

west virginia department of environmental protection

Office of Oil and Gas 601 57th Street, S.E. Charleston, WV 25304 (304) 926-0450 fax: (304) 926-0452

Austin Caperton, Cabinet Secretary www.dcp.wv.gov

Tuesday, March 13, 2018 WELL WORK PERMIT Coal Bed Methane Well / Plugging

ARP MOUNTAINEER PRODUCTION, LLC 425 HOUSTON, STE 300

FORT WORTH, TX 76102

Re: Permit approval for HILLMAN 208

47-091-01097-00-00

This well work permit 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 any additional specific 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 of 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.

Per 35 CSR 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) 926-0450.

James A. Martin

Chief

Operator's Well Number: HILLMAN 208

Farm Name: CABLE SYSTEMS USA ASSO

U.S. WELL NUMBER: 47-091-01097-00-00

Coal Bed Methane Well Plugging

Date Issued: 3/13/2018

PERMIT CONDITIONS

West Virginia Code §22-6-11 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. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 2. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
- 3. Well work activities shall not constitute a hazard to the safety of persons.
- 4. This well is under a consent order and must be plugged under the terms of that agreement.

WW-4B Rev. 2/01

| 1) Date January 15th | 1 , 2018 |
|----------------------|-----------------|
| 2) Operator's | |
| Well No. Hillman 2 | 208 |
| 3) API Well No. 4 | 7 - 001 - 01007 |

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

| 011100 01 | CLD MID GAD |
|--|--|
| APPLICATION FOR A PER | RMIT TO PLUG AND ABANDON |
| 4) Well Type: Oil / Gas X / Liqui | id injection / Waste disposal / |
| | nderground storage) Deep/ Shallow |
| 02 02 | |
| 5) Location: Elevation 1,395 | Watershed Tributary of Simpson Creek |
| District Flemington | County Taylor Quadrangle Rosemont |
| District Management | Quadrangle 1000/1011 |
| 6) Well Operator ARP MOUNTAINEER PRODUCTION.LLC | 7) Designated Agent CT CORPORATION SYSTEM |
| Address 425 Houston, STE 300 | Address 5400 D BIG TYLER ROAD |
| Fort Worth, TX 76102 | CHARLESTON, WV 25313 |
| 101010111111111111111111111111111111111 | 0.11.11.11.11.11.11.11.11.11.11.11.11.11 |
| 8) Oil and Gas Inspector to be notified | Ol Planning Control |
| 8) Oil and Gas Inspector to be notified Name Kenneth Greynolds | 9)Plugging Contractor _{Name} TBD |
| Address 613 Broad Run Road | |
| Jane Lew, WV 26378 | Address |
| Jane Lew, VVV 20378 | |
| | |
| 10) Work Order: The work order for the man | mer of plugging this well is as follows: |
| Move in Rig up work-over rig, Lower tub | |
| wiove in rig up work-over ng, Lower tur | onig and tag bottom, TD @ 004 |
| If fill is encountered, clean to as deep as reason | onably achievable below lowermost coal |
| RIH with 2-7/8" tubing set off of bottom + or - two feet. Circul | ate through the 2-7/8 with an expanding cement using 50% in excess |
| | |
| Pump 84 cu.ft of cement, TOOH w/tubing to be | e above cement plug, WOC for 4hrs minimum |
| RIH w/tubing tag cement at or near 582 | 2', Finish circulating cement to the surface |
| This with bing, tag being it at or floar boz | e, i mon onodiating content to the surface |
| Install permanent marker and reclaim lo | cation to WVDEP specifications |
| | |
| | |
| | |
| | |
| | |
| | |
| - | |
| Notification must be given to the district of | il and gas inspector 24 hours before permitted |
| work can commence. | 11 and yas inspector 24 hours before permitted |
| <i>y</i> | |
| Work order approved by inspector | 1 / 2 2 10 |
| Work order approved by inspector | A Shunold Date 5-2-18 |
| | RECEIVED |
| | Office of Oil and Gas |
| | |

