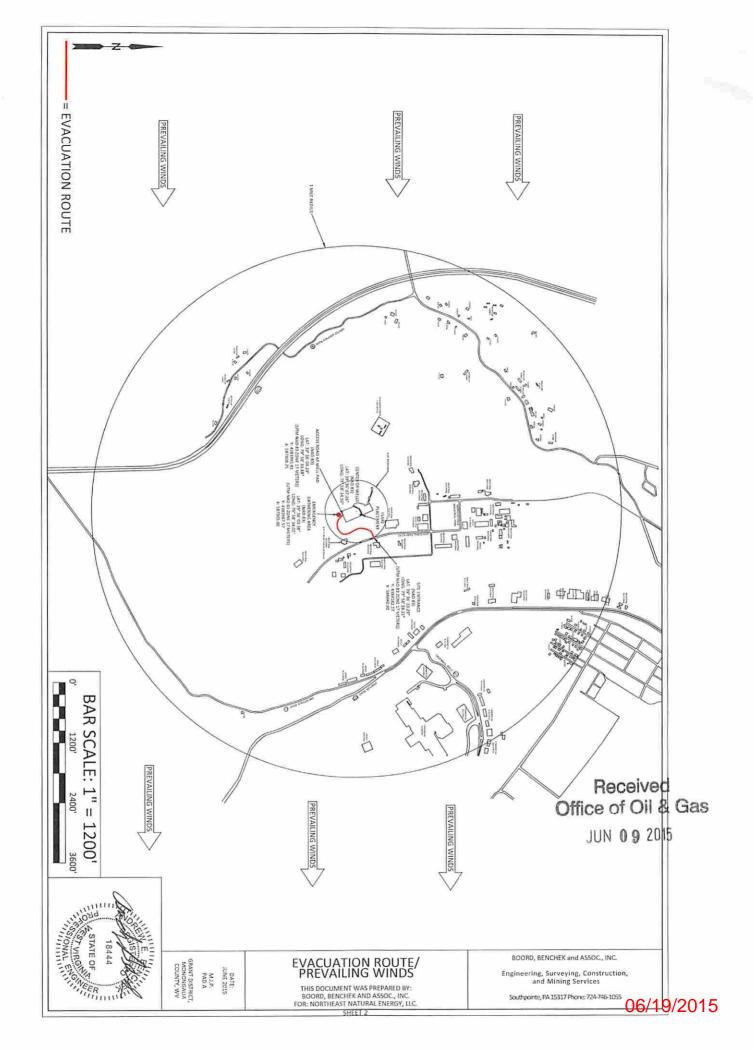
E. WELL SITE SAFETY MEETINGS

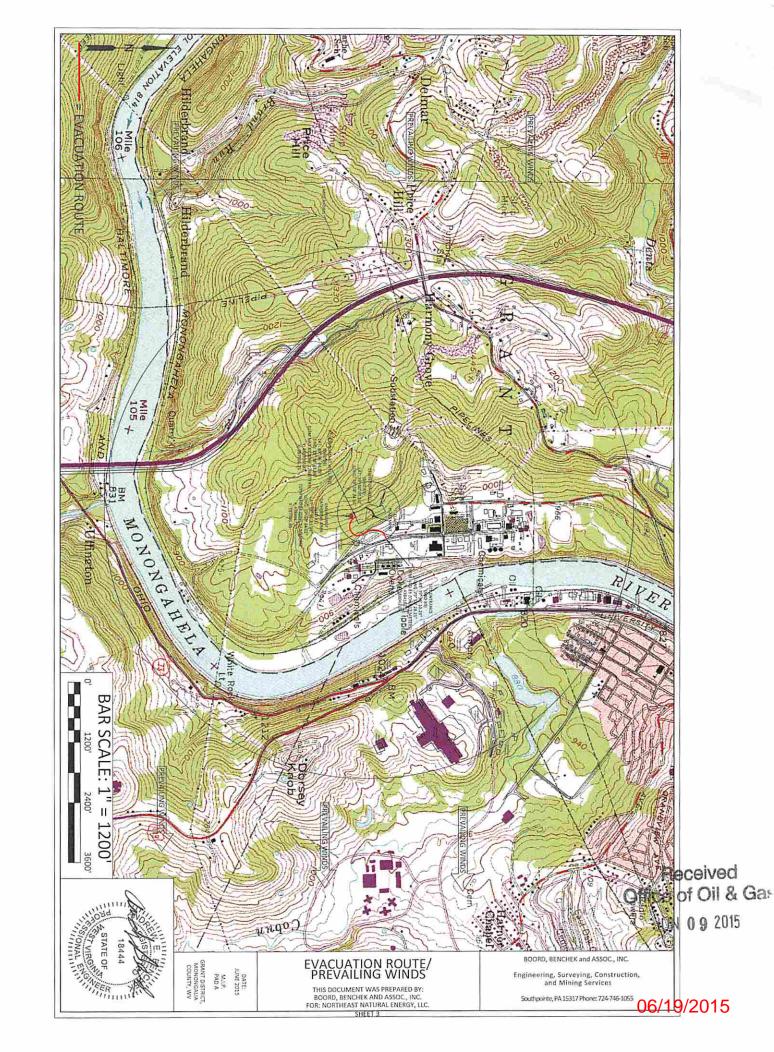
Safety Meetings will be held on-site, at a minimum, on a weekly basis and prior to the beginning of drilling, completion and work-over operations. Attendance at each safety meeting will be logged.

