



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street, S.E.
Charleston, WV 25304
(304) 926-0450
fax: (304) 926-0452

Jim Justice, Governor
Austin Caperton, Cabinet Secretary
www.dep.wv.gov

Friday, April 21, 2017

UIC Permit

APPALACHIAN OIL PURCHASERS, LLC
157 LOWER EUREKA ROAD

ST. MARYS, WV 26170

Re: Permit approval for Underground Injection Control (UIC) Permit # 2D07302523002
Date Issued: 4/21/2017

Enclosed you will find the above referenced Underground Injection Control Permit. This permit will expire in five (5) years from the date of issuance.

Be advised that all conditions established by this Permit either expressly or incorporated by reference, must be strictly adhered to. All monitoring forms shall be submitted to the Office of Oil and Gas in the matter and frequency prescribed. The monitoring forms will be compared with the scope of permitted activity to verify compliance.

Please review the permit carefully and be aware of all permit conditions. Compliance with all permit conditions will be strictly enforced.

The operation of this injection well facility in general, including maintenance of all related surface equipment, shall be conducted so as to preclude any unlawful discharge.

James A. Martin
Chief
Office of Oil and Gas

Enclosures as stated

Promoting a healthy environment.

UNDERGROUND INJECTION CONTROL PERMIT

For

Appalachian Oil Purchasers, LLC

Permit Number 2D07302523002

**AUTHORIZATION TO OPERATE AN
UNDERGROUND INJECTION CONTROL
(UIC) CLASS II INJECTION WELL
PERMIT NUMBER # UIC 2D07302523002**

In compliance with provisions of the West Virginia Code, Chapter 22, Article 6, Article 11 and Article 12, as well as Legislative Rules, Title 47, Series 13, Series 55, Series 58, and Title 35 Series 1 and Series 4.

PERMITTEE

NAME	Appalachian Oil Purchasers, LLC	FACILITY USE	<u>Brine Disposal</u>
ADDRESS	157 Lower Eureka Lane	WELL API #	<u>47-073-02523</u>
ADDRESS	Saint Marys, WV 26170	FACILITY TYPE	Commercial

is authorized by this permit to inject Class II fluids that are brought to the surface in connection with conventional oil or natural gas production and may be commingled with waste waters from gas plants which are an integral part of production operations, unless those waters are classified as a hazardous waste at the time of injection into the Clinton-Medina formations in accordance with the conditions set forth herein. The permitted injection depth shall be 7,150 feet to 7,326 feet. The injection well is located in Pleasants County, 7.5' Raven Rock Quadrangle. The coordinates for this injection well are:

Facility Location: UTM NAD 83 Northing 4358482.7 ; Easting 478754.1 (meters)

The maximum permitted wellhead injection pressure is established at 2,258 psi.

The maximum permitted injection rate is established at 336 bbl/day and 14 bbl/hr.

All references to West Virginia Regulations are to those that are in effect on the date that this permit becomes effective.

Any person who holds a permit shall pay an annual permit fee in accordance with the provisions of Title 47 Series 9 section 7 of the Legislative Rule. The first annual permit fee shall be remitted to the Office of Oil and Gas one (1) calendar year from the date of permit issuance; subsequent annual permit fees shall be remitted on or before the anniversary date of the permit issuance. The annual permit fee for a Class II disposal well is twenty-five dollars (\$25). The permit becomes void if the annual permit fee has not been paid within one hundred eighty (180) days of the due date. The Chief shall not reissue a permit until all annual permit fees due during prior terms have been paid in full.

Failure to pay the annual groundwater fee of seventy-five dollars (\$75) for Class IID as required by the West Virginia Code, Chapter 22, Article 11 and/or Article 12, shall be cause for revocation of this permit. The annual permit fee is due and shall be paid on the anniversary date of permit issuance.

Non-compliance with the terms of this permit shall be cause for revocation of Certification under the terms of Chapter 22, Article 12, and revocation of the permit under Chapter 22, Article 11 of the West Virginia Code.

This permit and its authorization to inject shall remain in effect for five (5) years from the date of issuance of the final permit provided all terms of the permit are met.


James Martin, Chief
Office of Oil and Gas

PART I

A. REAPPLICATION

If the Permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the Permittee must submit an administratively complete application, along with application fee payment, for a new permit at least one hundred and eighty (180) days before this permit expires.

B. IMMEDIATE REPORTING

The Permittee shall report any noncompliance which may endanger human health or the environment immediately after becoming aware of the circumstances by using the **WVDEP Emergency Spill line number 1-800-642-3074**. Written submission shall also be provided within five (5) days of the time the Permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, Permittee shall provide the anticipated time it is expected to continue; and the steps taken or planned to be taken to reduce, eliminate, and prevent reoccurrence of the noncompliance. The following shall be included as information which must be reported immediately:

- i. Any monitoring or other information which indicates that any contaminant may cause an endangerment to an underground source of drinking water (USDWs).
- ii. Any non-compliance with a permit condition or malfunction of the injection system which may cause fluid migration into or between the USDWs, or failure of mechanical integrity test demonstrations.

