

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.dep.wv.gov

Tuesday, June 25, 2019 PERMIT MODIFICATION APPROVAL Horizontal 6A / New Drill

ARSENAL RESOURCES LLC 6031 WALLACE ROAD EXTENSION SUITE 603 WEXFORD, PA 15090

Re: Permit Modification Approval for JOHNSON TFP 40 204

47-091-01356-00-00

Updated Casing Plan with changes to conductor, intermediate and production strings.

ARSENAL RESOURCES LLC

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

If there are any questions, please feel free to contact me at (304) 926-0450.

Operator's Well Number: JOHNSON TFP 40 204

Farm Name: RENEE JOHNSON

James A. Martin

U.S. WELL NUMBER: 47-091-01356-00-00

Horizontal 6A New Drill Date Modification Issued: 06/25/2019

Promoting a healthy environment.



June 10, 2019

WVDEP Office of Oil and Gas ATTN: Laura Adkins 601 57th Street SE Charleston, WV 25304

RE: Johnson TFP 40 204, Johnson TFP 40 205, and Johnson TFP 40 206 WW6B Changes

Dear Ms. Adkins:

Enclosed, please find the revised WW6B for the Johnson TFP 40 204 (API 47-091-01356), Johnson TFP 40 205 (API 47-091-01355), and Johnson TFP 40 206 (API 47-091-01351).

The following changes occurred within the WW6B:

- Conductor casing size has changed from 26" to 24"
- Conductor weight has changed from 102.7# to 94#
- Changed intermediate casing depth from 2,050' to 2,600'
- Changed production casing weight from 23# to 20#
- Changed the production cement fill-up from TOC @ 1,900 to TOC @ 2,450
- Changed the production wall thickness from 0.415 to 0.361
- Changed the production burst pressure from 14,520 to 15,920

Should you have any questions or need any additional information, please feel free to contact me by phone or email. Thank you!

Sincerely,

Kelly Davis

Permitting Specialist 1-304-517-8743 mobile

1-724-940-1218 office

kdavis@arsenalresources.com

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API NO. 47- 091 - 0\356

OPERATOR WELL NO. Johnson TFP 40 204

Well Pad Name: Johnson TFP 40

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

1) Well Operate	or: Arsena	l Re	sources	3	494519412	Taylor	Fleming	Rosemont
- -					Operator ID	County	District	Quadrangle
2) Operator's V	Vell Number	.: <u>Jo</u>	hnson T	FP 40 20	Well Pad	Name: Johns	on TFP 40)
3) Farm Name/	Surface Owi	ner:	Renee	Johnson	Public Road	d Access: CR	17, Oral La	ake Road
4) Elevation, cu	irrent ground	d :	1338.79	9' Ele	evation, proposed p	oost-construction	on: 1332.5	,
5) Well Type	(a) Gas	Χ		Oil	Unde	rground Storag	e	
	Other							
	(b)If Gas	Sha	llow	X	Deep			
		Hor	rizontal	X				
6) Existing Pad	: Yes or No	No						
, <u>-</u>	•	` '		`	pated Thickness ar tom- 7,916.5ft, Anticip	-	` '	ed Pressure- 0.5 psi/ft
8) Proposed To	tal Vertical l	Dept	h: 7,90	3.5 ft (La	teral), 8,015.5' (P	ilot)		
9) Formation at					Shale (Lateral), H		nert (Pilot)	
10) Proposed T	otal Measure	ed D	epth: 2	21,368.21	ft			
11) Proposed H	lorizontal Le	g Le	ngth: 1	13,069.31	it			
12) Approxima	te Fresh Wa	ter S	trata Dej	oths:	45.5', 132.5', 187	7.5', 219.5' 81	7.5',1102.5	; '
13) Method to l	Determine F	resh	Water D	epths: O	ffsetting wells reported w	vater depths (091-00)116, 091-0011	7, 091-00118, 091-00120)
14) Approxima	te Saltwater	Dep	ths: <u>19</u>	87.5'				
15) Approxima	te Coal Sean	n De	pths: ERL	ick-322.5',Hartem-398.5',B	akerstown-477.5',Brush Creek-577.5', Upper Free	port-630.5', Lower Freeport-692.5', Uppe	er Kittanning-760.5', Middle Kit	tanning-825.5', Lower Kittanning-845.5', Clarion-876.5'
16) Approxima	te Depth to I	Possi	ble Voic	d (coal mi	ne, karst, other): _	None Known		
17) Does Propo directly overlyi					ns Yes	No	None Kno	own
(a) If Yes, pro	ovide Mine I	nfo:	Name:					
() =, F			Depth:					RECEIVED Office of Oil and Gas
			Seam:					JUN 1 1 2019
			Owner					
							En	WV Department of vironmental Protection

