

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

October 08, 2014

WELL WORK PERMIT Horizontal 6A Well

This permit, API Well Number: 47-6900181, 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.

Chief

James Martin

Operator's Well No: ALICE EDGE OHI 201H

Farm Name: EDGE, ALICE MAE

API Well Number: 47-6900181

Permit Type: Horizontal 6A Well

Date Issued: 10/08/2014

API Number:

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

- This proposed activity may require permit coverage from the United States Army Corps of Engineers
 (USACE). Through this permit, you are hereby being advised to consult with USACE regarding this proposed
 activity.
- 2. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code § 22-6A-5a (12), which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
- 3. When compacting fills, each lift before compaction shall not be more than 12 inches in height, and the moisture content of the fill material shall be within limits as determined by the Standard Proctor Density test of the actual soils used in specific engineered fill, ASTM D698, Standard Test Method for Laboratory Compaction Characteristics of Soil Using Standard Effort, to achieve 95 % compaction of the optimum density. Each lift shall be tested for compaction, with a minimum of two tests per lift per acre of fill. All test results shall be maintained on site and available for review.
- 4. Operator shall install signage per § 22-6A-8g (6) (B) at all source water locations included in their approved water management plan within 24 hours of water management plan activation.
- 5. Oil and gas water supply wells will be registered with the Office of Oil and Gas and all such wells will be constructed and plugged in accordance with the standards of the Bureau for Public Health set forth in its Legislative rule entitled Water Well Regulations, 64 C.S.R. 19. Operator is to contact the Bureau of Public Health regarding permit requirements. In lieu of plugging, the operator may transfer the well to the surface owner upon agreement of the parties. All drinking water wells within fifteen hundred feet of the water supply well shall be flow tested by the operator upon request of the drinking well owner prior to operating the water supply well.
- 6. Pursuant to the requirements pertaining to the sampling of domestic water supply wells/springs the operator shall, no later than thirty (30) days after receipt of analytical data provide a written copy to the Chief and any of the users who may have requested such analyses.
- 7. If any explosion or other accident causing loss of life or serious personal injury occurs in or about a well or well work on a well, the well operator or its contractor shall give notice, stating the particulars of the explosion or accident, to the oil and gas inspector and the Chief, within 24 hours of said accident.
- 8. During the casing and cementing process, in the event cement does not return to the surface, the oil and gas inspector shall be notified within 24 hours.
- 9. Operator shall provide the Office of Oil & Gas notification of the date that drilling commenced on this well. Such notice shall be provided by sending an email to DEPOOGNotify@wv.gov within 30

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

1) Well Operator: Chesapeake	Appalachia, LLC	49447757	69-Ohio	3-Liberty	648-Valley Grove
W. A. T. S.		Operator ID	County	District	Quadrangle
2) Operator's Well Number: Alic	e Edge OHI 2011	H Well Pa	ad Name: Alice	e Edge Pad	
3) Farm Name/Surface Owner:	Alice Mae Edge	Public Ro	ad Access: St	ate Route 40	
4) Elevation, current ground:	1198' Ele	evation, proposed	l post-construc	tion: 1198'	
5) Well Type (a) Gas Other	Oil	Une	derground Stor	age	
***************************************	llow	Deep	-		
6) Existing Pad: Yes or No Yes					
7) Proposed Target Formation(s) Target formation- Marcellus Target	, Depth(s), Antici	The last three to be a second of			
8) Proposed Total Vertical Depth	n: 6410'				
9) Formation at Total Vertical D	epth: Marcellus				
10) Proposed Total Measured De	epth: 19,500'				
11) Proposed Horizontal Leg Le	ngth: 3894'				
12) Approximate Fresh Water St	rata Depths:	425'			
13) Method to Determine Fresh14) Approximate Saltwater Dept	- The second sec	om log analysis of	nearby wells		
15) Approximate Coal Seam Dep	oths: 580'				
16) Approximate Depth to Possi	ble Void (coal min	ne, karst, other):	None that we a	re aware of.	
17) Does Proposed well location directly overlying or adjacent to		Yes 🗸	N	о 🔲	
(a) If Yes, provide Mine Info:	Name: Tunne	l Ridge			
	Depth: 558'			Re	eceived
	Seam: Pittsbu	urgh #8			
	Owner: Tunne	l Ridge			UL 3 1 2014