C. RIGHT OF APPEAL

Notice is hereby given of your right to appeal the terms and conditions of this permit by which you are aggrieved to the State Environmental Quality Board by filing a NOTICE OF APPEAL on the form prescribed by such Board for this purpose, with the Board, in accordance with the provisions of Chapter 22 Article 11, Section 21 of the code of West Virginia within thirty (30) days after the date of receipt of this permit.

D. EFFECT OF PERMIT

The Permittee is allowed to engage in underground injection in accordance with the conditions of this permit based on an approved permit application. The Permittee shall not allow the underground injection activity authorized by this permit to cause or allow the movement of fluid containing any contaminant into underground sources of drinking water and may not cause a violation of any primary drinking water regulation or any health-based limit promulgated under 40 CFR Chapter 1, Part 142, of the Code of Federal Regulations, or of any water quality standard promulgated by the West Virginia Department of Environmental Protection/Division of Water and Waste Management. Any underground injection activity not authorized in this permit is prohibited. Compliance with the terms of this permit does not constitute a defense to any action brought under Part C and the imminent and substantial endangerment provisions in Part D of the Safe Drinking Water Act (SDWA) or any other common or statutory law for a breach of another applicable legal duty.

E. PERMIT ACTIONS

1. This permit can be modified, revoked and reissued or terminated for cause specified in Chapter 22, Article 11 (hereafter WV Code §22-11), and Chapter 22, Article 12 (hereafter WV Code §22-12) of the West Virginia Code, and Title 47, Series 13 (hereafter Legislative Rule 47 CSR 13) of the Legislative Rules. The filing of a request by the Permittee for a permit modification, revocation and reissuance, suspension or

revocation, or notification of planned changes or anticipated noncompliance, does not stay any permit condition.

2. **Transfer of Permits.** This permit is not transferable to any person unless notice is first provided to the Office of Oil and Gas and the Permittee complies with requirements of Legislative Rule 47 CSR 13-13.17. The Office of Oil and Gas may require modification or revocation and reissuance of the permit to change the name of the Permittee and incorporate such other requirements as may be necessary under the Safe Drinking Water Act (SDWA).

F. SEVERABILITY

The provisions of this permit are severable, and if any condition of this permit or the Permittee's application of any provision of this permit to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of other provisions of the permit and the remainder of this permit shall not be affected.

G. DURATION OF PERMIT

This permit and the authorization to inject are issued for a period of five (5) years unless terminated under Part I Section H paragraph 11 of this permit. However, when through no fault of the Permittee the West Virginia Department of Environmental Protection does not issue a new permit with an effective date on or before the expiration date of the previous permit and the Permittee has submitted a timely administratively complete application as required in Part I section A of this permit, which is a complete application for a new permit, the expired permit shall continue to remain fully effective and enforceable.

H. GENERAL REQUIREMENTS

1. **Duty to Comply.** The Permittee must comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the SDWA and the State Act and is grounds for enforcement action; for permit suspension or revocation, revocation and reissuance, or modification; or for denial of a permit renewal application. (Legislative Rule 47 CSR 13-13.12.a) Copies of UIC Program regulations (WV Code §22-11) may be obtained from the West Virginia Legislature's Website <http://www.legis.state.wv.us/WVCODE/Code.cfm>, and (Legislative Rule 47 CSR 13) may be obtained from the West Virginia Secretary of State's Website at <http://www.sos.wv.gov/>.
2. **Duty to Reapply.** If the Permittee wishes to continue activity regulated by this permit after the expiration date of this permit, the Permittee must apply for and obtain a new permit as required in Part I section A of this permit at least one hundred and eighty (180) days before this permit expires.
3. **Duty to Halt or Reduce Activity Not a Defense.** It shall not be a defense for a Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
4. **Duty to Mitigate.** The Permittee shall take all reasonable steps to minimize or correct any adverse impact on health of persons or the environment resulting from noncompliance with this permit.
5. **Proper Operation and Maintenance.** The Permittee shall at all times properly operate and maintain all facilities, systems of treatment and control, and related equipment which are installed or used by the Permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operating staffing and training, adequate security at the facility to prevent unauthorized access, adequate laboratory and process controls, including

appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facility or similar systems only when necessary to achieve compliance with the conditions of this permit.

6. **Duty to Provide Information.** The Permittee shall furnish to the Chief within a reasonable time, any information which the Chief may request to determine whether cause exists for modifying, revoking and reissuing, or revoking this permit, or to determine compliance with this permit. The Permittee shall also furnish to the Chief, upon request, copies of records required to be kept by this permit. If the Permittee becomes aware of any incomplete or incorrect information in the permit application or subsequent report(s), the Permittee shall promptly submit information addressing these deficiencies to the Chief.
7. **Inspection and Entry.** The Permittee shall allow the Chief, or an authorized representative, upon the presentation of credentials and other documents as may be required by law to:
 - a. Enter upon the Permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this permit;
 - b. Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
 - c. Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and
 - d. Sample or monitor, at reasonable times, for the purposes of assuring permit compliance for any substances or parameters at any location.
8. **Penalties.** Any person who violates a permit requirement is subject to civil penalties, criminal penalties, fines and other enforcement actions under WV Code §22-11 and WV Code §22-12.
9. **Signatory Requirements.** Only a duly authorized person may sign documents and reports associated with this permit.
 - a. All reports required by this permit and other information requested by the Chief shall be signed as follows:
 - (1) For a corporation, by a responsible corporate officer of at least the level of vice-president;
 - (2) For a partnership or sole proprietorship, by a general partner or the proprietor, respectively;
or
 - (3) For a Municipality, State, Federal, or other public agency by either a principal executive or a ranking elected official.
 - b. A duly authorized representative of the official designated in paragraph a. above may also sign only if:
 - (1) The authorization is made in writing by a person described in paragraph a. above;
 - (2) The authorization specifies either an individual or a position having responsibility for the overall operation of the regulated facility or activity, and;
 - (3) The written authorization is submitted to, and approved by, the Chief.