API NO. 47-091 - 01356

OPERATOR WELL NO. Johnson TFP 40 204

Well Pad Name: Johnson TFP 40

18)

CASING AND TUBING PROGRAM

ТҮРЕ	Size (in)	New or Used	Grade	Weight per ft. (lb/ft)	FOOTAGE: For Drilling (ft)	INTERVALS: Left in Well (ft)	CEMENT: Fill-up (Cu. Ft.)/CTS
Conductor	24 /	Used		94 🗸	80	80	CTS
Fresh Water	13.375	New	J-55	54.5	1,175	1,175	CTS
Coal							
Intermediate	9.625	New	J-55	40	2600	2600 ✓	CTS
Production	5.5	New	P-110	20 🗸	21,368	21,368	TOC @ 2,450
Tubing							
Liners							

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TYPE	Size (in)	Wellbore Diameter (in)	Wall Thickness (in)	Burst Pressure (psi)	Anticipated Max. Internal Pressure (psi)	Cement Type	Cement Yield (cu. ft./k)
Conductor	24	36			0	Class A, 3% CaCl2	1.2
Fresh Water	13.375	17.5	0.38	2,730	900	Class A, 3% CaCl2	1.2
Coal			1				
Intermediate	9.625	12.25	0.395	3,950	1,500	Class A, 3% CaCl2	1.29
Production	5.5	8.5-8.75	0.361 🗸	15,920 🗸	9,500	Class A/50:50 Poz	1.29/1.34
Tubing					5,000		
Liners					N/A		

PACKERS

Kind:	
Sizes:	RECEIVED Office of Oil and Gas
Depths Set:	JUN 1 1 2019

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API NO. 47-091 - 01356

OPERATOR WELL NO. Johnson TFP 40 204

Well Pad Name: Johnson TFP 40

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:

The well will be started with a conductor rig drilling a 36" hole to Conductor programmed depth then running 24" casing and circulate cement back to surface. The conductor rig will move out and the drilling rig will move in and rig up. The drilling rig will then spud a 17 ½" hole and drill to fresh water casing (Surface) to the programmed depth, Run 13- 3/8" casing and cement to surface. The rig will continue drilling a 12- ¼" intermediate hole to the programmed depth, run 9-5/8" casing and cement to surface. The rig with then continue to drill an 8- ¾" hole to a designed pilot hole depth, then trip out of hole to run wireline logs. A cement kick-off plug will then be set from bottom of the pilot hole to the designed KOP. We will then drill off the cement plug and start drilling the curve and lateral section to the programmed total measured depth, run 5 ½" casing and cement according to the program.

20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:

The well will be completed using a plug and perforation method and stimulated with a slickwater and sand slurry. The anticipated maximum rate will be 90 bpm and the maximum pressure will be 9,500 psi.

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21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 33.56

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22) Area to be disturbed for well pad only, less access road (acres): 6.20

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23) Describe centralizer placement for each casing string:

24"- No centralizers 13 3/8" – one bow spring centralizer on every other joint 9 5/8" – one bow spring centralizer every third joint from TD to surface 5 $\frac{1}{2}$ " – one semi rigid centralizer on every joint from TD of casing to end of curve. Then every other joint to KOP. Every third joint from KOP to 2,700'; there will be no centralizers from 2,700 to surface.

