

## 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

June 09, 2014

#### WELL WORK PERMIT

#### Horizontal 6A Well

This permit, API Well Number: 47-10302998, issued to TRIAD HUNTER, LLC, 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: WVDNR #1413

Farm Name: WV CONSERVATION COMMISSION

API Well Number: 47-10302998

Permit Type: Horizontal 6A Well

Date Issued: 06/09/2014

# 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. <u>Failure to adhere to the specified permit conditions may result in enforcement action.</u>

#### CONDITIONS

- 1. 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 days of commencement of drilling.

WW-6B (9/13)

#### STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS WELL WORK PERMIT APPLICATION 548 103 1) Well Operator: TRIAD HUNTER,LLC 494494833 Grant Pine Grove Wetzel Operator ID County District Quadrangle 2) Operator's Well Number: WVDNR # 1413 H Well Pad Name: WVDNR (Pad 6) 3) Farm Name/Surface Owner: WV Conservation Commission Public Road Access: Buffalo Run Road (CR 8/2) 1475 Elevation, proposed post-construction: 1460' 4) Elevation, current ground: 5) Well Type (a) Gas Oil Underground Storage Other (b)If Gas Shallow Deep Horizontal п 6) Existing Pad: Yes or No YES Proposed Target Formation(s), Depth(s), Anticipated Thickness and Associated Pressure(s): Marcellus Shale, TVD = 7645', Thickness = 55', BHP = 3,000 psi. 8) Proposed Total Vertical Depth: 7645' (At Toe) Marcellus Shale 9) Formation at Total Vertical Depth: 14,423 10) Proposed Total Measured Depth: 11) Proposed Horizontal Leg Length: 5.846' Surface to 1,200 feet 12) Approximate Fresh Water Strata Depths: Data from other wells in the area. 13) Method to Determine Fresh Water Depths: 1,750' - 2,750' 14) Approximate Saltwater Depths: 500' - 1,200' 15) Approximate Coal Seam Depths: 16) Approximate Depth to Possible Void (coal mine, karst, other): No open mines in the area, No known voids 17) Does Proposed well location contain coal seams No 🗸 directly overlying or adjacent to an active mine? Yes (a) If Yes, provide Mine Info: Name: Depth: Seam: Owner:

APR 2 2 2014

WW-6B (9/13)

18)

# **CASING AND TUBING PROGRAM**

ТҮРЕ	<u>Size</u>	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	A53B	90 lb.	100'	100'	Grout to Surface
Fresh Water	13 3/8"	new	J-55	54.5 lb.	1300'	1300'	To Surface
Coal		_					
Intermediate	9 5/8"	new	J-55	36 lb.	3400'	3400'	To Surface
Production	5 1/2"	new	P-110	20 lb.	N/A	14,420'	To Surface
Tubing	2 3/8"	new	J-55	4.70 lb.	N/A	unknown	N/A
Liners							

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TYPE	<u>Size</u>	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	20"	24"	.375	1,380 psi.	Class A	1.18 - 1.21
Fresh Water	13 3/8"	17 1/2"	.760	2,730 psi.	Class A	1.20 - 1.24
Coal						
Intermediate	9 5/8"	12 1/4"	.704	3,520 psi.	Light / Class A	1.70 - 1.20
Production	5 1/2"	8 3/4"	.722	12,360 psi.	50:50 Poz / Class H	1.44 - 1.63
Tubing	2 3/8"	4 3/4"	.380	7,700 psi.	N/A	N/A
Liners						

# **PACKERS**

Kind:	N/A		
Sizes:	N/A		
Depths Set:	N/A		

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19) Describe proposed well work, in	cluding the drilling and plugging back of any pilot hole:
See Attachment: I-B	
20) Describe fracturing/stimulating r	nethods in detail, including anticipated max pressure and max rate:
See Attachment: II-B	
	ding roads, stockpile area, pits, etc., (acres):  6.69 acres  4.60 acres
<ul><li>22) Area to be disturbed for well pad</li><li>23) Describe centralizer placement for</li></ul>	ionly, less access road (acres).
See Attachment: III-B	
24) Describe all cement additives ass	sociated with each cement type:
See Attachment: IV-B	
25) Proposed borehole conditioning	
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See Attachment: V-B	JUN 0 3 2014
*Note: Attach additional sheets as n	Environmental Protection
	vedyd.