- c. If an authorization under paragraph (b) of this section is no longer accurate because a different individual has responsibility for the overall operation of the facility, a new authorization satisfying the requirements of paragraph (b) of this section must be submitted to the Chief prior to or together with any reports, information or applications to be signed by an authorized representative.
 - d. Any person signing a document under paragraph (b) of this section shall make the following certification: (Legislative Rule 47 CSR 13-13.11.d). "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document 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."
- 10. **Property Rights.** Issuance of this permit does not convey property rights or mineral rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, any invasion of other private rights, any infringement of Federal, State or local law or regulations, or any exclusive privilege.
- 11. **Permit Actions.** This permit may be modified, revoked and reissued, suspended, or revoked for cause. The filing of a request by the Permittee for a permit modification, revocation and reissuance, suspension or revocation, or notification of planned changes or anticipated noncompliance, does not stay any permit condition.
- 12. **Confidentiality of Information.**
 - a. In accordance with Legislative Rule 47 CSR 13-13.21, any information submitted to the State pursuant to this rule may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission in the manner prescribed on the application form or instructions, or in the case of other submissions, by stamping the words "CONFIDENTIAL BUSINESS INFORMATION" on each page containing such information. A written request stating the need for requested confidential documents to remain confidential must also be submitted with the documents. If no claim is made at the time of submission, the State may make the information available to the public without further notice.
 - b. Claims of confidentiality for the following information will be denied:
 - i. The name and address of any permit applicant or Permittee.
 - ii. Information which deals with the existence, absence, or level of contaminants in drinking water.
- 13. **Monitoring Reports.** Monitoring results shall be reported at the intervals specified in this permit.
- 14. **Compliance schedules.** Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this permit shall be submitted no later than thirty (30) days following each schedule date.
- 15. **Other information.** Where a Permittee becomes aware that he/she failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Chief, he/she shall promptly submit such facts or information.
- 16. It shall be unlawful for any person, unless an authorization has been issued by a groundwater regulatory agency, to allow crude oil, or any petroleum product derived from crude oil, or seepage, or natural gas, or

condensate, or salt water, or any chemical mixture which may impact groundwater quality to escape from any well, pipeline, impoundment, storage tank, treatment unit, or storage container, or be allowed to flow onto or under the land surface or in such a manner that could impact surface or groundwater quality.

17. State or Federal Laws. Nothing in this permit shall be construed to preclude the institution on any legal action or relieve the Permittee from any responsibilities, liabilities, or penalties established pursuant to any State or Federal law or regulation.

PART II

A. RECORD RETENTION

1. Required Records. The Permittee shall retain all records concerning the permitted underground injection well until three (3) years after completion of any plugging and abandonment. The Chief may require the Owner or Operator to deliver the records to the Chief at the conclusion of the retention period.

B. MONITORING REQUIREMENTS

1. Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity. The method used to obtain a representative sample of the fluid to be analyzed and the procedure for analysis of the sample shall be in accordance with test procedures approved under Code of Federal Regulations 40 CFR 136.3, unless otherwise approved by the Chief. The Permittee shall identify the types of tests and methods used to generate the monitoring data.
2. All environmental measurements required by the permit, including but not limited to, measurements of pressure, temperature, mechanical, and chemical analyses shall be done in accordance with state guidance on quality assurance. All analysis must be performed by a West Virginia certified laboratory. Certified laboratories can be found on the WVDEP webpage at <http://www.dep.wv.gov/WWE/Programs/lab/Pages/default.aspx>.
3. Records of monitoring information shall include:
 - a. The date, exact place, and time of sampling or measurements;
 - b. The individual(s) who performed the sampling or measurements;
 - c. The date(s) analysis(es) were performed;
 - d. Individual(s) who performed the analyses;
 - e. The analytical techniques or methods used; and
 - f. The results of such analyses.

4. The Permittee shall sample, analyze and record the nature of all the injected fluid for the parameters listed in TABLE 1 below at the initiation of the injection operation and upon request by the Chief or whenever the Operator observes or anticipates a change in the injection fluid.

