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

PERMIT MODIFICATION APPROVAL

February 17, 2016

NORTHEAST NATURAL ENERGY LLC
707 VIRGINIA STREET EAST
CHARLESTO, W\ 25301

Re: Permit Modification Approval for API Number 6101740, Well #: KASSAY 8H

Modified for Shallower Freshwater

Oil and Gas Operator:
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.

Please call James Martin at 304-926-0499, extension 1654 if you have any questions.

Sincerely,

Laura L. Adkins

for Gene Smith
Assistant Chief of Permitting
Office of Oil and Gas

WW-6B
(04/15)

API NO. 47- 061 - 0740
OPERATOR WELL NO. Kassay 8H
Well Pad Name: Kassay

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

1) Well Operator: Northeast Natural Energy LLC

494498281	Monongalia	Clay	Blacksville
Operator ID	County	District	Quadrangle

2) Operator's Well Number: Kassay 8H Well Pad Name: Kassay

3) Farm Name/Surface Owner: Nehemiah and Patty A. Kassay Public Road Access: County Route 25/3 (Yank Hollow Road)

4) Elevation, current ground: 1,534' Elevation, proposed post-construction: 1534'

5) Well Type (a) Gas X Oil _____ Underground Storage _____
Other _____
(b)If Gas Shallow X Deep _____
Horizontal X

6) Existing Pad: Yes or No Yes MJK 2/12/2016

7) Proposed Target Formation(s), Depth(s), Anticipated Thickness and Expected Pressure(s):
Marcellus, 8,289', 103', 3,600 psi

8) Proposed Total Vertical Depth: 8,289'

9) Formation at Total Vertical Depth: Marcellus

10) Proposed Total Measured Depth: 16,437.22'

11) Proposed Horizontal Leg Length: 7,050'

12) Approximate Fresh Water Strata Depths: 50', 1,100'

13) Method to Determine Fresh Water Depths: Driller's Log from Offset Wells

14) Approximate Saltwater Depths: 1,946', 2,696'

15) Approximate Coal Seam Depths: 316', 1,098'

16) Approximate Depth to Possible Void (coal mine, karst, other): N/A

17) Does Proposed well location contain coal seams directly overlying or adjacent to an active mine? Yes _____ No X

(a) If Yes, provide Mine Info: Name: _____
Depth: _____
Seam: _____
Owner: _____

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API NO. 47- 61 - 01740
OPERATOR WELL NO. Kassay 8H
Well Pad Name: Kassay

18) **CASING AND TUBING PROGRAM**

TYPE	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"	New	NA	94.71	40'	40'	GTS
Fresh Water	13-3/8"	New	J-55	54.5	1,230'	1,200'	CTS
Coal							
Intermediate	9-5/8"	New	J-55	40	2,780'	2,750'	CTS
Production	5-1/2"	New	P-110	20	16,437'	16,407'	3,718 Cu. Ft.
Tubing	2-7/8"	New	N-80	6.5	NA	8,500'	NA
Liners							

MJK 2/12/2016

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"	30"	.375	415		4,500 psi Grout	NA
Fresh Water	13-3/8"	17 1/2"	.38"	2,760	2,000	Class A	1.23
Coal							
Intermediate	9-5/8"	12 1/4"	.395"	3,950	3,000	Class A	1.3
Production	5-1/2"	8 3/4"	.361"	12,530	9,700	50:50 Poz	1.21
Tubing	2-7/8"	NA	.217"	10,570	3,600	NA	NA
Liners							

PACKERS

Kind:				
Sizes:				
Depths Set:				

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API NO. 47- 61 - 01740
OPERATOR WELL NO. Kassay 8H
Well Pad Name: Kassay

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

Drilling and completion of a horizontal Marcellus well. The well will be drilled on air to an approximate depth of 6561.39' TVD/MD. The well will then be horizontally drilled on synthetic based mud from the KOP to approximately 8,289' TVD / 16,437.22' MD along a 143 degree azimuth.

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

Multi-stage / high-rate slickwater fracture treatment using various size sands as proppant. First stage will be initiated via pressurization against a burst disc ran in the production casing string or perforated with coiled tubing. Subsequent stages will be perforated with pumped down guns ran on wireline. Individual stages will be isolated with composite frac plugs. Maximum pump rate during any stage will be 110 BPM with a maximum allowable surface pressure of 9,500 PSI. Composite bridge plugs will be set at the end of the last stage to isolate the treated formation.

21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 15.85

22) Area to be disturbed for well pad only, less access road (acres): 13.00

23) Describe centralizer placement for each casing string:

Surface and intermediate casing strings will have bow spring centralizers placed every third joint (~120') from the shoe joint to surface. Production casing will have rigid body centralizers placed at a minimum of every fourth joint (~160') from TD to surface.

