

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 30, 2013

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-6900162, issued to CHESAPEAKE APPALACHIA, L.L.C., 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: CHARLES FRYE OHI 6H

Farm Name: FRYE, CHARLES AND DOROTHY

API Well Number: 47-6900162

Permit Type: Horizontal 6A Well

Date Issued: 04/30/2013

Promoting a healthy environment.



PERMIT CONDITIONS

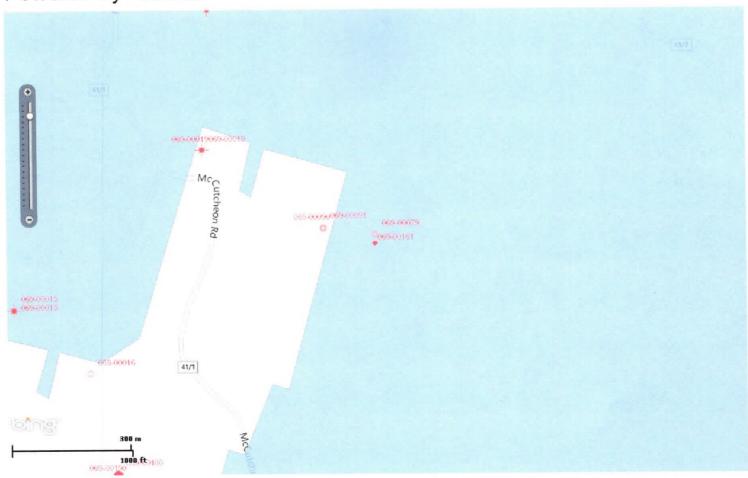
West Virginia Code § 22-6A-8(d) allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. Failure to adhere to the specified permit conditions may result in enforcement action.

CONDITIONS

- 1. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code § 22-6A-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.
- 2. When compacting fills, each lift before compaction shall not be more than 12 inches in height, and the fill material shall be within plus or minus 2% (unless soil test results show a greater range of moisture content is appropriate and 95% compaction can still be achieved) of the optimum moisture content as determined by the standard proctor density test, ASTM D698, Standard Test Method for Laboratory Compaction Characteristics of Soil Using Standard Effort. Each lift must meet 95% compaction of the optimum density based on results from the standard proctor density test of the actual soils used in specific engineered fill sites. 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.
- 3. 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.
- 4. 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.
- 5. 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.

Map from a Flex Viewer application

Powered by ArcGIS



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Drilling in old mine

-LKC

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS W.VA. CODE §22-6A - WELL WORK PERMIT APPLICATION

1) Well Operator:	Chesapeake	e Appalachia, LLC	;	494477557	69-Ohio	7-Tridelphia	648-Valley Grove
i) wen operator				Operator ID	County	District	Quadrangle
2) Operator's Well N	Jumber:	Charles Fry	e OHI 6H	V	Vell Pad Nam	ne: Charles Frye C	OHI Pad
3 Elevation, current	ground:	1260'	Ele	evation, proposed	post-construc	tion:	1260'
4) Well Type: (a) Ga	as		Oil				
	ther						-
(b) If	Gas:	Shallow		Deep			
		Horizontal					
5) Existing Pad? Yes	s or No:	Yes					
						D ()	
6) Proposed Target F			(s), Anticipat, Target base TVD-		d Associated thickness- 55	Pressure(s): Associated Press	sure 4202'
Target formation-Marcellus	, Target top	TVD- 6465	, rarget base TVD-	, Anticipate	d tillokiless- oo	,71000011100111001	
7) Proposed Total V			6,500'				
8) Formation at Tota		- 7	Marcellus				*
9) Proposed Total M			12,800'				
10) Approximate Fre			_	26'			
11) Method to Deter				rom a water well `7,000 SW	or the pad.		
12) Approximate Sa			900'				
13) Approximate Co			615'	1	0451 Ab 4-		
14) Approximate De					615' Abando	ned mine	
15) Does land contain			ary or adjaces	it to, active mine?	No		
16) Describe propos			dian the Densen to th	no Margallus **If wa should	oncounter a void nl	ace hasket above an	d helow
				ne Marcellus. **If we should . Run casing not less than 20			
				et casing 50' below and cts)			
	•						
17) Describe fractur	ing/stim	ulating met	hods in detail	:			
Well will be perforated within th	e target forma	tion and stimulated wi	th a slurry of water, san	d, and chemical additives at a hig			
				tion. All stage plugs are the			surface.
The well is produced throu	igh surface f	acilities consisting	of high pressure pro	duction units, vertical separa	tion units, water and	oil storage tanks.	
18) Total area to be	disturbe	ed, including	g roads, stock	pile area, pits, etc,	(acres):	15.2	
19) Area to be distu	rbed for	well pad or	nly, less acces	ss road (acres):	3.4	7 W	
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					U	OV 2-12-	13 010
)<	Ar and	15
						Oz.	69

20)

CASING AND TUBING PROGRAM

ТҮРЕ	Size	New or Used	Grade	Weight per ft.	FOOTAGE: For Drilling	INTERVALS: Left in Well	CEMENT: Fill -up (Cu. Ft.)
Conductor	20"	New	J-55	94#	100'	100'	CTS
Fresh Water	13 3/8"	New	J-55	54.5#	665'	665'	610 sx/CTS
Coal	9 5/8"	New	J-55	40#	2,170'	2,170'	100 sx/CTS
Intermediate	7"	New	P-110	20#	If Needed	If Needed	If Needed/As Needed
Production	5 1/2"	New	P-110	20#	12,800'	12,800'	Lead 1080 sx Tail 1140 sx/100' inside intermediate
Tubing	2 3/8"	New	N-80	4.7#	Approx. 6,500'	Approx. 6,500'	*
Liners						1.04	14016

2-12-13 Mg/C 2-12-13

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield
Conductor	20"	30"	0.25	2120	15.6 ppg	1.19/50% Excess
Fresh Water	13 3/8"	17.5"	0.380	2740	15.6 ppg	1.19/50% Excess
Coal	9 5/8"	12 1/4"	0.395	3950	15.6 ppg	1.19/50% Excess
Intermediate	7"	8 3/4"	.0317	4360	15.6 ppg	1.20/15% Excess
Production	5 1/2"	8 3/4"	0.361	12360	15.6 ppg	1.20/15% Excess
Tubing	2 3/8"	4.778"	0.190			
Liners						

PACKERS

Kind:	10K Arrowset AS1-X	
Sizes:	5 1/2"	
Depths Set:	Approx. 6,197'	

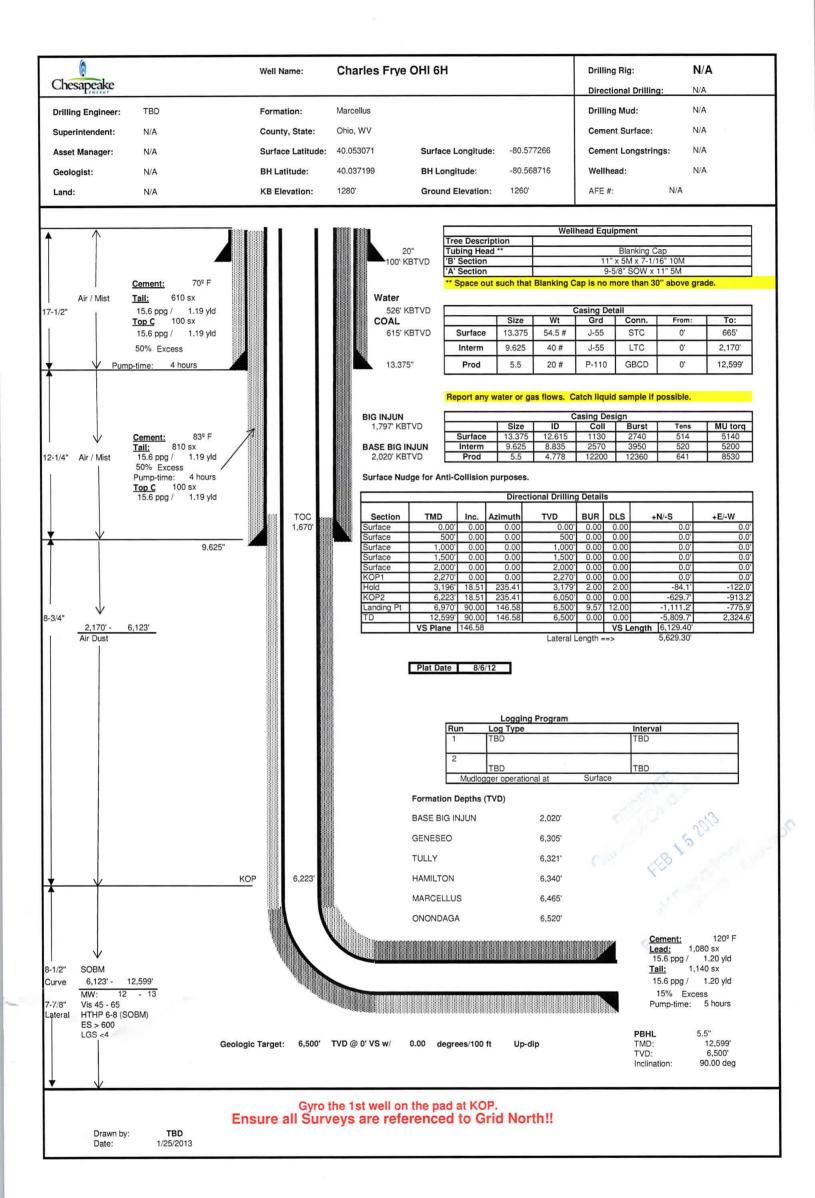


1) Describe centralizer placement for each casing string.
All casing strings will be ran with a centralizer at a minimum of 1 per every 3 joints of casing.
22) Describe all cement additives associated with each cement type.
**Please see attached sheets for Chemical Listing of Cement & Additives for Chesapeake Energy wells.
23) Proposed borehole conditioning procedures.
All boreholes will be conditioned with circulation and rotation for a minimum of one bottoms up and continuing until
operator is satisfied with borehole conditions.