MAR 1 3 2018

Hillman 208 Plugging Procedure

MIRU service rig

Test tubing to 300 psi

POOH w pump and rods

RIH w 2 7/8" tubing to tag bottom @ ~884'

If fill is encountered, POOH w tubing and sand bail below lowest coal seam (849') as deep as reasonably achievable

RIH w 2 7/8" tubing to bottom

Set 400' cement plug using (135 cf) of expanding cement (50/50 PozMix w 10% NaCl and 2% gel)

POOH w 2 7/8" tubing

WOC 4 hrs and RIH w 2 7/8" tubing to tag TOC @ est ~500'

Set cement plug to surface using (117 cf) of expanding cement (50/50 PozMix w 10% NaCl and 2% gel)

POOH w 2 7/8" tubing

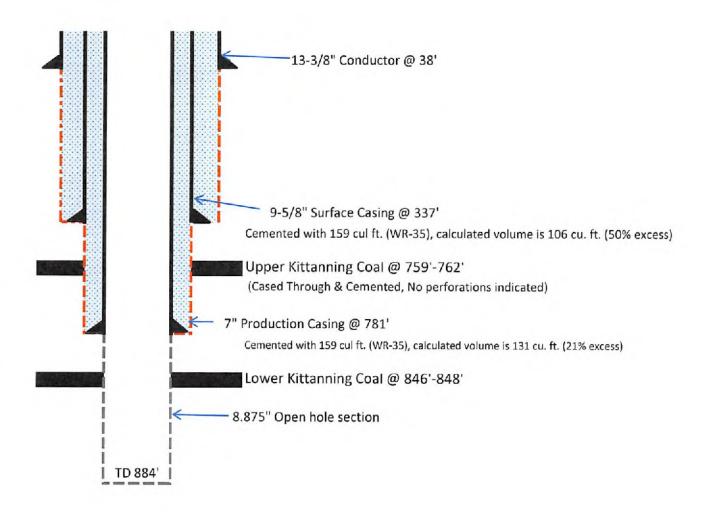
Top off casing with cement

Set permanent marker and reclaim location as required by DEP

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WV Department of Environmental Protection

Hillman 208
Plug and Abandon Schematic
API # 47-091-01097





WR-35 Rev (8-10)

DATE: 03/31/2011 API#: 47-091-01097

State of West Virginia Department of Environmental Protection Office of Oil and Gas

Well Operator's Report of Well Work

| Farm name: Cable Systems | USA Assoc | Operator Well No: Hillman 208 |
|---|---|--|
| LOCATION: Elevation: 1,3 | 9 <u>5'</u> | Quadrangle: Resement |
| District: Flemin Latitude: 59 Longitude: 56 | 32 Feet South of 39 68 Feet West of 80 | County: <u>Taylor</u> Deg. 17 Min. 30 Sec. |

Address: 4 Waterway Square, Stc. 400 Casing & Used in Cement fill The Woodlands, TX, 77380 Tubing drilling Left in well up Cu. Ft. 13-3/8" 38' 38' N/A 9-5/8" 337' 337 159 Agent: 7" 781' 781' 159 Inspector: 2-7/8" 824 Date Permit Issued: 02/05/2008 Date Well Work Commenced: 03/31/2008 Date Well Work Completed: 04/07/2008 Verbal Plugging: Date Permission granted on: Rotary X Cable Rig RECEIVED Total Vertical Depth (ff): 884 Office of Oll & Gas Total Measured Depth (fi): 884' Fresh Water Depth (ft.): 94', 204' Salt Water Depth (ft.): N/A Is coal being mined in area (N/Y)? Y WV Department of Environmental Projection Coal Depths (ft.): 385', 479', 579', 690', 759', 825', 846' Void(s) encountered (NY) Depth(s) N

| OPEN FLOW DATA (If more the Producing formation Unne | an two producing formations please include additional data on separate sheet) x Kittanning Pay zone depth (ft) _759' - 762' | |
|--|--|--|
| Gas: Initial open flow N | A MCF/d Oil: Initial open flow N/A Bbl/d | |
| Final open flow | MCF/d Final open flow N/A Rbl/d | |
| Time of open flow between in | itial and final tests 4 Hours | |
| Static rock Pressure psig | (surface pressure) after 48 Hours | |
| Gas: Initial open How | Lower Kittanning Pay zone depth (ft) 846' - 848' MCF/d Oil: Initial open flow N/A Bbl/d MCF/d Final open flow N/A Bbl/d | |
| Time of onen flow between ini | tial and final tests Hours | |
| Static rock Pressure ps | the and that tests Hours | |

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this document and all the 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.