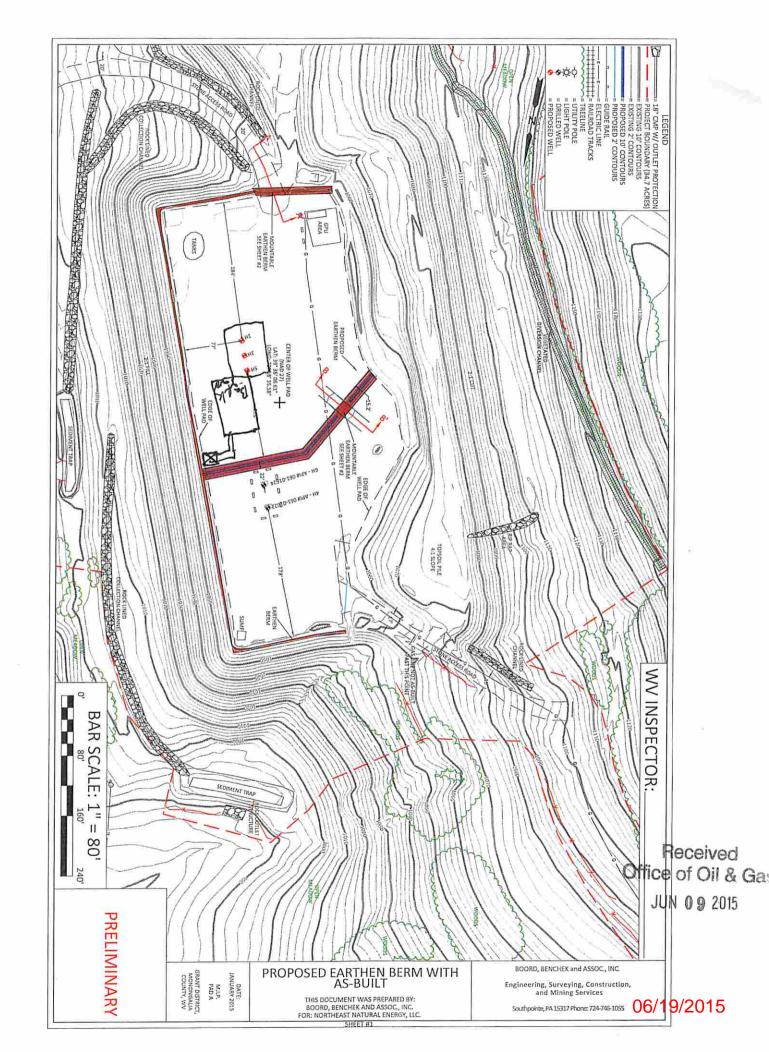
Additionally, as a means of safety and maintaining a head count in case of an incident, a check-in and check-out list of both personnel and visitors will be kept during all drilling, completion, and work over phases of operation. The rig/frac supervisor will be responsible for the checking in and out of all personnel on location. A sign will be posted at the entrance to the location directing all visitors to the company trailer.

