



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

July 11, 2014

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-3902722, issued to SHALE GAS PRODUCTION, 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.

Upon completion of the plugging well work, the above named operator will reclaim the site according to the provisions of WV Code 22-6-30. The above named operator will also file, as required in WV Code 22-6-23, an affidavit on form WR-38 by two experienced persons in the operator's employment and the Oil and Gas inspector that the work authorized under this permit was performed and a description given. Failure to abide by all statutory and regulatory provisions governing all duties and operations here under may result in suspensions or revocation of this permit and in addition may result in civil and/or criminal penalties being imposed upon the operator.

This permit will expire in two (2) years from date of issue. If there are any questions, please free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: MCCONIHAY #1
Farm Name: MAIRS, JARRELL L.
API Well Number: 47-3902722
Permit Type: Plugging
Date Issued: 07/11/2014

Promoting a healthy environment.

07/11/2014

WW-4A
Revised 6-07

1) Date: _____
2) Operator's Well Number
McConhay #1 _____
3) API Well No.: 47 - 39 - 02722

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

4) Surface Owner(s) to be served:	5) (a) Coal Operator
(a) Name <u>Jarrell L. Mairs</u>	Name _____
Address <u>8215 Sissonville Drive</u>	Address _____
<u>Charleston, WV 25320</u>	
(b) Name _____	(b) Coal Owner(s) with Declaration
Address _____	Name _____
	Address _____
(c) Name _____	Name _____
Address _____	Address _____
6) Inspector <u>Terry Urban</u>	(c) Coal Lessee with Declaration
Address <u>P.O. Box 1207</u>	Name _____
<u>Charleston, WV 25045</u>	Address _____
Telephone <u>304-549-5915</u>	

TO THE PERSONS NAMED ABOVE: You should have received this Form and the following documents:

- (1) The application to Plug and Abandon a Well on Form WW-4B, which sets out the parties involved in the work and describes the well its and the plugging work order; and
- (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 Operator Shale Gas Production, LLC

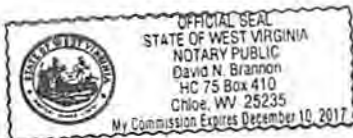
By: [Signature]

Its: Managing Member

Address 929 Charleston Road

Spencer, WV 25276

Telephone 304-927-5228



Subscribed and sworn before me this 30th day of June 2014

David N. Brannon Notary Public

My Commission Expires December 10, 2017

Oil and Gas Privacy Notice

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov.

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Office of Oil and Gas
JUL 03 2014
Department of
Environmental Protection
07/11/2014

SURFACE OWNER WAIVER

Operator's Well
Number

McConihay #1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW4-A

The well operator named on page WW-4A is applying for a permit from the State to plug and abandon a well. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

**NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:**

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, WV 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIVE (5) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application For A Permit To Plug And Abandon on Forms WW-4A and WW-4B, and a survey plat.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON
ETC.

FOR EXECUTION BY A CORPORATION,

Janell L. Mairs Date 7-2-14 Name _____
Signature By

RECEIVED
Office of Oil and Gas
FOR EXECUTION BY A CORPORATION,
JUL 11 2014
RECEIVED
Office of Oil and Gas
WV Department of
Environmental Protection

Signature _____
WV Department of
Environmental Protection

071114014

1) Date _____, 20____
2) Operator's
Well No. McConihay #1
3) API Well No. 47-39 - 02722

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

4) Well Type: Oil ____ / Gas X / Liquid injection ____ / Waste disposal ____ /
(If "Gas, Production X or Underground storage ____) Deep ____ / Shallow X

5) Location: Elevation 861 Watershed Woodward Branch
District Union County Kanawha Quadrangle Pocatalico

6) Well Operator Shale Gas Production, LLC 7) Designated Agent J. Scott Freshwater
Address 929 Charleston Road Address 929 Charleston Road
Spencer, WV 25276 Spencer, WV 25276

8) Oil and Gas Inspector to be notified Name Terry Urban 9) Plugging Contractor Name same
Address P.O. Box 1207 Address _____
Charleston, WV 25045

10) Work Order: The work order for the manner of plugging this well is as follows:

- Trip ^{2 3/8"} tubing to approx 4225 ft. or as far as we can.
- Set plug (cement) at 3200 foot - approx. 168 Sacks.
- All plugs displaced with 6% gel.
- set cement plug at 2200 - 2400 feet & cover Berea.
- set elevation plug = 250 feet coming out of hole
- attempt to pull 7" pipe.