TABLE 1

-pH	-Manganese
-Specific Gravity	-Total Dissolved Solids
-Barium	-Hydrogen Sulfide
-Specific Conductance	-Sodium
-Iron	-Alkalinity
-Magnesium	-Hardness
-Chloride	-Total Organic Carbon (TOC)
-Dissolved Oxygen	

5. This permit is for authorization of injection of only fluids as defined for Class II wells in Legislative Rule 47 CSR 13-4.2. The fluids to be injected shall only be from those sources listed in the permit application. Additional sources of fluids may be approved upon written request by the Permittee. However, Permittee's acceptance of additional sources of fluid(s) shall be deemed approved provided that such fluid(s) meet all Class II injection standards and the Permittee reports within five (5) business days the source, API number and formation(s) for the sources added during the previous week. Accepting any fluid that does not meet Class II injection standards is grounds for enforcement action and/or revocation of this permit.
6. Any analysis of injectate with a specific gravity result greater than 1.2 shall be reported to the Chief within twenty-four (24) hours of the results.
7. In order to ensure compliance with the permit, the Permittee may choose to:
- Monthly collect and analyze a composite / representative fluid sample from water brought to the facility from each Operator and associated API number for each well; testing for Specific Gravity, pH, Iron, Manganese, Chlorides, Sodium, TOC, and Barium. Each sample must list the formation(s) that the water came from. Test results must be submitted to the Office of Oil and Gas; or
 - (1) Semi-monthly collect and analyze a continuous composite sample from the line delivering the fluids from the gathering facility to the disposal well, testing for Specific Gravity, pH, Iron, Manganese, Chlorides, Sodium, TOC, and Barium; and
(2) Report the results of the sampling conducted the previous month and all sources of fluid accepted by the Permittee that month by API number and formation(s). Such reports shall be submitted to the Office of Oil and Gas by the twentieth day of the following month.
8. Within thirty (30) days of the permit issuance date, the Permittee shall designate stream monitoring points adjacent to the injection well facility. These monitoring points, one upstream and one downstream of the injection wells' location shall be sampled for the parameters listed in Table 1 on a nine (9) month schedule and reported to the WVDEP Office of Oil and Gas, accompanied by a map identifying the sampling points and corresponding coordinates.
9. Permittee shall monitor / sample water sources #18, #35, #38, #44, and #45 listed on the permit application on a semi-annual basis for the following parameters; Barium, Iron, Manganese, Sodium, Total Dissolved Solids, Total Suspended Solids, Chlorides, and pH. Such monitoring shall be conducted on an annual basis once background data is established with approval of the Office of Oil and Gas.

10. The Permittee shall maintain a record (manifest) of every load of fluid received. The record shall include the hauler's name and signature, the Operator's name and signature, API number for the well the fluid was collected, the location from where the load was obtained and the volume of the load and whether the load of fluid delivered was a split load. If the load was a split load, each Operator's name and location shall be listed and, if possible, the volumes of fluid received from each Operator documented. This information shall be maintained on the Class II disposal manifest attached to this permit and maintained at the facility.
11. A wellhead pressure gauge shall be installed and maintained on the injection tubing to facilitate inspection and ensure compliance of maximum injection pressures as approved on Oil and Gas Form WR-37. A daily reading of the injection pressure shall be taken and reported on Form WR-40.
12. The Permittee shall daily monitor all the casing annuli with pressure sensitive devices or with such a method as approved or required by the Office of Oil and Gas to allow early detection of any leaks from the packer, injection zone or casing. The Permittee shall also monitor injection pressure, volume, and rate daily. This information shall be reported monthly using the Office of Oil and Gas electronic WR-40 Form. Submittal shall be through the current WVDEP Electronic Submittal System (ESS):
<https://apps.dep.wv.gov/eplogin.cfm> .
13. Pipeline Mechanical Integrity Testing (MIT): All pipeline(s) from the injection pump to the injection well shall be tested for integrity at least once every five (5) years with the results reported on the WR-37 Form along with the pressure test recording graph/chart and then submitted to the Office of Oil and Gas within thirty (30) days. The pipeline integrity test shall pressurize the injection pipeline(s) to 100 psi greater than the maximum permitted wellhead injection pressure for a minimum of thirty (30) minutes, allowing for no more than five (5) percent loss after completion. The Permittee shall notify the Chief of his or her intent to conduct an integrity test of the pipeline(s) no less than twenty-four (24) hours prior to such test. Upon failure of a mechanical integrity test or expiration of the five (5) year mechanical integrity test regulatory period, the Permittee shall cease operation/injection and shut-in the well immediately until successfully repaired, replaced and then tested. Repairs shall be completed by the Permittee and approved by the Office of Oil and Gas prior to resuming operations. All repairs shall be completed within ninety (90) days of the failure date. If repaired, the line must be re-tested and an updated WR-37 Form with pressure recording graph/chart must be submitted to the Office of Oil and Gas for approval. Any change made to the pipeline fittings or piping will require integrity pressure testing. All Office of Oil and Gas forms, including the WR-37 form can be found on the Office of Oil and Gas webpage:
<http://www.dep.wv.gov/oil-and-gas/GI/Forms/Pages/default.aspx> .
14. Injection Well Mechanical Integrity Testing (MIT): The Permittee shall conduct a mechanical integrity test of the injection well at a minimum frequency of once every five (5) years per Legislative Rule 35 CSR 4-7.7.b. The Permittee shall notify the Chief of his or her intent to conduct a mechanical integrity test no less than twenty-four (24) hours prior to such demonstration. The Permittee must submit a WR-37 Form to the Office of Oil and Gas within thirty (30) days of each mechanical integrity test conducted. When a pressure test is conducted the Permittee must submit a pressure recording graph/chart as an attachment to the WR-37 Form. The pressure requirement of a mechanical integrity test on a well is a pressure of at least 150% or 1.5 times the maximum injection pressure. The pressure must be held for a period of at least 20 minutes with no more than 5% pressure loss in order to be approved for injection operations. Upon failure of a mechanical integrity test or expiration of the five (5) year mechanical integrity test regulatory period, the Permittee shall cease operation/injection and shut-in the well immediately until successfully repaired, tested or permanently plugged and abandoned per regulation. Each mechanical integrity test failure must be documented on the WR-37 Form and submitted with any pressure recording graph/chart. Corrective action for repairs shall be completed for approval by the Office of Oil and Gas and be conducted within ninety (90) days of the failure date. If repaired, the well must be re-tested and an updated WR-37 Form with any pressure recording graph/chart must be submitted to the Office of Oil and Gas for approval.

