

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 Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

PERMIT MODIFICATION APPROVAL Horizontal 6A / Horizontal 6A Well - 1

EQT PRODUCTION COMPANY 120 PROFESSIONAL PLACE BUILDING II BRIDGEPORT, WV 26330

Re: Permit Modification Approval for 515645

47-103-03017-00-00

Adding Additional Lease

EQT PRODUCTION COMPANY

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.

James A. Martin

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

Operator's Well Number: 515645

Farm Name: HENTHORN, DENCIL ET AL U.S. WELL NUMBER: 47-103-03017-00-00

Horizontal 6A / Horizontal 6A Well - 1

Date Issued: 12/30/2016

Promoting a healthy environment.



June 8, 2016

Mr. Gene Smith West Virginia Department of Environmental Protection Office of Oil and Gas 601 57th Street SE Charleston, WV 25304

Re: Modification of 47-103-03017

Dear Mr. Smith,

Please accept the attached updates for the above referenced permit. Upon inspection of our as-drilled plat, we noted the curve geometry crossed into 1 additional lease, #993304. Enclosed is an updated WW-6A1, WW-6B, mylar plat and rec plan reflecting corrections to update the permit file to be consistent with the as-drilled well bore.

If you have any questions, please do not hesitate to contact me at (304) 848-0076.

Sincerely,

Vicki Roark

Permitting Supervisor-WV

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WV Department of Environmental Protection

API NO. 47-103 - 03017	
OPERATOR WELL NO. 515645	
Well Pad Name: BIG367	

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

1) Well Operator: EQT Production Compan	y 306686	Wetzel	Grant	Big Run
	Operator ID	County	District	Quadrangle
2) Operator's Well Number: 515645	Well P	ad Name: BIC	367	
3) Farm Name/Surface Owner: Dencil Hentho	rn et al Public Ro	oad Access: R	t 74	
4) Elevation, current ground: 1442.9'	Elevation, propose	d post-constru	ction: 1442.	9'
5) Well Type (a) Gas X Oil		derground Stor		
Other				
(b) If Gas Shallow X	Deep			
Horizontal X 6) Existing Pad: Yes or No Yes				
	Salara 1 701 t 1	- <u></u> .		
7) Proposed Target Formation(s), Depth(s), Anti- Middlesex, 7345', 44', 2620 PSI	cipated Thickness	and Expected	Pressure(s):	
8) Proposed Total Vertical Depth: 7345				
9) Formation at Total Vertical Depth: Middles	ex			
10) Proposed Total Measured Depth: 13823				
11) Proposed Horizontal Leg Length: 5240				
12) Approximate Fresh Water Strata Depths:	436,481,708			
13) Method to Determine Fresh Water Depths:	From offset wells			
14) Approximate Saltwater Depths: 1968,2133	,2171			
15) Approximate Coal Seam Depths: 516,730,8	334,885,1022,119	3,1683		
16) Approximate Depth to Possible Void (coal m	ine, karst, other):	None reporte	d	
17) Does Proposed well location contain coal sea	ms			
directly overlying or adjacent to an active mine?	Yes	No	o X	
(a) If Yes, provide Mine Info: Name:			D-	
Depth:		Office	RECEIVED)
Seam:			or on and	Gas
Owner:		 	UN 0 9 2016	
		1/1/1/2		
		Environm	ental Prot	Of
		Environme	rital Protec	Ction

WW-6B	
(04/15)	

API NO. 47- <u>103</u>	_ 03017	
OPERATOR V	VELL NO.	515645

Well Pad Name: BIG367

18)

CASING AND TUBING PROGRAM

ТҮРЕ	Size (in)	New or Used	<u>Grade</u>	Weight per ft. (lb/ft)	FOOTAGE: For Drilling (ft)	INTERVALS: Left in Well (ft)	CEMENT: Fill-up (Cu. Ft.)/CTS
Conductor	26	New	A-500	85.6	40	40	57.82 ft^3 / CTS
Fresh Water	13 3/8	New	J-55	54.5	956	956	972 ft^3 / CTS
Coal							
Intermediate	9 5/8	New	A-500	40	2904	2904	1200.06 ft^3 / CTS
Production	5 1/2	New	P-110	20	13821	13821	500' above top producing zone
Tubing	2 3/8		J-55	4.7		May not be run, if run set 40'	<u> </u>
Liners						above top perf or 80° inclination.	1

ТҮРЕ	Size (in)	Wellbore Diameter (in)	Wall Thickness (in)	Burst Pressure (psi)	Anticipated Max. Internal Pressure (psi)	Cement Type	Cement Yield (cu. ft./k)
Conductor	26	28	.312	884	707	Class A	
Fresh Water	13 3/8	17 1/2	.38	2700	2160	Class A	1.20
Coal							
Intermediate	9 5/8	12 3/8	.395	3950	3160	Class A	1.18/1.18
Production	5 1/2	8 1/2	.361	12640	10112	Class H	1.25/2.06
Tubing	2 3/8	NA	.19	7700			
Liners							

PACKERS

Kind:			
Sizes:			
Depths Set:			PEOF.
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Environmental Protection
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WW-6B
(10/14)

API NO. 47- 103 - 03017

OPERATOR WELL NO. 515645

Well Pad Name: BIG367

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

Drill and complete a new horizontal well in the Middlesex Formation. Drill the vertical to an approximate depth of 4454'. Kick off and drill curve. Drill the lateral in the Middlesex. Cement casing.