*Note: Attach additional sheets as needed.

Chemical Name	CAS Number	% Concentration Used
Fuller's earth (attapulgite)	8031-18-3	0.2% BWOC
Polypropylene glycol	25322-69-4	
polyethylene terephthalate	25038-59-9	0.125 lb/sk
calcium chloride	10043-52-4	2% BWOC
polyethylene terephthalate	25038-59-9	1 lb/bbl
bentonite	1302-78-9	20 lb/bbl
Fuller's earth (attapulgite)	8031-18-3	0.2% BWOC
Polypropylene glycol	25322-69-4	
polyethylene terephthalate	25038-59-9	0.125 lb/sk
sodium chloride	7647-14-5	10% BWOW
chrystalline silica	14808-60-7	0.15% BWOC
	4000 70 0	00 15 /5-5
bentonite	1302-78-9	20 lb/bbl
polyethylene terephthalate	25038-59-9	1 lb/bbl
and the state of the part beautiful to		0.05 gal/sk
product classified as non-hazardous.		0.03 gal/sk
product classified as non-hazardous	25322-69-4	0.01 gal/sk
polypropylene glycol	25522-69-4	0.02 gal/sk
Carbohydrate	proprietary	1 lb/bbl
Silica Organic Polymer	proprietary	0.1 gal/bbl
barium sulfate	7727-43-7	310 lb/bbl
fatty acid amine	proprietary	
ethoxylated alcohol	proprietary	
glycerol	56-81-5	
2.2'-Iminodiethanol	111-42-2	1 gal/bbl
aliphatic amide polymer	proprietary	0.35% BWOC
non-crystalline silica	7631-86-9	6% BWOC
boric acid	10043-35-3	0.8% BWOC
Fuller's earth (attapulgite)	8031-18-3	33333
Polypropylene glycol	25322-69-4	0.2% BWOC
chrystalline silica	14808-60-7	
metal oxide	proprietary	0.2% BWOC
sulphonated synthetic polymer	proprietary	
formaldehyde (impurity)	50-00-0	0.3% BWOC
Fuller's earth (attapulgite)	8031-18-3	
Polypropylene glycol	25322-69-4	0.2% BWOC
aliphatic amide polymer	proprietary	0.35% BWOC
Sodium Polynaphthalene Sulfonate	9008-63-3	
Sodium Sulfate	7757-82-6	0.25% BWOC

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

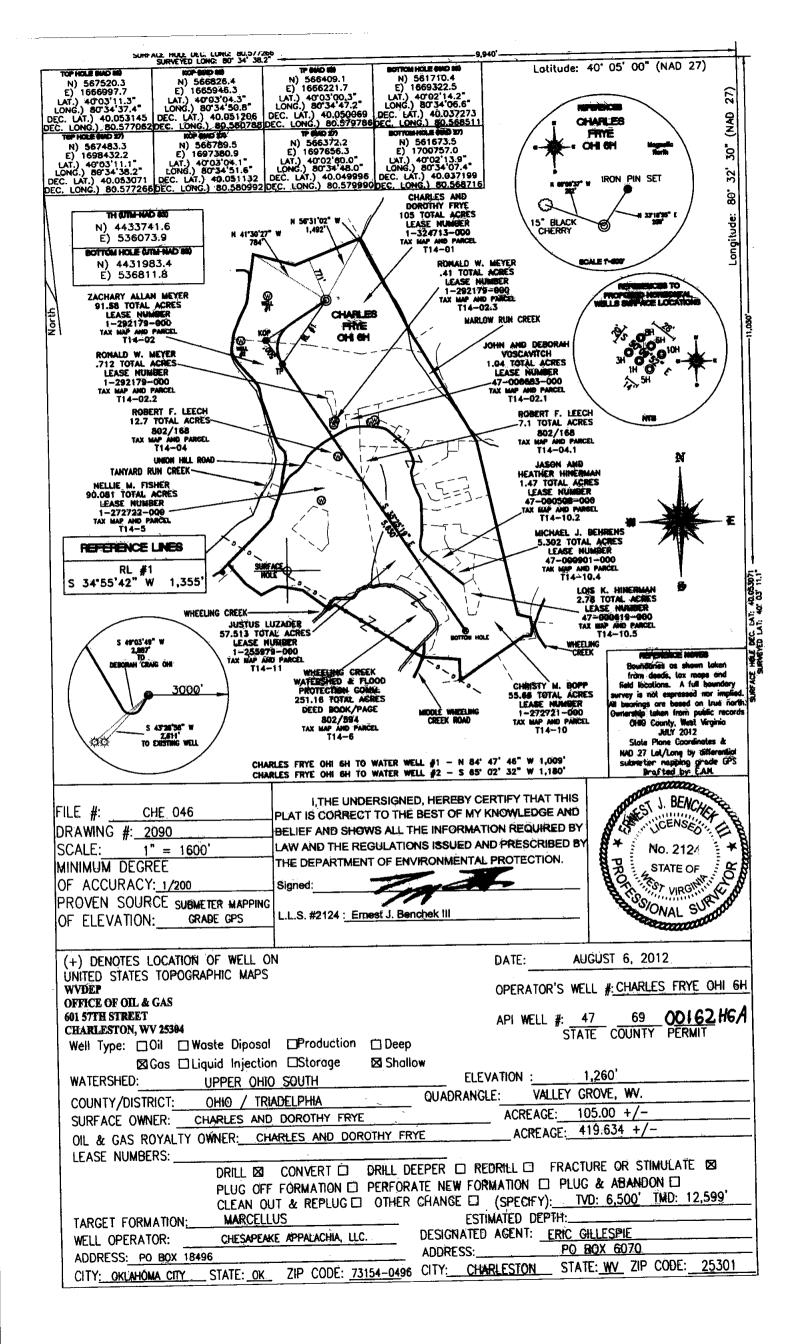
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Chesapeake Appalach	iia, LLC	OP Code	494477557
Watershed Upper Ohio South	Qua	drangle 648-Valley Grove	
Elevation 1260'	County 69-Ohio	District_7-Tri	delphia
Description of anticipated Pit Waste			
Do you anticipate using more than 5			
Will a synthetic liner be used in the	pit? If so, w	nat mil.?	_
Reuse (a		will be included with the WR-34/DDMR &/	or permit addendum
Additives to be used? see attached	ynthetic, petroleum, etc. Synthetic (sheets	etc. Air and salt saturate mud	
Will closed loop system be used ? y Drill cuttings disposal method? Lea	ave in pit landfill removed offsite.	etc. Landfill	
-If left in nit and plan to so	lidify what medium will be used?	Cement, lime,	
-Landfill or offsite name/p	ermit number? Meadowfill SWF-1032	, SS Grading SWF-4902, North	vestern SWF-1025
Short Creek 1034/WV0109517 / CID28726 , Arden La	andfill 100172, Carbon Limestone 28726/CID 28726,	American 02-12954, Country Wide 38390/0	CID 38390, Pine Grove 13688
on August 1, 2005, by the Office o provisions of the permit are enforced or regulation can lead to enforcement	eable by law. Violations of any terent action. If law that I have personally exant thereto and that, based on my in information is true, accurate, and ding the possibility of fine or imprise	Department of Environmen m or condition of the general nined and am familiar with quiry of those individuals in a complete. I am aware that	tal Protection. I understand to the information submitted of the information submitted of the information submitted of
Company Official Title Regulatory	Analyst II		
Subscribed and sworn before me th	nis 29th day of game	100Y , 20 <u>1</u>	3
Britany R 4	loody	Notary I	Public
My commission expires 11/27	33	(FEB 15 2013

Property Boundary

Road	======	□ □ Spring	<u> </u>
Existing Fence	——×——×——×	< Wet Spot	Ö
Planned Fence	////	/ Drain Pipe w/ size in inches	(12)
Stream	~>~>	Waterway —	$\check{\leftarrow}$
Open Ditch	>>>		
Rock	<u>ే ద్వర</u> ్ధాన్		XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
North	↑ N		WITTING.
Buildings	N	Pit: Cut Walls	martinez
Water Wells	(w)	Pit: Compacted Fill Walls	marquarte
Drill Sites	\bigoplus	Area for Land Application of Pit Waste	
Lime as determined by pk Fertilizer (10-20-	eatment: Acres Disturbed 10 + 10 + 10 + 10 + 10 + 10 + 10 + 10	to pH 6.5	on pH
Mulch_Hay/Straw	2.5	Tons/acre	
		Seed Mixtures	
	Area I		Area II
Seed Type	lbs/acre	Seed Type	lbs/acre
White Clover	15	White Clover	15
Red Top	15	Red Top	15
Orchard Grass	20	Orchard Grass	20
	on,pit and proposed area for lawolved 7.5' topographic sheet.	Date: 2-12	Sleylish &
Field Reviewed?	Yes) No	FEB 15 2013