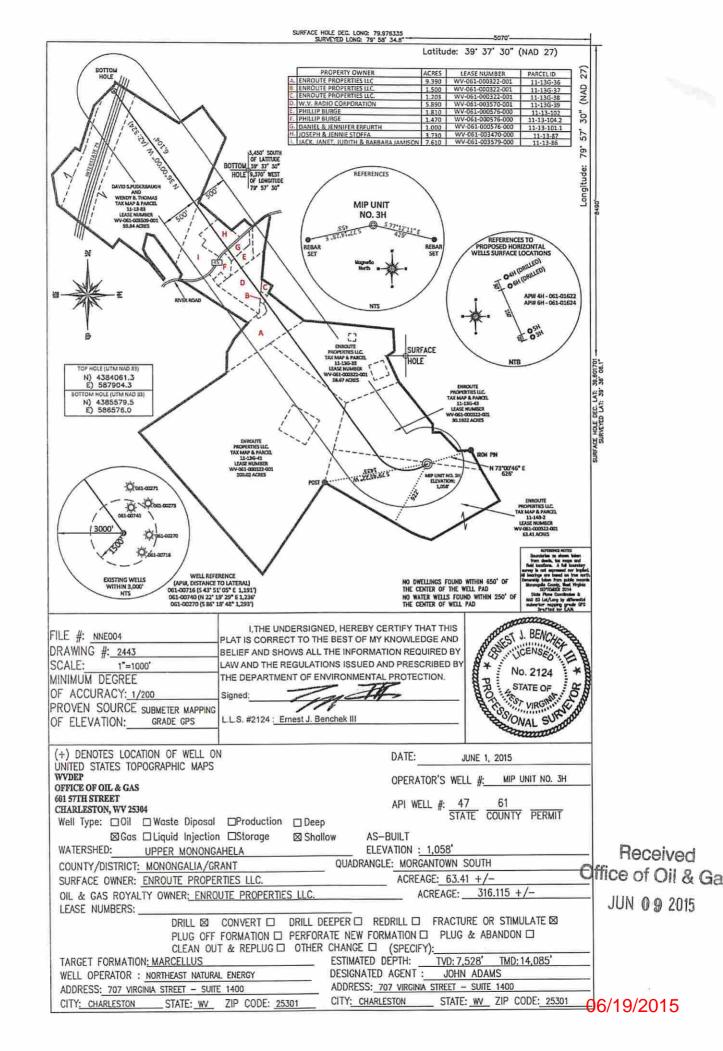
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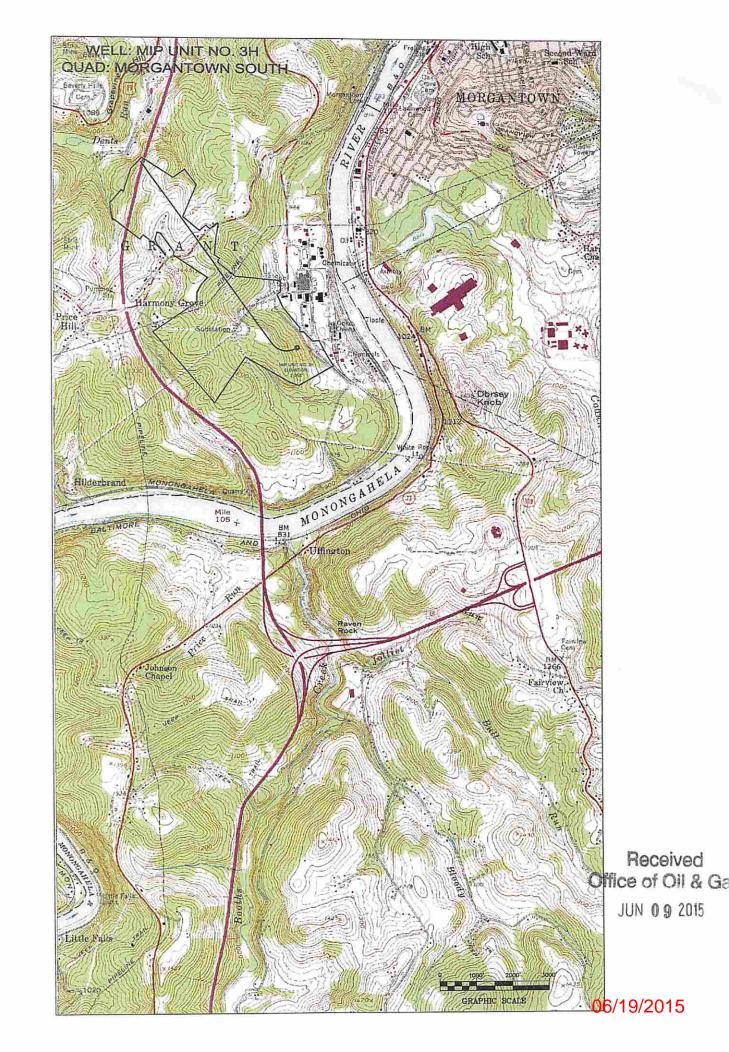
Maps and Diagrams

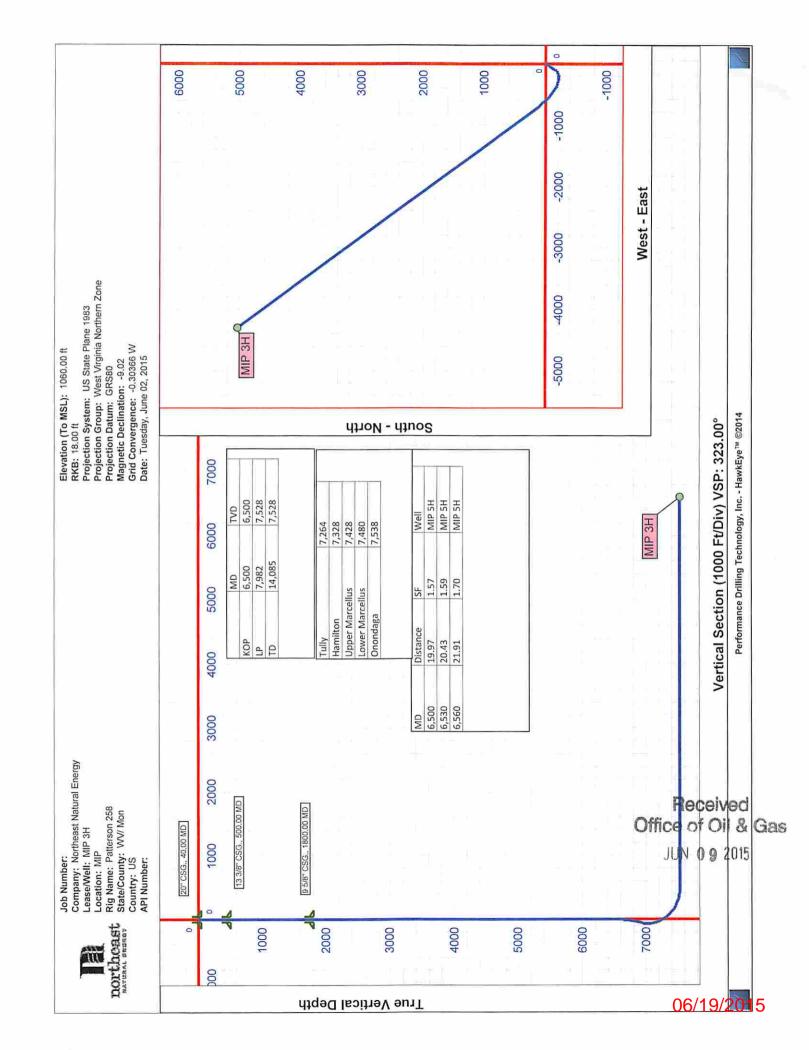












3 Well Work

A(1.0) <u>Description of Drilling Operations</u>

The MIP 3H well will be drilled on air to an approximate depth of 6,500' TVD/MD. The well will then be horizontally drilled on synthetic based mud from the KOP of approximately 7,528' TVD and 14,085' MD along a 324 degree azimuth.

