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

May 06, 2016

WELL WORK PERMIT

Rework/Horizontal 6A Well

This permit, API Well Number: 47-5101382, issued to TRANS ENERGY, INC., 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: LUCEY 1H
Farm Name: LUCEY, JACK D.
API Well Number: 47-5101382
Permit Type: Rework/Horizontal 6A Well
Date Issued: 05/06/2016

Promoting a healthy environment.

API Number: 51- 01382 RD

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. Failure to adhere to the specified permit conditions may result in enforcement action.

CONDITIONS

1. 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.

2. The operator shall provide to the Office of Oil and Gas the dates of each of the following within 30 days of their occurrence: commencement of drilling, cessation of drilling, and completion of any other permitted well work. Such notice shall be provided by sending an email to DEPOOGNotify@wv.gov.

WW-6B
(04/15)

API NO. 47-051 01382
OPERATOR WELL NO. 1H
Well Pad Name: Lucey

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

1) Well Operator: Trans Energy, Inc. | 494481575 (Operator ID) | Marshall (County) | Cameron (District) | Cameron (Quadrangle)

2) Operator's Well Number: 1H Well Pad Name: Lucey

3) Farm Name/Surface Owner: Jack D. Lucey Public Road Access: Co. Rt. 60

4) Elevation, current ground: 1296' Elevation, proposed post-construction: 1296'

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 - Reworking well

JC 4/8/16

7) Proposed Target Formation(s), Depth(s), Anticipated Thickness and Expected Pressure(s):
Existing Marcellus Shale Well.

8) Proposed Total Vertical Depth: 6733' - Existing Well

9) Formation at Total Vertical Depth: Marcellus Shale

10) Proposed Total Measured Depth: 11268' - Existing Well

11) Proposed Horizontal Leg Length: Existing leg = 4535'

12) Approximate Fresh Water Strata Depths: 60'-150'

13) Method to Determine Fresh Water Depths: Information from Co. Health Department

14) Approximate Saltwater Depths: 1500'

15) Approximate Coal Seam Depths: 876'

16) Approximate Depth to Possible Void (coal mine, karst, other): 876' - McElroy Mine

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

(a) If Yes, provide Mine Info: Name: McElroy Mine
Depth: 876'
Seam: PGH #8
Owner: Murray Energy Corp

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Environmental Protection

WW-6B
(04/15)

API NO. 47- 051 - 01382
OPERATOR WELL NO. 1H
Well Pad Name: Lucey

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	26		J-55	94	80'	80'	CTS
Fresh Water	16		J-55	75	1000'	1000'	CTS
Coal	13-3/8		J-55	61	1291'	1291'	CTS
Intermediate	9-5/8		N-80	40	2992'	2992'	CTS
Production	5-1/2		P-110	20	11268'	11268'	CTS
Tubing							
Liners							

JN 4/8/16

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	26	30	.438	1200		Type 1	16 cu ft/sk
Fresh Water	16	24	.40	1530		Type 1	13 cu ft/sk
Coal	13-3/8	17-1/2	.38	2730		Type 1	1.25 cu ft/sk
Intermediate	9-5/8	12-1/2	.352	3520		Type 1	1.26 cu ft/sk
Production	5-1/2	8-3/4	.361	12630		Pos H Class H	1.18 cu ft/sk
Tubing							
Liners							

PACKERS

Kind:	N/A			
Sizes:				
Depths Set:				

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API NO. 47- 051 - 01382
OPERATOR WELL NO. 1H
Well Pad Name: Lucey

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

See the attached Recompletion Procedure to drill out the cement plugs.

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

N/A

21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): N/A Existing pad

22) Area to be disturbed for well pad only, less access road (acres): N/A Existing pad

23) Describe centralizer placement for each casing string:

N/A

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

N/A

25) Proposed borehole conditioning procedures:

N/A

*Note: Attach additional sheets as needed.

1/23/16

RECOMPLETION PROCEDURE

Re: Lucey 1H: 47-051-01382
Marshall Co, WV
TMD: 11,268'

The following procedure is recommended.

JL 4/8/16

1. Move in set 1- 500 bbl frac tank, fill with 300 bbl of 10# water
2. ND wellhead, install 5K BOP, 10K flow cross and 10K frac valve. Run 2" line from flow cross to working tank.
3. MIRU IPS 2" CTU equipment
4. PU GIH with 4-3/4" roller bit and 2-3/4" motor.
5. Drill out Cement Plugs at 776', 976' and 1,200'
6. Hydrostatic pressure test 5-1/2" casing to 5000 psi with certified testing company.
7. RUN INTEGRITY TEST ON PIPE
8. Drill out cement plugs at 2902', 6075' and CIBP at 6775'.
9. Run coil to PDTD at 12,224', circulate clean with gel sweeps.
10. POOH, RD CTU equipment
11. MIRU service unit and snubbing unit.
12. PU GIH with 2-7/8" pump out sub, 1 jt 2-7/8" N-80, 2-7/8" X N nipple, 19 jts, 2-7/8 nipple and 197 jts., land EOT at 6,843'.
13. ND BOP, NU production tree.
14. RD move to Lucey 2H.

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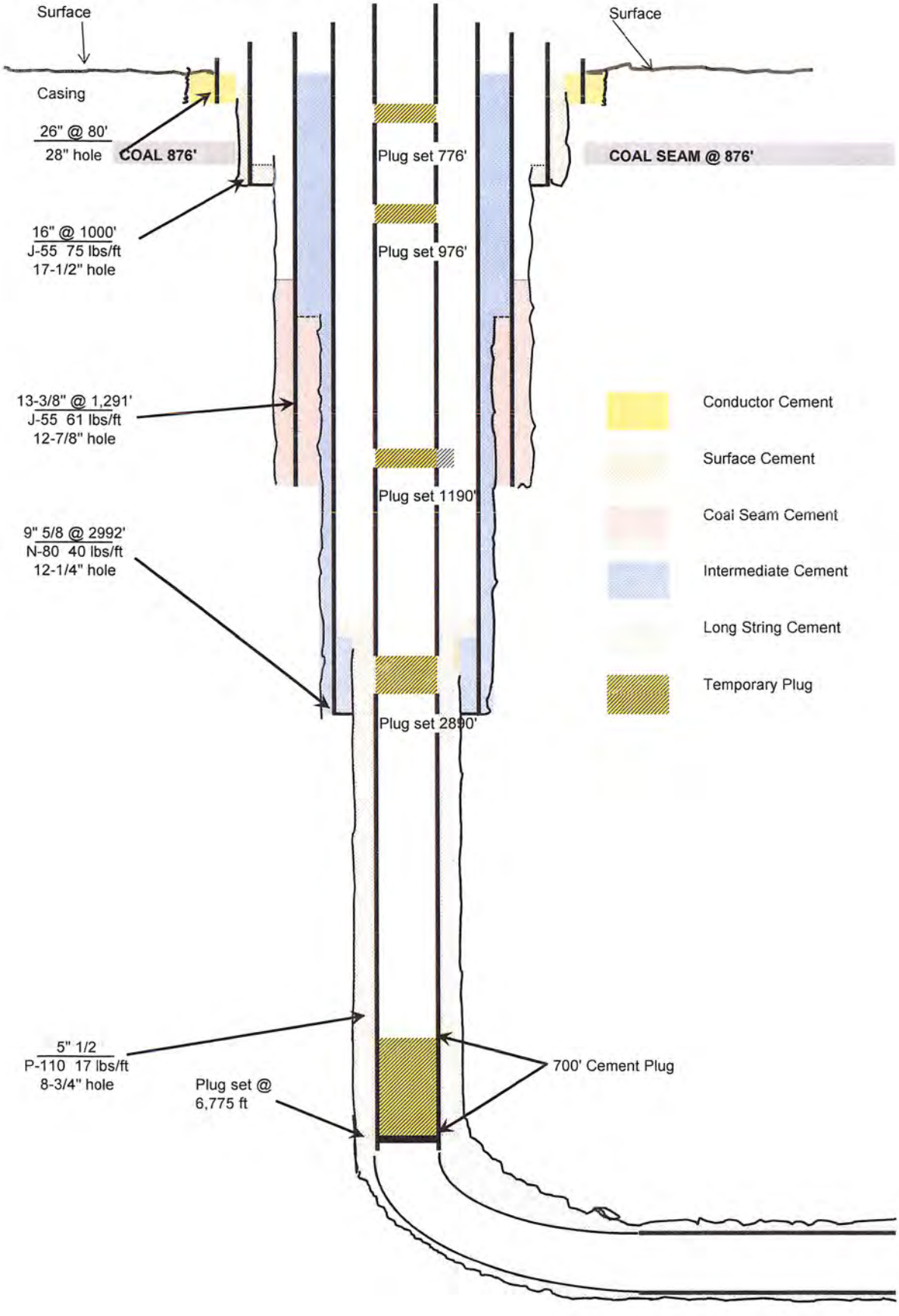
Lucey #1H - Permit #47-051-01382



WW-9
(2/15)

API Number 47 - 051 - 01382
Operator's Well No. Lucey 1H

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name Trans Energy, Inc. OP Code _____

Watershed (HUC 10) Burch Run of Grave Creek Quadrangle Cameron

Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes ☐ No ☑

Will a pit be used? Yes ☐ No ☑

If so, please describe anticipated pit waste: Drilling Fluids

Will a synthetic liner be used in the pit? Yes ☐ No ☑ If so, what ml.? _____

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 _____

Will closed loop system be used? If so, describe: yes

Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. lightweight water (10lb)

-If oil based, what type? Synthetic, petroleum, etc. N/A

Additives to be used in drilling medium? N/A

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. All cuttings will be hauled to approved landfills.