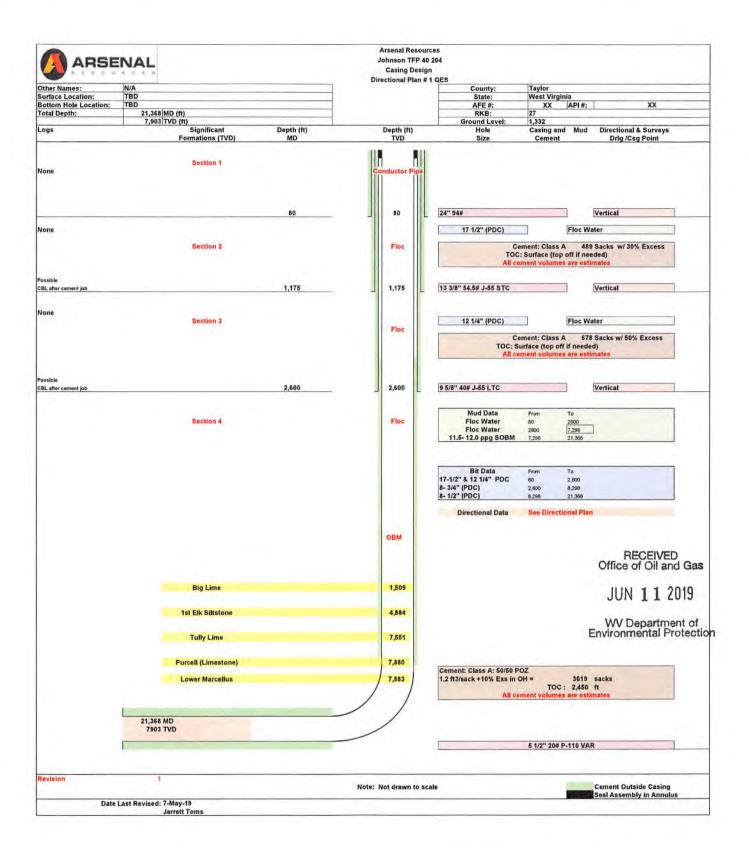
24) Describe all cement additives associated with each cement type:

24" will be circulated to surface. The 13 3/8" casing will be cemented to surface with Class A cement and no greater than 3% CaCl (calcium chloride). The 9 5/8" casing will be cemented to surface with Class A cement, & no greater than 3% calcium chloride. The 5 1/2" production string will be cemented back to 2,450' (+/-150' above the casing shoe for the 9 5/8") with Class A and 50/50 Poz cement retarded (to extend pumpability) cellophane flaked for fluid loss, Bentonite gel as an extender (increased pumpability and fluid loss), a defoaming agent to decrease cement foaming during mixing to insure the cement is of proper weight to placement and possibly gypsum gas blocking additive to aid in blocking/gas migration (in combination with other additive mentioned here, helps cement achieve a "right angle" set) during the plastic phase of the cement set-up.

25) Proposed borehole conditioning procedures:

Top holes will be drilled with fresh water KOP. At KOP, the wellbore will be loaded with synthetic oil based mud, barite-weighted mud system with such properties as to build a filter-cake on the face of the bore-hole. This will provide lubricity as well as stabilizing the well bore. We will begin rotating the drill string and mud will be circulated upon reaching TD until no further cuttings are observed coming across the shaker screens. Once clean mud is circulated back to surface, we will pull three stands of drill pipe, load the hole, pull three strands and load the hole. The weight indicator on the rig will be monitored for any occurrences of drag and if any are noticed, we will re-run the previous stand of pipe pulled across and circulate 2x bottoms up while watching shakers for signs of cuttings. Once at the base curve, the string will be continuously rotated while pumping 2x bottoms up. We will pull three stands and fill the hole until we reach the vertical section of the well.

*Note: Attach additional sheets as needed.



TECHNICAL DATA SHEET

Connection: VAroughneckAC

Size: 5 1/2 in X 20.00 lb/ft

Drift: standard Bevel: standard Grade: VA-XP-P110

Material:

 Vield Strength Min.
 110,000 psi
 758 Mpa

 Yield Strength Max.
 140,000 psi
 965 Mpa

 Tensile Strength Min.
 125,000 psi
 862 Mpa

Pipe:

	US Customary	Metric		US Customary	Metric
Nominal OD:	5.500 in	139.70 mm	Wall Thickness:	0.361 in	9.17 mm
Nominal ID:	4.778 in	121.36 mm	Standard Drift:	4.653 in	118.19 mm
Nominal Weight:	20.00 lb/ft	29.76 kg/m	Pipe Body Yield Strength:	729 klb	3,241 kN
Pipe Cross Section:	5.828 in ²	3.760.13 mm ²			

Connection:

	US Customary	Metric
OD:	6.300 in	160.02 mm
ID:	4.764 in	121.00 mm
Length:	8.976 in	228.00 mm