A(1.1) Anticipated Equipment/Materials

During the drilling of a horizontal Marcellus gas well the following equipment and materials could be on the drilling location:

Equipment / Materials	Potential Hazard
Double Stand Drilling Rig	Medical, Fire/Explosion, Spill/Release
Mud Pumps	Medical, Fire/Explosion, Spill/Release
Mud Tanks	Medical, Fire/Explosion, Spill/Release
Fork Lift	Medical, Fire/Explosion, Spill/Release
Excavator	Medical, Fire/Explosion, Spill/Release
Diesel Tank	Medical, Fire/Explosion, Spill/Release
Diesel Fuel	Medical, Fire/Explosion, Spill/Release
Generators	Medical, Fire/Explosion, Spill/Release
Air Compressor	Medical, Fire/Explosion
Light Tower	Medical, Fire/Explosion, Spill/Release
Frac Tanks (mud, cement additives,	Medical, Fire/Explosion, Spill/Release
Drilling Mud Additives	Medical, Fire/Explosion, Spill/Release

A(2.0) <u>Description of Completions Operations</u>

The MIP 3H well will be completed using a multi-stage / high-rate slickwater fracture treatment using sand as a proppant. The First Stage will be initiated via pressurization against a burst disc ran in the production casing string and perforated by pumping down guns on wireline. Subsequent stages will also be perforated with pumped down guns ran on wireline. Individual stages will be isolated with composite frac plugs. Maximum pump rate during any stage will be 110 BPM with a maximum allowable surface pressure of 9,500 PSI. Composite bridge plugs will be set at the end of the last stage to isolate the treated formation. After the fracture treatment, composite frac plugs will be drilled out using a service rig and/or snubbing unit.

A(2.1) Anticipated Equipment/Materials

During the completion of a horizontal Marcellus gas well the following equipment and materials could be on the drilling location:

Equipment / Materials	Potential Hazard
Approximately 10 - 15 Pump Trucks	Medical, Fire/Explosion, Spill/Release
2 Blender Trucks	Medical, Fire/Explosion, Spill/Release
Belt Truck	Medical, Fire/Explosion, Spill/Release
Perforation Truck	Medical, Fire/Explosion, Spill/Release
Crane	Medical, Fire/Explosion, Spill/Release
Sand Tanks	Medical, Fire/Explosion, Spill/Release
Frac Tanks	Medical, Fire/Explosion, Spill/Release
Man Lift	Medical, Fire/Explosion, Spill/Release
Acid Truck	Medical, Fire/Explosion, Spill/Office of Oi

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Fork Lift	Medical, Fire/Explosion, Spill/Release
Gel Truck	Medical, Fire/Explosion, Spill/Release
Communications Truck	Medical, Fire/Explosion, Spill/Release
Diesel Truck	Medical, Fire/Explosion, Spill/Release
Diesel Fuel	
80/90 wt gear oil	Medical, Fire/Explosion, Spill/Release
5/40 motor oil	Medical, Fire/Explosion, Spill/Release
Antifreeze	Medical, Fire/Explosion, Spill/Release
Ethylene Glycol	Medical, Fire/Explosion, Spill/Release
Tri-Ethylene Glycol	Medical, Fire/Explosion, Spill/Release
Frac Sand	Medical, Fire/Explosion, Spill/Release
Hydrochloric Acid (HCI)	Medical, Fire/Explosion, Spill/Release
Friction Reducer	Medical, Fire/Explosion, Spill/Release
Gelling Agents	Medical, Fire/Explosion, Spill/Release
Biocide	Medical, Fire/Explosion, Spill/Release
Scale Inhibitor	Medical, Fire/Explosion, Spill/Release
Iron Control	Medical, Fire/Explosion, Spill/Release
Gel Breaker Agent	Medical, Fire/Explosion, Spill/Release
Corrosion Inhibitor	Medical, Fire/Explosion, Spill/Release

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A(3.0) <u>Description of Production Operations</u>

During the production phase, the well stream will flow through buried, welded piping to Gas Production Units. At this point, the gas will be separated from the water and sent through a meter to a sales pipeline. The water will be piped and stored in above ground tanks on the well site. Well pressures and flow rates will be monitored and recorded to ensure proper facility operation. All facilities will be installed according to industry standards and will have appropriate safety systems in place.