15. In addition to the above requirement, a mechanical integrity test demonstration shall be conducted whenever protective casing or tubing is removed from the well, the packer is replaced or resealed, if well failure is likely, or as requested by the Chief. The Permittee may continue operation only if he or she has successfully demonstrated to the Chief the mechanical integrity of the permitted well. The Permittee shall cease injection operations if a loss of mechanical integrity becomes evident or if mechanical integrity cannot be demonstrated. The Permittee must send a written notification to OOG within 24 hours if mechanical integrity of the well is lost. The notification must include a plan to address the failure within 90 days. The plan must either outline a repair and retest of the well or to plug the well within 90 days.

C. REPORTING AND NOTIFICATION REQUIREMENTS

1. **Anticipated Noncompliance.** The Permittee shall give advance notice to the Chief of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
2. **Other Noncompliance.** The Permittee shall report all instances of noncompliance not reported under paragraphs Part I Section B, and Part II Section C Paragraph 3 of this permit, at the time monitoring reports are submitted. The report shall contain the information listed in Part I Section B of this permit. The Permittee shall report all other instances of noncompliance in writing within ten (10) days of the time the Permittee becomes aware of the circumstances. The reports shall contain the information listed in this permit.
3. **Planned Changes.** The Permittee shall give notice to the Chief as soon as possible of any planned physical alterations, additions to the permitted facility, and/or any changes planned in the operation of the facility.
4. The Operator shall provide written notification to the Chief prior to conversion or abandonment of the well or in the case of area permits before closure of the project, per Legislative Rule 47 CSR 13-13.6.e. Notice should be given at least thirty (30) days prior to any conversion, abandonment or alteration. Notice should also be given prior to the addition or reduction of wells within an area permit.
5. **Cessation of Injection Activity.** Any well which is not in use for a period of twelve (12) consecutive months shall be presumed to have been abandoned and shall promptly be plugged by the Operator in accordance with the provisions in Chapter 22, Article 6 Section 24 of the West Virginia Code, unless the Operator furnishes satisfactory proof to the Chief that there is a bona fide future use for such well. All lines shall be completely drained of all fluids and the wellhead shut-in anytime injection operations cease for a period of greater than ninety (90) days. The Office of Oil and Gas must be contacted at least twenty-four (24) hours prior to the cessation shut-in process.
6. **Report on Permit Review.** Within thirty (30) days of receipt of this permit, the Permittee shall report to the Chief that he or she has read and understands and accepts all terms and conditions of the permit. The Certification Document is included as an attachment of this permit, and must be signed, dated and submitted to OOG.
7. The Owner or Operator or person in charge of a facility subject to this rule from which a reportable discharge, as described in subsection 3.3 of Legislative Rule 35 CSR 1, occurs shall notify the Office of Oil and Gas by calling 1-800-642-3074 immediately; but in no case, later than twenty-four (24) hours after becoming aware of the discharge.