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

Hydraulic fracturing is completed in accordance with state regulations using water recycled from previously fractured wells and obtained from freshwater sources. This water is mixed with sand and a small percentage (less than 0.3%) of chemicals (including 15% Hydrochloric acid, gelling agent, gel breaker, friction reducer, biocide, and scale inhibitor), referred to in the industry as a "slickwater" completion. Maximum anticipated internal casing pressure is expected to be approximately 10000 psi, maximum anticipated treating rates are expected to average approximately 100 bpm. Stage lengths vary from 150 to 300 feet. Average approximately 200,000 barrels of water per stage. Sand sizes vary from 100 mesh to 20/40 mesh. Average approximately 200,000 pounds of sand per stage.

- 21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): no additional disturbance
- 22) Area to be disturbed for well pad only, less access road (acres): no additional disturbance
- 23) Describe centralizer placement for each casing string:
- Surface: Bow spring centralizers One centralizer at the shoe and one spaced every 500'.
- Intermediate: Bow spring centralizers

 One centralizer at the shoe and one spaced every 500'.
- Production: One solid body centralizer spaced every other joint from production casing shoe to KOP

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

Conductor: Class A no additives

Surface (Class A Cement): 0-3% Calcium Chloride. Used to speed the setting of cement slurries Intermediate (Class A Cement): 0-3% Calcium Chloride. Used to speed the setting of cement slurries.

Lead (Type H Cement): 0.2% CD-20 (dispersant makes cement easier to mix). .15% SuperFL-300 (fluid loss/lengthens thickening time) .15% SEC-10 (fluid loss) 50:50 POZ (extender) Tail (Type H Cement): 0.2% Super CR-1 (Retarder). Lengthens thickening time. .3% Super FL-200 (fluid loss). .2% SEC-10 (Fluid loss). .2% SuperFL-350 (fluid loss). Reduces amount of water lost to formation. 60 % Calcuim Carbonate. Acid solubility.

25) Proposed borehole conditioning procedures:

Surface: Circulate hole clean while rotating & reciprocating the drill string until cuttings diminish at surface.

Intermediate: Circulate hole clean while rotating & reciprocauny the dim sums of cuttings coming across the shakers every 15 minutes.

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Production: Pump marker sweep with nut plug to determine actual hole washout. Calculate a gauge holes bottoms up volume. Perform a cleanup cycle by pumping 3-5 bottoms up or until the shakers are cleans.

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Production: Pump marker sweep with nut plug to determine actual hole washout. Calculate a gauge holes bottoms up volume. Perform a cleanup cycle by pumping 3-5 bottoms up or until the shakers are cleans.

*Note: Attach additional sheets as needed.

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INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6A, Section 5(a)(5) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Number	Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page
Lease Name or				

See attachment

Acknowledgement of Possible Permitting/Approval In Addition to the Office of Oil and Gas

The permit applicant for the proposed well work addressed in this application hereby acknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

- WV Division of Water and Waste Management
- WV Division of Natural Resources WV Division of Highways
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overrides, replaces, or nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be acquired from the appropriate authority before the affected activity is initiated.

Well Operator:
By: Victoria J Roark

Victoria J Roark

Permitting Supervisor

WV Down 2006

Environmental Protection/06/2017

Operator's Well No.