Diversion



STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS / NOTICE CERTIFICATION

Date of Notic	e Certification: 2/14/13		API No. 47- Operator's V	69-Ohio - (Well No. Charle	00162 ss Frye OHI 6H	
				me: Charles F		
	e provisions in West Virginia Code	§ 22-6A, the Operator has provide	ded the requ	ired parties w	ith the Notice Forms listed	
	tract of land as follows:	-	Easting:	536073.9		
State:	West Virginia 69-Ohio			4433741.6		
County: District:	7-Tridelphia	Public Road Acces	_	McCutcheon Road		
Quadrangle:	648-Valley Grove	Generally used fari	-	Charles Frye Ol		
Watershed:	Upper Ohio South			Shahoo y nyo o m		
it has provide information re of giving the requirements Virginia Code of this article	the secretary, shall be verified and sed the owners of the surface descriequired by subsections (b) and (c), so surface owner notice of entry to surface owner notice of entry to surface of subsection (b), section sixteen of es \$ 22-6A-11(b), the applicant shall have been completed by the applicant	bed in subdivisions (1), (2) and ection sixteen of this article; (ii) arvey pursuant to subsection (a) of this article were waived in watender proof of and certify to the out.	d (4), subsethat the req that the req), section to vriting by the e secretary t	ection (b), sec- uirement was en of this artic he surface ow hat the notice	tion ten of this article, the deemed satisfied as a result cle six-a; or (iii) the notice ther; and Pursuant to West	
that the Ope	West Virginia Code § 22-6A, the Operator has properly served the require ECK ALL THAT APPLY	perator has attached proof to this ed parties with the following:	is Notice Ce	rtification	OOG OFFICE USE	
	TICE OF SEISMIC ACTIVITY or	■ NOTICE NOT REQUIRE SEISMIC ACTIVITY WAS			RECEIVED/ NOT REQUIRED	
☐ 2. NO	TICE OF ENTRY FOR PLAT SUR'	VEY or NO PLAT SURVE	Y WAS CO	NDUCTED	☐ RECEIVED	
■ 3. NO	TICE OF INTENT TO DRILL or	NOTICE NOT REQUIRED NOTICE OF ENTRY FOR PARTY NOTICE OF ENTRY FOR PARTY FOR			RECEIVED/ NOT REQUIRED	
		☐ WRITTEN WAIVER B (PLEASE ATTACH)	Y SURFAC	E OWNER		
■ 4. NO	TICE OF PLANNED OPERATION				RECEIVED	
■ 5. PU	BLIC NOTICE				RECEIVED	
■ 6. NO	TICE OF APPLICATION				RECEIVED	

Required Attachments:

The Operator shall attach to this Notice Certification Form all Notice Forms and Certifications of Notice that have been provided to the required parties and/or any associated written waivers. For the Public Notice, the operator shall attach a copy of the Class II Legal Advertisement with publication date verification or the associated Affidavit of Publication. The attached Notice Forms and Certifications of Notice shall serve as proof that the required parties have been noticed as required under West Virginia Code § 22-6A. Pursuant to West Virginia Code § 22-6A-11(b), the Certification of Notice to the person may be made by affidavit of personal service, the return receipt card or other postal receipt for certified mailing.

Certification of Notice is hereby given:

, have read and understand the notice requirements within West Virginia Code § 22-THEREFORE, I Danielle Southall 6A. I certify that as required under West Virginia Code § 22-6A, I have served the attached copies of the Notice Forms, identified above, to the required parties through personal service, by registered mail or by any method of delivery that requires a receipt or signature confirmation. I certify under penalty of law that I have personally examined and am familiar with the information submitted in this Notice Certification and all attachments, 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 and imprisonment.

Well Operator: Chesapeake Appalachia, LLO

By:

Danielle Southall

Its: Telephone: Regulatory Analyst I

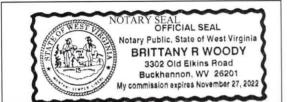
304-517-1416

Jane Lew, WV 26378

304-471-2497 Facsimile:

Email:

danielle.southall@chk.com



My Commission Expires

Oil and Gas Privacy Notice:

The Office of Oil and Gas processes your personal information, such as name, address and telephone number, as part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use or your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov.



API NO. 47- 69-Ohio - 00162

OPERATOR WELL NO. Charles Frye OHI 6H

Well Pad Name: Charles Frye OHI Pad

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE OF APPLICATION

Notice Time Requirement: notice shall be provided no later than the filing date of permit application. Date of Notice: 2 1413 Date Permit Application Filed: 2 1413 Notice of: ☐ CERTIFICATE OF APPROVAL FOR THE PERMIT FOR ANY WELL WORK CONSTRUCTION OF AN IMPOUNDMENT OR PIT Delivery method pursuant to West Virginia Code § 22-6A-10(b) ☐ METHOD OF DELIVERY THAT REQUIRES A REGISTERED PERSONAL RECEIPT OR SIGNATURE CONFIRMATION **SERVICE MAIL** Pursuant to W. Va. Code § 22-6A-10(b), no later than the filing date of the application, the applicant for a permit for any well work or for a certificate of approval for the construction of an impoundment or pit as required by this article shall deliver, by personal service or by registered mail or by any method of delivery that requires a receipt or signature confirmation, copies of the application, the erosion and sediment control plan required by section seven of this article, and the well plat to each of the following persons: (1) The owners of record of the surface of the tract on which the well is or is proposed to be located; (2) The owners of record of the surface tract or tracts overlying the oil and gas leasehold being developed by the proposed well work, if the surface tract is to be used for roads or other land disturbance as described in the erosion and sediment control plan submitted pursuant to subsection (c), section seven of this article; (3) The coal owner, operator or lessee, in the event the tract of land on which the well proposed to be drilled is located [sic] is known to be underlain by one or more coal seams; (4) The owners of record of the surface tract or tracts overlying the oil and gas leasehold being developed by the proposed well work, if the surface tract is to be used for the placement, construction, enlargement, alteration, repair, removal or abandonment of any impoundment or pit as described in section nine of this article; (5) Any surface owner or water purveyor who is known to the applicant to have a water well, spring or water supply source located within one thousand five hundred feet of the center of the well pad which is used to provide water for consumption by humans or domestic animals; and (6) The operator of any natural gas storage field within which the proposed well work activity is to take place. (c)(1) If more than three tenants in common or other co-owners of interests described in subsection (b) of this section hold interests in the lands, the applicant may serve the documents required upon the person described in the records of the sheriff required to be maintained pursuant to section eight, article one, chapter eleven-a of this code. (2) Notwithstanding any provision of this article to the contrary, notice to a lien holder is not notice to a landowner, unless the lien holder is the landowner. Notice is hereby provided to: COAL OWNER OR LESSEE SURFACE OWNER(s) Name: Alliance Resources GP, LLC %Elizabeth Acosta Name: Dorothy V. Frye Address: 2596 Battle Run Road Address: 849 McCutcheon Road Tridelphia, WV 26059 Tridelphia, WV 26059 Name: COAL OPERATOR Address: Name: Address: SURFACE OWNER(s) (Road and/or Other Disturbance) ■ WATER PURVEYOR(s) Address: Name: Kenneth & Linda Craig x2 Address: 844 McCutcheon Road Triadelphia, WV 26059 Address: OPERATOR OF ANY NATURAL GAS STORAGE ☐ SURFACE OWNER(s) (Impoundments/Pits) FIELD Name: _____ Address: Address: *Please attach additional forms if necessary

API NO. 47- 69-0	hio -	
OPERATOR WI	ELL NO.	Charles Frye OHI 6H
Well Pad Name:	Charles Fr	e OHi Pad

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE OF APPLICATION

Notice Time Requirement: notice shall be provided no later that Date of Notice: 2/14/13 Date Permit Application Filed:	h the filing date of permit application.
Notice of:	
PERMIT FOR ANY WELL WORK CONSTRUCTION OF A	ROVAL FOR THE AN IMPOUNDMENT OR PIT
Delivery method pursuant to West Virginia Code § 22-6A-10	(b)
	OD OF DELIVERY THAT REQUIRES A PT OR SIGNATURE CONFIRMATION
or by registered mail or by any method of delivery that require erosion and sediment control plan required by section seven of towners of record of the surface of the tract on which the well is tract or tracts overlying the oil and gas leasehold being develope or other land disturbance as described in the erosion and sedime this article; (3) The coal owner, operator or lessee, in the event [sic] is known to be underlain by one or more coal seams; (4) T gas leasehold being developed by the proposed well work, enlargement, alteration, repair, removal or abandonment of any is surface owner or water purveyor who is known to the applicant thousand five hundred feet of the center of the well pad which animals; and (6) The operator of any natural gas storage field we more than three tenants in common or other co-owners of integrals the applicant may serve the documents required upon	nent or pit as required by this article shall deliver, by personal service res a receipt or signature confirmation, copies of the application, the this article, and the well plat to each of the following persons: (1) The or is proposed to be located; (2) The owners of record of the surface d by the proposed well work, if the surface tract is to be used for roads ent control plan submitted pursuant to subsection (c), section seven of the tract of land on which the well proposed to be drilled is located the owners of record of the surface tract or tracts overlying the oil and if the surface tract is to be used for the placement, construction, impoundment or pit as described in section nine of this article; (5) Any to have a water well, spring or water supply source located within one this used to provide water for consumption by humans or domestic within which the proposed well work activity is to take place. (c)(1) If exercised described in subsection (b) of this section hold interests in the late person described in the records of the sheriff required to be a of this code. (2) Notwithstanding any provision of this article to the ess the lien holder is the landowner.
Notice is hereby provided to:	
☐ SURFACE OWNER(s)	COAL OWNER OR LESSEE
Name:	Name:
Address:	Address:
Name:	COAL OPERATOR Name:
SURFACE OWNER(s) (Road and/or Other Disturbance)	Address:
Name:	WATER RUDVEVOD(a)
Address:	WATER PURVEYOR(s)
Namas	Name: Dallas Pike Campground x2 Address: RD 1 Box 231
Name:Address:	Triadelphia, WV 26059
SURFACE OWNER(s) (Impoundments/Pits) Name:	Cl OPERATOR OF ANY NATURAL GAS STORAGE FIELD Name: Address:
Address:	Address:
	*Please attach additional forms if necessary

API NO. 47- 69-Ohio OPERATOR WELL NO. Charles Frye OHI 6H
Well Pad Name: Charles Frye OHI Pad