PART III

A. OPERATING REQUIREMENTS

1. The UIC Permit and all attachments must be kept on location at all times.

2. **Injection Fluid.** The Permittee shall not inject any hazardous substances, as defined by Code of Federal Regulations 40 CFR 261, or any other fluid, other than the Class II fluids produced solely in association with oil and gas production operations.
3. The Permittee shall install and maintain a barrel counter, or other means of flow volume metering, on the injection line. The results are to be recorded and reported on the WR-40.
4. Any well that penetrates the injection zone with an inactive and/or abandoned status within the permitted Area of Review, that does not have cement casing through the injection zone, shall be monitored immediately by a method approved by the Office of Oil and Gas, as well as properly plug and abandon such wells, as necessary.
5. Injection between the outermost casing protecting underground sources of drinking water and the wellbore is prohibited, as is injection into any USDW.
6. **Corrective Action.** The applicant must satisfy the requirements of the Office of Oil and Gas regarding any corrective action needed on all known wells penetrating the injection zone within the permitted Area of Review. This must be done in a manner which satisfies the requirements of Legislative Rule 47 CSR 13-13.9.
7. Loading and unloading stations shall have spill prevention and control facilities and procedures as well as secondary containment. Spill containment and cleanup equipment shall be readily accessible.
8. The Permittee shall ensure that secondary containment for existing above ground storage tank(s) shall be adequately designed and constructed to be sufficiently impervious to prevent the released substance from penetrating the containment structure until the release can be detected and recovered, but in no case will that time be less than seventy-two (72) hours.
9. The above ground storage tank(s) associated with this underground injection facility shall have secondary containment sufficient capacity to contain 110% volume of the largest tank. Tank batteries or tanks connected in series by manifold, the combined volume of the tanks must be considered if the tanks are capable of simultaneous release. The combined capacity of the tanks connected by manifold shall be considered, unless the tanks are operated in a manner that prevents fluids flowing from one tank to another under any conditions.
10. Above ground tanks connected in series by manifold shall utilize a system where valves are closed and locked to isolate tanks when their combined volume exceeds the secondary containment capacity. At no point in time shall the combined volume be accessible through the manifold system exceed the capacity of the secondary containment without someone being on site to monitor.
11. All above ground storage tanks within the floodplain, as defined by the Federal Emergency Management Agency "FEMA" 100 year floodplain map, shall be anchored significantly enough to prevent movement in the case of a high water flood event. Contact the county floodplain manager to confirm.
12. All wellheads shall be reinforced or otherwise armored to protect against accidental collisions, if so positioned where collision could be possible.
13. Pumps and ancillary equipment (e.g. valves, flanges, filters, condensate lines and instrumentation) handling materials that have the potential to contaminate groundwater shall be selected and installed to prevent or contain any spills or leaks.
14. Sumps containing materials which have the potential to contaminate groundwater shall be designed, constructed, and operated utilizing leak detection or secondary containment, or other appropriate controls

that are capable of preventing groundwater contamination.

15. No third party haulers shall be permitted without approval by the Office of Oil and Gas. For approval, the Permittee shall designate by letter to the Office of Oil and Gas, any third party hauler proposed to be used for the transportation of fluids to the facility. The third party hauler may not commence transportation of fluids to the facility until approved by the Office of Oil and Gas.
16. Within thirty (30) days of issuance of the final version of this permit, the Permittee shall contact the West Virginia Department of Environmental Protection/Division of Air Quality to complete a permit determination. The following web link will provide access for filing:
<http://www.dep.wv.gov/daq/permitting/Pages/nsr-forms.aspx> .
17. Facility Security. The gate on the access road to the site shall be closed and locked at all times when there is not a company representative at the facility. All valves, water drains, containment areas, and storage areas shall be secured and locked utilizing locking devices and/or plugs. All gates and access points shall be secured and locked while no representative is at the facility. All visitors must check in upon arriving at the facility. Haulers (if used) shall not be allowed to off load without the proper paperwork and documentation.
18. All lines shall be completely drained of all fluids and the wellhead shut-in anytime injection operations cease for a period of greater than ninety (90) days. The Office of Oil and Gas must be contacted at least twenty-four (24) hours prior to the cessation shut-in process.

B. PLUGGING AND ABANDONMENT

1. Any well which is not in use for a period of twelve (12) consecutive months shall be presumed to have been abandoned and shall promptly be plugged by the Operator in accordance with the provisions of Chapter 22, Article 6, of the West Virginia Code, unless the Operator furnishes satisfactory proof to the Chief that there is a bona fide future use for such well.
2. Plugging and abandonment shall be conducted in a manner to prevent movement of fluids into or between USDWs (underground sources of drinking water).
3. Pursuant to Legislative Rule 47 CSR 13-13.7.f, the Permittee's plugging and abandonment plan shall be incorporated into the UIC permit. See Attachment 1.
4. Prior to well plugging, the Permittee shall apply for and receive a plugging permit from the Office of Oil and Gas to plug and abandon the well in accordance with an approved plugging and abandonment plan.

PART IV

A. SITE SPECIFIC CONDITIONS

1. Appendix A: Specific Operational Conditions / Well Construction.
2. Appendix H: Groundwater Protection Plan (GPP) shall be maintained and updated as necessary to protect groundwater quality.
3. Appendix I: Requirement for Financial Responsibility to plug/abandoned an injection well.
4. Attachment 1: Plugging and Abandonment Plan.
5. Attachment 2: Site/Facility Diagram.