-If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) N/A

-Landfill or offsite name/permit number? Short Creek LAndfill SWF-1034

Permittee shall provide written notice to the Office of Oil and Gas of any load of drill cuttings or associated waste rejected at any West Virginia solid waste facility. The notice shall be provided within 24 hours of rejection and the permittee shall also disclose where it was properly disposed.

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.

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Company Official Signature _____

Company Official (Typed Name) Leslie A. Gearhart

Company Official Title VP Operations Trans Energy. Inc.

Subscribed and sworn before me this 27th day of January, 2016

_____ Notary Public

My commission expires November 29, 2020

OFFICIAL SEAL
STATE OF WEST VIRGINIA
NOTARY PUBLIC
Debra A. Martin
Trans Energy Incorporated
210 2nd Street
St. Mary's, WV 26170
My Commission Expires Nov. 29, 2020

Form WW-9

Operator's Well No. Lucey 1H

Trans Energy, Inc. Existing Pad / Well

Proposed Revegetation Treatment: Acres Disturbed N/A Prevegetation pH _____

Lime _____ Tons/acre or to correct to pH _____

Fertilizer type _____

Fertilizer amount _____ lbs/acre

Mulch _____ Tons/acre

Seed Mixtures

Temporary		Permanent	
Seed Type	lbs/acre	Seed Type	lbs/acre

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: Jim Nicholson

Comments:

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Environmental Protection

Title: Oil & Gas Inspector Date: 4/8/16

Field Reviewed? (✓) Yes ( ) No

TRANS ENERGY, INC.

Well Site Safety Plan

LUCEY PAD (1H, 2H)

Marshall County

4/8/16

1/06/16

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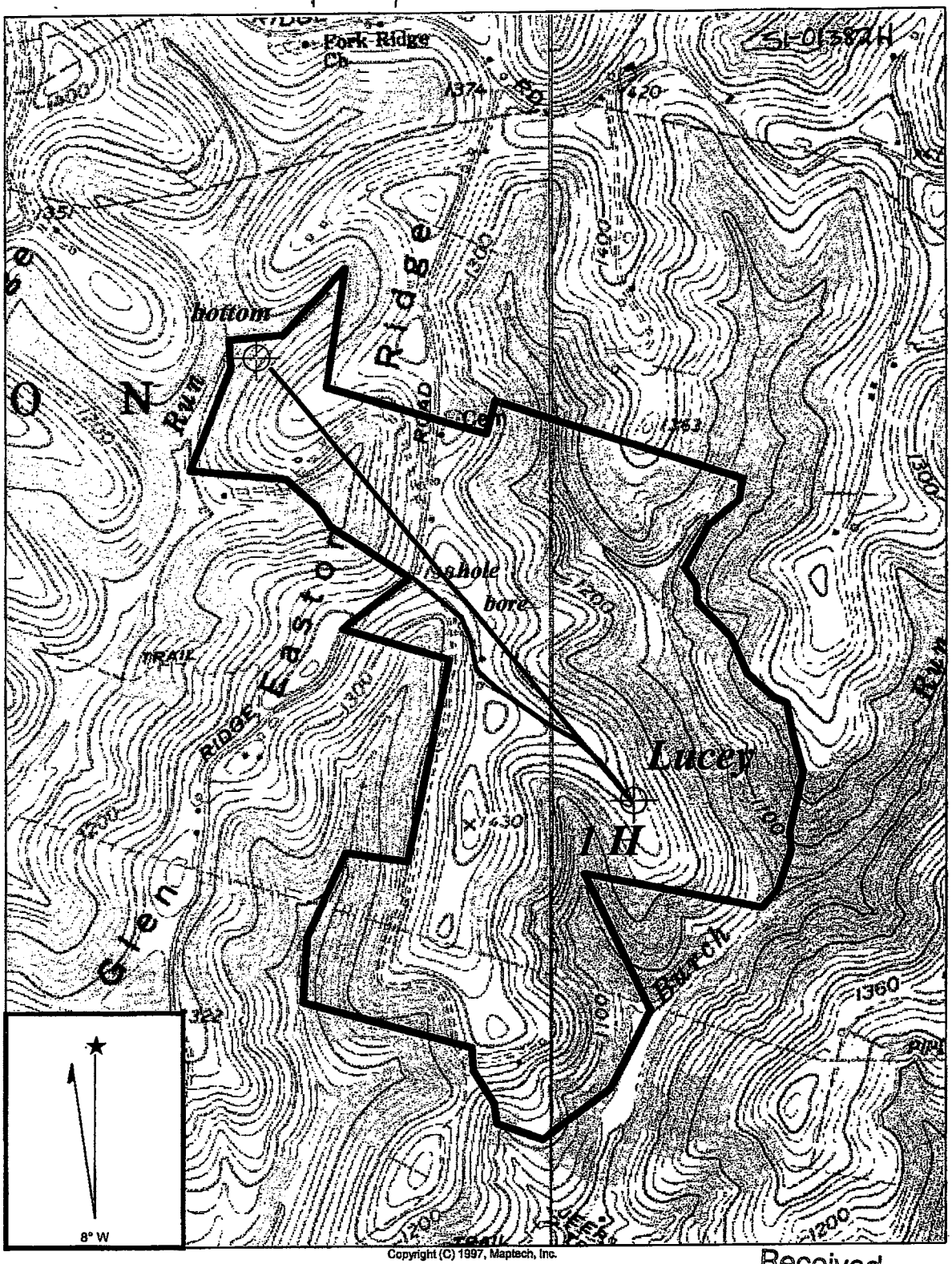
Environmental Protection

No Water purveyors



Copyright (C) 1997, Maptech, Inc.

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Office of Oil & Gas
FEB 17 2016

Well Coordinates:

Lucey 1H
N: 4411148
E: 532292

Lucey 2H
N: 4411149
E: 532287

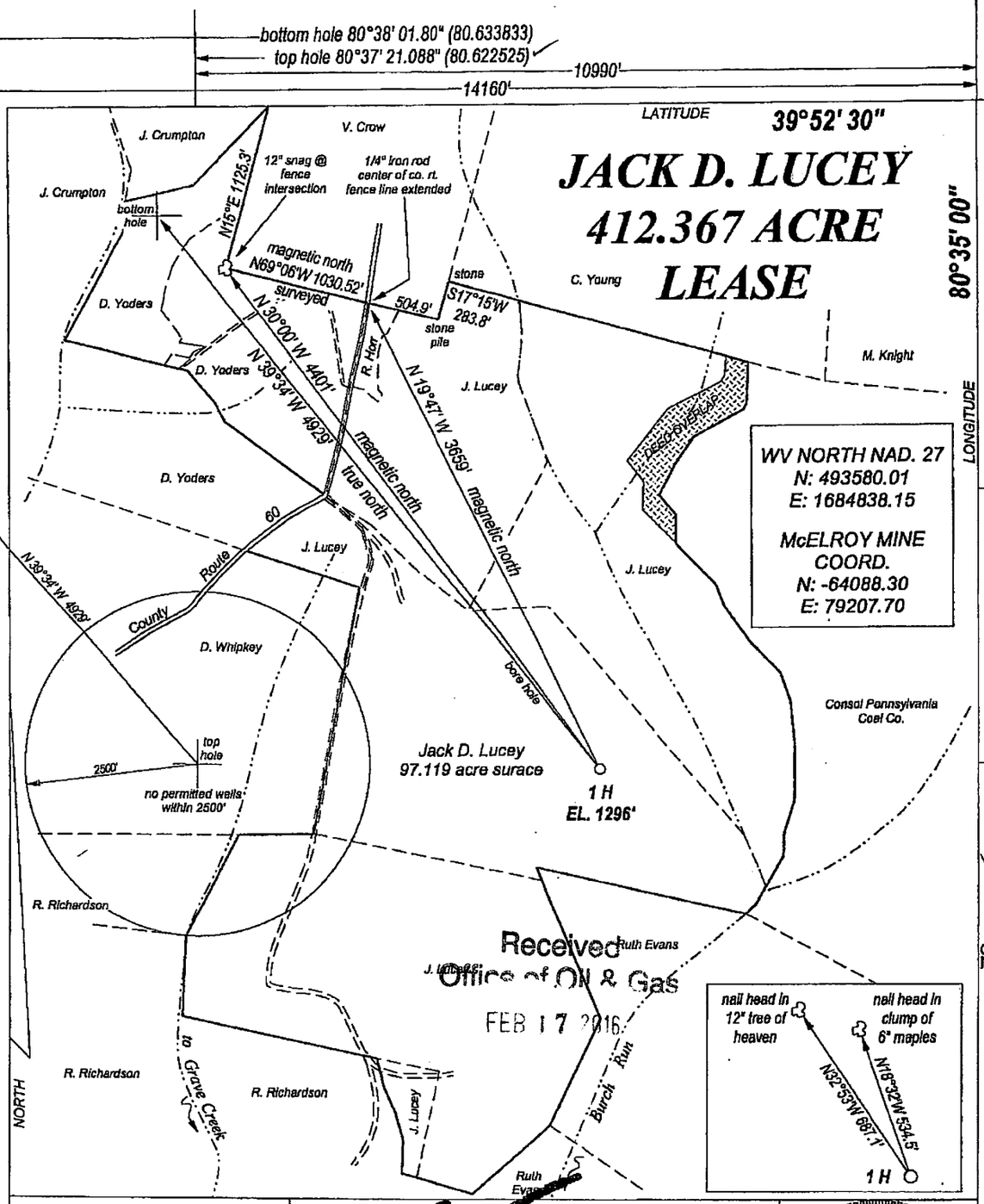
CAMERON QUADRANGLE

SCALE 1" = 1000'

TRANS ENERGY, INC.

JACK D. LUCEY 412.367 ACRE LEASE

CAMERON DISTRICT MASHALL COUNTY WEST VIRGINIA



FILE NO.
DRAWING NO.
SCALE 1" = 1000'
MINIMUM DEGREE OF ACCURACY 1 : 200
PROVEN SOURCE OF ELEVATION GPS OBSERVATION

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)
PROFESSIONAL SURVEYOR: 551

WILLIAM R. MOSSOR
SURVEYOR
No.551
STATE OF
WEST VIRGINIA
PROFESSIONAL

STATE OF WEST VIRGINIA
DEPARTMENT OF ENERGY
DIVISION OF OIL AND GAS

DATE MAY 14TH, 2010
OPERATORS WELL NO. LUCEY 1H

API 47 - 051 - 01382H
STATE COUNTY PERMIT

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

LOATION: ELEVATION 1296' WATER SHED BURCH RUN OF GRAVE CREEK
DISTRICT CAMERON COUNTY MARSHALL QUADRANGLE CAMERON

SURFACE OWNER JACK D. LUCEY & SHARON L. LUCEY ACREAGE 97.119
OIL & GAS ROYALTY JACK D. LUCEY & SHARON L. LUCEY LEASE AC. 412.367

PROPOSED WORK: DRILL XX CONVERT ___ DRILL DEEPER ___ REDRILL ___
FRACTURE OR STIMULATE ___ PLUG OFF OLD FORMATION ___
PERFORATE NEW FORMATION ___
OTHER PHYSICAL CHANGE IN WELL ___
PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___

TARGET FORMATION MARCELLUS SHALE ESTIMATED DEPTH 7200'

WELL OPERATOR TRANS ENERGY, INC.
ADDRESS P. O. BOX 393
ST. MARYS, WV 26170

DESIGNATED AGENT LOREN BAGLEY
ADDRESS P. O. BOX 393
ST. MARYS, WV 26170

FORM WW - 6

COUNTY NAME

PERMIT

51-01382W

WW-6A1
(5/13)

Operator's Well No. Lucey 1H

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:

Lease Name or Number	Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page
51-3-23A	Jack D Lucey and Sharon L Lucey	Trans Energy Inc.	20%	684/375
51-3-44	Donald W Yoders and Mary Jo Yoders	Trans Energy Inc/Republic Partners VI LP	20%	688/345

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: Trans Energy Inc.
By: Leslie Gearhart
Its: VP Operations

Received
Office of Oil & Gas
FEB 17 2016

Trans Energy, Inc.
Oil and Gas Exploration and Development

51-01382W

January 5, 2016

Ms. Laura Adkins
West Virginia DEP
601 57th Street
Charleston, WV 25304

Re: Lucey 1H, 2H
Road Crossing

Dear Laura,

Please let this letter confirm that Trans Energy has the leasing rights to extract minerals under the proposed lateral of the Lucey 1H and 2H that crosses County Route 60 that the State owns no mineral interest.

If you would have any additional questions regarding this permit please feel free to contact our office at 304-684-7053.

As always thank you for your help in these matters.

Sincerely yours,

Trans Energy Incorporated

Leslie A. Gearhart
VP Operations

Receiving
Office of Oil & Gas
FEB 17 2016

210 2nd Street, P.O. Box 393 St. Marys, WV 26170 304.684.7053 Fax 304.684.3658
www.transenergyinc.com

WW-6AC
(1/12)

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

Date of Notice Certification: 2/16/2016

API No. 47- 051 -01382 W
Operator's Well No. 1H
Well Pad Name: Lucey

Notice has been given:
Pursuant to the provisions in West Virginia Code § 22-6A, the Operator has provided the required parties with the Notice Forms listed below for the tract of land as follows:

State:	WV	UTM NAD 83	Easting:	532292
County:	Marshall		Northing:	4411148
District:	Cameron	Public Road Access:		Co Rt. 60
Quadrangle:	Cameron	Generally used farm name:		Lucey
Watershed:	Burch Run of Grave Creek			

Pursuant to West Virginia Code § 22-6A-7(b), every permit application filed under this section shall be on a form as may be prescribed by the secretary, shall be verified and shall contain the following information: (14) A certification from the operator that (i) it has provided the owners of the surface described in subdivisions (1), (2) and (4), subsection (b), section ten of this article, the information required by subsections (b) and (c), section sixteen of this article; (ii) that the requirement was deemed satisfied as a result of giving the surface owner notice of entry to survey pursuant to subsection (a), section ten of this article six-a; or (iii) the notice requirements of subsection (b), section sixteen of this article were waived in writing by the surface owner; and Pursuant to West Virginia Code § 22-6A-11(b), the applicant shall tender proof of and certify to the secretary that the notice requirements of section ten of this article have been completed by the applicant.

Pursuant to West Virginia Code § 22-6A, the Operator has attached proof to this Notice Certification that the Operator has properly served the required parties with the following: *PLEASE CHECK ALL THAT APPLY	OOG OFFICE USE ONLY
☐ 1. NOTICE OF SEISMIC ACTIVITY or ☐ NOTICE NOT REQUIRED BECAUSE NO SEISMIC ACTIVITY WAS CONDUCTED	☐ RECEIVED/ NOT REQUIRED
☐ 2. NOTICE OF ENTRY FOR PLAT SURVEY or ☐ NO PLAT SURVEY WAS CONDUCTED	☐ RECEIVED
☐ 3. NOTICE OF INTENT TO DRILL or ☐ NOTICE NOT REQUIRED BECAUSE NOTICE OF ENTRY FOR PLAT SURVEY WAS CONDUCTED or ☐ WRITTEN WAIVER BY SURFACE OWNER (PLEASE ATTACH)	☐ RECEIVED/ NOT REQUIRED
☒ 4. NOTICE OF PLANNED OPERATION	☐ RECEIVED
☒ 5. PUBLIC NOTICE	☐ RECEIVED
☒ 6. NOTICE OF APPLICATION	☐ RECEIVED

Required Attachments:
The Operator shall attach to this Notice Certification Form all Notice Forms and Certifications of Notice that have been provided to the required parties and/or any associated written waivers. For the Public Notice, the operator shall attach a copy of the Class II Legal Advertisement with publication date verification or the associated Affidavit of Publication. The attached Notice Forms and Certifications of Notice shall serve as proof that the required parties have been noticed as required under West Virginia Code § 22-6A. Pursuant to West Virginia Code § 22-6A-11(b), the Certification of Notice to the person may be made by affidavit of personal service, the return receipt card or other postal receipt for certified mailing.

Received
Office of Oil & Gas
FEB 17 2016

51-01382

WW-6AC
(1/12)

Certification of Notice is hereby given:

THEREFORE, I Leslie A. Gearhart, VP Op., have read and understand the notice requirements within West Virginia Code § 22-6A. I certify that as required under West Virginia Code § 22-6A, I have served the attached copies of the Notice Forms, identified above, to the required parties through personal service, by registered mail or by any method of delivery that requires a receipt or signature confirmation. I certify under penalty of law that I have personally examined and am familiar with the information submitted in this Notice Certification and all attachments, 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 and imprisonment.

Well Operator:	Trans Energy, Inc.	Address:	P.O. Box 393
By:	Leslie A. Gearhart		
Its:	VP Operations	Facsimile:	304-684-3658
Telephone:	304-684-7053	Email:	lesliegearhart@transenergyinc.com

NOTARY SEAL
OFFICIAL SEAL
STATE OF WEST VIRGINIA
NOTARY PUBLIC
Debra A. Martin
Trans Energy Incorporated
210 2nd Street
St. Mary's, WV 26170
My Commission Expires Nov. 29, 2020

Subscribed and sworn before me this 27th day of January 2016

Notary Public

My Commission Expires November 29, 2020

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 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 or your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov.