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE OF APPLICATION

Notice Time Requirement: notice shall be provided no later that Date of Notice 11 2 Date Permit Application Filed:	nte filing date of permit application.
Notice of:	
PERMIT FOR ANY WELL WORK CONSTRUCTION OF A	ROVAL FOR THE AN EMPOUNDMENT OR PIT
Delivery method pursuant to West Virginia Code § 22-6A-10	(b)
L I ENGO! WE	OD OF DELIVERY THAT REQUIRES A PT OR SIGNATURE CONFIRMATION
or by registered mail or by any method of delivery that require erosion and sediment control plan required by section seven of towners of record of the surface of the tract on which the well is tract or tracts overlying the oil and gas leasehold being developed or other land disturbance as described in the erosion and sedime this article; (3) The coal owner, operator or lessee, in the event [sic] is known to be underlain by one or more coal seams; (4) T gas leasehold being developed by the proposed well work, enlargement, alteration, repair, removal or abandonment of any is surface owner or water purveyor who is known to the applicant thousand five hundred feet of the center of the well pad whice animals; and (6) The operator of any natural gas storage field we more than three tenants in common or other co-owners of intellands, the applicant may serve the documents required upon maintained pursuant to section eight, article one, chapter eleven contrary, notice to a lien holder is not notice to a landowner, unlied.	nent or pit as required by this article shall deliver, by personal service es a receipt or signature confirmation, copies of the application, the this article, and the well plat to each of the following persons: (1) The or is proposed to be located; (2) The owners of record of the surface d by the proposed well work, if the surface tract is to be used for roads ent control plan submitted pursuant to subsection (c), section seven of the tract of land on which the well proposed to be drilled is located the owners of record of the surface tract or tracts overlying the oil and if the surface tract is to be used for the placement, construction impoundment or pit as described in section nine of this article; (5) Any to have a water well, spring or water supply source located within one this used to provide water for consumption by humans or domestic within which the proposed well work activity is to take place. (c)(1) It erests described in subsection (b) of this section hold interests in the the person described in the records of the sheriff required to be a of this code. (2) Notwithstanding any provision of this article to the ess the lien holder is the landowner.
Notice is hereby provided to: SURFACE OWNER(s)	Coal owner or lessee
Name:	Name:
Address:	Address:
Name:Address:	COAL OPERATOR Name:
SURFACE OWNER(s) (Road and/or Other Disturbance) Name:	A(ldress:
Address:	WATER PURVEYOR(s)
Name:Address:	Name: Becky Jack x3 Address: P.O. Box 6323 Wheeling, WV 26003
SURFACE OWNER(s) (Impoundments/Pits) Name: Address:	CI OPERATOR OF ANY NATURAL GAS STORAGE FIELD Name: Address: **Please attach additional forms if necessary
	*Please attach additional forms if necessary

API NO. 47- 69-Ohio -
OPERATOR WELL NO. Charles Frye OHI 6H
Well Pad Name: Charles Frye OHI Pad

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE OF APPLICATION

Noti Date	ce Time Requirement: notice shall be provided no later the of Notice	an the filing date of permit application.
Noti	ice of:	
■	PERMIT FOR ANY WELL WORK CONSTRUCTION OF	PROVAL FOR THE AN IMPOUNDMENT OR PIT
Deli	very method pursuant to West Virginia Code § 22-6A-10	0(b)
		IOD OF DELIVERY THAT REQUIRES A IPT OR SIGNATURE CONFIRMATION
or beeros own trac or or this [sic gas enla surf thor anii mor land mai con	by registered mail or by any method of delivery that requision and sediment control plan required by section seven of the sers of record of the surface of the tract on which the well is to record of the surface of the tract on which the well is to record of the surface of the tract on which the well is to record of the surface of the tract on which the well is to record of the surface as described in the erosion and sedimentatics; (3) The coal owner, operator or lessee, in the everal is known to be underlain by one or more coal seams; (4) I leasehold being developed by the proposed well work, argement, alteration, repair, removal or abandonment of any face owner or water purveyor who is known to the applicant as and five hundred feet of the center of the well pad whimals; and (6) The operator of any natural gas storage field the than three tenants in common or other co-owners of integer the applicant may serve the documents required upon	ment or pit as required by this article shall deliver, by personal service are a receipt or signature confirmation, copies of the application, the this article, and the well plat to each of the following persons: (1) The is or is proposed to be located; (2) The owners of record of the surface ed by the proposed well work, if the surface tract is to be used for roads that the tract of land on which the well proposed to be drilled is located. The owners of record of the surface tract or tracts overlying the oil and if the surface tract is to be used for the placement, construction, impoundment or pit as described in section nine of this article; (5) Any to have a water well, spring or water supply source located within one ch is used to provide water for consumption by humans or domestic within which the proposed well work activity is to take place. (c)(1) If the terests described in subsection (b) of this section hold interests in the number of this code. (2) Notwithstanding any provision of this article to the cless the lien holder is the landowner.
_	SURFACE OWNER(s)	□ COAL OWNER OR LESSEE
	ne:	Name:
Ad	dress:	Address:
	me:dress:	COAL OPERATOR Name:
	SURFACE OWNER(s) (Road and/or Other Disturbance)	Address:
	me:	■ WATER PURVEYOR(s)
Ad	dress:	Name: Ronald Meyer x4
Na	me:	Acldress: 1283 Union Hill Road
	dress:	Triadelphia, WV 26059
	SURFACE OWNER(s) (Impoundments/Pits) me:	OPERATOR OF ANY NATURAL GAS STORAGE FIELD Name: Address: *Please attach additional forms if necessary
Ad	dress:	Address:
_		*Please attach additional forms if necessary

API NO. 47- 69-Ohio OPERATOR WELL NO. Charles Frye OHI 6H
Well Pad Name: Charles Frye OHI Pad

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE OF APPLICATION

Notice Time Requirement: notice shall be provided no later the Date of Notice: Date Permit Application Filed	n the filing date of permit application.
Notice of:	
PERMIT FOR ANY WELL WORK CONSTRUCTION OF A	ROVAL FOR THE AN EMPOUNDMENT OR PIT
Delivery method pursuant to West Virginia Code § 22-6A-10	(b)
	OD OF DELIVERY THAT REQUIRES A PT OR SIGNATURE CONFIRMATION
erosion and sediment control plan required by section seven of towners of record of the surface of the tract on which the well is tract or tracts overlying the oil and gas leasehold being developed or other land disturbance as described in the erosion and sedime this article; (3) The coal owner, operator or lessee, in the event [sic] is known to be underlain by one or more coal seams; (4) The gas leasehold being developed by the proposed well work, enlargement, alteration, repair, removal or abandonment of any is surface owner or water purveyor who is known to the applicant thousand five hundred feet of the center of the well pad whice animals; and (6) The operator of any natural gas storage field water than three tenants in common or other co-owners of intellands, the applicant may serve the documents required upon	res a receipt or signature confirmation, copies of the application, the this article, and the well plat to each of the following persons: (1) The cor is proposed to be located; (2) The owners of record of the surface d by the proposed well work, if the surface tract is to be used for roads ent control plan submitted pursuant to subsection (c), section seven of the tract of land on which the well proposed to be drilled is located the owners of record of the surface tract or tracts overlying the oil and if the surface tract is to be used for the placement, construction, impoundment or pit as described in section nine of this article; (5) Any to have a water well, spring or water supply source located within one this used to provide water for consumption by humans or domestic within which the proposed well work activity is to take place. (c)(1) If the person described in the records of the sheriff required to be a of this code. (2) Notwithstanding any provision of this article to the ess the lien holder is the landowner.
☐ SURFACE OWNER(s)	CI COAL OWNER OR LESSEE
Name:	Name:
Address:	Address:
Name:Address:	COAL OPERATOR Name:
☐ SURFACE OWNER(s) (Road and/or Other Disturbance)	Address:
Name:	5 1 avaryayon()
Address:	WATER PURVEYOR(s) Name: Dorthy & Charles Frye x4
Name:	A(Idress: 849 McCutcheon Road
Address:	Triadelphia, WV 26059
SURFACE OWNER(s) (Impoundments/Pits) Name:	Cl OPERATOR OF ANY NATURAL GAS STORAGE FIELD Name: Address:
Address:	Address:
	*Please attach additional forms if necessary

WW-6A (1-12) API NO. 47-69-Ohio -

OPERATOR WELL NO. Charles Frye OHI 6H
Well Pad Name: Charles Frye OHI Pad

Notice is hereby given:

Pursuant to West Virginia Code § 22-6A-10(b), notice is hereby given that the undersigned well operator has applied for a permit for well work or for a certificate of approval for the construction of an impoundment or pit.

This Notice Shall Include:

Pursuant to W. Va. Code § 22-6A-10(b), this notice shall include: (1) copies of the application; (2) the erosion and sediment control plan required by section seven of this article; and (3) the well plat.

Pursuant to W. Va. Code § 22-6A-10(f), this notice shall also include: (1) a statement of the time limits for filing written comments; (2) who may file written comments; (3)the name and address of the secretary for the purpose of filing the comments and obtaining additional information; and (4) a statement that the persons may request, at the time of submitting written comments, notice of the permit decision and a list of persons qualified to test water.

Additional information related to horizontal drilling may be obtained from the Secretary, at the WV Department of Environmental Protection headquarters, located at 601 57th Street, SE, Charleston, WV 25304 (304-926-0450) or by visiting www.dep.wv.gov/oil-and-gas/pages/default.aspx.

Water Well Testing:

Pursuant to West Virginia Code § 22-6A-10(d), notification shall be made, with respect to surface landowners identified in subsection (b) or water purveyors identified in subdivision (5), subsection (b) of this section, of the opportunity for testing their water well.

Water Testing Laboratories:

Pursuant to West Virginia Code § 22-6A-10(i), persons entitled to notice pursuant to subsection (b) of this section may contact the department to ascertain the names and locations of water testing laboratories in the subject area capable and qualified to test water supplies in accordance with standard accepted methods. In compiling that list of names the department shall consult with the state Bureau for Public Health and local health departments.