Notification must be given to the district oil and gas inspector 24 hours before permitted work can commence.

Work order approved by inspector _____



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Office of Oil and Gas
JUL 03 2014
Date 6-30-14
WV Department of
Environmental Protection
07/11/2014

WW-4B

API No.	<u>39-02722</u>
Farm Name	<u>McConihay</u>
Well No.	<u>McConihay #1</u>

**INSTRUCTIONS TO COAL OPERATORS
OWNERS AND LESSEE**

The well operator named on the obverse side of WW-4 (B) is about to abandon the well described in the enclosed materials and will commence the work of plugging and abandoning said well on the date the inspector is notified. Which date shall not be less than five days after the day on which this notice and application so mailed is received, or in due course should be received by the Department of Environmental Protection Office of Oil & Gas.

This notice and application is given to you in order that your respective representatives may be present at the plugging and filling of said well. You are further notified that whether you are represented or not the operator will proceed to plug and fill said well in the manner required by Section 24, Article 6, Chapter 22 of the Code and given in detail on obverse side of this application.

NOTE: If you wish this well to be plugged according to 22-6-24(d) then as per Regulation 35CSR4-13.9 you must complete and return to this office on form OB-16 "Request by Coal Operator, Owner, or Lessee for plugging" prior to the issuance of this plugging permit.

WAIVER

The undersigned coal operator ____/ owner ____/ lessee ____/ of the coal under this well location has examined this proposed plugging work order. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

Date: _____

By: _____

Its _____

*No known operator, owner, or lessee
of workable coalbed/seam on this tract.*

07/11/2014

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

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Shale Gas Production, LLC OP Code 494508232

Watershed Woodward Branch Quadrangle Pocatalico

Elevation 861 County Kanawha District Union

Description of anticipated Pit Waste: Salt water

Will a synthetic liner be used in the pit? yes

Proposed Disposal Method For Treated Pit Wastes:

- Land Application
- Underground Injection (UIC Permit Number _____)
- Reuse (at API Number _____)
- Off Site Disposal (Supply form WW-9 for disposal location)
- Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- Drilling
- Workover
- Other (Explain _____)
- Swabbing
- Plugging

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 [Signature]

Company Official (Typed Name) J. Scott Freshwater

Company Official Title Managing Member

Subscribed and sworn before me this 30th day of June, 2014

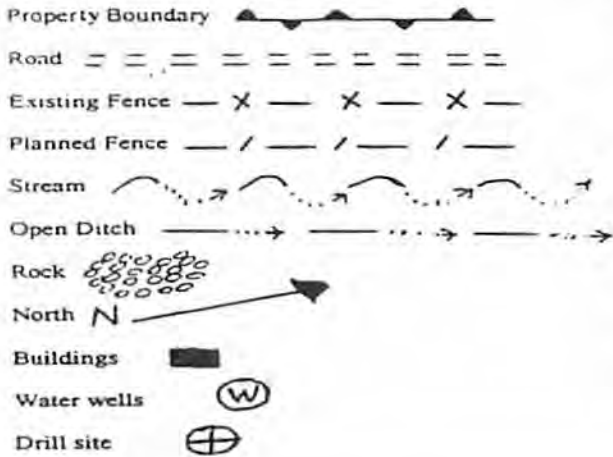
[Signature]

