

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

November 20, 2014

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-6900184, 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: ALICE EDGE OHI 6H

Farm Name: EDGE, ALICE MAE

API Well Number: 47-6900184

Permit Type: Horizontal 6A Well

Date Issued: 11/20/2014

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. Mats and liners along with containment shall be provided in addition to the existing berm.
- 2. 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.
- 3. 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.
- 4. 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.
- 5. 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.
- 6. 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.
- 7. 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.
- 8. 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.
- 9. 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.

PERMIT CONDITIONS

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

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

l) Well Operator: Chesapeak	e Appalachia, LLC	49447757	69-Ohio	3-Liberty	648-Valley Grove
•		Operator ID	County	District	Quadrangle
2) Operator's Well Number: Ali	ice Edge OHI 6H	Well Pad	Name: Alice E	Edge Pad	
3) Farm Name/Surface Owner:	Alice Mae Edge	Public Road	d Access: State	e Route 40)
4) Elevation, current ground:	1198' E	evation, proposed p	oost-construction	n: 1198'	
	Oil	Unde	rground Storag	e	
Other					
(b)If Gas Sha	allow _	Deep			
	rizontal				
6) Existing Pad: Yes or No Ye					
 Proposed Target Formation(s Target formation- Marcellus Target 		-			
		urgot baco 110 c 110	- Tarabapatou arron		
3) Proposed Total Vertical Dep 9) Formation at Total Vertical I			- 		
10) Proposed Total Measured D					
•					·
11) Proposed Horizontal Leg Lo		4051			
12) Approximate Fresh Water S	-	425'			
13) Method to Determine Fresh		from log analysis of n	earby wells		
14) Approximate Saltwater Dep					
15) Approximate Coal Seam De	-				
16) Approximate Depth to Poss	ible Void (coal m	ine, karst, other): _	None that we are	aware of.	
(7) Does Proposed well location directly overlying or adjacent to		ms Yes ✓	No		
(a) If Yes, provide Mine Info:	Name: Tunn	el Ridge			
(w) 11 100, P10 1 1 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Depth: 558'				
•	•	ourgh #8	WRN Offi 8-22-14		FD
	Owner: Tunn	el Ridge		RECEIV	and Gas
			した从 Offi	ce or or	2014
			8-22-14	AUG 2	, (0) · ·
			,	NV Debe	artment of tale Protection
			En'	vironmen	artment 5: tal Protection 11/21/2014
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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	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#	2107'	2107'	630 sx/CTS
Intermediate	7"	New	P-110	20#	If Needed	If Needed	If Needed/As Needed
Production	5 1/2"	New	P-110	20#	15,100'	15,100'	Lead 1150sx Tell 1550sx/100' inside inter
Tubing	2 3/8"	New	N-80	4.7#	Approx. 6909'	Approx. 6909'	
Liners		_		_			

WRH 8-22-14

ТҮРЕ	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:		 RECE Office of C	IVED
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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.
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*Note: Attach additional sheets as needed. WV Department of Environmental 1/21/2014