Received
Office of Oil & Gas
FEB 17 2016

WW-6A
(9-13)

API NO. 47- 051 - 01382 W
OPERATOR WELL NO. 4H
Well Pad Name: Lucey

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

Notice Time Requirement: notice shall be provided no later than the **filing date of permit application.**

Date of Notice: 2/16/16 **Date Permit Application Filed:** 2/16/16

Notice of:

☑ PERMIT FOR ANY WELL WORK

☐ CERTIFICATE OF APPROVAL FOR THE CONSTRUCTION OF AN IMPOUNDMENT OR PIT

Delivery method pursuant to West Virginia Code § 22-6A-10(b)

☐ PERSONAL SERVICE

☐ REGISTERED MAIL

☑ METHOD OF DELIVERY THAT REQUIRES A RECEIPT OR SIGNATURE CONFIRMATION

Pursuant to W. Va. Code § 22-6A-10(b) no later than the filing date of the application, the applicant for a permit for any well work or for a certificate of approval for the construction of an impoundment or pit as required by this article shall deliver, by personal service or by registered mail or by any method of delivery that requires a receipt or signature confirmation, copies of the application, the erosion and sediment control plan required by section seven of this article, and the well plat to each of the following persons: (1) The owners of record of the surface of the tract on which the well is or is proposed to be located; (2) The owners of record of the surface tract or tracts overlying the oil and gas leasehold being developed by the proposed well work, if the surface tract is to be used for roads or other land disturbance as described in the erosion and sediment control plan submitted pursuant to subsection (c), section seven of this article; (3) The coal owner, operator or lessee, in the event the tract of land on which the well proposed to be drilled is located [sic] is known to be underlain by one or more coal seams; (4) The owners of record of the surface tract or tracts overlying the oil and gas leasehold being developed by the proposed well work, if the surface tract is to be used for the placement, construction, enlargement, alteration, repair, removal or abandonment of any impoundment or pit as described in section nine of this article; (5) Any surface owner or water purveyor who is known to the applicant to have a water well, spring or water supply source located within one thousand five hundred feet of the center of the well pad which is used to provide water for consumption by humans or domestic animals; and (6) The operator of any natural gas storage field within which the proposed well work activity is to take place. (c)(1) If more than three tenants in common or other co-owners of interests described in subsection (b) of this section hold interests in the lands, the applicant may serve the documents required upon the person described in the records of the sheriff required to be maintained pursuant to section eight, article one, chapter eleven-a of this code. (2) Notwithstanding any provision of this article to the contrary, notice to a lien holder is not notice to a landowner, unless the lien holder is the landowner. W. Va. Code R. § 35-8-5.7.a requires, in part, that the operator shall also provide the Well Site Safety Plan ("WSSP") to the surface owner and any water purveyor or surface owner subject to notice and water testing as provided in section 15 of this rule.

☐ Application Notice ☐ WSSP Notice ☐ E&S Plan Notice ☐ Well Plat Notice is hereby provided to:

☑ SURFACE OWNER(s)
Name: Jack D Lucey and Sharon L Lucey ✓
Address: 838 Glen Easton Road
Glen Easton, WV 26039
Name: Donald W Yoders and Mary Jo Yoders ✓
Address: 309 Hoopin Holler Rd
Glen Easton, WV 26039

☐ SURFACE OWNER(s) (Road and/or Other Disturbance)
Name:
Address:
Name:
Address:

☐ SURFACE OWNER(s) (Impoundments or Pits)
Name:
Address:

☑ COAL OWNER OR LESSEE
Name: Murray Energy Corp
Address: 46226 National Road W
St. Clairsville, OH 43950

☑ COAL OPERATOR
Name: Same as above
Address:

☐ SURFACE OWNER OF WATER WELL AND/OR WATER PURVEYOR(s)
Name:
Address:

☐ OPERATOR OF ANY NATURAL GAS STORAGE FIELD
Name:
Address:

*Please attach additional forms if necessary

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Office of Oil and Gas

FEB 22 2016

WV Department of
Environmental Protection

WW-6A
(8-13)

API NO. 47- 051 - 01382 W
OPERATOR WELL NO. 1H
Well Pad Name: Lucey

Notice is hereby given:
Pursuant to West Virginia Code § 22-6A-10(b), notice is hereby given that the undersigned well operator has applied for a permit for well work or for a certificate of approval for the construction of an impoundment or pit.

This Notice Shall Include:
Pursuant to W. Va. Code § 22-6A-10(b), this notice shall include: (1) copies of the application; (2) the erosion and sediment control plan required by section seven of this article; and (3) the well plat.

Pursuant to W. Va. Code § 22-6A-10(f), this notice shall include: (1) a statement of the time limits for filing written comments; (2) who may file written comments; (3) the name and address of the secretary for the purpose of filing the comments and obtaining additional information; and (4) a statement that the persons may request, at the time of submitting written comments, notice of the permit decision and a list of persons qualified to test water.

Pursuant to W. Va. Code R. § 35-8-5.7.a, the operator shall provide the Well Site Safety Plan to the surface owner and any water purveyor or surface owner subject to notice and water testing as provided in section 15 of this rule.

Pursuant to W. Va. Code R. § 35-8-15.2.c, this notice shall: (1) contain a statement of the surface owner's and water purveyor's right to request sampling and analysis; (2) advise the surface owner and water purveyor of the rebuttable presumption for contamination or deprivation of a fresh water source or supply; advise the surface owner and water purveyor that refusal to allow the operator to conduct a pre-drilling water well test constitutes a method to rebut the presumption of liability; (3) advise the surface owner and water purveyor of his or her independent right to sample and analyze any water supply at his or her own expense; advise the surface owner and water purveyor whether or not the operator will utilize an independent laboratory to analyze any sample; and (4) advise the surface owner and or water purveyor that he or she can obtain from the Chief a list of water testing laboratories in the subject area capable of and qualified to test water supplies in accordance with standard acceptable methods.

Additional information related to horizontal drilling may be obtained from the Secretary, at the WV Department of Environmental Protection headquarters, located at 601 57th Street, SE, Charleston, WV 25304 (304-926-0450) or by visiting www.dep.wv.gov/oil-and-gas/pages/default.aspx.

Received
Office of Oil & Gas

Well Location Restrictions
Pursuant to W. Va. Code § 22-6A-12, Wells may not be drilled within two hundred fifty feet measured horizontally from any existing water well or developed spring used for human or domestic animal consumption. The center of well pads may not be located within six hundred twenty-five feet of an occupied dwelling structure, or a building two thousand five hundred square feet or larger used to house or shelter dairy cattle or poultry husbandry. This limitation is applicable to those wells, developed springs, dwellings or agricultural buildings that existed on the date a notice to the surface owner of planned entry for surveying or staking as provided in section ten of this article or a notice of intent to drill a horizontal well as provided in subsection (b), section sixteen of this article was provided, whichever occurs first, and to any dwelling under construction prior to that date. This limitation may be waived by written consent of the surface owner transmitted to the department and recorded in the real property records maintained by the clerk of the county commission for the county in which such property is located. Furthermore, the well operator may be granted a variance by the secretary from these distance restrictions upon submission of a plan which identifies the sufficient measures, facilities or practices to be employed during well site construction, drilling and operations. The variance, if granted, shall include terms and conditions the department requires to ensure the safety and protection of affected persons and property. The terms and conditions may include insurance, bonding and indemnification, as well as technical requirements. (b) No well pad may be prepared or well drilled within one hundred feet measured horizontally from any perennial stream, natural or artificial lake, pond or reservoir, or a wetland, or within three hundred feet of a naturally reproducing trout stream. No well pad may be located within one thousand feet of a surface or ground water intake of a public water supply. The distance from the public water supply as identified by the department shall be measured as follows: (1) For a surface water intake on a lake or reservoir, the distance shall be measured from the boundary of the lake or reservoir. (2) For a surface water intake on a flowing stream, the distance shall be measured from a semicircular radius extending upstream of the surface water intake. (3) For a groundwater source, the distance shall be measured from the wellhead or spring. The department may, in its discretion, waive these distance restrictions upon submission of a plan identifying sufficient measures, facilities or practices to be employed during well site construction, drilling and operations to protect the waters of the state. A waiver, if granted, shall impose any permit conditions as the secretary considers necessary. (c) Notwithstanding the foregoing provisions of this section, nothing contained in this section prevents an operator from conducting the activities permitted or authorized by a Clean Water Act Section 404 permit or other approval from the United States Army Corps of Engineers within any waters of the state or within the restricted areas referenced in this section. (d) The well location restrictions set forth in this section shall not apply to any well on a multiple well pad if at least one of the wells was permitted prior to the effective date of this article. (e) The secretary shall, by December 31, 2012, report to the Legislature on the noise, light, dust and volatile organic compounds generated by the drilling of horizontal wells as they relate to the well location restrictions regarding occupied dwelling structures pursuant to this section. Upon a finding, if any, by the secretary that the well location restrictions regarding occupied dwelling structures are inadequate or otherwise require alteration to address the items

examined in the study required by this subsection, the secretary shall have the authority to propose for promulgation legislative rules establishing guidelines and procedures regarding reasonable levels of noise, light, dust and volatile organic compounds relating to drilling horizontal wells, including reasonable means of mitigating such factors, if necessary.