My commission expires December 10, 2017

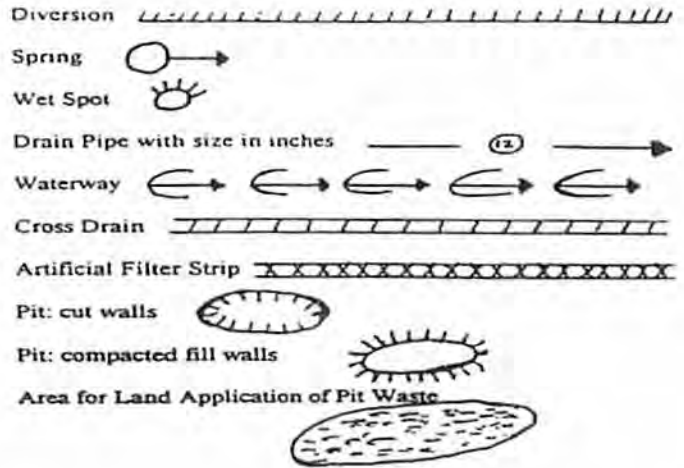
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LEGEND



Proposed Revegetation Treatment: Acres Disturbed 1.5 Prevegetation pH 5.5

Lime 3 Tons/acre or to correct to pH 6.5

Fertilizer (10-20-20 or equivalent) 0.25 lbs/acre (500 lbs minimum)

Mulch Hay 2 Tons/acre

Seed Mixtures

Seed Type	Area I	lbs/acre
Orchard Grass		25
Red Top Clover		15

Seed Type	Area II	lbs/acre
Ladino Clover		5
KY 31		40

Attach:
Drawing(s) of road, location, pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: [Signature]