515645

Lease No.	Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page
<u>/ 988543</u>	Shiben Estates Inc. (current royalty owner)		***	
	Shiben Estates Inc.	Consolidated Gas Supply Corp.		OGB54A/503
	Consolidated Gas Supply Corp.	Consolidated Gas Transmission Corp.		LB66A/69
	Consolidated Gas Transmission Corp.	CNG Transmission Corp.		CB13/151
	CNG Transmission Corp.	Dominion Transmission Inc.		MiscBk 96/307
	Dominion Transmission Inc.	Antero Resources Appalachian Corp.		OGB95A/937
	Antero Resources Appalachian Corp.	EQT Production Company		OGB127A/195
993304.01	Delia McCoy(current royalty owner)		min pd 1/8	
	Della McCoy (0.66667%)	EQT Production Company	•	DB 140A/684
993304.02	Chesapeake Appalachia LLC (current royalty owner)		min pd 1/8	
	Chesapeake Appalachia, L.L.C. (0.33333%)	SWN Production Company, LLC		DB 157A/634
	SWN Production Company, LLC (Development Agreement) SWN Production Company, LLC/Statoil USA Onshore	Statoil USA Onshore Properties Inc.		DB 158/132
	Properties Inc. (Development Agreement)	EQT Production Company	9	DB 167A/310
988542	CNX Gas Company (current royalty owner)		min pd 1/8	i
	F. W. Bartlett	The Carter Oil Co.	•	DB65A/233
	The Carter Oil Co.	Hope Construction & Refining Co.		DB132A/142
	Hope Construction & Refining Co.	Hope Natural Gas Co.		LB37A/19
	Hope Natural Gas Co.	Consolidated Gas Supply Corp.		DB233A/387
	Consolidated Gas Supply Corp.	Consolidated Gas Transmission Corp.		DB311/184
	Consolidated Gas Transmission Corp.	CNG Development Co.		DB314/54
	CNG Development Co.	CNG Producing Co.		BK1096/125 (Delaware)
	CNG Producing Co.	Dominion Transmission Inc.		MiscBk 96/307
	Dominion Transmission Inc.	Dominion Appalachian Development, LLC	1	OGB96A/19
	Dominion Appalachian Development, LLC	Antero Resources Appalachian Corp.		OGB96A/108
	Antero Resources Appalachian Corp.	EQT Production Company		LDB96A/19
<u>706740</u>	EQT Production Company(current royalty owner)		in fee	
	Benedum-Trees Oil Company et al	Carnegie Natural Gas Company		OG 2A/180
	Carnegie Natural Gas Company	Carnegie Production Company		OG 78A/513
	Carnegie Production Company (USX Corporation)	Equitable Resources, Inc.		unrecorded purchase and sale agreement see attached
	Equitable Resources, Inc.	Equitrans, LP		DB 105/908
	Equitrans, LP	EQT Production Company		DB 131A/81
<u>/104231</u>	EQT Production Company et al (current royalty owner)		***	
	J. L. Newman	The Philadelphia Co. of WV		LB47A/282
	The Philadelphia Co. of WV	Pittsburgh & WV Gas Co.		OGB22A/352
	Pittsburgh & WV Gas Co.	Equitable Gas Company		DB187/321
	Equitable Gas Company	Equitrans, Inc.		LB71A/287
	Equitrans, LLC	EOT Production Company	-	AR100/10 Daddidas
		Office	RECEI	1/50

Equitrans, LLC

Equitrans, LLC

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**** We will pay one-eighth of the total amount paid to or received by or allowed to the owner of the working interest at the wellingap for the oil or gas so extracted, produced, or marketed before deducting the amount to be paid to or set aside for the owner of the oil or gas in splace, on all such oil or gas to be extracted, produced, or marketed from the well.

WV Department of Environmental Protection

PURCHASE AND SALE AGREEMENT

PURCHASE AND SALE AGREEMENT, dated as of May 27, 1999 (this "Agreement"), by and between USX CORPORATION, a Delaware corporation, ("USX") and EQUITABLE RESOURCES, INC., a Pennsylvania corporation (hereinafter referred to as "Buyer").

WHEREAS, USX owns directly or indirectly all of the outstanding capital stock or other evidence of an equity interest of the following companies (each a "Carnegie Company" and collectively the "Carnegie Companies"), which are involved in one or more of the production, gathering, transportation, treatment, distribution and sale of natural gas: (i) Carnegie Natural Gas Company, a Pennsylvania corporation, ("Carnegie"), (ii) Carnegie Interstate Pipeline Company, a Delaware corporation, ("CIPCO"), (iii) Carnegie Production Company, a Pennsylvania corporation, ("CPC"), (iv) Carnegie Natural Gas Sales, Inc., a Delaware corporation, ("CNGS") and (v) Carnegie Gas Storage, LLC, a Delaware limited liability company, ("CGS"); and

WHEREAS, USX desires to sell to Buyer and Buyer desires either for itself and/or one or more designated subsidiaries to purchase from USX one hundred percent (100%) of the capital stock and other evidence of equity interest in the Carnegie Companies;

NOW, THEREFORE, for and in consideration of the premises and the representations, warranties, covenants and agreements herein set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE I DEFINITIONS

Unless otherwise specifically stated in the text of this Agreement, the following terms shall have the following meanings:

Section 1.1 The "1935 Act" shall mean the Public Utility Holding Company Act of 1935, as amended.

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Environmental Protection

5.13 <u>No Third-Party Rights</u>. Nothing in this Agreement, expressed or implied, shall or is intended to confer upon any Person other than the parties hereto or their respective successors or assigns.

IN WITNESS WHEREOF, the parties have executed, delivered and entered into this agreement as of the day and year first above written.

USX Corporation

Typed Name: V. G. Beghini

Title: Vice Chairman - Marathon Group

Equitable Resources, Inc.

Typed Name: David L. Porges

Title: Senior Vice President and Chief Financial Officer

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May 24, 2016

Mr. James Martin West Virginia Department of Environmental Protection Office of Oil and Gas 601 57th Street SE Charleston, WV 25304

Re: BIG367, 515645, 47-10303017

Dear Mr. Martin,

EQT Production Company is submitting an application for a new well work permit for the above well number. Upon information and belief, Operator's lease and/ or other real property rights permit it to conduct drilling operations for the subject well in the location shown on the plat, including under any public roads that the well lateral crosses.

Sincerely,

Vicki Roark

Permitting Supervisor-WV

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