A(3.1) Anticipated Equipment/Materials

Production

Equipment / Materials	Potential Hazard
Well Head	Medical, Fire/Explosion, Spill/Release
Buried Flow Line	Medical, Fire/Explosion, Spill/Release
Sand Separator	Medical, Fire/Explosion, Spill/Release
Gas Processing Unit	Medical, Fire/Explosion, Spill/Release
Water Tanks	Medical, Fire/Explosion, Spill/Release
Condensate Tank	Medical, Fire/Explosion, Spill/Release
Water Truck Hauling & Hook Up Equipment	Medical, Fire/Explosion, Spill/Release
Pig Launcher	Medical, Fire/Explosion, Spill/Release

M & R Station

Equipment / Materials	Potential Hazard
Flowline	Medical, Fire/Explosion, Spill/Release
Pig Receiver	Medical, Fire/Explosion, Spill/Release
Two Phase Separator	Medical, Fire/Explosion, Spill/Release
Filter Units	Medical, Fire/Explosion, Spill/Release
Heater Unit	Medical, Fire/Explosion, Spill/Release
Dehydration Tower	Medical, Fire/Explosion, Spill/Release
50 – 100 Barrel Water Tank	Medical, Fire/Explosion, Spill/Release
Meter House	Medical, Fire/Explosion, Spill/Release
Meter Skid	Medical, Fire/Explosion, Spill/Release

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B DISTRIBUTION OF THE SITE SAFETY PLAN

Copies of this Plan will be located at NNE's corporate office building in Charleston, West Virginia, its field office in Morgantown, West Virginia, with the Designated Response Coordinators and field operation sites when applicable. This Plan may be accessed electronically by all NNE employees on the company's shared drive/share point. All NNE employees are to abide by the provisions of this Plan and are required to participate in its implementation. This Plan will also be shared with external entities such as the Monongalia County Office of Emergency Management within at least seven (7) days prior to earth disturbance and/or well work.

Efforts will be made to familiarize police, fire departments, emergency response teams and the County Emergency Management Coordinator with the layout of the well site, the properties and dangers associated with the equipment and materials that are on site, places where personnel would normally be working, and the possible evacuation routes should an emergency occur.

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Chemical Inventory & Material Safety Data Sheets ("MSDS")

A <u>Material Safety Data Sheets ("MSDS")</u>

MSDS Sheets will be provided upon request on a CD or USB drive.

B Location of MSDS

MSDS sheets will be kept in the company trailer during the drilling and completion phases of operation. Any Contractors that bring hazardous materials on site will provide MSDS for such. The onsite supervisor will be responsible for ensuring that all MSDS sheets are obtained and are easily accessible in case of an emergency.

C DRILLING MUD

1,500 bbl of 12.9 ppg synthetic drilling mud will be used along with the below listed chemicals. The mud will be kept in an open top above ground mud pit and circulated by nozzles and paddles.

Material	Unit	Amount
Barite	4000lb	9
Calcium Choloride Powder	50lb	200
Carbo Gel	50lb	60
Base Oil	1 gal	1440
Lime	50lb	69
Mil Sorb	50lb	87

Blow Out Preventer ("BOP") and Well Control

A <u>BOP EQUIPMENT - DRILLING PHASE</u>

From the shoe of the intermediate casing string (9-5/8") to KOP, the well will continue to be drilled on air. For this section, at a minimum, an 11" 3,000 PSI annular-type BOP will be utilized as a means of well control. Installation of this equipment will be dependent upon two different conditions...

- Should the top-hole drilling rig have a substructure large enough to sit upon a cellar, an 11" 5,000 PSI API flanged casing head will be welded onto the top of the intermediate casing string (9-5/8") below grade after it has been set and cement has cured for a minimum of 8 hours. It is upon this casing head that the annular-type BOP will be bolted and torqued to specification as a means of well control for the section.
- Should the top-hole drilling rig have a substructure too small to sit upon a cellar, the intermediate casing string (9-5/8") will be landed at surface and a screw-on or weld flange annular-type BOP will be used as a means of well control for the section. Under this scenario, a cellar will be installed around the wellbore after the top-hole rig is released from the pad. Once installed, an 11" 5,000 PSI API flanged casing head will then be welded onto the top of the intermediate casing string (9-5/8") below grade.

For the remainder of the drilling of the well on fluid; at a minimum and from bottom to top; an 11" 5,000 PSI kill spool, an 11" 5,000 PSI blind ram-type BOP, an 11" 5,000 PSI pipe ram-type BOP, and an 11" 5,000 PSI annular-type BOP will be bolted and torqued to specification upon the 11" 5,000 PSI casing head.

B PROCEDURE AND SCHEDULE FOR TESTING BOP

For the bottom and horizontal wellbore drilling phase, function testing of BOP equipment shall occur upon initial installation, weekly, and after each trip. Pressure testing of all BOP equipment shall occur upon initial installation and every twenty-one (21) days thereafter, should the well not be completed within that time. Annular preventers are to be tested to seventy percent (70%) of the rated capacity and ram preventers should be tested to eighty percent (80%) of the rated capacity according to the following procedure;

- The WV DEP Regional Oil and Gas Inspector will be notified 24 hrs. in advance
 of the pressure testing of all BOP equipment.
- For the testing of the 3,000 PSI annular-type BOP before drilling through the shoe of the intermediate casing string to KOP, a cup-type tester will be lowered into the intermediate casing (9-5/8") or a plug-type tester will be inserted into the Office of Oil & Gas

- casing head if installed. After a successful function test, the annular BOP will be closed around drill pipe and the void between the cup or plug will be pressurized using fluid as a medium. This shall consist of a minimum five minute low pressure (300 PSI maximum) test, and a thirty minute high pressure (2,100 PSI minimum) test. Annular preventer and valves shall be tested from the direction they are exposed to wellbore pressure. A successful test shall consist of less than a 10% bleed off after buildup over the entire duration of the low/high test period.
- For the testing of the BOP stack from KOP to TD of the well, a plug-type tester will be placed into the bowl of the 11" 5M x 9-5/8" casing head. After a successful functional test, all rams, valves, TIW valves, chokes, and annular preventers will be pressure tested from the direction they are subjected to wellbore pressure. The annular preventer will be tested by pressurization around drill pipe using water as a medium and subject to a minimum five minute low pressure (300 PSI maximum) test, and a minimum thirty minute high pressure (2,100 PSI minimum for 3M equipment, 3,500 PSI minimum for 5M equipment) test. Rams, valves, TIW, and choke components shall be tested using water as a medium and subject to a minimum five minute low pressure (300 PSI maximum) test, and a minimum thirty minute high pressure (2,400 PSI minimum for 3M equipment, 4,000 PSI minimum for 5M equipment) test. Each individual component must pass its respective test before drilling may commence. A successful test shall consist of less than a 10% bleed off after buildup over the entire duration of the low/high test period.