18)

CASING AND TUBING PROGRAM

TYPE	Size	New or Used	<u>Grade</u>	Weight per ft. (lb/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#	630'	630'	580 sx/CTS
Coal	9 5/8"	New	J-55	40#	2122'	2122'	800 sx/CTS
Intermediate	7"	New	P-110	20#	If Needed	If Needed	If Needed/As Needed
Production	5 1/2"	New	P-110	20#	19,500'	19,500'	Lead 1330 as Tell 1690 sur100' instal 2004
Tubing	2 3/8"	New	N-80	4.7#	Approx. 7,218'	Approx. 7,218'	
Liners							

WRH 7-25-14

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	20"	30"	0.25	2120	Class A	1.19/50% Excess
Fresh Water	13 3/8"	17.5"	0.380	2740	Class A	1.19/50% Excess
Coal	9 5/8"	12 1/4"	0.395	3950	Class A	1.19/50% Excess
Intermediate	7"	8 3/4"	0.317	4360	Class A	1.20/15% Excess
Production	5 1/2"	8 3/4"	0.361	12360	Class A	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:			Received

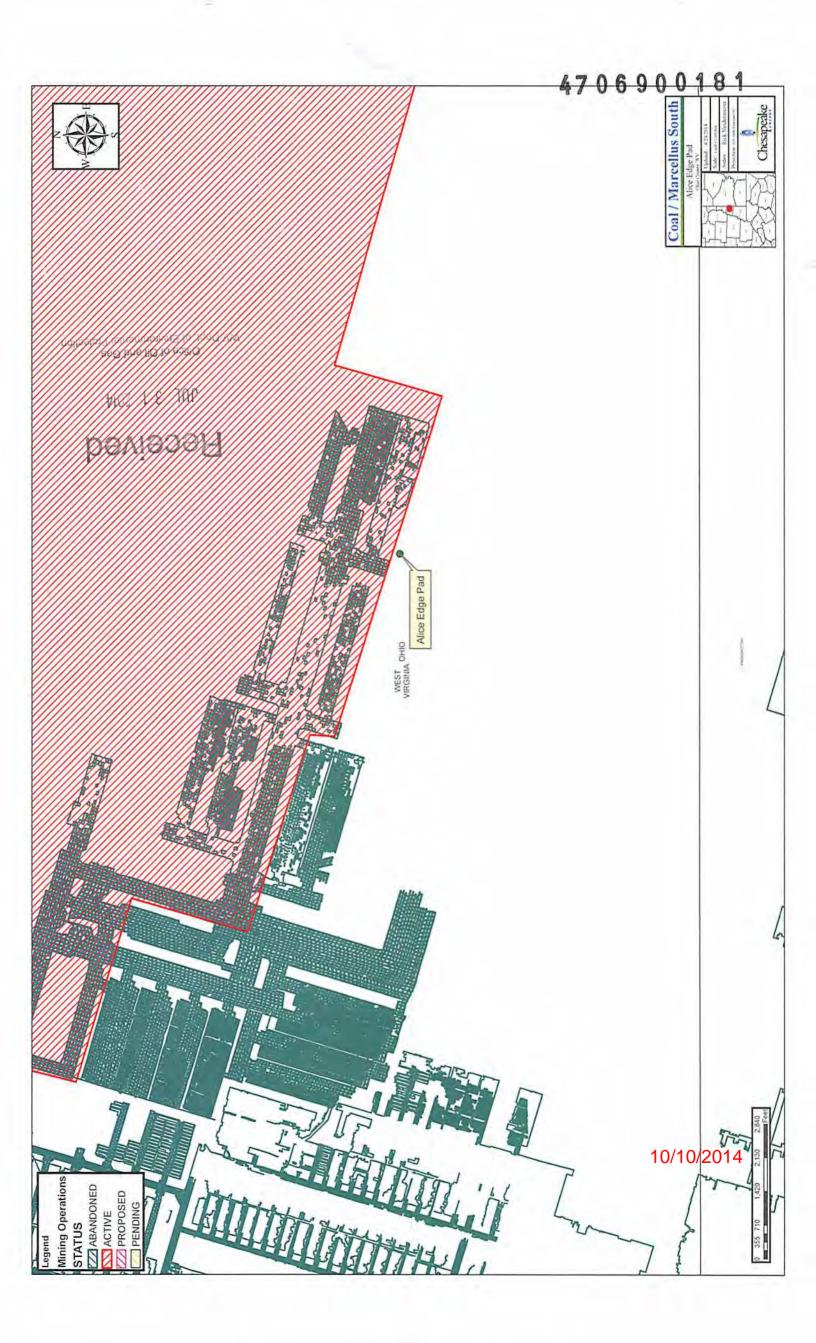
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Office of Oil and Gas
WV Dept. of Environmental Protection