#### #19 Proposed Well Work:

Drill and complete a new horizontal Marcellus Shale Well.

- 1. AIR/SOAP Drill 24" conductor hole to 100 feet; run 20" casing to T.D. and grout to surface.
- 2. AIR/SOAP Drill 17 ½" surface hole to the projected depth; run 13 3/8" casing to T.D. and cement to surface with Class A Cement.
- AIR/SOAP Drill 12 ¼" intermediate hole to the projected depth; run 9 5/8" casing to T.D. and cement to surface with Class A cement.
- 4. Fluid Drill 8 %" production hole to the projected total measured depth (TMD).
- Run/Cement 5 ½" production casing to the TMD; cement casing back to the surface with Class A
  and Class H cement,
- Run Cased-hole logs.
  - 7. Open toe sleeve and establish 15 BPM rate.
  - 8. Perforate and stimulate multiple stages in Marcellus lateral section.
    - a. Perforations per stage = sixty to seventy
    - Average stage length = two hundred fifty feet
  - 9. Clean-out 5 ½" production casing using a coil tubing rig or a work over rig and snubbing unit.
  - 10. Flow test well for seven to ten days to clean up wellbore and determine overall productivity.
  - 11. Turn well into production.

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#### #20 Fracturing/Stimulation Methods:

Upon the successful cementation of the 5 1/2" production casing, completion of the well will be performed as follows:

- 1. Run a GR/CCL/Bond log from the bottom of the curve to surface.
- Pressure-up on casing, open the toe sleeve and establish pump rate of 15 bpm through the toe sleeve.
- Run a GR/CCL log form the toe to the base of the curve and correlate with the GR/CCL/Bon log.
- Pump down through the casing a solid bridge plug and perforating guns.
- Set the solid bridge plug just above the toe sleeve and perforate the first stage with 60-70 perforations over a 200'-250' interval (stage#1).
- 6. Fracture stage #1 with a slick water/sand stimulation using approximately 8,000bbls of water and 450,000lbs of sand. Average treating pressure is expected to range between 6,000psi and 7,000psi and average treating rates are expected to range between 70bbls and 80bbls per minute. Upon completion of the stage, the five minute and ten minute shut in pressures are recorded.
- 7. Repeat the same methodology of perforating and fracturing on subsequent stages using composite frac plugs instead of solid bridge plugs. Once the heel is reached, completion operations are suspended. The average number of stages completed in each well range between twenty and thirty.
- Upon completion of the last stage, solid bridge plugs are set in the casing, just above the top of the curve and just below the well head for safety purposes.
- 9. Well is shut in until clean out and flow back operations are initiated.

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#### #23 Centralizer Placement:

- A. (20") Conductor Casing No centralizers used.
- B. (13 3/8") Surface Casing Between two and four run based on setting depth of casing.
- C. (9 5/8") Intermediate Casing Between six and ten run based on setting depth of casing.
- D. (5 1/4") Production Casing:
  - Spiral centralizers run on every 3<sup>rd</sup> joint from the toe to KOP (Top of Curve). Roughly 50-60 spiral centralizers run.
  - Bow centralizers run on every 10<sup>th</sup> joint from the KOP to surface. Roughly 10-15 bow centralizers run.

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## **#24 Cement Additives:**

#### A. Conductor Cement Job (26"csg.)

- All conductor casings are cemented with standard CLASS A CEMENT.
  - a) Average weight = 15.6lb./gal
  - b) Average yield = 1.18 ft 3/5k.
  - c) No additional additives are used.