Water Well Testing:
Pursuant to West Virginia Code § 22-6A-10(d), notification shall be made, with respect to surface landowners identified in subsection (b) or water purveyors identified in subdivision (5), subsection (b) of this section, of the opportunity for testing their water well. The operator shall provide an analysis to such surface landowner or water purveyor at their request.

Water Testing Laboratories:
Pursuant to West Virginia Code § 22-6A-10(i), persons entitled to notice pursuant to subsection (b) of this section may contact the department to ascertain the names and locations of water testing laboratories in the subject area capable and qualified to test water supplies in accordance with standard accepted methods. In compiling that list of names the department shall consult with the state Bureau for Public Health and local health departments. A surface owner and water purveyor has an independent right to sample and analyze any water supply at his or her own expense. The laboratory utilized by the operator shall be approved by the agency as being certified and capable of performing sample analyses in accordance with this section.

Rebuttable Presumption for Contamination or Deprivation of a Fresh Water Source or Supply:

W. Va. Code § 22-6A-18 requires that (b) unless rebutted by one of the defenses established in subsection (c) of this section, in any action for contamination or deprivation of a fresh water source or supply within one thousand five hundred feet of the center of the well pad for horizontal well, there is a rebuttable presumption that the drilling and the oil or gas well or either was the proximate cause of the contamination or deprivation of the fresh water source or supply. (c) In order to rebut the presumption of liability established in subsection (b) of this section, the operator must prove by a preponderance of the evidence one of the following defenses: (1) The pollution existed prior to the drilling or alteration activity as determined by a predrilling or prealteration water well test. (2) The landowner or water purveyor refused to allow the operator access to the property to conduct a predrilling or prealteration water well test. (3) The water supply is not within one thousand five hundred feet of the well. (4) The pollution occurred more than six months after completion of drilling or alteration activities. (5) The pollution occurred as the result of some cause other than the drilling or alteration activity. (d) Any operator electing to preserve its defenses under subdivision (1), subsection (c) of this section shall retain the services of an independent certified laboratory to conduct the predrilling or prealteration water well test. A copy of the results of the test shall be submitted to the department and the surface owner or water purveyor in a manner prescribed by the secretary. (e) Any operator shall replace the water supply of an owner of interest in real property who obtains all or part of that owner's supply of water for domestic, agricultural, industrial or other legitimate use from an underground or surface source with a comparable water supply where the secretary determines that the water supply has been affected by contamination, diminution or interruption proximately caused by the oil or gas operation, unless waived in writing by that owner. (f) The secretary may order the operator conducting the oil or gas operation to: (1) Provide an emergency drinking water supply within twenty-four hours; (2) Provide temporary water supply within seventy-two hours; (3) Within thirty days begin activities to establish a permanent water supply or submit a proposal to the secretary outlining the measures and timetables to be used in establishing a permanent supply. The total time in providing a permanent water supply may not exceed two years. If the operator demonstrates that providing a permanent replacement water supply cannot be completed within two years, the secretary may extend the time frame on case-by-case basis; and (4) Pay all reasonable costs incurred by the real property owner in securing a water supply. (g) A person as described in subsection (b) of this section aggrieved under the provisions of subsections (b), (e) or (f) of this section may seek relief in court... (i) Notwithstanding the denial of the operator of responsibility for the damage to the real property owner's water supply or the status of any appeal on determination of liability for the damage to the real property owner's water supply, the operator may not discontinue providing the required water service until authorized to do so by the secretary or a court of competent jurisdiction.

Written Comment:
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. All persons described in West Virginia Code § 22-6A-10(b) may file written comments as to the location or construction of the applicant's proposed well work to the Secretary at:

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

Received
Office of Oil & Gas
FEB 17 2016

Such persons may request, at the time of submitting written comments, notice of the permit decision and a list of persons qualified to test water. **NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.**

WW-6A
(8-13)

API NO. 47-051 - 01382 W
OPERATOR WELL NO. 1H
Well Pad Name: Lucey

Time Limits and Methods for Filing Comments.

The law requires these materials to be served on or before the date the operator files its Application. You have **THIRTY (30) 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.

Pursuant to West Virginia Code § 22-6A-11(c)(2), Any objections of the affected coal operators and coal seam owners and lessees shall be addressed through the processes and procedures that exist under sections fifteen, seventeen and forty, article six of this chapter, as applicable and as incorporated into this article by section five of this article. The written comments filed by the parties entitled to notice under subdivisions (1), (2), (4), (5) and (6), subsection (b), section ten of this article shall be considered by the secretary in the permit issuance process, but the parties are not entitled to participate in the processes and proceedings that exist under sections fifteen, seventeen or forty, article six of this chapter, as applicable and as incorporated into this article by section five of this article.

Comment Requirements

Your comments must be in writing and 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.

Disclaimer: All comments received will be placed on our web site http://www.dep.wv.gov/oil-and-gas/Horizontal-Permits/Pages/default.aspx and the applicant will automatically be forwarded an email notice that such comments have been submitted. The applicant will be expected to provide a response to comments submitted by any surface owner, water purveyor or natural gas storage operator noticed within the application.

Permit Denial or Condition

The Chief has the power to deny or condition a well work permit. Pursuant to West Virginia Code § 22-6A-8(d), the permit may not be issued or be conditioned, including conditions with respect to the location of the well and access roads prior to issuance if the director determines that:

(1) The proposed well work will constitute a hazard to the safety of persons;
(2) The plan for soil erosion and sediment control is not adequate or effective;
(3) Damage would occur to publicly owned lands or resources; or
(4) The proposed well work fails to protect fresh water sources or supplies.

A permit may also be denied under West Virginia Code § 22-6A-7(k), the secretary shall deny the issuance of a permit if the secretary determines that the applicant has committed a substantial violation of a previously issued permit for a horizontal well, including the applicable erosion and sediment control plan associated with the previously issued permit, or a substantial violation of one or more of the rules promulgated under this article, and in each instance has failed to abate or seek review of the violation within the time prescribed by the secretary pursuant to the provisions of subdivisions (1) and (2), subsection (a), section five of this article and the rules promulgated hereunder, which time may not be unreasonable.

Pursuant to West Virginia Code § 22-6A-10(g), any person entitled to submit written comments to the secretary pursuant to subsection (a), section eleven of this article, shall also be entitled to receive from the secretary a copy of the permit as issued or a copy of the order modifying or denying the permit if the person requests receipt of them as a part of the written comments submitted concerning the permit application. Such persons may request, at the time of submitting written comments, notice of the permit decision and a list of persons qualified to test water.

Received
Office of Oil & Gas
FEB 17 2016

WW-6A
(8-13)

API NO. 47- 051 - 01382 W
OPERATOR WELL NO. 1H
Well Pad Name: Lucey

Notice is hereby given by:

Well Operator: Trans Energy, Inc.
Telephone: 304-684-7053
Email: lesliegearhart@transenergyinc.com

Address: P.O. Box 393 St. Marys WV 26170
Facsimile: 304-684-3658

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 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 or your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov.

OFFICIAL SEAL
STATE OF WEST VIRGINIA
NOTARY PUBLIC
Debra A. Mart
Trans Energy Incorporated
210 2nd Street
St. Mary's, WV 26170
My Commission Expires Nov. 29, 2020