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:
Drill and stimulate any potential zones between and including the Benson to the Marcellus. **If we should encounter a void, place basket above and below void area - balance cement to bottom of void and grout from basket to surface. Run casing not less than 20' below void nor more than 50' below void. (*If freshwater is encountered deeper than anticipated it must be protected, set casing 50' below and cts)
20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:
Well will be perforated within the target formation and stimulated with a slurry of water, sand, and chemical additives at a high rate. This will be performed in stages with the plug and perf method along the wellbore until the entire lateral has been stimulated within the target formation. All stage plugs are then drilled out and the well is flowed back to surface. The well is produced through surface facilities consisting of high pressure production units, vertical separation units, water and oil storage tanks. Max press and anticipated max rate-9000 lbs @ 80 barrells a minute.
21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 18.4
22) Area to be disturbed for well pad only, less access road (acres): 6.1
23) 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.
24) Describe all cement additives associated with each cement type:
See Attachment**
25) 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.
Received
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*Note: Attach additional sheets as needed.

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WV Dept. of Environmental Protection
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	Product Name	Product Use	Chemical Name	CAS Number
	D040		Fuller's earth (attapulgite)	8031-18-3
	D046	antifoam	Polypropylene glycol	25322-69-4
	D130	polyester flake - lcm	polyethylene terephthalate	25038-59-9
	S001	calcium chloride	calcium chloride	10043-52-4
e	SPACER			
Surface	D130	polyester flake - lcm	polyethylene terephthalate	25038-59-9
วร	D020	bentonite extender	bentonite	1302-78-9
	DOAG	antifoam	Fuller's earth (attapulgite)	8031-18-3
	D046		Polypropylene glycol	25322-69-4
	D130	polyester flake - lcm	polyethylene terephthalate	25038-59-9
	D044	granulated salt	sodium chloride	7647-14-5
ate	D153	Anti-Settling Agent	chrystalline silica	14808-60-7
Intermediate	SPACER			
E G	D020	bentonite extender	bentonite	1302-78-9
<u> </u>	D130	polyester flake - lcm	polyethylene terephthalate	25038-59-9
	D080	cement liquid dispersant	product classified as non-hazardous.	
	D801	mid-temp retarder	product classified as non-hazardous	
	D047	antifoam agent	polypropylene glycol	25322-69-4
	SPACER			
	B389	MUDPUSH* Express	Carbohydrate	proprietary
	D206	Antifoaming Agent	Silica Organic Polymer	proprietary
Ď.	D031	barite	barium sulfate	7727-43-7
ᇛ		100	fatty acid amine	proprietary
Kick Off Plug			ethoxylated alcohol	proprietary
×			glycerol	56-81-5
Ϋ́	B220	surfactant	2.2'-Iminodiethanol	111-42-2
	D167	UNIFLAC* S	aliphatic amide polymer	proprietary

Office of Oil and Gas

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	Fuller's earth (attapulgite)	8031-18-3
	Polypropylene glycol	25322-69-4
	aliphatic amide polymer	proprietary
	Sodium Polynaphthalene Sulfonate	9008-63-3
	Sodium Sulfate	7757-82-6
	chrystalline silica	14808-60-7
	metal oxide	proprietary
	chrystalline silica	14808-60-7
	Carbohydrate	proprietary
	Silica Organic Polymer	proprietary
	barium sulfate	7727-43-7
	fatty acid amine	proprietary
	ethoxylated alcohol	proprietary
	glycerol	56-81-5
	2.2'-Iminodiethanol	111-42-2
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	6 -71	