Well Location Restrictions

Pursuant to W. Va. Code § 22-6A-12, Wells may not be drilled within two hundred fifty feet measured horizontally from any existing water well or developed spring used for human or domestic animal consumption. The center of well pads may not be located within six hundred twenty-five feet of an occupied dwelling structure, or a building two thousand five hundred square feet or larger used to house or shelter dairy cattle or poultry husbandry. This limitation is applicable to those wells, developed springs, dwellings or agricultural buildings that existed on the date a notice to the surface owner of planned entry for surveying or staking as provided in section ten of this article or a notice of intent to drill a horizontal well as provided in subsection (b), section sixteen of this article was provided, whichever occurs first, and to any dwelling under construction prior to that date. This limitation may be waived by written consent of the surface owner transmitted to the department and recorded in the real property records maintained by the clerk of the county commission for the county in which such property is located. Furthermore, the well operator may be granted a variance by the secretary from these distance restrictions upon submission of a plan which identifies the sufficient measures, facilities or practices to be employed during well site construction, drilling and operations. The variance, if granted, shall include terms and conditions the department requires to ensure the safety and protection of affected persons and property. The terms and conditions may include insurance, bonding and indemnification, as well as technical requirements. (b) No well pad may be prepared or well drilled within one hundred feet measured horizontally from any perennial stream, natural or artificial lake, pond or reservoir, or a wetland, or within three hundred feet of a naturally reproducing trout stream. No well pad may be located within one thousand feet of a surface or ground water intake of a public water supply. The distance from the public water supply as identified by the department shall be measured as follows: (1) For a surface water intake on a lake or reservoir, the distance shall be measured from the boundary of the lake or reservoir. (2) For a surface water intake on a flowing stream, the distance shall be measured from a semicircular radius extending upstream of the surface water intake. (3) For a groundwater source, the distance shall be measured from the wellhead or spring. The department may, in its discretion, waive these distance restrictions upon submission of a plan identifying sufficient measures, facilities or practices to be employed during well site construction, drilling and operations to protect the waters of the state. A waiver, if granted, shall impose any permit conditions as the secretary considers necessary. (c) Notwithstanding the foregoing provisions of this section, nothing contained in this section prevents an operator from conducting the activities permitted or authorized by a Clean Water Act Section 404 permit or other approval from the United States Army Corps of Engineers within any waters of the state or within the restricted areas referenced in this section. (d) The well location restrictions set forth in this section shall not apply to any well on a multiple well pad if at least one of the wells was permitted prior to the effective date of this article. (e) The secretary shall, by December 31, 2012, report to the Legislature on the noise, light, dust and volatile organic compounds generated by the drilling of horizontal wells as they relate to the well location restrictions regarding occupied dwelling structures pursuant to this section. Upon a finding, if any, by the secretary that the well location restrictions regarding occupied dwelling structures are inadequate or otherwise require alteration to address the items examined in the study required by this subsection, the secretary shall have the authority to propose for promulgation legislative rules establishing guidelines and procedures regarding reasonable levels of noise, light, dust and volatile organic compounds relating to drilling horizontal wells, including reasonable means of mitigating such factors, if necessary.

API NO. 47-69-0hio -

OPERATOR WELL NO. Charles Frye OHI 6H Well Pad Name: Charles Frye OHI Pad

Written Comment:

Pursuant to West Virginia Code § 22-6A-11(a), all persons described in subsection (b), section ten of this article may file written comments with the secretary as to the location or construction of the applicant's proposed well work within thirty days after the application is filed with the secretary. All persons described in West Virginia Code § 22-6A-10(b) may file written comments as to the location or construction of the applicant's proposed well work to the Secretary at:

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

Such persons may request, at the time of submitting written comments, notice of the permit decision and a list of persons qualified to test water. NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

Time Limits and Methods for Filing Comments.

The law requires these materials to be served on or before the date the operator files its Application. You have THIRTY (30) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Pursuant to West Virginia Code § 22-6A-11(c)(2), Any objections of the affected coal operators and coal seam owners and lessees shall be addressed through the processes and procedures that exist under sections fifteen, seventeen and forty, article six of this chapter, as applicable and as incorporated into this article by section five of this article. The written comments filed by the parties entitled to notice under subdivisions (1), (2), (4), (5) and (6), subsection (b), section ten of this article shall be considered by the secretary in the permit issuance process, but the parties are not entitled to participate in the processes and proceedings that exist under sections fifteen, seventeen or forty, article six of this chapter, as applicable and as incorporated into this article by section five of this article.

Comment Requirements

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

Permit Denial or Condition

The Chief has the power to deny or condition a well work permit. Pursuant to West Virginia Code § 22-6A-8(d), the permit may not be issued or be conditioned, including conditions with respect to the location of the well and access roads prior to issuance if the director determines that:

- (1) The proposed well work will constitute a hazard to the safety of persons;
- (2) The plan for soil erosion and sediment control is not adequate or effective;
- (3) Damage would occur to publicly owned lands or resources; or
- (4) The proposed well work fails to protect fresh water sources or supplies.

A permit may also be denied under West Virginia Code § 22-6A-7(k), the secretary shall deny the issuance of a permit if the secretary determines that the applicant has committed a substantial violation of a previously issued permit for a horizontal well, including the applicable erosion and sediment control plan associated with the previously issued permit, or a substantial violation of one or more of the rules promulgated under this article, and in each instance has failed to abate or seek review of the violation within the time prescribed by the secretary pursuant to the provisions of subdivisions (1) and (2), subsection (a), section five of this article and the rules promulgated hereunder, which time may not be unreasonable.

Pursuant to West Virginia Code § 22-6A-10(g), any person entitled to submit written comments to the secretary pursuant to subsection (a), section eleven of this article, shall also be entitled to receive from the secretary a copy of the permit as issued or a copy of the order modifying or denying the permit if the person requests receipt of them as a part of the written comments submitted concerning the permit application. Such persons may request, at the time of submitting written comments, notice of the permit decision and a list of persons qualified to test water.

WW-6A (1-12) API NO. 47-69-Ohio -

OPERATOR WELL NO. Charles Frye OHI 6H

Well Pad Name: Charles Frye OHI Pad

Notice is hereby given by:

Well Operator:Chesapeake Appalachia, LLCAddress:PO Box 1300Telephone:304-517-1416Jane Lew, WV 26378Email:danielle.southall@chk.comFacsimile:304-471-2497

Oil and Gas Privacy Notice:

The Office of Oil and Gas processes your personal information, such as name, address and telephone number, as part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use or your personal information, please contact DEP's Chief Privacy Officer at deprivacyofficer@wv.gov.



Operator Well No. CHARLES FRYE OHI 6H

WW-6A5 (1/12)

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE OF PLANNED OPERATION

Notic Date	e Time Re of Notice:	equirement: notice shall be pro-	vided no later the rmit Application	an the filing on Filed:	tate of permit a	application.
Deliv	ery metho	d pursuant to West Virginia (Code § 22-6A-1	6(c)		
▣	CERTIFII RETURN	ED MAIL RECEIPT REQUESTED	☐ HAND DELIV			
return the p requi drilli dama	n receipt re clanned ope red to be p ng of a ho ages to the The notices	quested or hand delivery, give the ration. The notice required by rovided by subsection (b), section rizontal well; and (3) A proposition of the results of	the surface owner y this subsection on ten of this art sed surface use apperations to the	er whose land n shall includicticle to a surfa and compens extent the da	will be used for le: (1) A copy of ace owner whose ation agreement mages are comp	ation, an operator shall, by certified mail r the drilling of a horizontal well notice of of this code section; (2) The information e land will be used in conjunction with the containing an offer of compensation for pensable under article six-b of this chapter, ted in the records of the sheriff at the time
(at th Nam Addi	ie address l e: DOROTHY	CUTCHEON RD 🗸	OWNER(s) ff at the time of t			
Purs	ation on th	by given: st Virginia Code § 22-6A-16(c), e surface owner's land for the p WEST VIRGINIA DHIO	ourpose of drillin	ng a horizonta UTM NAD 8	I well on the tra- Easting: Northing:	536073.9 4433741.6
-	drangle:	FRIADELPHIA VALLEY GROVE WV JPPER OHIO SOUTH		Public Road A	Access: ed farm name:	MCCUTCHEON RD
Purs to be horiz surfa infor	uant to We e provided zontal well ace affected rmation rel	by W. Va. Code § 22-6A-10(; and (3) A proposed surface us d by oil and gas operations to tated to horizontal drilling may ocated at 601 57th Street, SE,	b) to a surface se and compensa the extent the day be obtained fro	owner whose ation agreeme amages are come the Secre	e land will be unt containing and compensable und tary, at the WV	code section; (2) The information required used in conjunction with the drilling of a offer of compensation for damages to the der article six-b of this chapter. Additional Department of Environmental Protection or by visiting

Oil and Gas Privacy Notice:

The Office of Oil and Gas processes your personal information, such as name, address and telephone number, as part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use or your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov.





WEST VIRGINIA DEPARTMENT OF TRANSPORTATION

Division of Highways

1900 Kanawha Boulevard East • Building Five • Room 110 Charleston, West Virginia 25305-0430 • (304) 558-3505

May 25, 2011

RECEIVED

MAY 2 7 2011

To:

Heather Huffman

From:

Gary K. Clayton Day & Clayto

MAINTENANCE DIVISION

Attached please find the original Bond provided by Chesapeake for their Statewide Blanket Bond and the Oil and Gas Statewide Bonding Agreement.

Also transmitted herewith please find a bonding agreement to accompany a bond you already have received from Gastar Exploration USA Inc..

Sent Boulagreenest in Suplicate to Legal 6/27/11



OIL AND GAS ROAD STATEWIDE BONDING AGREEMENT MAINTENANCED REPORT

THIS AGREEMENT, executed in duplicate, made and entered into this 19th day of 2011, by and between the WEST VIRGINIA DEPARTMENT OF TRANSPORTATION, DIVISION OF HIGHWAYS, hereinafter called "DEPARTMENT," and CHESAPEAKE APPALACHIA LLC, hereinafter called "COMPANY."

WITNESSETH:

WHEREAS, Company has horizontal gas well drilling operations in certain areas of West Virginia; and

WHEREAS, the Department believes that the frequent and repetitive use of certain sections of highways in the State by Company, its contractors, agents, independent contractors or suppliers of drilling materials or drilling equipment, and employees contributes to increased wear and tear to public roads in the state road system in the State, including local roads ("State Owned Roads"); and,

WHEREAS, the Department and Company have entered into this Agreement to satisfy the requirements of the Department's policy entitled "Oil & Gas Road Policy" dated February 1, 2011, as issued by Paul A. Mattox, Jr., Secretary of Transportation / Commissioner of Highways, and any subsequent related policies, hereinafter called "Policy", a copy of which is made a part of this Bonding Agreement and is identified as Attachment 1.