C ASSEMBLY INSTALLATION SCHEDULE

- During top hole operations a 11" 5,000 PSI API flanged casing head will be welded onto the top of the intermediate casing string (9-5/8") below grade and an 11" 3,000 PSI annular-type BOP will be used to KOP
- From curve to TD the following will be added to the flanged casing;
 11" 5,000 PSI kill spool, 11" 5,000 PSI blind ram-type BOP, 11" 5,000 PSI pipe ram-type BOP, and 11" 5,000 PSI annular-type BOP 11" 5,000 PSI casing head.

D PERSONNEL WITH WELL CONTROL TRAINING

Throughout operations, the following Northeast Natural Energy representatives shall have and maintain IADC well control certification:

- Jay Hewitt Drilling Manager
- Ian Costello Completions Engineer
- Ryan Warner Production Engineer
- Any onsite consultant hired to oversee drilling or completions operations

E SYSTEM OF MAINTAINING DETAILED RECORDS

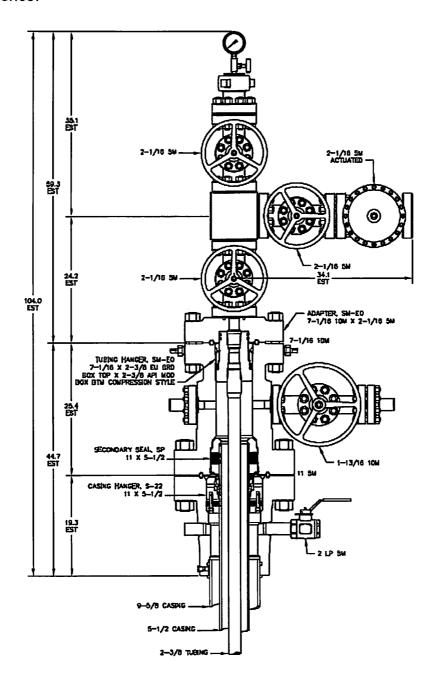
A detailed Driller's Log shall be maintained, including but not limited to, lost circulation, the presence of hydrogen sulfide gas, fluid entry, kicks, and abnormal pressures.

F NOTIFICATION OF THE OFFICE OF OIL AND GAS

The WV DEP Office of Oil and Gas will be immediately notified of the presence of hydrogen sulfide gas above 10 ppm, significant kicks, or blow-out events.

G WELL HEAD ASSEMBLY

A 5,000 PSI production tree will be placed upon the tubing spool after the drill out process. This unit will consist of, at a minimum and from bottom to top; one flanged 2-1/16" 5,000 PSI gated master valve, a studded three-way tee, a flanged 2-1/16" 5,000 PSI gated swab valve, and a 5,000 PSI flanged tree cap. The side outlet of the studded three-way tee shall include a flanged 2-1/16" 5,000 PSI gated wing valve. A schematic of the proposed wellhead and tree assembly is attached for reference.



H WELL KILLING PROCEDURE

An oil-based synthetic drilling fluid will be utilized for the bottom and horizontal sections of the well. A total onsite volume of 1,600 Bbls (1.5 times the hole volume) will be maintained at 12.5 ppg. Enough weighting material, in the form of barite, will be kept onsite to increase the density of the entire volume of drilling mud by 1.0 ppg. This constitutes enough weighting material to initiate a 16 ppg slug, should a kick be encountered.

Dual-purpose paddle style mixing/reserve tanks will be used for the blending of mud additives and weighting material. A minimum of two units will be employed, with the final number based upon the drilling contractor selected.

The well will be drilled in an overbalanced manner to maintain control over formation fluids. Should a kick be detected, the well will be killed by either the IADC approved "Driller's Method" or "Wait and Weight" method. Bottomhole pressure will be calculated from SIDPP obtained post-kick, and the drilling fluid density will be increased by adding barite to the system and circulated throughout the wellbore when using the "Wait and Weight" method. After circulation with either method, the well will then be checked for flow, and if none is detected, then drilling operations will resume.

Hydrogen Sulfide ("H₂S")

A DETECTION, MONITORING AND WARNING EQUIPMENT

Based upon previous experience and history in the area, no H₂S is expected to be encountered during the drilling or completion activities of the MIP 3H. As a means of additional protection, mud loggers will be utilized during the drilling process to monitor any gas stream from the well through the flowline during the bottom and horizontal sections. Additional portable detection equipment shall be available on or near potential sources of explosive or hydrogen sulfide gases on the pad throughout all operations. Monitoring equipment shall be calibrated by and in accordance with the supplying contractor's guidelines. Detection of either shall sound an alarm which notifies personnel to shut in the well(s) and evacuate to the predetermined safe zone immediately.