#### B. Surface Cement Job (13 3/8" csg.)

- 1. Surface Cement Job (13 3/8" csg.)
  - a) Average weight = 15.4 to 15.6 lbs./gal
  - b) Average yield = 1.19 to 1.24 ft3/5k
- 2. Common Cement Additives:

a) 1/4 lb./5k Cello Flake

(Lost circulation material)

b) 2%-3% Calcium Chloride

(Accelerator)

\*Note: Gel Sweep is usually pumped ahead of the cement.

Gel Spacer consists of 6% gel w/cello Flake.

#### C. Intermediate Cement Job (13 3/8" csg. & 9 5/8" csg. )

Due to depth, most intermediate casings are cemented in two stages.

- 1. The upper (lead) stage cement job usually consists of CLASS A CEMENT or LIGHT CEMENT.
  - a) Average weight = 13.1 to 13.5 lbs. /gal.
  - b) Average yield = 1.54 to 1.70 ft<sup>3</sup>/5k.

#### Common Additives

a) 1/4 lb./5k Cello Flake

(Lost circulation material)

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b) 1% - 2% Calcium Chloride

(Accelerator)

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\*Note: Gel Sweep is usually pumped ahead of the cement.

Gel Spacer consists of 6% gel w/cello Flake.

2. The lower (tail) stage usually consists of standard CLASS A CEMENT.

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a) Average weight = 15.4 to 15.6 lbs./gal

b) Average yield = 1.18 to 1.20 ft<sup>3</sup>/5k.

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#### Common Additives

a) 1/4 lb./5k Cello Flake

(Lost circulation material)

b) 1% - 2% Calcium Chloride c) 1% bwoc

(Accelerator)

d) 55% bwoc

EC-1 **BA-10A**  (Bonding Agent) (Bonding Agent)

#### D. Longstring Cement Job (5 1/2" csg.)

Depending on how far cement is brought back into the intermediate casing, the production casing is usually cemented in two stages and a heavy weighted spacer is pumped ahead of the cement to condition the well bore.

1. Weighted Spacer	Ultra Flush II	50 bbs. @ 13lbs. /gal
a) Barite	@257 lbs. /bbl	(Weighting Material)
b) US-40	2 gals. /bbl	(Surface tension reducer)

c) ss-2 13 lbs. /gal (Suractant)

2. Weighted Spacer

Attachment IV-B page 2 of 2

a) Barite @257 lbs. /bbl (Weighting Material)

b) SS-2 1 lb. /gal (Surfactant)

c) MPA-170 1 lb. /bbl (Fluid loss additive)

3. Lead Slurry 50:50 POZ/Premium NE-1

a) Average Weight = 13.50 lbs. /gal b) Average yield = 1.44 ft<sup>3</sup>//5k.

#### Common Additives

a) BA – 90 3lbs. /5k (Bonding Agent) b) R – 3 .258 bwoc (Retarder)

d) MPA – 170 1 lb. / bbl (Fluid loss additive)

4. Tail Slurry CLASS H CEMENT

a) Average Weight = 15.2lbs. /gal b) Average Yield = 1.64 ft<sup>3</sup>/5k

#### Common Additives

a) R-3 .2% bwoc (Retarder) c) CD-32 .75 % bwoc (Dispersant) (Free water removal) d) ASA - 301 .35 % bwoc e) BA-10A 1.25% bwoc (Bonding Agent) f) ASCA 30lbs. /5k (Solubility additive) e) Sodium Metasilicate .58 bwoc (Extender)

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#### #25 Borehole Conditioning Procedures:

17 %" hole — Generally this section of the well is drilled on air with air compressors and boosters. It's imperative through this section of the well to have sufficient air volume and pressure on the borehole during drilling to ensure hole conditions remain clean and unobstructed. If a significant volume of freshwater is encountered during drilling "stiff foam" or soap is utilized to assist in lifting drill cuttings and freshwater out of the hole. "Red Rock" is a clay-dominant strata that is sensitive to freshwater in this area. Stiff foam is applied to the borehole when freshwater is encountered to prevent the clays from swelling and sloughing into the borehole.