APPENDIX A Injection Well Form

1) GEOLOGIC TARGET FORMATION		Clinton and Medina sandstones	
Depth	<u>7,140</u>	Feet (top)	<u>7,328</u>
		Feet (bottom)	<u>7,498</u>
2) Estimated Depth of Completed Well, (or actual depth of existing well):		<u>7,498</u> Feet	
3) Approximate water strata depths:		Fresh	<u>150</u> (Deepest) Feet
		Salt	<u>450</u> (Deepest) Feet
4) Approximate coal seam depths:		<u>370</u> feet	
5) Is coal being mined in the area?		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
6) Virgin reservoir pressure in target formation		<u>2,270</u> psig	Source <u>Instantaneous shut-in pressure from hydraulic fracturing job</u>
7) Estimated reservoir fracture pressure		<u>3,000</u>	psig (BHFP)
8) MAXIMUM PROPOSED INJECTION OPERATIONS:			
Injection rate (bbl/hour)		<u>11</u> (actual injection rates for August 2015)	
Injection volume (bbl/day)		<u>172</u> (actual injection rates for August 2015)	
Injection pressure (psig)		<u>2,247</u> (average injection pressure for August of 2015)	
Bottom hole pressure (psig)		<u>Calculated bottom hole pressure is 5,732</u>	
9) DETAILED IDENTIFICATION OF MATERIALS TO BE INJECTED, INCLUDING ADDITIVES:			
The BW #4 saltwater disposal well injects oil and gas fluid wastes including production brine, flow back from hydraulic frac jobs, and pit water. The only additive the injectate is treated with a scale inhibitor called Gypton T-92 (see attached MSDS sheets) and is injected at 0.422 gallons per every 100 barrels of brine.			
Temperature of injected fluid: (°F)		<u>Typically 60 degrees, but varies based on seasonal weather</u>	
10) FILTERS (IF ANY)			
Appalachian Oil Purchasers, LLC uses both bag and cartridge filters on their treatment of the injectate. The bags are five micron filters and the cartridges are 10 micron filters.			
11) SPECIFICATIONS FOR CATHODIC PROTECTION AND OTHER CORROSION CONTROL			
Appalachian Oil Purchasers, LLC does not use cathodic protection, but the annulus of the BW #4 injection well has corrosion inhibitor in it and the injection pipeline is fiberspar (see attached information), so there is no need for cathodic protection on the injection pipeline.			

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APPENDIX A (cont.)

12. Casing and Tubing Program

TYPE	Size	New or Used	Grade	Weight per ft. (lb/ft)	FOOTAGE: For Drilling	INTERVALS: Left in Well	CEMENT: Fill-up (Cu. Ft.)
Conductor	20"	New	H-40	94	140'	115'	Cemented to surface
Fresh Water	13-3/8"	New	J-55	54.5	550'	506'	Cemented to surface
Coal	9-5/8"	New	N-80	40	1885'	1800'	Cemented to surface
Intermediate 1	7"	New	J-55	23	5253'	5176'	Calculated cement fill-up is 2,145 feet
Intermediate 2							
Production	4-1/2"	New	S-80	11.6	7500'	7457'	Calculated cement fill-up is 3,127 feet
Tubing	2-7/8"	New	J-55	6.5		6885'	
Liners							

Note: 26" - - - 20' 20' CTS SN

TYPE	Wellbore Diameter	Casing Size	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./sk)	Cement to Surface ? (Y or N)
Conductor	24"	20"			Type 1	1.18	Y
Fresh Water	17.5	13-3/8"			Type 1	1.18	Y
Coal	12-3/8"	9-5/8"			Type 1	1.26	Y
Intermediate 1	8-3/4"	7"			Type 1	1.41	N
Intermediate 2							
Production	6-1/4"	4-1/2"			Type 1	1.18	N
Tubing		2-7/8"			Not cemented		
Liners							

PACKERS	Packer #1	Packer #2	Packer #3	Packer #4
Kind:	Baker Model D			
Sizes:	2-7/8" x 4-1/2"			
Depths Set:	6885'			

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 Conservation
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APPENDIX H

GROUNDWATER PROTECTION PLAN

Facility Name: BW #4 well

County: Pleasants

Facility Location:

Postal Service Address:	97 Forest City Drive Saint Marys, WV 26170	
Latitude and Longitude:	39.3757888/-81.246795	

Contact Information:

Person:	Robert Douglas, Environmental Field Specialist
Phone Number:	(304) 665-2461
E-mail Address:	robert.douglas@enlink.com

Date: 11/11/2015

1. A list of all operations that may contaminate the groundwater.

The operations that can potentially cause contamination would be the wellhead, injection pipeline, and tank battery. Potential leaks from the wellhead or a leak in the pipeline has the possibility to contaminate. Any leaks or spills within the tank battery would be contained within the secondary containment.

2. A description of procedures and facilities used to protect groundwater quality from the list of potential contaminant sources above.

Appalachian Oil Purchasers, LLC routinely conducts inspections of this facility and monitors injection volumes and pressures daily. An SPCC plan has been developed and is in place. A copy of the SPCC plan is attached.

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3. List procedures to be used when designing and adding new equipment or operations.

Any addition of new equipment or well workover operations will be conducted in a manner to ensure there is primary and secondary containment to prevent and spills or leakage onto the ground surface. Procedures will be followed as developed in the SPCC plan.

4. Summarize all activities at your facility that are already regulated for groundwater protection.

The activities at the BW #4 Class IID injection well that are regulated for groundwater protection would include the injection well, monitoring of injection pressures and volumes, maintaining mechanical integrity of the well and injection pipeline, and ensure the tank battery facility is in compliance and has primary and secondary containment.

5. Discuss any existing groundwater quality data for your facility or an adjacent property.

Appalachian Oil Purchasers, LLC has established groundwater monitoring of an unused private water well and installed two groundwater monitoring wells near the BW #4 injection well facility. Monitoring well #1 is 146 feet deep and Monitoring well #2 is 124 feet deep. Groundwater sampling is routinely conducted at these sites and the most current lab results are attached to this application. The one-mile radius demonstrates that all residences are connected to municipal water supplies.