Threads per inch:

5 Threads

Connection Performance (Uniaxial Load):

_	US Customary	Metric		US Customary	Metric
Joint Strength:	729 klb	3,241 kN	Tension Efficiency:	> 100.0 %	
Collapse Resistance:.	13,970 psi	96.30 Mpa	Displacement:	1.240 gal/ft	15.40 l/m
Internal Yield Pressure:	15,920 psi	107.50 Mpa	Production:	0.932 gal/ft	11.57 l/m
Load on Coupling Face:	709 klb	3,160 kN		40.00	

Field Make Up (Friction Factor = 1.0):

Minimum Torque:
Optimum Torque:
Maximum Torque:
Torque on Shoulder:

Min.

US Custon	nary	
15,822	ft.lb	
17,580	ft.lb	
19,338	ft.lb	
	0/0	

Metric		
21,451	Nm	
23,835	Nm	
26,218	Nm	

	US Customa	ary	Metric	
Make-Up Loss:	4.370	in	111.00	mm
Yield Torque:	22,000	ft.lb	29,800	Nm

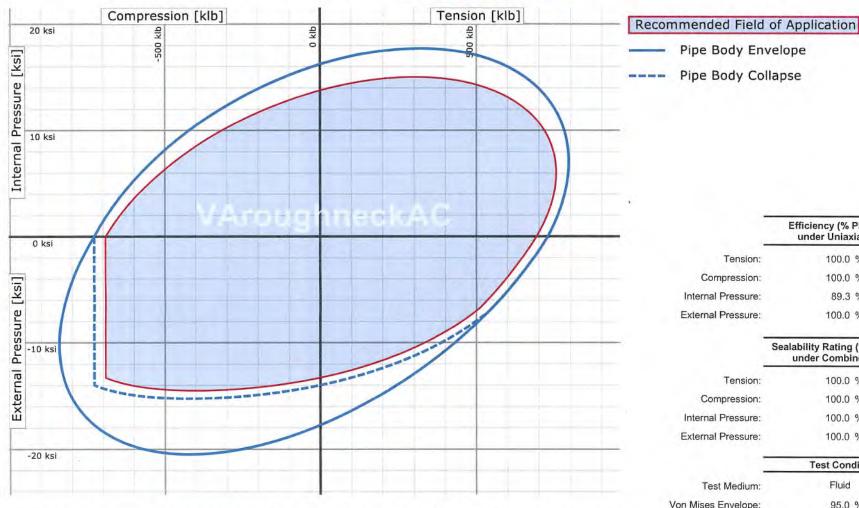
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LOAD ENVELOPE



	Efficiency (% Pipe Body) under Uniaxial Loads
Tension:	100.0 %
Compression:	100.0 %

100.0 % Sealability Rating (% Efficiency)

89.3 %

	under Combined Loads		
Tension:	100.0 %		
Compression:	100.0 %		
Internal Pressure:	100.0 %		
External Pressure:	100.0 %		

	Test Conditions
Test Medium:	Fluid
Von Mises Envelope:	95.0 %
Bending:	20.00 °/100ft

The graph is calculated under consideration of the requirements of EN ISO 13679 and API 5C3. The combined loads are calculated without the consideration of wall thickness tolerances and differ from the values in the data sheet, which are calculated with tolerances determined by API. Any printout is NOT SUBJECT TO REGULAR REVISION. The generated performance envelope shall solely be used as a tool to facilitate the comparison of performance properties under combined loads, of different grades, sizes and connections of voestalpine Tubulars products. Field-specific safety/design factors as well as other loads are not considered. Thus the results shall by no means be used to replace the own string design engineering or to justify any warranty/guaranty cases.

**Performance properties under combined loads, of different grades, sizes and connections of voestalpine Tubulars products. Field-specific safety/design factors as well as other loads are not considered. Thus the results shall by no means be used to replace the own string design engineering or to justify any warranty/guaranty cases.

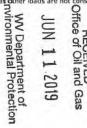
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Performance properties under combined loads are not considered.