3/31 2011 Date W Department of Environmental Protect

| Were cuttings caught during drilling? Yes_No_Unknown X. |
|--|
| Were Y Blectrical, Mechanical, or Geophysical logs recorded on this well? Y/N Y/N Y/N |
| NOTE: IN THE AREA BELOW PUT THE FOLLOWING: 1). DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, BTC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF THE TOPS AND BOTTOMS OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE FROM SURFACE TO TOTAL DEPTH. Perforated Intervals, Fracturing, or Stimulating: |
| |
| |
| |
| |

| Formation Encountered | Top Depth | Bottom Denth | Remarks |
|-------------------------------|-----------|--------------|-----------------------|
| Sandstone, Sandy-Shale, Shale | 0, | 385' | |
| Harlem Coal | 385' | 387' | |
| Sandstone, Shale | 387' | 479' | |
| Bakerstown Coal | 479' | 481' | |
| Sandstone, Shale | 481' | 579' | |
| Brush Creek Coal | 579' | 581' | |
| Sandstone, Shale | 581' | 690' | |
| Lower Freeport Coal | 690' | 692' | |
| Sandstone, Shale | 692' | 759' | |
| Upper Kitlanning Coal | 759' | 762' | |
| Sandstone, Sandy-Shale, Shale | 762' | 825' | |
| Middle Kittanning Coal | 825' | 831' | |
| Sandstone, shale | 831' | 846' | BECEIVED Gas |
| Lower Kittanning Coal | 846' | 848' | Office of Oil and Gas |
| Sandstone, shale | 848' | 884' | Office on 26 2018 |
| | | | W Decartment of |

| WW-4A | |
|---------|------|
| Revised | 6-07 |

| 1) Date: | 1-15-2018 | |
|-------------|-----------------|--|
| 2) Operato | r's Well Number | |
| Hillman 208 | | |

3) API Well No.: 47 -

1 - 01097

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE OF APPLICATION TO PLUG AND ABANDON A WELL

| (a) Name Address | Cequel III Communications, LLC 12444 Powers Court Drive Suite 450 | Name | Coalquest Development, LLC |
|---------------------|--|--------------|--|
| Address | ST. Louis, MO 63131 | Address | 100 Tygart Drive Grafton WV 263547 |
| (b) Name | SEE Atachment | (b) Coal Own | mer(s) with Declaration |
| Address | | Name | Coalquest Development, LLC |
| | | Address | 100 Tygart Drive |
| | | | Grafton WV 263547 |
| (c) Name | SEE Attachment | Name | 2 6 30 |
| Address | | Address | FEB 26-20' |
| V To Souline 1 | Versell Oriental | | see with Declaration Coalquest Development, LLC Wy Benartment Environmental Prince |
| Inspector | Kenneth Greynolds | | see with Declaration |
| Address | 613 Broad Run Road | Name | |
| m.1. 1 | Jane Lew, WV 25378 | Address | 100 Tygart Drive |
| Telephone | 304-206-6613 | | Grafton WV 263547 |

(2) The plat (surveyor's map) showing the well location on Form WW-6.

The reason you received these documents is that you have rights regarding the application which are summarized in the instructions on the reverses side. However, you are not required to take any action at all.