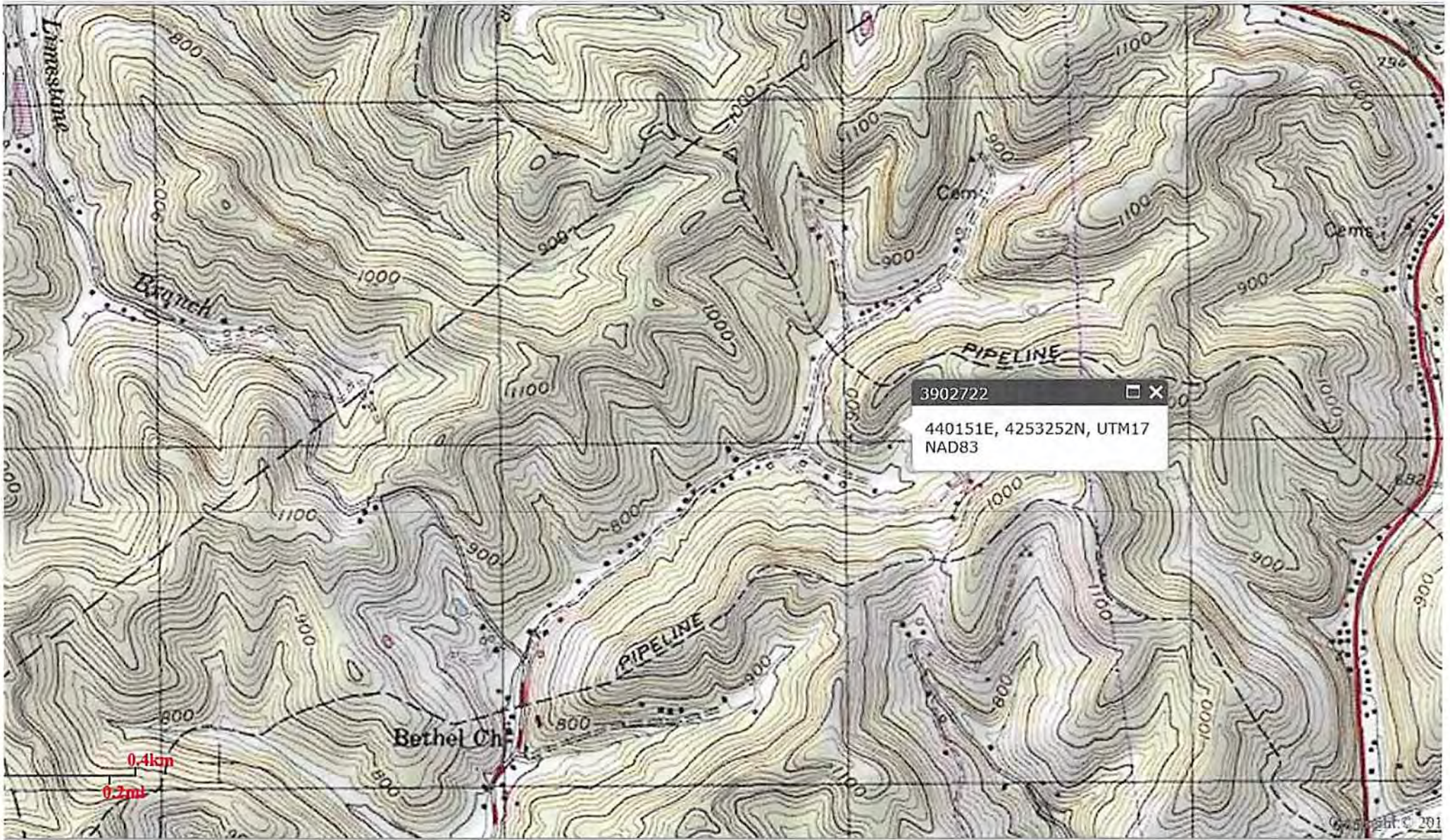
Comments: _____

Title: Taspen Oil & Gas

Date: 6-30-14

Field Reviewed? Yes No

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Environmental Protection
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3902722
440151E, 4253252N, UTM17
NAD83

0.4km
0.2mi

5,550'

(A) SANDRA GRAZIAMO
2621/484
TM 24 PAR 78.14
(B) M&M TRUST
2660/395
TM 24 PAR 78.13

LATITUDE 38°27'30"
UTM NAD.83
ZONE 17
0440151E
4253252N

JOHN JOHNSON
2637/694
TM 24 PAR 75

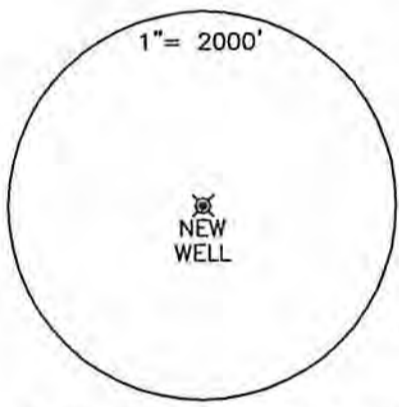
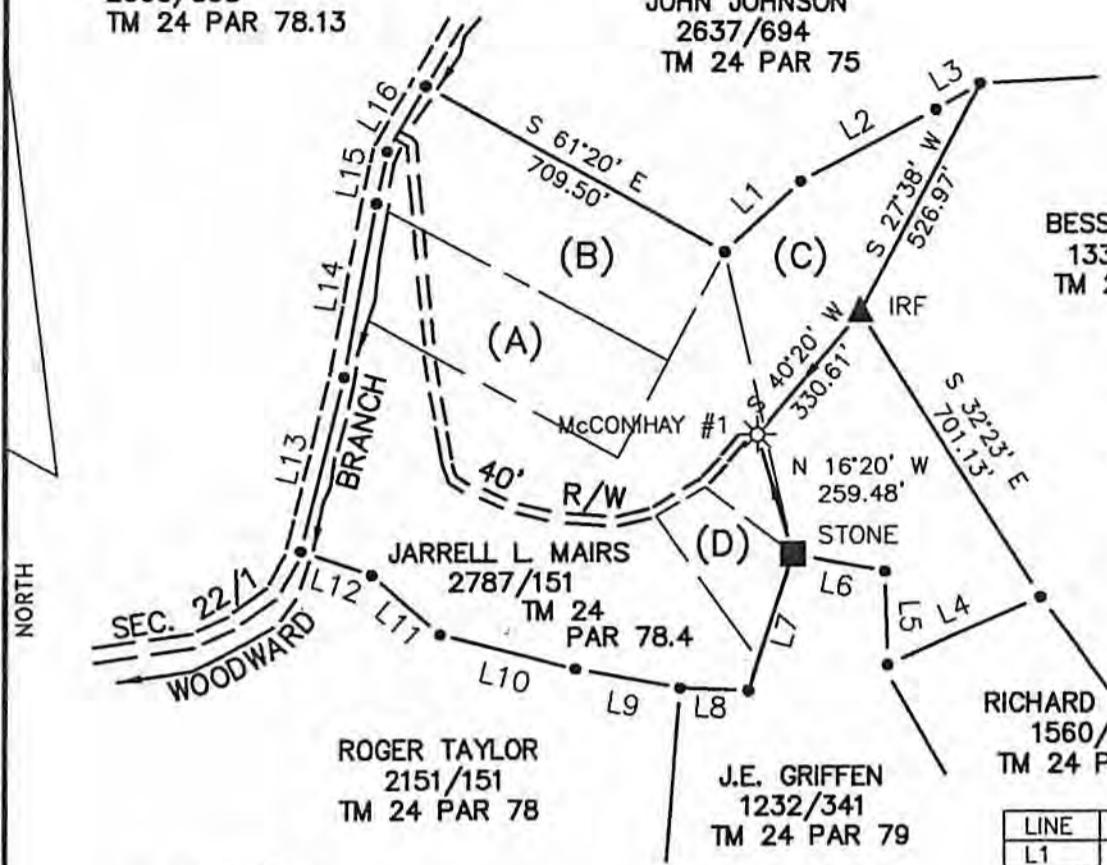
BESSIE SHARP
1332/466
TM 24 PAR 76