12 1/4" hole - Generally this section of the well is drilled on air with air compressors and boosters. It's imperative through this section of the well to have sufficient air volume and pressure on the borehole during drilling to ensure hole conditions remain clean and unobstructed. If a significant volume of saltwater is encountered during drilling "stiff foam" or soap is utilized to assist in lifting drill cuttings and freshwater out of the hole. "Red Rock" is a clay-dominant strata that is sensitive to saltwater in this area. Stiff foam is applied to the borehole when saltwater is encountered to prevent the clays from swelling and sloughing into the borehole.

8 %" hole - Generally, this section of the well is drilled on fluid. In an effort to keep borehole conditions in good working order several mechanisms are used to condition the borehole:

- High Viscosity Sweeps: Sweeps are mixed and pumped after drilling every 3 joints during the drilling process. Sweeps generally run 20 cp over the active mud system viscosity for 20 bbls.
- Clean-Up Cycle: "Clean-Up Cycles" are utilized every 500' in the lateral section of the well.
   During this routine conditioning procedure drilling is halted for the amount of time it takes to circulate 2 sweeps to surface. Also, during this process the pipe is continuously rotated and reciprocated at this spot to help circulate out any "cutting beds" lying in the wellbore.
- 3. Short Trips: Short trips are utilized to work out tight spots and cutting beds from the borehole which cause increased torque and drag, and pressure. Two short trips are typically run during the drilling of this section of the wellbore. The first at the half-way point of the lateral. The drill pipe is pulled out of the hole to the "kick-off" point of the well. The second short trip is utilized at total depth (TD). At this point the drill pipe is pulled out of the wellbore to the half-way point of the lateral.
- At TOTAL DEPTH: A clean-up cycle and short trip is utilized to condition the wellbore when total depth (TD) has been reached in preparation for running production casing.

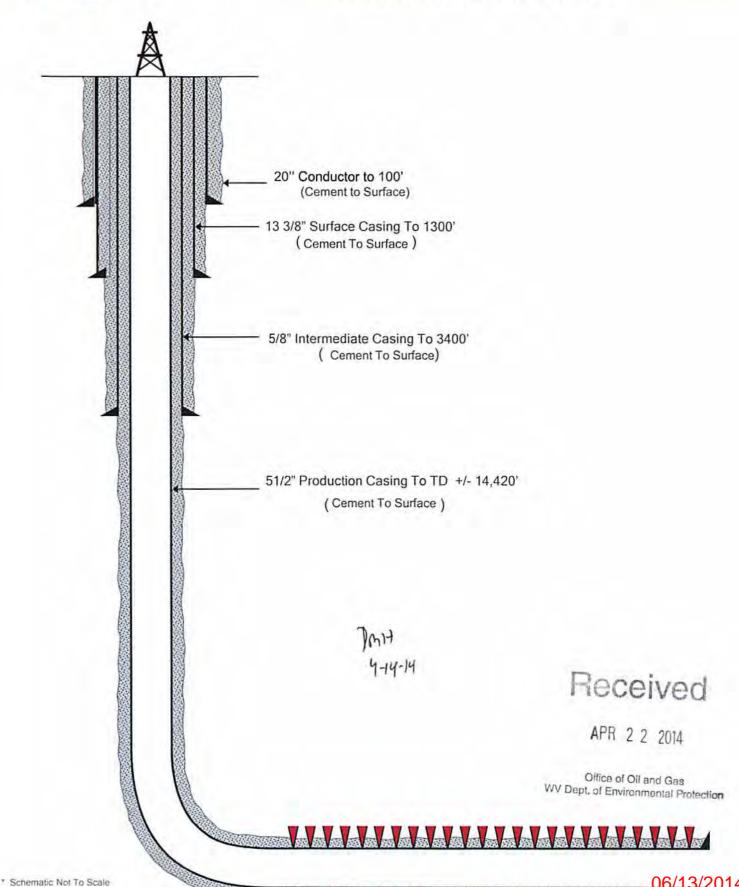
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# Magnum Hunter Resources MARCELLUS SHALE - WVDNR 1413 WELLBORE SCHEMATIC



WW-9 (9/13)