Take notice that under Chapter 22-6 of the West Virginia Code, the undersigned well operator proposes to file or has filed this Notice and Application and accompanying documents for a permit to plug and abandon a well with the Chief of the Office of Oil and Gas, West Virginia Department of Environmental Protection, with respect to the well at the location described on the attached Application and depicted on the attached Form WW-6. Copies of this Notice, the Application, and the plat have been mailed by registered or certified mail or delivered by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of mailing or delivery to the Chief.

| | Well Operato | or ARP MOUNTAINEER PRODUCTION, LLC |
|---|--------------|--|
| | By: | Julie Herris Donathan |
| | Its: | HSE Director (/ Well Hell) (1) |
| | Address | 425 Houston, STE 300 |
| | | Fort Worth, TX 76102 |
| | Telephone | 817-1015-8834 |
| Subscribed and sworn before r | ne this (0 | day of February 2018 |
| Cohlus | ne this | day of February 2018 Notary Public |
| Subscribed and sworn before a | ne this | Notary Public ASHLEY TIDWEL |
| My Commission Expires | ne this | Notary Public |
| My Commission Expires Oil and Gas Privacy Notice | MIXCI - | Notary Public ASHLEY TIDWELL Notary Public, State of Texas |

Surface Owners Hillman 208

- Cequel III Communications , LLC
 520 Maryville Center Drive
 Saint Louis, MO 63141 (Well Location)
- Joyce Emerson
 228 Parkway Drive
 Clarksburg, WV 26301 (Road access only)
- Shirley Frum
 269 Frum Road
 Rosemont, WV 26424 (Road access only)
- Shirley Ann Skaggs
 Po Box 18
 Rosemont, WV 26424 (Road access only)

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FEB 2 6 2018

WV Department of Environmental Protection WW-9 (5/16)

| API Number | 47 - 091 | _01097 | |
|---------------|----------|--------|--|
| Operator's We | Il No. | | |

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

| Operator Name_ARP Mountaineer Production, LLC OP Code 494509804 | |
|--|--|
| Watershed (HUC 10) Tributary of Simpson Creek Quadrangle Rosemont | |
| 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 V No No | |
| If so, please describe anticipated pit waste: Cement and water | |
| Will a synthetic liner be used in the pit? Yes No If so, what ml.? 20mil | |
| Proposed Disposal Method For Treated Pit Wastes: | PIT WILL BE LESS |
| Land Application (if selected provide a completed form WW-9-GPP) | THAN 1000 BBC VOLUME. |
| Underground Injection (UIC Permit Number | |
| Off Site Disposal (Supply form WW-9 for disposal location) |) |
| Other (Explain | |
| Will alread lean quater be used? If as describe: | |
| Will closed loop systembe used? If so, describe: | |
| Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. | |
| -If oil based, what type? Synthetic, petroleum, etc | |
| Additives to be used in drilling medium? | |
| Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc | |
| -If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) | |
| -Landfill or offsite name/permit number? | |
| Permittee shall provide written notice to the Office of Oil and Gas of any load of drill cuttings or associated West Virginia solid waste facility. The notice shall be provided within 24 hours of rejection and the permitte where it was properly disposed. | waste rejected at any ee shall also disclose |
| I certify that I understand and agree to the terms and conditions of the ŒNERAL WATER POLI. on April 1, 2016, by the Office of Oil and Gas of the West Virginia Department of Environmental Protecti provisions of the permit are enforceable by law. Violations of any term or condition of the general permit are or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and am familiar with the information form and all attachments thereto and that, based on my inquiry of those individuals immediately the information, I believe that the information is true, accurate, and complete. I am aware that there are submitting false information, including the possibility of fine or imprisonment. | on. I understand that the ad/or other applicable law nation submitted on this responsible for o btaining |
| Company Official Signature | |
| Company Official (Typed Name) | |
| Company Official Title Dicercy USE | |
| | |
| Subscribed and swom before me this day of FOOLLOYY, 20 8 | |
| Notary Public | |
| My commission expires ASHLEN FIDWELL NOTHING SHARE OF LOCALLY FIDER ASHLEN FIDER SHARE OF LOCAL PROPERTY FIDER ASHLEN FIDER SHARE OF LOCAL PROPERTY FIDER ASHLEN FIDER SHARE OF LOCAL PROPERTY FIDER SHARE OF LOCAL | RECEIVED |
| Challes Express in the Section | Office of Oil and Gas |
| Notary ID 17919036 | MAR 1 3 2018 |