NOW, THEREFORE, for and in consideration of the mutual agreements hereinafter set forth, the parties agree as follows:

- For purposes of this Bonding Agreement, "Project Transportation Usage" of the Company shall be understood to mean use of one or more State Owned Roads for the delivery and removal of drilling materials and drilling equipment at the site or location of one or more of Company's horizontal gas well pad locations. To the extent reasonably practical, prior to commencing use of a State Owned Road for Project Transportation Usage after January 1, 2011, the Company shall submit to the Department a section or sections of current official WVDOH County Highway maps identifying the exact location of the proposed project and the State Owned Roads that the Company will utilize for the Project Transportation Usage.
- Company and Department shall within 14 days of the Company's submittal, agree to a list of these sections of State Owned Roads, hereinafter called "Project Roads List", to be utilized for each of Company's projects, identified by route number and milepost; at a time to be mutually agreed to by the parties prior to initial commencement of Project Transportation Usage of a particular State Owned Road on a Project Roads List, the Company and Department will jointly review the condition of the roads and bridges on the Project Roads List. The Department will document the road type and surface condition and general right-of-way width of each section of road on the Project Road List. Either party may supplement this documentation with photographs, video or other evidence of the present condition of the road surface, shoulders, ditches, culverts, bridges or other structures or appurtenances of roads on the Project Road List, as well as approaches to the roads, utility facilities located within or along the right-of-way, or any other condition, including third-party activities, that may affect the duties and responsibilities of the parties under this Agreement. A copy of any such documentation must be made and provided to the other party within ten business days after the joint review of the roads on the Project Roads List.
- Department shall issue a Project Agreement or Project Permit, as appropriate, to Company to use State Owned Roads and may include any minor or major improvements required of Company prior to, during or after Project with the assignment of responsibilities of both parties prior to, during and after the operator has completed well fracturing..

IV. In the Project Agreement/Project Permit, the Department shall not require the use of State Owned Roads other than the roads proposed by Company unless the Department has safety concerns as to the Company's proposed roads. A failure to agree on roads that may otherwise be lawfully used for a particular Project Transportation Usage shall result in the designation of the State Owned Roads proposed by Company, with milepost determinations as designated by Department. This Agreement shall only cover portions of State Owned Roads designated on the Project Roads List.

- V. For the duration of Company's Project Transportation Usage of the Stated Owned Roads on the Project Roads List, whether by the Company, its contractors (while working on behalf of Company), agents, independent contractors or suppliers of drilling materials or drilling equipment, or employees, the Company agrees to pay for all reasonable maintenance and repair costs incurred by the Department to repair areas of the State Owned Roads included in the Project Roads List that were directly damaged by Company's Project Transportation Usage, as determined to be reasonably necessary and appropriate by the Department. The Department shall keep a record of all labor performed by Department employees and contractors for such maintenance and repairs and shall send an invoice for the same to Company.
- VI. Company shall be responsible for the cost of all maintenance and repairs reasonably necessary to put the existing roadways, bridges and appurtenances on the Project Roads List utilized for the Project Transportation Usage in the condition that existed immediately prior to the Project Transportation Usage. Company shall not be required to pay for maintenance or repairs to put any areas of such roadways, bridges and appurtenances on the Project Roads List in a condition better than the condition that existed immediately prior to the Project Transportation Usage. Company shall also not be required to pay for maintenance or repairs to any areas of these roadways, bridges or appurtenances on the Project Roads List that are not actually utilized for the Project Transportation Usage or for damage not caused by Project Transportation Usage.
- Company shall notify the Department in writing of Company's final completion of Project Transportation Usage for particular roadways, bridges and appurtenances on the Project Roads List. Within fourteen days after its receipt of written notification of the completion of the Project Transportation Usage for all roads on a Project Roads List, the Department will review the condition of the roadways, bridges and appurtenances on the Project Roads List actually utilized for the Project Transportation Usage and advise Company of any final repairs reasonably necessary to leave these roads, bridges and appurtenances in a condition reasonably deemed by Department to be equal to their condition prior to commencement of Project Transportation Usage; and, upon completion of all such final repairs by or on behalf of Company and acceptance by Department, the Company shall be released from all further liability for maintenance or repairs to roads, bridges, or appurtenances on said Project Roads List. Any maintenance or repair work under the Project Agreement/Project Permit for roads, bridges or appurtenances on the Project Roads List may be performed by a contractor directly chosen by the Company as approved by the Department, the Department's workforce, or a private contractor hired by the Department through the public bid process in accordance with state law, all of which work shall be subject to the standards and specifications of the Department.
- VIII. In order to ensure performance of Company's performance and payment obligations under this Bonding Agreement, the Company shall post a corporate surety bond, hereinafter called "Master Bond", with the Department named as the beneficiary, which form of bond shall be subject to the consent of the Department, not to be unreasonably withheld. The amount and form of the bond shall be in accordance with the Policy as set forth above. However, the amount of the Master Bond does not limit the amount of claims that may be made by the Department against the Company under this Bonding Agreement. The Company shall provide the Master Bond to the Department within one (1) month after the execution of this Bonding Agreement. The Master Bond shall secure the good faith performance of all payment obligations of Company under the terms of this Bonding Agreement respecting the roads, bridges and appurtenances on the Project Roads List for each Project Transportation Usage undertaken by the Company, and shall remain in effect until termination of this Agreement. Company shall not be obligated to provide any other bonds, sureties, or other guarantees of performance to the Department for Company's use of State Owned Roads, except as required in this Agreement.

IX. Company shall maintain Commercial General Liability Insurance in the amount of two million dollars, with a minimum coverage of one million dollars per occurrence, for personal injury or death to persons, or for property damage, resulting from Company's Project Transportation Usage and shall present evidence of such insurance to Department upon request.

- X. Company's usage of State Owned Roads under the Project Agreement/Project Permit shall comply with all applicable Federal, State and local laws and regulations including, but not limited to, to the extent applicable, the National Environmental Policy Act, Section 404 of the Clean Water Act, Section 106 of the National Historic Preservation Act, Rare, Threatened and Endangered Species Act, Section 401 Water Quality Certification, and hazardous waste requirements. Further, upon reasonable written request of Department, Company shall furnish Department with acceptable documentation of such compliance which is in the possession of the Company.
- XI. Company shall defend, indemnify and hold Department harmless from and against any and all losses, damage, and liability, and from all claims for damages on account of or by reason of bodily injury, including death, which may be sustained, or claimed to be sustained, by any person or persons, including employees of Department, and from and against any and all claims, losses or liabilities for damages to property, arising out of the negligent or willful acts or omissions of Company, its agents, independent contractors and suppliers of drilling materials or drilling equipment, employees and contractors, in the performance of all Project Transportation Usage activities undertaken pursuant to this Agreement (collectively, "claims"). The Company shall not be responsible to indemnify, defend or hold harmless Department for any claims caused by the negligent or willful acts or omissions of the Department or its agents, employees and contractors or third parties not performing work at the direction of Company or delivering drilling equipment or drilling materials, including water, for use by or for company.
- XII. If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability of any other provision of this Agreement; or the validity or enforceability in other jurisdictions of that or any other provision of this Agreement.
- XIII. Department shall give Company a minimum of thirty days written notice of default under the terms of this Bonding Agreement and the opportunity to cure this default during such thirty-day period. If a default is not cured to the satisfaction of Department, or provision acceptable to Department is not made for a cure, Department may then elect to terminate this Bonding Agreement in whole or in part, and may in addition exercise its rights under the Master Bond or seek any other lawful relief available. Company may terminate this Bonding Agreement upon thirty days written notice to Department for any reason. In the event Company terminates this Agreement for any reason, it shall be liable for the repair and maintenance costs set forth above for prior Project Transportation Usage.
- XIV. Nothing herein shall be construed to mean that Company shall have any jurisdiction or control over any public roads in the state road system.
- XV. Company, its contractors, agents, employees and suppliers shall at all times be subject to applicable provisions of state and federal law, including without limitation laws requiring operation of vehicles in accordance with legal size and weight restrictions and posted weight limits. Oversize/overweight permits for vehicle or loads not otherwise conforming with law must be obtained in accordance with law; Department agrees to work in good faith with Company to review and grant (where authorized by law) such permits in a timely manner upon request by Company.
- XVI. This Bonding Agreement shall be construed and enforced in accordance with the laws of the State of West Virginia, as they may be amended.
- **XVII.** This Bonding Agreement shall be binding upon the successors and assigns of each party hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Bonding Agreement to

100 18 C

be executed by their duly authorized officers effective as of the date first above written.

WEST VIRGINIA DEPARTMENT OF TRANSPORTATION, DIVISION OF HIGHWAYS

Witness Executive Seputary

By: State Highway Engineer

Chesapeake Appalachia LLC, A limited liability company

By: Stay & Pobet

Title: Vice President - Risk Management

(To be executed in duplicate)

ATTORNEY LEGAL DIVISION WEST VIRGINIA DEPARTMENT OF HIGHWAYS





MAY 27 2011

Liberty Mutual Surety 1001 4th Avenue, Suite 1700 Seattle, WA 98154

MAINTENANCE DIVISION

KNOW ALL BY THESE PRI			the same of	Bond 022033412
MIOW ADD DI TIMODE I IG	ESENTS, That w	e, Chesapeake App	alachia, L.L.C.	
(hereinafter called the Princip	al), as Principal,	and Safeco Insuran	ce Company of Amer	ica , a corporation
duly organized under the laws	of the State of	Washington	(hereinafter call	ed the Surety), as Surety, are held and firmly
bound unto West Virginia De	epartment of 11	ransportations, Divis	sion of Highways	
				, (hereinafter called the Obligee),
in the sum of One Million Do	ollars And Zero			
	1 1 1 1 1	(\$ 1,000,000.0		for the payment of which sum well and truly
jointly and severally, firmly b	ncipal and the s y these presents.	aid Surety, bind ours	eives, our neirs, execu	tors, administrators, successors and assigns,
Signed and sealed this			Мау	,2011
WHEREAS, said Principal has				,
for use of State roadways				ment

in accordance with the terms	and conditions	of said Contract, whi	ch is hereby referred to	o and made a part hereof as if fully set forth
herein: NOW, THEREFORE, THE Control that the seep, do and perform each a Principal kept, done and performe to the above name of said Principal so to do, the	CONDITION OF and every, all ar formed, at the d Obligee, all lo a this obligation	THIS OBLIGATION of singular, the matter times and in the man ss and damage which shall be null and voice	N IS SUCH, That if the rs and things in said c mer in said contract s said Obligee may sust l; otherwise shall remai	above bounden Principal shall well and truly ontract set forth and specified to be by said pecified, or shall pay over, make good and ain by reason of failure or default on the part n in full force and effect.
herein: NOW, THEREFORE, THE Control to the deep, do and perform each a Principal kept, done and performe inburse to the above name of said Principal so to do, the	CONDITION OF and every, all ar fformed, at the d Obligee, all lo n this obligation OCEEDING by	THIS OBLIGATION of singular, the matter times and in the man as and damage which shall be null and voice the Obligee to recove	N IS SUCH, That if the rs and things in said contract s said Obligee may sust t; otherwise shall remainer on this bond shall	above bounden Principal shall well and truly ontract set forth and specified to be by said pecified, or shall pay over, make good and ain by reason of failure or default on the part