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				Gas
SLB C	ement Additives	***Ref: 2013-78	Chemical Name	CAS Number
	Product Name	Product Use		8031-18-3
	D046	antifoam	Fuller's earth (attapulgite) Polypropylene glycol	25322-69-4
	200.00	- shortes flake lam	polyethylene terephthalate	25038-59-9
	D130	polyester flake - lcm calcium chloride	calcium chloride	10043-52-4
	S001	Calcium chionae	Caldian Shionae	10043-52-4 🗹 👸
φ	SPACER			Č
f ac	D130	polyester flake - lcm	polyethylene terephthalate	25038-59-9
Surface	D020	bentonite extender	bentonite	1302-78-9
			Fuller's earth (attapulgite)	8031-18-3
	D046	antifoam	Polypropylene glycol	25322-69-4
			polyethylene terephthalate	25038-59-9
	D130	polyester flake - Icm	sodium chloride	7647-14-5
	D044	granulated salt Anti-Settling Agent	chrystalline silica	14808-60-7
ate	D153	Anti-Settling Agent	Gri yatanin Comod	
Intermediate	SPACER			1000 70 0
Ë	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			proprietary
	B389	MUDPUSH* Express	Carbohydrate	proprietary
	D206	Antifoaming Agent	Silica Organic Polymer	7727-43-7
g	D031	barite	barium sulfate	proprietary
굽			fatty acid amine ethoxylated alcohol	proprietary
8				56-81-5
Kick Off Plug	2000	surfactant	glycerol 2.2'-Iminodiethanol	111-42-2
- Z	B220	Surraciant	and the second second	
-	D167	UNIFLAC* S	aliphatic amide polymer	proprietary
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	i a dender	non-crystalline silica	7631-86-9
D154	low-temperature extender	boric acid	10043-35-3
D400	EasyBLOK	Fuller's earth (attapulgite)	8031-18-3
D046	antifoam	Polypropylene glycol	10043-35-3 8031-18-3 25322-69-4 14808-60-7
		chrystalline silica	14808-60-7
D201 D202	basic cements enabler	metal oxide	proprietary U
÷ D201		sulphonated synthetic polymer	proprietary Of
D202	low-temperature solid	formaldehyde (impurity)	50-00-0
£ 10202	dispersant	Fuller's earth (attapulgite)	proprietary 01 50-00-0 8031-18-3
D046	antifoam	Polypropylene glycol	25322-69-4
D040		aliphatic amide polymer	proprietary
D167	UNIFLAC* S	Sodium Polynaphthalene Sulfonate	9008-63-3
D065	TIC* Dispersant	Sodium Sulfate	7757-82-6
		chrystalline silica	14808-60-7
D201	basic cements enabler	metal oxide	proprietary
D201		chrystalline silica	14808-60-7
D153	Anti-Settling Agent	Chrystanure sinca	
SPACER		Carbohydrate	proprietary
B389	MUDPUSH* Express	Silica Organic Polymer	proprietary
D206	Antifoaming Agent	barium sulfate	7727-43-7
D031	barite	fatty acid amine	proprietary
	Į.		proprietary
	·	ethoxylated alcohol	56-81-5
		glycerol 2.2'-Iminodiethanol	111-42-2
B220	surfactant	Z.Z-IIIIIIIOGIEtitatioi	