WV Department of Environmental Protection

| Form | W | W | -9 |
|------|---|---|----|
|------|---|---|----|

| | | | Operator's W | /ell No |
|--|----------------------------------|--------------|---------------------------------------|----------|
| Proposed Revegetation Treatmen | t: Acres Disturbed 0.5 | | Preveg etation p | н 5-6.5 |
| | Tons/acre or to correct to p | | | |
| Fertilizer type 10-20-20 | | | | |
| Fertilizer amount 500 | | lbs/acre | | |
| Mulch_ Hay/Straw | Ton: | s/acre | | |
| | Se | ed Mixtures | | |
| Tempor | | | Perma | nent |
| Seed Type | lbs/acre | | Seed Type | lbs/acre |
| Tall Fescue or Orchard Grass | 40 | | | |
| Annual Rye Grass | 5 | | | |
| | | | | |
| - 4 · · · · · · · · · · · · · · · · · · · | | | | |
| Photocopied section of involved 7 | | | | |
| Plan Approved by: | wit Sugar | | | |
| Comments: <u>RECLAIM</u> | RESETT A | no an | UCH ASAF |) |
| | | | · · · · · · · · · · · · · · · · · · · | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Title: 016 615 | INSPECTOR | Date: | 3-2-18 | |
| Field Reviewed? |) Yes (| <u>/_</u>)№ | | ncocnen |
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MAR 1 3 2018

WW-9- GPP Rev. 5/16

| | Page | / of | 2 |
|--------------------|---------|---------|---|
| API Number 47 - | _ | - 01097 | |
| Operator's Well No | o. Hill | MAN 208 | |

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

| atershed (HUC 10): Simpson Creek 0502000204 | Quad: Rosemont |
|--|--|
| arm Name: | |
| List the procedures used for the treatment and discharge of f groundwater. | fluids. Include a list of all operations that could contaminate th |
| Waste Water will be collected in a pit and will be portable gasoline powered trash pump | e treated and ground disbursed using a 2" |
| Describe procedures and equipment used to protect groundward | ater quality from the list of potential contaminant sources above |
| While in operation the portable 2" gasoline power containment eliminating chances for potential s | |
| | |
| List the closest water body, distance to closest water body discharge area. | , and distance from closest Well Head Protection Area to the |
| | , and distance from closest Well Head Protection Area to th |
| discharge area. | , and distance from closest Well Head Protection Area to th |
| Closest Water Body - Simpson Creek | |
| Closest Water Body - Simpson Creek Distance to Closest Water Body - 2,250' +/- | a - N/A lated for groundwater protection. RECE |
| discharge area. Closest Water Body - Simpson Creek Distance to Closest Water Body - 2,250' +/- Distance from Closest WHPA to Discharge Area | a - N/A |

| ww | -9- | GPI |
|------|-----|-----|
| Rev. | 5/1 | 6 |

| | Page | 2 | of | 2 |
|-----------------|---------|-----|-------|---|
| API Number 47 | - 91 | - | 01097 | |
| Operator's Well | No. 431 | mad | 208 | |

| Not applicable | |
|---|--------------------|
| | |
| Provide a statement that no waste material will be used for deicing or fill material on | the property. |
| No waste will be used for deicing, ice control, structural fill, road ba | ase or other uses. |