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

Surface string cement will be a Class A + Max 3% bwoc Calcium Chloride Fresh Water blend. Intermediate string cement will be a Class A Cement + Max 3% bwoc Calcium Chloride + Fresh Water. Production string cement will be (50:50) Poz (Fly Ash):Type I Cement with a gas migration additive.

25) Proposed borehole conditioning procedures:

Surface string will use a 25.0 bbls Gel Pill + LCM + 25 lbs Cello Flake + 20 lbs/bbl Bentonite @ 8.4 ppg & 10 bbls fresh water spacer prior to cement. Intermediate string will use a 25.0 bbls Gel Pill + LCM + 25 lbs Cello Flake + 20 lbs/bbl Bentonite @ 8.4 ppg & 10 bbls fresh water spacer prior to cement. Production string will use a 50.0 bbls SealBond 25 + 1 gal/bbl US-40 + 275 lbs/bbl Barite + 1 gal/bbl SS-2 Spacer @ 13.5 ppg prior to cement.

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*Note: Attach additional sheets as needed.

WW-6AW
(1-12)

API NO. 61-01740
OPERATOR WELL NO. Kassay 8H
Well Pad Name: Kassay

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

VOLUNTARY STATEMENT OF NO OBJECTION

Instructions to Persons Named on Page WW-6A
The well operator named on page WW-6A is applying for a permit from the State of West Virginia to conduct oil or gas well work. Well work permits are valid for twenty-four (24) months. Please contact the listed well operator and the Office of Oil and Gas if you do not own any interest in the listed surface tract.

Comment and Waiver Provisions
Pursuant to West Virginia Code § 22-6A-11(a), all persons described in subsection (b), section ten of this article may file written comments with the secretary as to the location or construction of the applicant's proposed well work within thirty days after the application is filed with the secretary.

Pursuant to West Virginia Code § 22-6A-8(b) No permit may be issued less than thirty days after the filing date of the application for any well work except plugging or replugging; and no permit for plugging or replugging may be issued less than five days after the filing date of the application except a permit for plugging or replugging a dry hole: *Provided,* That if the applicant certifies that all persons entitled to notice of the application under the provisions of subsection (b), section ten of this article have been served in person or by certified mail, return receipt requested, with a copy of the well work application, including the erosion and sediment control plan, if required, and the well plat, and further files written statements of no objection by all such persons, the secretary may issue the well work permit at any time.

VOLUNTARY STATEMENT OF NO OBJECTION

I, Casey V. Saunders, hereby state that I have read the Instructions to Persons Named on Page WW-6A and the associated provisions listed above, and that I have received copies of a Notice of Application, an Application for a Well Work Permit on Form WW-6A and attachments consisting of pages one (1) through _____, including the erosion and sediment control plan, if required, and the well plat, all for proposed well work on the tract of land as follows:

State:	West Virginia	WVSPN NAD 27	Easting:	1,804,390.711
County:	Monongalia		Northing:	422,580.362
District:	Clay	Public Road Access:		
Quadrangle:	BLACKSVILLE	Generally used farm name:		
Watershed:				

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, **provided that Northeast Natural Energy LLC drills the well on WV North NAD27 coordinates of North 422,580.362, East 1,804,390.711. This statement does not serve as notice that CONSOL Mining Company LLC has waived its rights to mine all the coal or accept any responsibility for any damage to the well or surface facilities associated with the well by CONSOL Mining Company LLC mining activity. This Voluntary Statement of No Objection does not waive CONSOL Mining Company LLC's Common Law Property Rights in the State of West Virginia.**

*Please check the box that applies	FOR EXECUTION BY A NATURAL PERSON
☐ SURFACE OWNER	Signature:
☐ SURFACE OWNER (Road and/or Other Disturbance)	Print Name:
☐ SURFACE OWNER (Impoundments/Pits)	Date:
☒ COAL OWNER OR LESSEE	FOR EXECUTION BY A CORPORATION, ETC. Company: CONSOL Mining Company LLC
☒ COAL OPERATOR	By: Casey Saunders Its: Senior Project Engineer
☐ WATER PURVEYOR	Signature: Casey V. Saunders
☐ OPERATOR OF ANY NATURAL GAS STORAGE FIELD	Date: 2/12/2016

Oil and Gas Privacy Notice:
The Office of Oil and Gas processes your personal information, such as name, address and telephone number, as 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 required by law 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 or your personal information, please contact DEP's Chief Privacy Officer at deprivacyofficer@wv.gov.

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