B H2S TRAINING

A safe zone upwind and away from the well will be established at the beginning of each tour. Personnel are trained to evacuate the well and gather at this safe zone immediately at the first sound of an H₂S explosive gas alarm.

When in a historically known area, or after H₂S is first detected, operations will halt, evacuation procedures will be followed, and all personnel will be trained for detailed H₂S protocols before operations begin or resume.

C NOTIFYING THE OFFICE OF OIL AND GAS

In the event that H2S is encountered, after all personnel have gathered in the safe zone, the onsite supervisor will take a head count, and then proper offsite notifications shall be made. The DEP Office of Oil and Gas will be notified by a phone call to both the local inspector and the emergency number.

D PROTECTION ZONES

A wind sock and/or flags will be utilized on location to identify wind direction, and safe zone upwind and away from the well will be established at the beginning of each tour. Personnel are trained to evacuate the well and gather at this safe zone immediately at the first sound of an H₂S explosive gas alarm.

E LIST OF PERSONAL PROTECTIVE EQUIPMENT ("PPE")

Since drilling in a historically known area to not contain H2S through the intervals drilled, H2S specific PPE will not be kept on site. Centralized H2S alarms, and supplemental personal alarms, will be maintained and used throughout the drilling and completion process. Personnel on site will be notified to cease the current operation safely, shut-in all wells on the pad, and evacuate all personnel to the predetermined safe zone at the first signal of H2S from these alarms. It is at this time that NNE personnel would assess the hazards, and bring in H2S specialists and PPE to mitigate the situation. Normal work would return to the pad after all personnel passed a specific H2S training and were equipped with the proper PPE.

7 Flaring

A FLARING PLAN

Post frac, a system of 2" and 3" Figure 1502 integrated-hammer pup joints will be assembled from the wellhead to a 5,000 PSI plug catcher and choke manifold. The choke manifold shall consist of two parallel adjustable chokes to control the initial flow of the well. Using the same construction iron, from the choke manifold, flow will enter a high capacity temporary production unit. The liquid fraction from the well will be diverted to gas buster equipped frac- tanks on location. All or part of the gas fraction from the well will be diverted to a thirty foot flare stack approximately 150' downwind of the wellhead. Any gas not diverted to a flare line shall be diverted to sales.

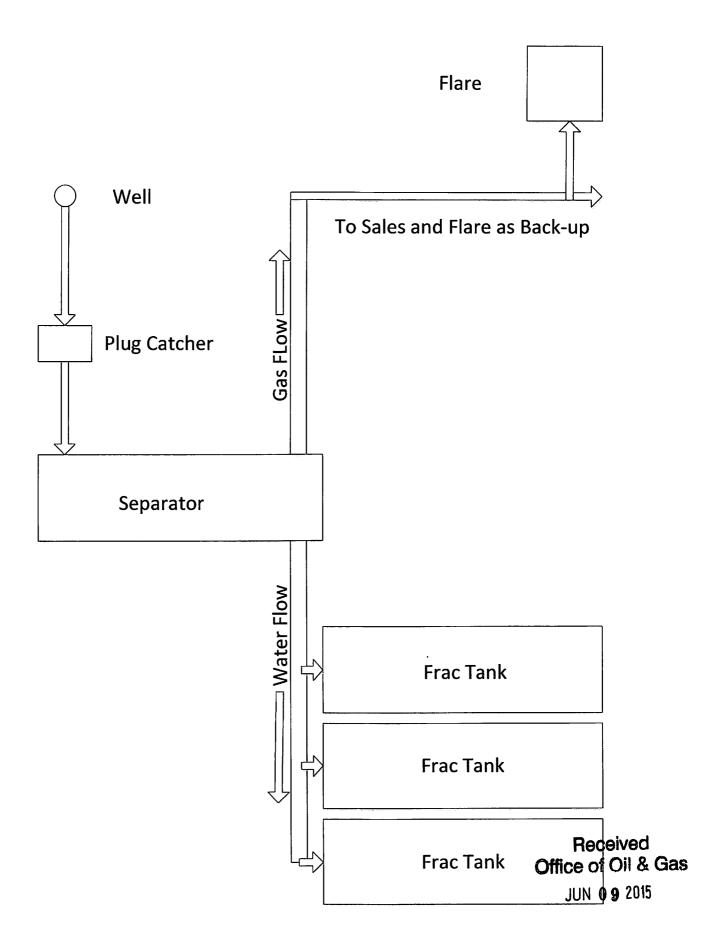
Iron pipe used in the flow/flare line assembly shall be banded at the joints with chain or steel cable. The flow/flare assembly shall be anchored in place by attachment to concrete blocks at vendor recommended intervals.

The flare stack will be equipped with an electronic ignition system, and a minimum of two backup ignition sticks will be kept on location at all times.

All gas diverted through the choke manifold shall either be burned through the flare stack or sent to sales. The local fire department will be given prior notice of the window in which gas flaring is to occur. They will also be notified immediately prior to lighting the flare, if possible, otherwise, as soon after lighting the flare as possible.

A 50' circumference shall be maintained around the flare stack which is to be kept free of flammable materials at all times prior to and during the flaring of any gas.

It is expected to flare the gas fraction of the well stream for a one week period.



Collision Avoidance Safeguards, Practices and Standards JUN 09 2015

Scope of Work:

To ensure that wells are drilled in a safe manner that mitigates the risk of underground collisions on multi-well pads. Key portions of work will be described including roles, responsibilities and steps taken when returning to pads with existing producing or stimulated wells.