Subscribed and sworn before me this 27th day of January 2016

Notary Public

My Commission Expires November 29, 2020

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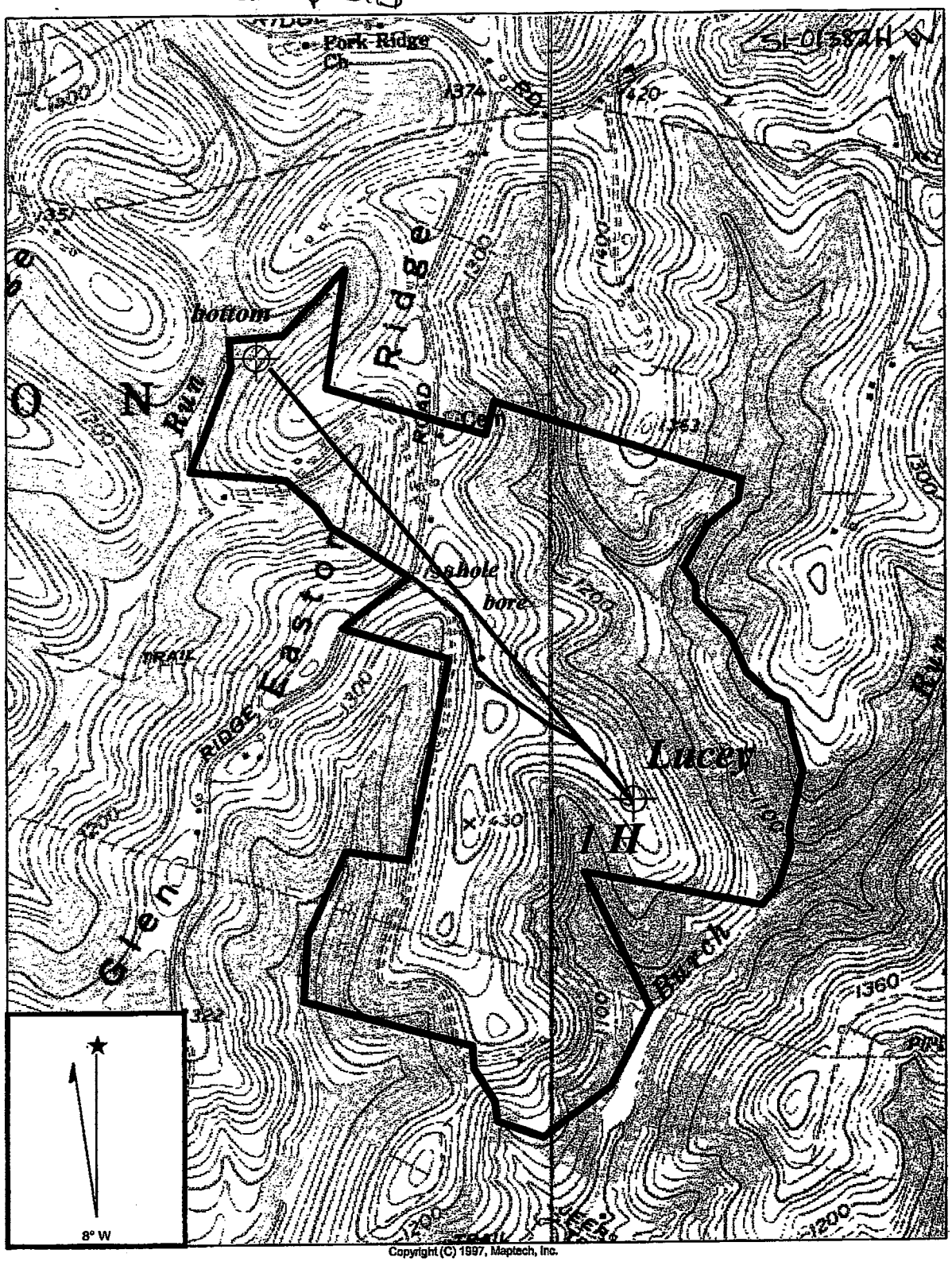
Office of Oil & Gas
FEB 17 2016

NO Water wells.



Copyright (C) 1997, Maptech, Inc.

Well Coordinates:

Lucey 1H
N: 4411148
E: 532292

Lucey 2H
N: 4411149
E: 532287

CAMERON QUADRANGLE

SCALE 1" = 1000'

TRANS ENERGY, INC.

JACK D. LUCEY - 412.367 ACRE LEASE

CAMERON DISTRICT MASHALL COUNTY WEST VIRGINIA

Received
Office of Oil & Gas
FEB 17 2016

WW-6A5
(1/12)

Operator Well No. Lucey 14 51-01382W

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

Notice Time Requirement: notice shall be provided no later than the filing date of permit application.
Date of Notice: 2/16/16 **Date Permit Application Filed:** 2/16/16

Delivery method pursuant to West Virginia Code § 22-6A-16(c)

☒ CERTIFIED MAIL RETURN RECEIPT REQUESTED ☐ HAND DELIVERY

Pursuant to W. Va. Code § 22-6A-16(c), no later than the date for filing the permit application, an operator shall, by certified mail return receipt requested or hand delivery, give the surface owner whose land will be used for the drilling of a horizontal well notice of the planned operation. The notice required by this subsection shall include: (1) A copy of this code section; (2) The information required to be provided by subsection (b), section ten of this article to a surface owner whose land will be used in conjunction with the drilling of a horizontal well; and (3) A proposed surface use and compensation agreement containing an offer of compensation for damages to the surface affected by oil and gas operations to the extent the damages are compensable under article six-b of this chapter. (d) The notices required by this section shall be given to the surface owner at the address listed in the records of the sheriff at the time of notice.

Notice is hereby provided to the SURFACE OWNER(s)
(at the address listed in the records of the sheriff at the time of notice):

Name: Jack D Lucey and Sharon L Lucey
Address: 838 Glen Easton Road
Glen Easton, WV 26039

Name: Donald W Yoders and Mary Jo Yoders
Address: 309 Hoopin Hollar Lane
Glen Easton, WV 26039

Notice is hereby given:
Pursuant to West Virginia Code § 22-6A-16(c), notice is hereby given that the undersigned well operator has developed a planned operation on the surface owner's land for the purpose of drilling a horizontal well on the tract of land as follows:

State: WV
County: Marshall
District: Cameron
Quadrangle: Cameron
Watershed: Birch Run of Grave Creek

UTM NAD 83 Easting: 532292
Northing: 4411148
Public Road Access: Co Rd 60
Generally used farm name: Lucey

This Notice Shall Include:
Pursuant to West Virginia Code § 22-6A-16(c), this notice shall include: (1)A copy of this code section; (2) The information required to be provided by **W. Va. Code § 22-6A-10(b)** to a surface owner whose land will be used in conjunction with the drilling of a horizontal well; and (3) A proposed surface use and compensation agreement containing an offer of compensation for damages to the surface affected by oil and gas operations to the extent the damages are compensable under article six-b of this chapter. Additional information related to horizontal drilling may be obtained from the Secretary, at the WV Department of Environmental Protection headquarters, located at 601 57th Street, SE, Charleston, WV 25304 (304-926-0450) or by visiting www.dep.wv.gov/oil-and-gas/pages/default.aspx.

Well Operator: Trans Energy Inc
Telephone: 304-684-7053
Email: tesliegearhart@transenergyinc.com

Address: P O Box 393
St. Marys, WV 26170
Facsimile: 304-684-3658

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 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 or your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov.

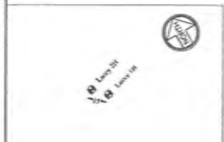
RECEIVED
Office of Oil and Gas
FEB 22 2016
WV Department of
Environmental Protection

Lucey Drill Pad

As-Built
Trans Energy, Inc.
Marshall County
Cameron District
Latitude 39°50'59.46"
Longitude 80°37'20.42"

WVDEP OOG
ACCEPTED AS-BUILT
5/6/2016

WV County Reference Map



Well Table

Lucey 5H As-Drilled	Lucey 1H As-Drilled
WV-N NAD 83 N: 495427.52	WV-N NAD 83 N: 495421.56
WV-N NAD 83 E: 1653461.91	WV-N NAD 83 E: 1653367.35
WV-N NAD 27 N: 495380.41	WV-N NAD 27 N: 495384.45
WV-N NAD 27 E: 1484857.08	WV-N NAD 27 E: 1484823.32
Lat NAD 83: 39.849825	Lat NAD 83: 39.849834
Lon NAD 83: -80.622326	Lon NAD 83: -80.622340
UTM 17 NAD 83 N: 4411157.54	UTM 17 NAD 83 N: 4411158.70
UTM 17 NAD 83 E: 532309.51	UTM 17 NAD 83 E: 532304.06

USGS 7.5' Quadrangles: Cameron & Glen Easton

Site Locations (NAD 83)

Structure	Latitude (DD)	Longitude (DD)
Site Entrance	39.855052	-80.629069
Center of Well Pad	39.849850	-80.622338

Project Contacts

Operator:

Trans Energy, Inc.
P.O. Box 393 - 210 Second Street
St. Marys, WV 26170
Phone: (304) 684-7053
Fax: (304) 684-3658
www.transenergyinc.com

Project Coordinator:

Leslie Gearhart
P.O. Box 393 - 210 Second Street
St. Marys, WV 26170
Phone: (304) 684-7053
Fax: (304) 684-3658
Email: lesliegearhart@transenergyinc.com

Construction Coordinator:

Bill Woodburn
P.O. Box 393 - 210 Second Street
St. Marys, WV 26170
Phone: (304) 684-7053
Fax: (304) 684-3658
Email: billwoodburn@transenergyinc.com

Survey and Engineer

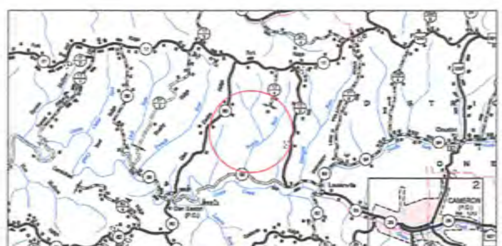
Kenneth Kelly
304-338-6985 Off.