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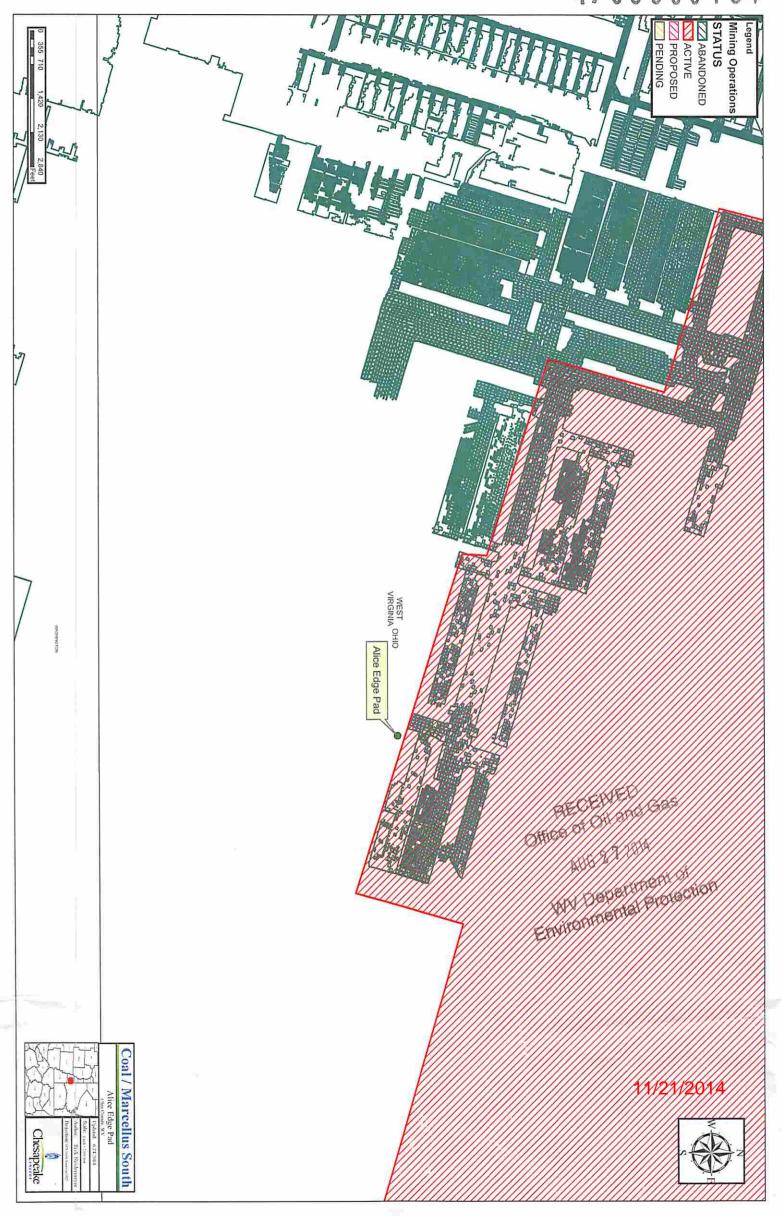
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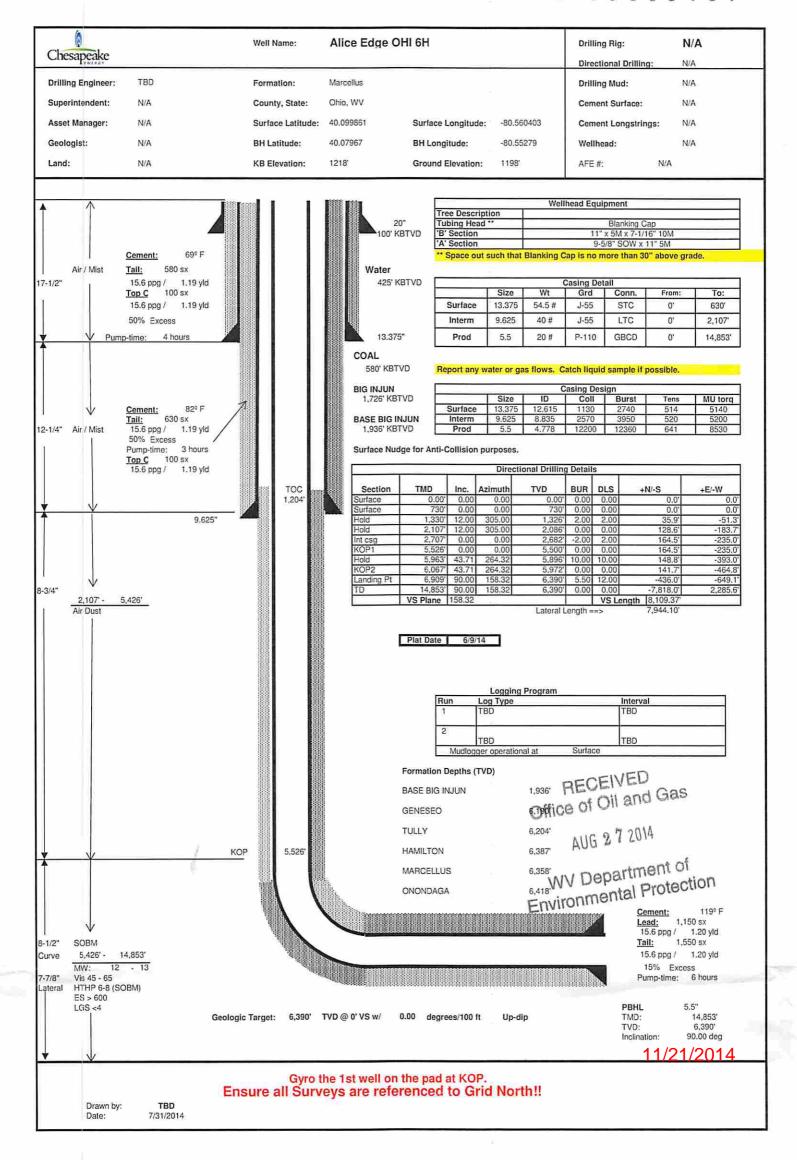
56-81-5 111-42-2	proprietary	proprietary	7727-43-7	proprietary	nronrietary		0.2% BWOC	0.2% BWOC		0.25% BWOC			0.2% BWOC		0.3% BWOC		0.2% BWOC		0.2% BWOC		0.8% BWOC	6% BWOC
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API Number 47 - 69		4/	0	6	9	0	0	1	8	4
Operator's Well No	Alica									