7631-86-9

8031-18-3

25322-69-4

14808-60-7

proprietary

proprietary

50-00-0

10043-35-3

Office of Oil and Gas
Dept. of Environmental Protection

D154

D400

D046

D201

D202

D046

D167

D065

D201

D153

B389

D206

D031

B220

SPACER

Production - Lead

low-temperature extender

basic cements enabler

low-temperature solid

EasyBLOK

antifoam

dispersant

UNIFLAC* S

TIC* Dispersant

basic cements enabler

Anti-Settling Agent

MUDPUSH* Express

Antifoaming Agent

barite

surfactant

antifoam

non-crystalline silica

Polypropylene glycol

chrystalline silica

Fuller's earth (attapulgite)

formaldehyde (impurity)

sulphonated synthetic polymer

boric acid

metal oxide

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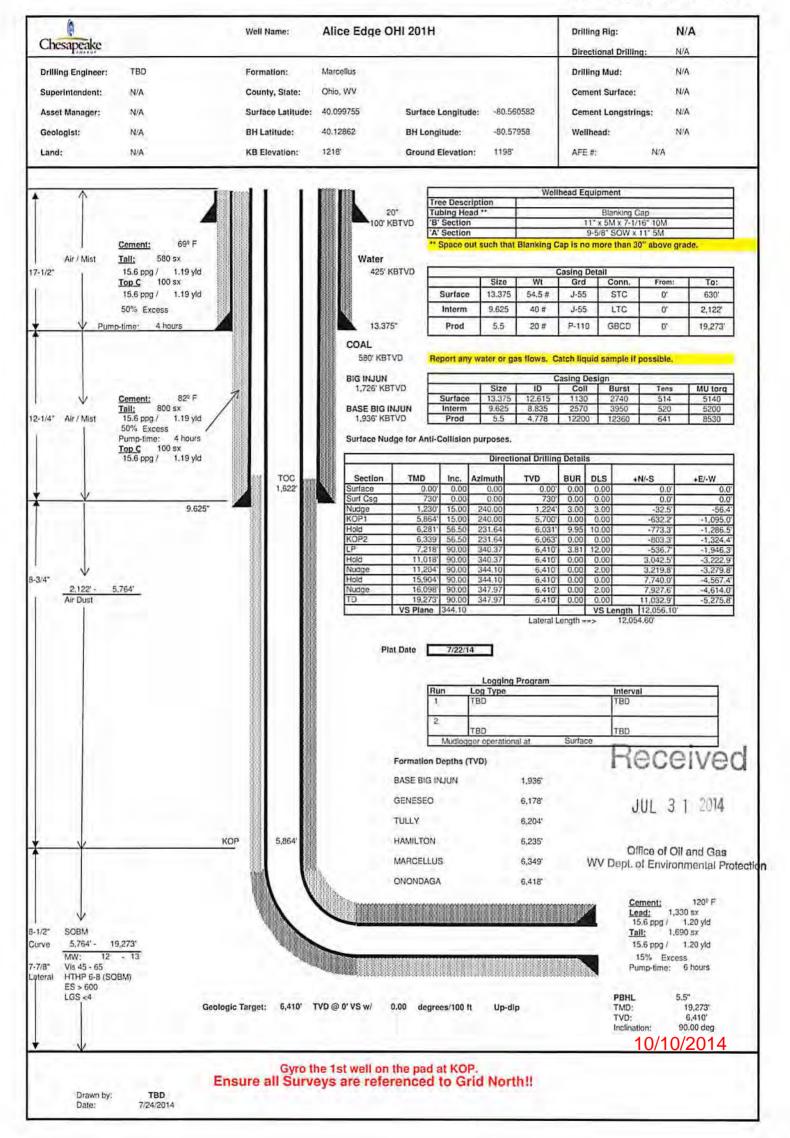
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6% BWOC
0.8% BWOC
0.2% BWOC
0.2% BWOC
0.3% BWOC
0.2% BWOC
0.35% BWOC
0.25% BWOC
0.2% BWOC
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proprietary
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7727-43-7
proprietary
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56-81-5
111-42-2