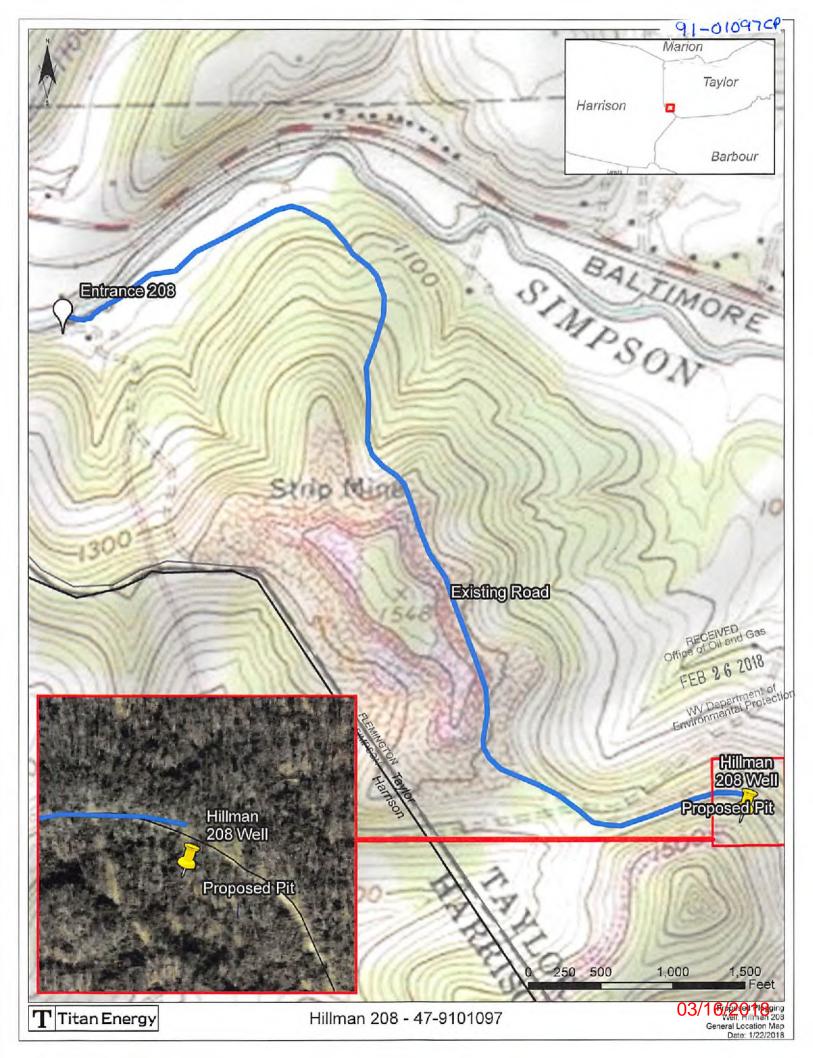
7. Describe the groundwater protection instruction and training to be provided to the employees. Job procedures shall provide direction on how to prevent groundwater contamination.

All employees will be trained on their responsibility to ensure groundwater protection. Current job procedures provide direction on how to prevent ground water contamination through proper work procedures.

WV Department of Environmental Protect

8. Provide provisions and frequency for inspections of all GPP elements and equipment.

During the plugging and abandonment activities, the site will be inspected to ensure that all elements and equipment of the sites ground water protection program are in place, properly functioning and appropriately managed.







West Virginia Department of Environmental Protection Office of Oil and Gas

| WELL LU | CATION FURM: GPS | |
|--|---|---|
| _{API:} 91-01097 | _{well no.:} Hillman 2 | 208 |
| FARM NAME: CABLE SY | STEMS USA ASSOC | |
| RESPONSIBLE PARTY NAME: | ARP MOUNTAINEER PRODUCTION, LLC | <u> </u> |
| COUNTY: Taylor | _{DISTRICT:} Flemington | <u>n</u> |
| QUADRANGLE: Rosemon | nt | |
| | III Communications, LLS | |
| ROYALTY OWNER: Refer t | o application | |
| UTM GPS NORTHING: 4,346 | 5,274.0 | |
| UTM GPS EASTING: <u>571,10</u> | 2.3 GPS ELEVATION: 1,39 | 5 |
| preparing a new well location plat for above well. The Office of Oil and Gothe following requirements: 1. Datum: NAD 1983, Zono height above mean sea letter 2. Accuracy to Datum – 3.0. 3. Data Collection Method: Survey grade GPS X : Post Programs 2.1. | of meters rocessed Differential Sime Differential X | n the meet RECEIVED RECEIVED Gas |
| | al-Time Differential | |
| 4. Letter size copy of the t I the undersigned, hereby certify this | sopography map showing the well location. Is data is correct to the best of my knowledge an required by law and the regulations issued and | |
| O 18 11 at al 12 | Title Date | |