John P. See
304-442-0220 Off.

Zachary Summerfield
304-338-6987 Off.

Geotechnical Engineer

American Geotech, Inc.
Kanti Patel
304-340-4277 Off.



Location Map
Scale: 1" = 1 Mile

MISS UTILITY OF WEST VIRGINIA
1-800-245-4848
West Virginia State Law
Section XIV: Chapter 24-C requires that you call two business days before you dig in the state of West Virginia.
IT'S THE LAW

811 Know what's below. Call before you dig.

Floodplain Conditions	
Do site construction activities take place in a floodplain	NO
Permit needed from county floodplain coordinator	NO
Flood Hazard Zone	X
HEC-RAS Study completed	N/A
Floodplain shown on drawings	N/A
FIRM Map Number(s) for site	[illegible]
Acreage of construction in floodplain	N/A

Sheet	Description
Cover	Cover Sheet
N1-N3	Site Notes
1	Original Ground Contours
2	Overall Plan View
3-4	Plan Views
5	Access Road Profile
6-8	Access Road Cross Sections
9	Well Pad Profile & Cross Sections
10	Well Pad Grading Plan
D1	Erosion & Sediment Control Details
P1	Typical Well Pad Details
R1	Reclamation Plan

Design Certification

The drawings, construction notes and reference diagrams attached hereto have been prepared in accordance with the West Virginia Code of State Rules, Division of Environmental Protection, Office of Oil and Gas 35CSR4.

All Plans, Sheets, and/or Reference Diagrams included in the design constitute a complete set of plans. A complete set of plans is necessary to construct the site in accordance with the design.

John P. See RPE #851
Kelly Surveying PLLC

Date: 01/05/2016

Revision: WVDEP Comments
Date: 04-13-2016

Trans Energy, Inc.

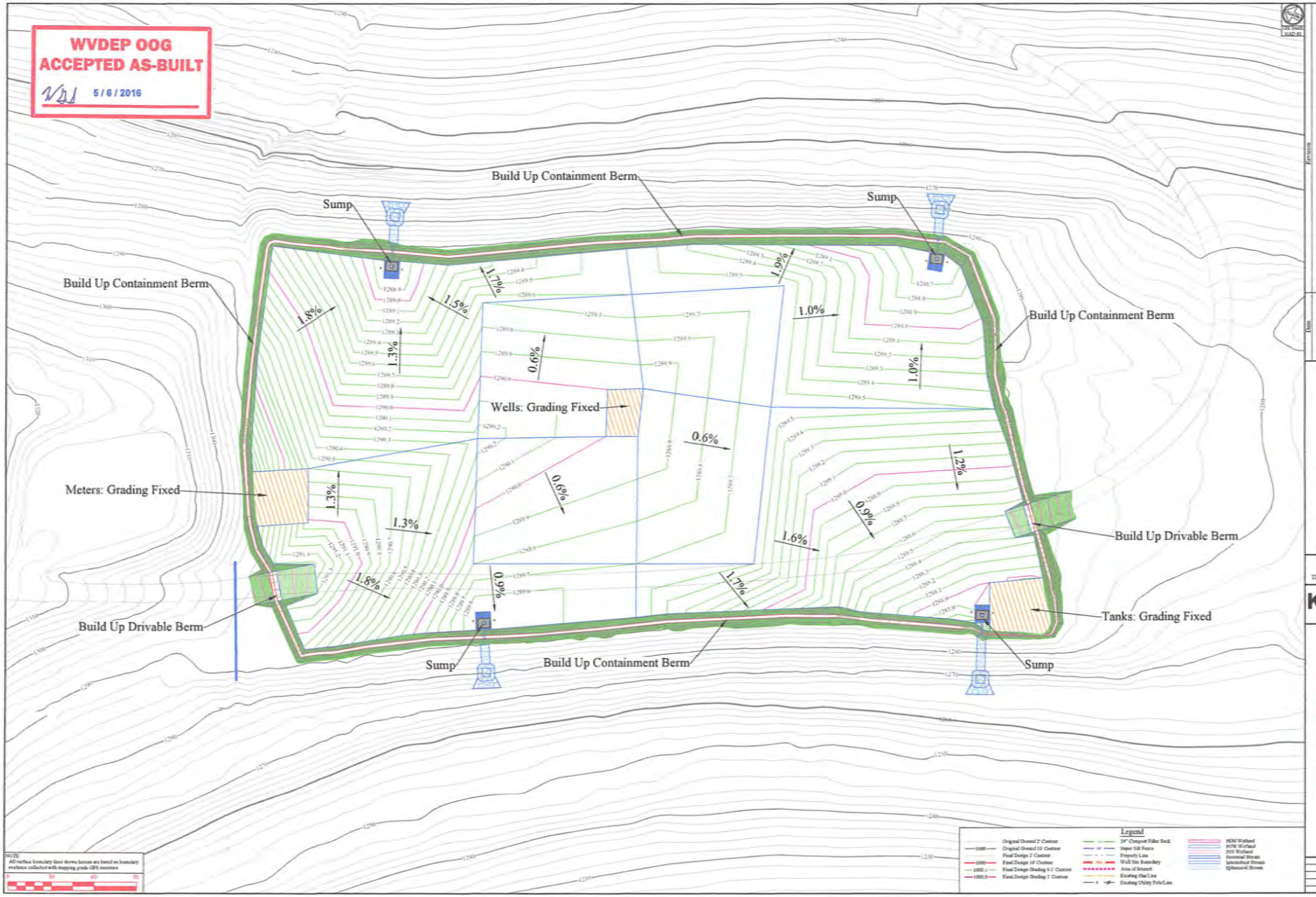
THIS DOCUMENT PREPARED FOR TRANS ENERGY, INC.

Kelly Surveying

As-Built Plans - Cover
Lucey Site
Cameron District, Marshall County, WV

Date: 01/06/2016
Scale: As Shown
Designed By: BC
File No.
Sheet Cover

WVDEP OOG
ACCEPTED AS-BUILT
5/6/2016



NOTE:
All surface boundary lines shown hereon are based on boundary evidence collected with mapping grade GPS receivers

Trans Energy, Inc.

THIS DOCUMENT PREPARED FOR TRANS ENERGY, INC.

K&L Surveying

Well Pad Grading Plan View

Lucey Site

Cameron District
Marshall County, WV

Date: 03/02/2016
Scale: As Shown
Designed By: KW
File No.
Sheet 10 of 10

51-01382W

WEST VIRGINIA DEPARTMENT OF TRANSPORTATION

Division of Highways

1900 Kanawha Boulevard East • Building Five • Room 110
Charleston, West Virginia 25305-0430 • (304) 558-3505

Earl Ray Tomblin
Governor

Paul A. Mattox, Jr., P. E.
Secretary of Transportation/
Commissioner of Highways

February 8, 2016

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

Subject: DOH Permit for the Lucey 1H Well Site, Marshall County

Dear Mr. Martin,

This well site will be accessed from Permit 06-2010-0248 issued to Trans Energy, Inc. for access to the State Road for a well site located off of Marshall County Route 60.

The operator has signed a DISTRICT WIDE OIL AND GAS ROAD MAINTENANCE BONDING AGREEMENT and provided the required Bond. This operator is currently in compliance with the DOH OIL AND GAS POLICY dated January 3, 2012.

Very Truly Yours,

Gary K. Clayton

Gary K. Clayton
Regional Maintenance Engineer
Central Office Oil & Gas Coordinator

Cc: Leslie Gearhart
P.O. Box 393
St. Marys, WV 26170
TransEnergy, Inc.
CH, OM, D-4
File

Received
Office of Oil & Gas
FEB 17 2016

OIL AND GAS ROAD
DISTRICT WIDE BONDING AGREEMENT
For DOH District Six

THIS AGREEMENT, executed in duplicate, made and entered into this 19th day of March, 2012, by and between the **WEST VIRGINIA DEPARTMENT OF TRANSPORTATION, DIVISION OF HIGHWAYS**, hereinafter called "**DEPARTMENT,**" and Trans Energy Inc., _____ company, hereinafter called "**COMPANY.**"

WITNESSETH:

WHEREAS, Company has horizontal gas well drilling operations in certain areas of West Virginia; and

WHEREAS, the Department believes that the frequent and repetitive use of certain sections of highways in the State by Company, its contractors, agents, independent contractors or suppliers of drilling materials or drilling equipment, and employees contributes to increased wear and tear to public roads in the state road system in the State , including local roads ("State Owned Roads"); and,

WHEREAS, the Department and Company have entered into this Agreement to satisfy the requirements of the Department's policy entitled "Oil & Gas Road Policy" dated January 3, 2012, as issued by Paul A. Mattox, Jr., Secretary of Transportation / Commissioner of Highways, and any subsequent related policies, hereinafter called "Policy", a copy of which is made a part of this Bonding Agreement and is identified as Attachment 1.