(C) SHYANNE GOFFAUX
2579/368
TM 24 PAR 78.15
(D) JAMES McCONIHAY
1874/345
TM 24 PAR 78.5

ROGER TAYLOR
2151/151
TM 24 PAR 78

J.E. GRIFFEN
1232/341
TM 24 PAR 79

RICHARD CASDORPH
1560/232
TM 24 PAR 78.1



NAD 83
LAT. 38.4255252N
LONG. 81.6856547W

TOPO
LOC

STATE PLANE COOR.
NAD 83
N 519,805
E 1,772,081

LINE	BEARING	DISTANCE
L1	N 47°10' E	214.50'
L2	N 62°00' E	318.56'
L3	N 60°01' E	106.69'
L4	S 66°23' W	347.99'
L5	N 01°38' W	194.32'
L6	N 79°21' W	195.45'
L7	S 18°00' W	297.50'
L8	N 88°20' W	141.90'
L9	N 79°35' W	222.00'
L10	N 75°50' W	289.20'
L11	N 48°40' W	189.20'
L12	N 71°15' W	154.50'
L13	N 14°00' E	371.00'
L14	N 10°25' E	364.00'
L15	N 11°40' E	109.50'
L16	N 30°40' E	156.00'

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO. _____
 DRAWING NO. 14-4
 SCALE 1"=500'
 MINIMUM DEGREE OF ACCURACY 1 IN 200
 PROVEN SOURCE OF ELEVATION GPS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENERGY.
 (SIGNED) _____
 R.P.E. _____ P.S. 851



STATE OF WEST VIRGINIA
 Department of Environmental Protection
 OFFICE OF OIL AND GAS

DATE 3/7, 2014
 OPERATOR'S WELL NO. McCONIHAY #1
 API WELL NO. 47 - 039 - 02722
 STATE COUNTY PERMIT

WELL TYPE: OIL ___ GAS ___ LIQUID INJECTION ___ WASTE DISPOSAL ___
 (IF "GAS") PRODUCTION ___ STORAGE ___ DEEP ___ SHALLOW ___

LOCATION: ELEVATION 861 WATER SHED WOODWARD BRANCH
 DISTRICT UNION COUNTY KANAWHA
 QUADRANGLE POCATALICO

SURFACE OWNER JARRELL L. MAIRS ACREAGE 11.84
 OIL & GAS ROYALTY OWNER JAMES T. McCONIHAY HEIRS LEASE ACREAGE 26.8
 LEASE NO. _____

PROPOSED WORK: DRILL ___ CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE ___ X ___ PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ OTHER PHYSICAL CHANGE IN WELL (SPECIFY): PULL TUBING & RUN 4 1/2"

PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___

TARGET FORMATION BLACK SHALE ESTIMATED DEPTH 4225
 WELL OPERATOR SHALE GAS PRODUCTION LLC DESIGNATED AGENT J. SCOTT FRESHWATER
 ADDRESS 929 CHARLESTON ROAD ADDRESS 929 CHARLESTON ROAD
 SPENCER, WV 25276 SPENCER, WV 25276

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