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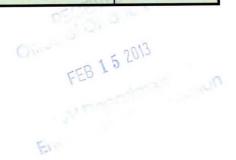
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POWER OF ATTORNEY Safeco Insurance Companies of America 1001 4th Avaune Suite 1700

V	Mutuan		OF ATTORNE	Y	Suite 1700 Seattle, WA 98154	
KNOW AL	L BY THESE PRES	ENTS:		No. 133	•	
		OMPANY OF AMERIC	A. a Weshington co	moration, do	es hereby appoint	
		****STACY L. ROBI				********
its true and					any fidelity and surety bonds o	r undertakings
and other	documents of a simil: thereby as fully as if	ar character issued in such instruments had	the course of its but been duly executed	iness, and to by its regula	bind SAFECO INSURANCE (inty elected officers at its home and attested these presents	COMPANY OF
	this	17th		day of _Ar	oril	2009
Daxte	r d. fagg		-	TAMUS	Lolajewslei	
Dexter R	Legg, Secretary		т	imothy A. M	ikolajewski, Vice President	
			CERTIFICATE			
		act from the By-Laws o				
Vice Presi individuals bonds and evidencing	ident appointed for as attorneys-in-fact to their documents of such appointment, indentaling of the co	that purpose by the or under other approp similar character issue the signatures may b ompany the seal or	officer in charge of riate titles with authored by the company in a affixed by facsiminal a facsiminal thereo	surety oper rity to execu in the course le. On any in I, may be in	e President, the Secretary, and adions, shall each have authore te on behalf of the company fid of its business On any instru- istrument conferring such auth nopressed or affixed or in any any such instrument or undertak	ority to appoint elity and surety ment making or ority or on any other manner
	s	Extract from a AFECO INSURANCE	Resolution of the E			
(i) (ii)	The provisions of A A copy of the powe Certifying that said	y the Secretary or an a nticle V, Section 13 of r-of-attorney appointm power-of-attorney app officer may be by facsi	the By-Laws, and ent, executed pursu pointment is in full fo	ant thereto, a	and	
extracts of thereto, a	of the By-Laws and of the true and correct, a	a Resolution of the B and that both the By-La	oard of Directors of lws, the Resolution	this corporati and the Powe	ERICA, do hereby certify that the ion, and of a Power of Attorney ar of Attorney are still in full forceseal of said corporation	issue pursuant
	th	is19t	h	_ day of _	May	, 2011,
	SE SE	CAL SE	·		Dixtor B. Lay Dexter R. Legg, Secretary	

123 1 5 2017

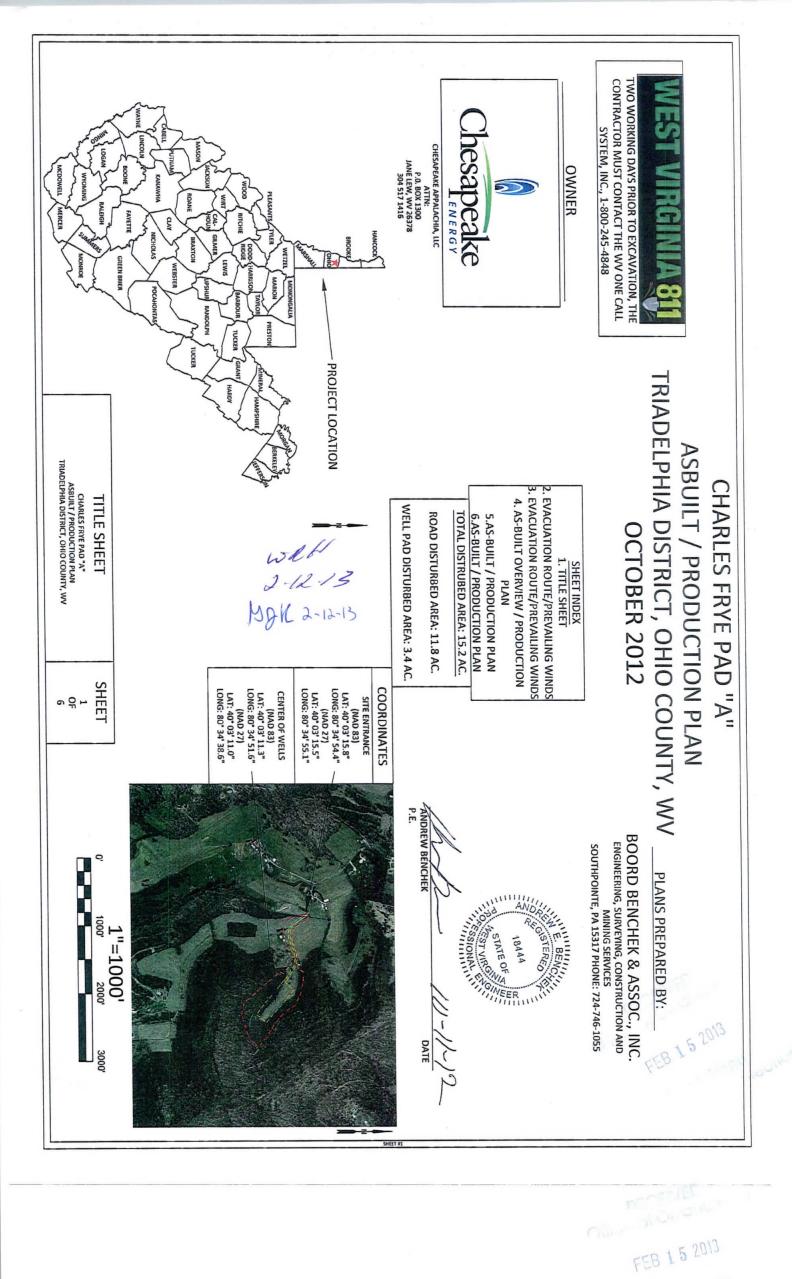
Supplier Name	Product Name	Product Use	Chemical Name	CAS Number
опристишно			Didecyl Dimethyl Ammonium Chloride	007173-51-1
			Ethanol	000064-17-5
	ALPHA 1427	Biocide	Glutaraldehyde (Pentanediol)	000111-30-8
			Quaternary Ammonium Compound	068424-85-1
			Water	007732-18-5
	BF-7L	Buffer	Potassium Carbonate	000584-08-7
	010	Clay Stabilizar	Choline Chloride	000067-48-1
	ClayCare	Clay Stabilizer	Water	007732-18-5
BAKER HUGHES	Enzyme G-I	Breaker	No Hazardous Components	NONE
	ENZYME G-NE	Breaker	No Hazardous Components	NONE
	FRW-18	Friction Reducer	Petroleum Distillate Hydrotreated Light	064742-47-8
	GW-3LDF		Petroleum Distillate Blend	N/A-014
		Gel	Polysaccharide Blend	N/A-021
		Scale Inhibitor	Diethylene Glycol	000111-46-6
	SCALETROL 720	Scale Inhibitor	Ethylene Glycol	000107-21-1
		0	Boric Acid	010043-35-3
	XLW-32 Crosslinke		Methanol (Methyl Alcohol)	000067-56-1
	APB01 (AMMONIUM PERSUFATE BREAKER)	Breaker	Ammonium Persulfate	007727-54-0
	B05 (LOW PH BUFFER)	Buffer	Acetic acid	000064-19-7
	BXL03 Borate XL Delayed High Temp	Crosslinker	No Hazardous Components	NONE
FRAC TECH SERVICES	FRW-200	Friction Reducer	No Hazardous Components	NONE
	HVG01 (TURQUOISE-1 BULK)	Gelling Agent	Hydrotreated Light	064742-47-8
	KCLS-4	Clay Stabilizer		NONE
	LTB-1	Breaker	Ammonium Persulfate	N/A