API Number 47 -	
Operator's Well No.	WVDNR-1413

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

#### FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name Triad Hunter, LLC		OP Code 494494833	
Watershed (HUC 10) Tributary of	Buffalo Run Road	Quadrangle Pine Grove	
Elevation 1455	County Wetzel	District Grant	
Do you anticipate using more than Will a pit be used? Yes	5,000 bbls of water to complete	the proposed well work? Yes 🚺 1	No
If so, please describe antic			
Will a synthetic liner be us	sed in the pit? Yes No	If so, what ml.?	
Proposed Disposal Metho	d For Treated Pit Wastes:		
Undergr Reuse (	oplication ound Injection (UIC Permit Nu at API Number Disposal (Supply form WW-9 f		
Other (1		- unpean seamony	
Will closed loop system be used?		s/gasses are separated a series of vessels/ tings are then solidified in debris boxes & h	
Drilling medium anticipated for thi	s well (vertical and horizontal)?	Air, freshwater, oil based, etc. Top Hole-Ai	r Drilled. Lateral-Synthetic Muc
	Synthetic, petroleum, etc. Synthet		
Additives to be used in drilling me	dium? See Attachment I-A: WVDNR-	-1413 Drilling Additives List	
Drill cuttings disposal method? Le			
-If left in pit and plan to se	olidify what medium will be use	d? (cement, lime, sawdust) n/a	
-Landfill or offsite name/p	permit number? Wetzel County La	ndfill, SWPU ID 12-10-45	
on August 1, 2005, by the Office of provisions of the permit are enforced aw or regulation can lead to enforce application form and all attachm obtaining the information, I belied penalties for submitting false information of the company Official Signature	f Oil and Gas of the West Virgin ceable by law. Violations of an element action.  If law that I have personally exents thereto and that, based or we that the information is true, mation, including the possibility	litions of the GENERAL WATER POLLU is Department of Environmental Protection by term or condition of the general permit a mined and am familiar with the informat man my inquiry of those individuals immediaccurate, and complete. I am aware the of fine or imprisonment.	n. I understand that the and/or other applicable tion submitted on this diately responsible for
Company Official (Typed Name)	Rocky Roberts		JUN 0 4 2014
Company Official Title Senior VF	Appalachian Operations		
		W	V Depar, nent of
Subscribed and sworn before me th	nis 3 cl day of Ju	ARIAL SOLLETIVITO	nmental Protection
Par	nela K Michalan	Norman Public K	Victorson, Notary Public or The State of Ohio ssion Expires 8-9-15
My commission expires	89-15	010	06/13/2014

WW-9 Attachment: I-A

# WVDNR-1413 Drilling Additives List (API #: 47-103-02998)

Chemical Name	Description
Barite	Drilling Fluid Additive
Calcium Chloride	Drilling Fluid Additive
Calcium Carbonate	Drilling Fluid Additive
Calcium Hydroxide (Lime)	PH Modifier
Gilsonite	Drilling Fluid Additive
Synthetic Hydrocarbons (Base Oil)	Drilling Fluid Additive

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Operator's Well No. WVDNR 1413 Form WW-9 Triad Hunter, LLC Proposed Revegetation Treatment: Acres Disturbed No additional Prevegetation pH 6-7 Tons/acre or to correct to pH 6.0-7.0 Fertilizer type 10-20-20 Fertilizer amount 500 Mulch\_ 2 **Seed Mixtures Temporary** Permanent Seed Type lbs/acre Seed Type lbs/acre 30% **Common Orchard Grass** A different seeding mixture maybe required by the WVDNR. Perennial Rye 35% Will follow their requirement for all areas. 25% Medium Red Clover 10% Common Timothy Attach: Drawing(s) of road, location, pit and proposed area for land application (unless engineered plans including this info have been provided) Photocopied section of involved 7.5' topographic sheet. Plan Approved by: Comments: Received Title: 11 + 6er Tapeller Date: 4-14-14 (\_\_\_\_) Yes (\_\_\_\_ Field Reviewed?