NOW, THEREFORE, for and in consideration of the mutual agreements herein set forth, the parties agree as follows:

Received
Office of Oil & Gas
FEB 17

I. For purposes of this Bonding Agreement, "Project Transportation Usage" of the Company shall be understood to mean use of one or more State Owned Roads for the delivery and removal of drilling materials and drilling equipment at the site or location of one or more of Company's horizontal gas well pad locations. To the extent reasonably practical, prior to commencing use of a State Owned Road for Project Transportation Usage after January 1, 2011, the Company shall submit to the Department a section or sections of current official WVDOH County Highway maps identifying the exact location of the proposed project and the State Owned Roads that the Company will utilize for the Project Transportation Usage.

II. Company and Department shall within 14 days of the Company's submittal, agree to a list of these sections of State Owned Roads, hereinafter called "Project Roads List", to be utilized for each of Company's projects, identified by route number and milepost; at a time to be mutually agreed to by the parties prior to initial commencement of Project Transportation Usage of a particular State Owned Road on a Project Roads List, the Company and Department will jointly review the condition of the roads and bridges on the Project Roads List. The Department will document the road type and surface condition and general right-of-way width of each section of road on the Project Road List. Either party may supplement this documentation with photographs, video or other evidence of the present condition of the road surface, shoulders, ditches, culverts, bridges or other structures or appurtenances of roads on the Project Road List, as well as approaches to the roads, utility facilities located within or along the right-of-way, or any other condition, including third-party activities, that may affect the duties and responsibilities of the parties under this Agreement. A copy of any such documentation must be made and provided to the other party within ten business days after the joint review of the roads on the Project Roads List.

III. Department shall issue a Project Agreement or Project Permit, as appropriate, to Company to use State Owned Roads and may include any minor or major improvements

required of Company prior to, during or after Project with the assignment of responsibilities of both parties prior to, during and after the operator has completed well fracturing..

IV. In the Project Agreement/Project Permit, the Department shall not require the use of State Owned Roads other than the roads proposed by Company unless the Department has safety concerns as to the Company's proposed roads. A failure to agree on roads that may otherwise be lawfully used for a particular Project Transportation Usage shall result in the designation of the State Owned Roads proposed by Company, with milepost determinations as designated by Department. This Agreement shall only cover portions of State Owned Roads designated on the Project Roads List.

V. For the duration of Company's Project Transportation Usage of the Stated Owned Roads on the Project Roads List, whether by the Company, its contractors (while working on behalf of Company), agents, independent contractors or suppliers of drilling materials or drilling equipment, or employees, the Company agrees to pay for all reasonable maintenance and repair costs incurred by the Department to repair areas of the State Owned Roads included in the Project Roads List that were directly damaged by Company's Project Transportation Usage, as determined to be reasonably necessary and appropriate by the Department. The Department shall keep a record of all labor performed by Department employees and contractors for such maintenance and repairs and shall send an invoice for the same to Company.

VI. Company shall be responsible for the cost of all maintenance and repairs reasonably necessary to put the existing roadways, bridges and appurtenances on the Project Roads List utilized for the Project Transportation Usage in the condition that existed immediately prior to the Project Transportation Usage. Company shall not be required to pay for maintenance or repairs to put any areas of such roadways, bridges and appurtenances on the Project Roads List in a condition better than the condition that existed immediately prior to the Project Transportation Usage. Company shall also not be required to pay for maintenance or repairs to any areas of these roadways, bridges or appurtenances on the Project Roads List that are not actually utilized for the Project Transportation Usage or for damage not caused by Project Transportation Usage.

VII. Company shall notify the Department in writing of Company's final completion of Project Transportation Usage for particular roadways, bridges and appurtenances on the Project Roads List. Within fourteen days after its receipt of written notification of the completion of the Project Transportation Usage for all roads on a Project Roads List, the Department will review the condition of the roadways, bridges and appurtenances on the Project Roads List actually utilized for the Project Transportation Usage and advise Company of any final repairs reasonably necessary to leave these roads, bridges and appurtenances in a condition reasonably deemed by Department to be equal to their condition prior to commencement of Project Transportation Usage; and, upon completion of all such final repairs by or on behalf of Company and acceptance by Department, the Company shall be released from all further liability for maintenance or repairs to roads, bridges, or appurtenances on said Project Roads List. Any maintenance or repair work under the Project Agreement/Project Permit for roads, bridges or appurtenances on the Project Roads List may be performed by a contractor directly chosen by the Company as approved by the Department, the Department's workforce, or a private contractor hired by the Department through the public bid process in accordance with state law, all of which work shall be subject to the standards and specifications of the Department.

VIII. In order to ensure performance of Company's performance and payment obligations under this Bonding Agreement, the Company shall post a corporate surety bond, hereinafter called **"Master Bond"**, with the Department named as the beneficiary, which form of bond shall be subject to the consent of the Department, not to be unreasonably withheld. The amount and form of the bond shall be in accordance with the Policy as set forth above. However, the amount of the Master Bond does not limit the amount of claims that may be made by the Department against the Company under this Bonding Agreement. The Company shall provide the Master Bond to the Department within one (1) month after the execution of this Bonding Agreement. The Master Bond shall secure the good faith performance of all payment obligations of Company under the terms of this Bonding Agreement respecting the roads, bridges and appurtenances on the Project Roads List for each Project Transportation Usage undertaken by the Company, and shall remain in effect until termination of this Agreement. Company shall not be obligated to provide any other bonds, sureties, or other guarantees of performance to the

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Department for Company's use of State Owned Roads, except as required in this Agreement.

IX. Company shall maintain Commercial General Liability Insurance in the amount of two million dollars, with a minimum coverage of one million dollars per occurrence, for personal injury or death to persons, or for property damage, resulting from Company's Project Transportation Usage and shall present evidence of such insurance to Department upon request.

X. Company's usage of State Owned Roads under the Project Agreement/Project Permit shall comply with all applicable Federal, State and local laws and regulations including, but not limited to, to the extent applicable, the National Environmental Policy Act, Section 404 of the Clean Water Act, Section 106 of the National Historic Preservation Act, Rare, Threatened and Endangered Species Act, Section 401 Water Quality Certification, and hazardous waste requirements. Further, upon reasonable written request of Department, Company shall furnish Department with acceptable documentation of such compliance which is in the possession of the Company.

XI. Company shall defend, indemnify and hold Department harmless from and against any and all losses, damage, and liability, and from all claims for damages on account of or by reason of bodily injury, including death, which may be sustained, or claimed to be sustained, by any person or persons, including employees of Department, and from and against any and all claims, losses or liabilities for damages to property, arising out of the negligent or willful acts or omissions of Company, its agents, independent contractors and suppliers of drilling materials or drilling equipment, employees and contractors, in the performance of all Project Transportation Usage activities undertaken pursuant to this Agreement (collectively, "claims"). The Company shall not be responsible to indemnify, defend or hold harmless Department for any claims caused by the negligent or willful acts or omissions of the Department or its agents, employees and contractors or third parties not performing work at the direction of Company or delivering drilling equipment or drilling materials, including water, for use by or for company.

XII. If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability of any other provision of this Agreement; or the validity or enforceability in other jurisdictions of that or any other provision of this Agreement.

XIII. Department shall give Company a minimum of thirty days written notice of default under the terms of this Bonding Agreement and the opportunity to cure this default during such thirty-day period. If a default is not cured to the satisfaction of Department, or provision acceptable to Department is not made for a cure, Department may then elect to terminate this Bonding Agreement in whole or in part, and may in addition exercise its rights under the Master Bond or seek any other lawful relief available. Company may terminate this Bonding Agreement upon thirty days written notice to Department for any reason. In the event Company terminates this Agreement for any reason, it shall be liable for the repair and maintenance costs set forth above for prior Project Transportation Usage.

XIV. Nothing herein shall be construed to mean that Company shall have any jurisdiction or control over any public roads in the state road system.

XV. Company, its contractors, agents, employees and suppliers shall at all times be subject to applicable provisions of state and federal law, including without limitation laws requiring operation of vehicles in accordance with legal size and weight restrictions and posted weight limits. Oversize/overweight permits for vehicle or loads not otherwise conforming with law must be obtained in accordance with law; Department agrees to work in good faith with Company to review and grant (where authorized by law) such permits in a timely manner upon request by Company.

XVI. This Bonding Agreement shall be construed and enforced in accordance with the laws of the State of West Virginia, as they may be amended.

XVII. This Bonding Agreement shall be binding upon the successors and assigns of each party hereto.

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IN WITNESS WHEREOF, the parties hereto have caused this Bonding Agreement to be executed by their duly authorized officers effective as of the date first above written.

WEST VIRGINIA DEPARTMENT OF TRANSPORTATION, DIVISION OF HIGHWAYS

Doreen Baria
Witness

By: _____
State Highway Engineer

Trans Energy Inc.,

Witness

By: _____

Title: VP - Operations

(To be executed in duplicate)

APPROVED AS TO FORM THIS 23rd DAY OF July 2012

_____
ATTORNEY LEGAL DIVISION
WEST VIRGINIA DIVISION
OF HIGHWAYS

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