Definitions:

- 1) Proposed Wellbore- Involves sections of the vertical top-hole, the KOP, the lateral landing, and the lateral drilling to the total measured depth TMD.
- 2) Nudge- Technique generally used in the vertical top-hole section. The well path is nudged from vertical to pass areas of possible magnetic interferences and to reduce the risk of collision by maintaining separation with other wellbores.
- 3) KOP- Kick off Point. Diverting a well path from one trajectory to another
- 4) MWD- Measurement While Drilling
- 5) LWD- Logging While Drilling
- 6) EM Electromagnetic Telemetry
- 7) SF- Separation Factor or Clearance Factor:

$$SF^* = CC \div [UR_{ref} + UR_{off}]$$

CC - Well separation distance (center to center of wellbores)

UR_{ref} – radius ellipse of uncertainty on reference well

URoff – radius ellipse of uncertainty on offset well

Note: ellipses are half-axes or radii.

- *Calculation options may be considered
- 8) TMD- Total Measured Depth
- 9) Gyro High accuracy well bore survey instrument unaffected by magnetic interference.
- 10)QC / QA Quality Control and Quality Assurance
- 11) HSE Health Safety and the Environment
- 12) UBHO Sub Universal Bottom Hole Orientation Sub

Established descriptions of risk:

1) SF ≤ 1.0	Level 1	Extreme collision risk
2) SF = 1.0 to 1.5	Level 2	High collision risk
3) SF = 1.5 to 2.0	Level 3	Moderate collision risk
4) SF > 2.0	Level 4	Low to no collision risk

*Please see attached directional schematic.

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Well Planning:

Prior to drilling any well, a directional plan will be developed to ensure that the well is properly placed with consideration to permits, lease limitations and future drilling considerations. The well should be planned to maintain a SF of ≥ 2.0 whenever possible. If a SF of <2.0 is encountered, additional risk mitigation steps may be required such as downhole mechanical barriers and increased survey frequency.

Survey Protocol:

When drilling wells on a pad without producing or stimulated wells, surveys will be taken every 500' in the vertical portion of the wellbore.

When drilling wells on pads with producing or stimulated wells, the survey frequency will be at a minimum of every 250' and will be increased as needed.

Tool Alignment Procedure:

All work groups responsible for the placement of the wellbore share responsibility in ensuring accuracy. The Company Representative, Directional Drilling Supervisor and Gyro Supervisor are all responsible for the alignment of the UBHO Sub and the motor to ensure that azimuthal directional is correct. All parties should visually verify the orientation of the shoe and agree upon a coordinate system and reference point. When possible, MWD tools will be used to minimize risk of incorrect orientation.

<u>Directional Planning and Controls – Vertical Wellbore:</u>

When drilling on pads without producing or stimulated wells, all wells should be planned with a minimum $SF \ge 1.5$. Surveys should be taken at intervals of 500' to record the well path as it is drilled but the frequency can be increased if needed.

Drilling parameters should be held constant for the vertical portions of all wells to ensure the natural drilling path is similar for all wells on the pad.

Following the drilling of the vertical section of the wellbore, a gyro survey will be taken.

Anti-collision software will be used to analyze this data to ensure safe wellbore spacing.

Internally, Hawkeye will be used for tracking and planning 3D wellbore geometry and, as a redundancy, the directional company will utilize their own software to confirm ceived results.

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JUN 0 9 2015

If drilling wells on a pad with existing producing or completed wells, additional steps in directional planning may be required. If possible, all additional wells to an active pad should be planned with a $SF \ge 2.0$. If a well cannot be planned in such a manner, additional means of risk mitigation will be considered including nudging the wellbores, use of MWD/EM, down hole barriers in at risk wells and increased survey frequency.

<u>Directional Planning and Controls – Curve and Lateral Wellbore:</u>

While drilling the curve and lateral portions of the wellbores, MWD technology will be used to ensure the well path is drilled according to the drilling plan and the state permit. Azimuth, gamma ray and other data will be collected and transmitted to surface. The information will be analyzed by the Directional Drilling Contractor, Company Representative, Drilling Manager and Geologist to ensure the quality of the data and proper interpretation.

The path of the well being drilled will be monitored in relationship to all adjacent wells to ensure adequate SF is maintained during the vertical, curve and horizontal portions of the wellbore.

Other Data:

Prior to drilling new wells on a pad, a site overview with the wellhead arrangement will be developed. Among the information that should be included is API number, surface footage separation and wellbore status. Additionally, all survey data for each existing well will be compiled for use in well planning.

Contingency Plans:

The wellbore being drilled will be monitored in relation to existing wellbores. Should the active well approach an existing well and the SF be < 1.5, drilling should be suspended until risks are mitigated by adjusting the directional plan, increasing survey frequency and verifying any necessary mechanical barriers are present in the adjacent wells. If a SF ≤1 is experienced, the WV DEP Office of Oil and Gas Regional Inspector will be immediately contacted.

Should a collision occur, the WV DEP Office of Oil and Gas Regional Inspector will be immediately contacted, drilling will be suspended and all existing wells will be monitored for integrity. If a loss of pressure control in any well is experienced, Wild Well Control, or another professional well control company, will be contracted for technical support and services. If there is not a loss of pressure control, a separate well work procedure will be developed to repair or plug and abandon the effected wells.