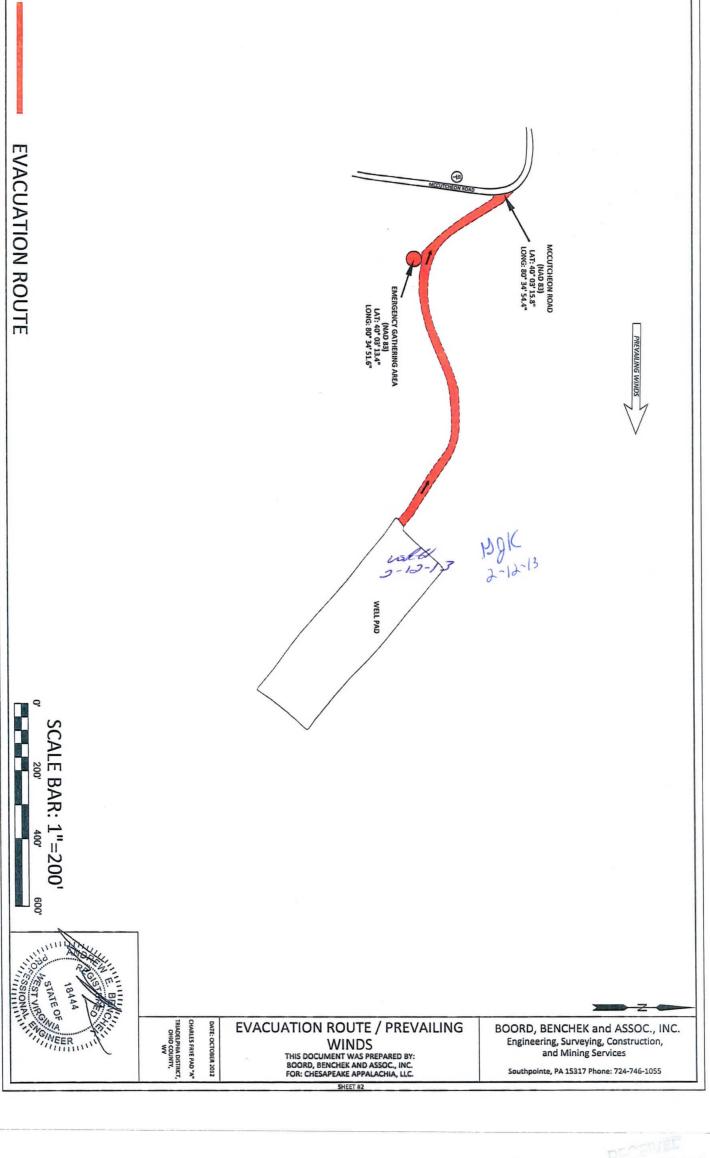


CAS Number	Chemical Name	Product Use	Product Name	Supplier Name	
000064-17-5	Ethanol				
000111-30-8	Glutaraldehyde (Pentanediol)	Riocide	EC6110A	NALCO	
N/A-063	Quaternary Ammonium Compounds			ONESOURCE	
NONE	No Hazardous Components	Biocide	EC6629A		
007727-54-0	Ammonium Persulfate	Breaker	WBK-133 OXIDIZER		
007727-54-0	Ammonium Persulfate				
014808-60-7	Crystalline Silica (Quartz Sand, Silicon Dioxide)	Breaker	WBK-134		
N/A-229	Proprietary Non Hazardous Salt				
007732-18-5	Water	Clay Stabilizer	WCS-631LC		
NONE	No Hazardous Components	Friction Reducer	WFR-55LA		
064742-47-8	Petroleum Distillate Hydrotreated Light	Gel	WGA-15L		
000584-08-7	Potassium Carbonate			WEATHERFORD	
001310-58-3	Potassium Hydroxide	Buffer	WPB-584-L		
NONE	No Hazardous Components	Corsslinker	WXL-101LE		
064742-47-8	Petroleum Distillate Hydrotreated Light	Crosslinker	WXL-101LM		
007732-18-5	Water				
000107-21-1	Ethylene Glycol		WXL-105L		
010043-35-3	Boric Acid	Crosslinker			
000141-43-5	Ethanolamine				
111-30-8	Glutaraldehyde	Biocide	B244 Green-Cide 25G		
67-48-1	Cholinium Chloride	Clay Stabilizer	L071 Temporary Clay Stabilizer		
7727-54-0	Diammonium Peroxidisulphate		Breaker J218		
7727-54-0	Diammonium Peroxidisulphate	Breaker	EB-Clean* J475 Breaker	SCHLUMBERGER	
64742-47-8 Proprietary	Distillates (petroleum), Hydrotreated light Aliphatic				
Contraction	Alcohol Glycol Ether	Friction	Friction Reducer B315		
7783-20-2	Ammonium Sulfate	Reducei	Friction Reducer J609		
2.5013	Chi				
- Marian	FED				
	Ammonium Sulfate	Reducer	Friction Reducer J609		

Supplier Name	Product Name	Product Use	Chemical Name	CAS Number
	Water Gelling Agent J580	Gel	Carbohydrate Polymer	Proprietary
SCHLUMBERGER	Scale Inhibitor B317	Scale Inhibitor	Trisodium ortho phosphate Ethane-1, 2-diol	7601-54-9 107-21-1
	Borate Crosslinker J532	Crandinkor	Aliphatic polyol Sodium tetraborate decahydrate	Proprietary 1303- 96-4
	Crosslinker J610	Crosslinker	Aliphatic polyol Potassium hydroxide	Proprietary 1310- 58-3

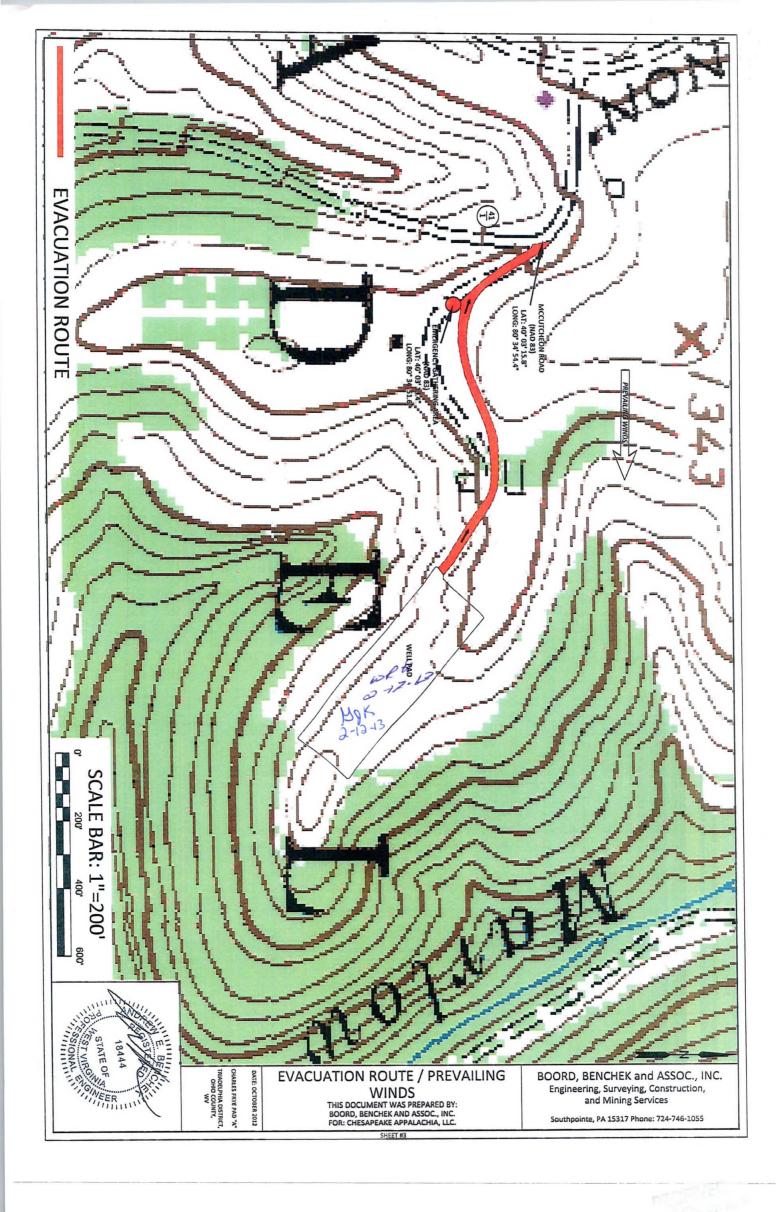


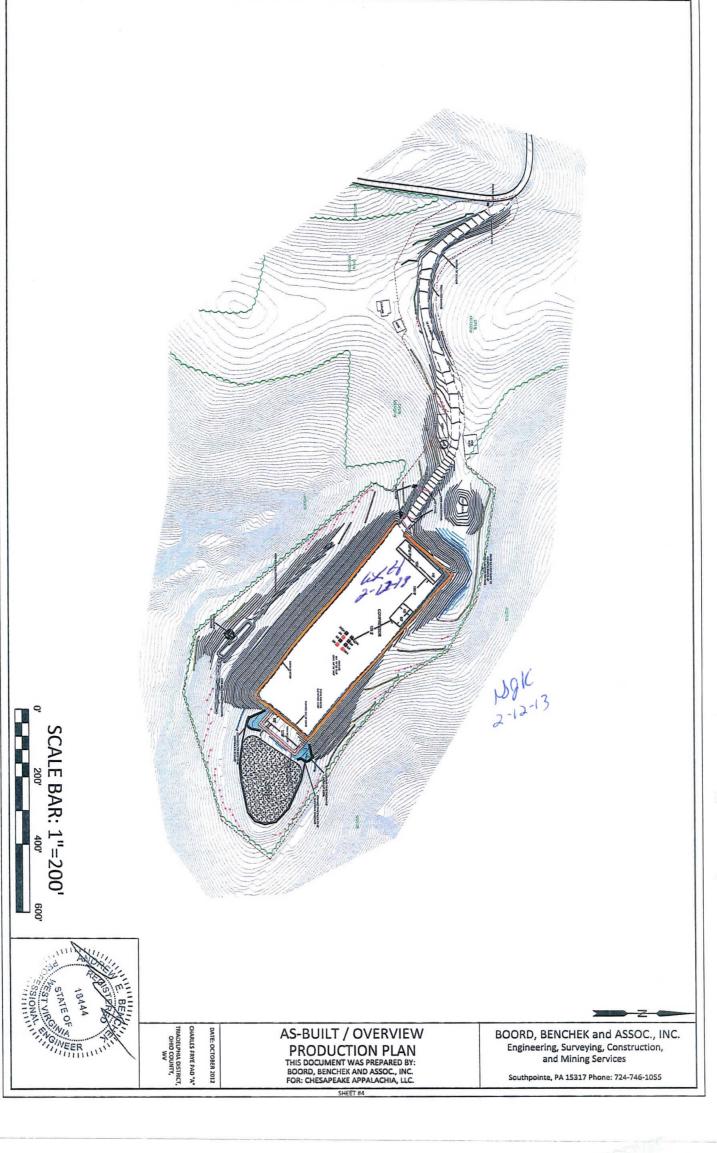






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