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API Number 47 - 69 -

Operator's Well No, Alice Edge OHI 201H

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name_Chesapeake A	ppalachia, LLC	OP Code 49447757	
Watershed (HUC 10) Upper	Ohio South	Quadrangle 648-Valley Grove	
Elevation 1198	County_69-Ohio	District 3-Liberty	
Will a pit be used? Yes	than 5,000 bbls of water to complete the		No
	anticipated pit waste.	tem in place at this time- cuttings will be take	n to a permitted landtill.
	be used in the pit? Yes No	If so, what ml.?	
and the second second	lethod For Treated Pit Wastes:		
Lar	nd Application derground Injection (UIC Permit Nun	nber 2D0072539/ 2D0413175/ 2D061030)6/ 2D0610317
■ Ren	use (at API Number_at next anticipated well	I, API# will be included with the WR-34/DDMR &/or	permit addendum.
Offi	Site Disposal (Supply form WW-9 form (Explain_Flow back fluids will be put in	r disposal location) in steel tanks and reused or taken to a per	mitted disposal facility.
Will closed loop system be us	ed? If so, describe: Yes		
Drilling medium anticipated for	or this well (vertical and horizontal)?	Air, freshwater, oil based, etc. Air and	salt saturate mud
-If oil based, what ty	pe? Synthetic, petroleum, etc.Synthetic	Oll Base	
Additives to be used in drilling	g medium? see attached sheets		
	? Leave in pit, landfill, removed offsit	e, etc. Landfill	
-If left in pit and plan	to solidify what medium will be used	? (cement, lime, sawdust)	
Argen Langfill 10072, 7	ame/permit number? Mescowill SWF-1002, SS Greens SV American U2-12954, Country stand and agree to the terms and condit	Wide 38390/CID 36390, Pili	e Glove 13000
on August 1, 2005, by the Off provisions of the permit are elaw or regulation can lead to e I certify under pend application form and all atta obtaining the information I	ice of Oil and Gas of the West Virginia inforceable by law. Violations of any	a Department of Environmental Prote term or condition of the general per mined and am familiar with the info my inquiry of those individuals in accurate, and complete. I am away	ection. I understand that the mit and/or other applicable ormation submitted on this nmediately responsible for
Company Official Signature			JUL 3 1 2014
Company Official (Typed Na	me) Dee Southall		
	ulatory Analyst II	WVE	Office of Oil and Gas Dept. of Environmental Protection
Subscribed and sworn before	me this 29th day of Ju	ly 720 P	OFFICIAL SEAL Notary Public. State of West Virginis BRITTANY R WOODY
My commission expires_	11/27/220		3302 Old Elkins Road Buckhannon, WV 26201 My commission / spiles No mode 24, 2022

Form WW-9

Operator's Well No. Alice Edge OHI 201H

Chesapeake Appala	chia, LLC		
Proposed Revegetation Treatn	nent: Acres Disturbed	0+/- Prevegetation	pH
Lime	min. 2	ect to pH <u>6.5</u>	
10-20 Fertilizer type)-20		
Fertilizer amount 60		lbs/acre	
Mulch Hay/Stra	ıw 2.5	Tons/acre	
		_	
		Seed Mixtures	
Ten	nporary	Perm	nanent
Seed Type	lbs/acre	Seed Type	lbs/acre
White Clover	<u> 15</u>	White Clover	15
Red Top	15	Red Top	15
Orchard Grass	20	Orchard Grass	20
Photocopied section of involv			
Comments:			
			——Receive
			JUL 3 1 20
			Office of Oil and C WV Dept, of Environmenta
Title: Oil and Gas In	spector	Date: 7-25-/	14
Field Reviewed?	· ()Yes) No	

Marcellus Well Drilling Procedures And Site Safety Plan

Chesapeake Appalachia, LLC

47 - 69 Well name: Alice Edge OHI 201H
Valley Grove, Quad
Liberty, District
Ohio County, West Virginia

WFH 7-25-14

Submitted by: Dee Southall	7/17/2014 Date:
Title Regulatory Analyst II	Chesapeake Appalachia, LLC
Approved by:	
	Date:
Title:	
Approved by:	
	Date:
Title:	
Chesapeake Appalachia, L.L.C. – Co	nfidential

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JUL 3 1 2014

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