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name_Chesapeake Appalachia, LLC OP Code49447757				
Watershed (HUC 10) Upper Ohio South Quadrangle 648-Valley Grove				
Elevation 1198' County 69-Ohio District 3-Liberty				
Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes No Will a pit be used? Yes No				
If so, please describe anticipated pit waste: Closed loop system in place at this time- cuttings will be taken to a permitted landfill. Will a synthetic liner be used in the pit? Yes No If so, what ml.?				
Proposed Disposal Method For Treated Pit Wastes:				
Land Application Underground Injection (UIC Permit Number 2D0072539/ 2D0413175/ 2D0610306/ 2D0610317) Reuse (at API Number at next anticipated well, API# will be included with the WR-34/DDMR &/or permit addendum. Off Site Disposal (Supply form WW-9 for disposal location) Other (Explain Flow back fluids will be put in steel tanks and reused or taken to a permitted disposal facility.				
Will closed loop system be used? If so, describe: Yes				
Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. Air and salt saturate mud				
-If oil based, what type? Synthetic, petroleum, etc. Synthetic Oil Base				
Additives to be used in drilling medium? see attached sheets				
Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. Landfill				
-If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust)				
-Landfill or offsite name/permit number? SWF-1032, SS Grading SWF-1032, Stort Creek 1034/WV0109517/CID28726, Carbon Limeslane 28726/CID 28726 Arden Landfill 1UU/2, American U2-12954, Country VVIde 3839U/CID 3839U, Pine Grove 13688 I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.				
Company Official Signature RECEIVED				
Company Official (Typed Name) Dee Southall Office Of Office Of Office				
Company Official Title Regulatory Analyst II AUG 2 7 2014				
Subscribed and sworn before me this day of the subscribed and sworn before me				

Form WW-9

Operator's Well No. Alice Edge OHI 6H

Chesapeake Appala	ichia, LLC	Ореган	or s well ino.	
Proposed Revegetation Treati	ment: Acres Disturbed	10+/- Prevegetati	ion pH	
	Tons/acre or to corr	ect to pH 6.5		
Fertilizer type				
Fertilizer amount 60		lbs/acre		
_{Mulch} Hay/Stra	aw 2.5	Tons/acre		
		Seed Mixtures		
Temporary		P	Permanent	
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	
Plan Approved by:	11 Norhsk	4		
Comments:				
_{Title:} Oil and Gas In	spector	Date: <u> </u>	RECEIVED Office of Oil and Gas	
Field Reviewed?	Yes	() No	AUG 2 7 2014	

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Marcellus Well Drilling Procedures And Site Safety Plan

Chesapeake Appalachia, LLC

47 - 69 Well name: Alice Edge OHI 6H
Valley Grove, Quad
Liberty, District
Ohio County, West Virginia

WRH 8-22-14

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

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