**Performance properties unde shall solely be used as a tool to facilitate the comparison of performance properties under combined loads, of different grades, sizes and connections of voestalpine Tubulars products. Field-specific





TECHNICAL DATA SHEET

Connection: VAroughneck

Size: 5 1/2 in X 23.00 lb/ft

Drift: standard Bevel: standard Grade: VA-HC-P110

Threads per inch:

Material:

 US Customary
 Metric

 Yield Strength Min.
 110,000 psi
 758 Mpa

 Yield Strength Max.
 140,000 psi
 965 Mpa

 Tensile Strength Min.
 125,000 psi
 862 Mpa

Pipe:

	US Customary	Metric	7	US Customary	Metric
Nominal OD:	5.500 in	139.70 mm	Wall Thickness:	0.415 in	10.54 mm
Nominal ID:	4.670 in	118.62 mm	Standard Drift:	4.545 in	115.44 mm
Nominal Weight:	23.00 lb/ft	34.23 kg/m	Pipe Body Yield Strength:	729 klb	3,242 kN
Pipe Cross Section:	6.630 in ²	4,276.80 mm ²			

Connection:

	US Customary	Metric
OD:	6.260 in	159.00 mm
ID:	4.669 in	118.60 mm
Length:	8.976 in	228.00 mm

5 Threads

Connection Performance (Uniaxial Load):

	US Customary	Metric		US Customary	Metric
Joint Strength:	729 klb	3,242 kN	Tension Efficiency:	> 100.0 %	
Collapse Resistance:.	16,350 psi	112.73 Mpa	Displacement:	1.242 gal/ft	15.43 l/m
Internal Yield Pressure:	14,518 psi	100.10 Mpa	Production:	0.890 gal/ft	11.05 l/m
Load on Coupling Face:	582 klb	2,590 kN			

Field Make Up (Friction Factor = 1.0):

	US Customary	Metric		US Customary	Metric
Minimum Torque:	17,847 ft.lb	24,197 Nm	Make-Up Loss:	4.370 in	111.00 mm
Optimum Torque:	19,830 ft.lb	26,886 Nm	Yield Torque:	24,800 ft.lb	33,600 Nm
Maximum Torque:	21,813 ft.lb	29,574 Nm			
Min. Torque on Shoulder:	%				

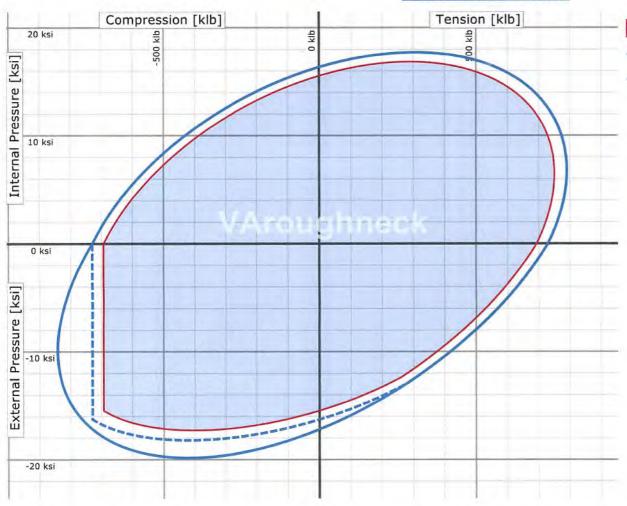
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LOAD ENVELOPE



Pipe Body Envelope

-- Pipe Body Collapse

_	Efficiency (% Pipe Body) under Uniaxial Loads	
Tension:	100.0 %	
Compression:	100.0 %	
Internal Pressure:	100.0 %	
External Pressure:	100.0 %	

	Sealability Rating (% Efficiency) under Combined Loads	
Tension:	100.0	%
Compression:	100.0	%
Internal Pressure:	100.0	%
External Pressure:	100.0	%

	Test Conditions	
Test Medium:	Fluid	
Von Mises Envelope:	95.0 %	

Bending:

The graph is calculated under consideration of the requirements of EN ISO 13679 and API 5C3. The combined loads are calculated without the consideration of wall thickness tolerances and differ from the values in the data sheet, which are calculated with tolerances determined by API. Any printout is NOT SUBJECT TO REGULAR REVISION. The generated performance envelope shall solely be used as a tool to facilitate the comparison of performance properties under combined loads, of different grades, sizes and connections of voestalpine Tubulars products. Field-specific safety/design factors well as other loads are not considered. Thus the results shall by no means be used to replace the own string design engineering or to justify any warranty/guaranty cases.

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81.00 °/100ft