6. Provide a statement that no waste material will be used for deicing or fill material on the property unless allowed by another rule.

No fluid or solid wastes from the BW #4 injection well facility will be used for deicing or fill material.

7. Describe the groundwater protection instruction and training to be provided to the employees. Job procedures shall provide direction on how to prevent groundwater contamination.

All Appalachian Oil Purchasers, LLC field personnel have been thoroughly trained with detailed instruction and training. They are familiar with the procedures outlined in the Spill Prevention, Control, and Countermeasures (SPCC) plan developed for the BW #4 injection well. These procedures are discussed in detail on pages 15-17 of the SPCC plan. Additionally, all personnel have been through the appropriate Health & Safety Training and the company-wide Emergency Preparedness Response Plan (EPRP).

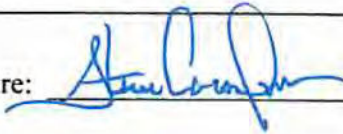
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8. Include provisions for inspections of all GPP elements and equipment. Inspections must be made quarterly at a minimum.

Appalachian Oil Purchasers, Inc. conducts regular monthly inspections of the facility, but may also do routine daily walk-throughs to ensure compliance of the all groundwater protection plan elements and equipment.

Signature: _____



Date: _____

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APPENDIX I

Requirement for Financial Responsibility to Plug/Abandon an Injection Well

To: WV Department of Environmental Protection
Office of Oil and Gas
601 57th Street, SE
Charleston, West Virginia 25304-2345
ATTN: Underground Injection Control Program

From: Appalachian Oil Purchasers, Inc.
157 Lower Eureka Lane
Saint Marys, West Virginia 26170

Date: 11/13/15

Subject: Underground Injection Control (UIC) Permit Application
UIC2D0732523
Requirement for Financial Responsibility

I, Steve Cornelison, verify in accordance with 47CSR13-13.7.g., that I will maintain financial responsibility and resources to close, plug, and abandon underground injection wells(s) in a manner prescribed by the Chief of the Office of Oil and Gas.

Name:

Steve Cornelison

Signature:

[Signature]

Date:

11-13-15

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Attachment 1

Section 12 – Plugging and Abandonment:

1. In the event the BW #4 Class IID injection well becomes incapable of injection and needs to be plugged and abandoned, the well will be plugged and abandoned in accordance with WV DEP regulations 22-6-24 – Methods of Well Plugging.
2. The proposed Plugging and Abandonment Plan for the BW#4 is attached.

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Attachment 1 (cont.)

PROPOSED PLUGGING AND ABANDONMENT PLAN FOR APPALACHIAN OIL PURCHASERS, LLC – BW #4 UIC2D0732523

ALL Consulting has developed the plugging and abandonment plan for the BW#4 commercial saltwater disposal well located in Pleasants County, West Virginia. The first five cement plugs and 6% gel spacers between cement plugs will be emplaced through tubing. The remaining plugs will be emplaced through both the uncemented 4-1/2" and 7" casings after they are ripped. The proposed plugging and abandonment plan is as follows:

- Pump heavy brine through tubing and packer to "kill" the well. Unseat packer and pull tubing and packer out of the well.
- 1st Cement Plug - Run back into well with tubing to a depth of approximately 7,100 feet and displace 15.6 pound per gallon Class A cement with 2% gel from total depth of 7,500 feet back to 6,900 feet (600-foot cement plug) inside 4-1/2" production casing to cover the Clinton and Medina sandstones injection zone..
- 2nd Cement Plug – Emplace a 15.6 pound per gallon Class A cement with 2% gel plug inside the 4-1/2" production casing from a depth of 5,900 to 6,000 feet to cover the cement plug required above the Salina Group salt units.
- 3rd Cement Plug – Emplace a 15.6 pound per gallon Class A cement with 2% gel plug inside the 4-1/2" production casing from a depth of 5,450 to 5,350 feet to cover the Oriskany Sandstone.
- 4th Cement Plug – Emplace a 15.6 pound per gallon Class A cement with 2% gel plug inside the 4-1/2" production casing from a depth of 5,150 to 4,950 feet to cover the Marcellus Shale.
- 5th Cement Plug – Emplace a 15.6 pound per gallon Class A cement with 2% gel plug inside the 4-1/2" production casing from a depth of 4,300 to 4,000 feet to cover the "Gordon" oil and gas zone.
- Pull tubing out of the well. Run in with gamma ray-CCL-cement bond log and accurately determine the top of the cement behind the 4-1/2" production casing. Then run back into the well with wireline casing buster and rip the 4-1/2" production casing directly above the top of the cement.
- 6th Cement Plug – Emplace a 15.6 pound per gallon Class A cement with 2% gel plug across the rip of the 4-1/2" production casing at a depth of approximately 3,850 to 3,700 feet (will be determined by cement bond log) to cover the rip plug on the 4-1/2" production casing.
- Pull remaining uncemented 4-1/2" production casing from the well. Run in with gamma ray-CCL-cement bond log and determine the top of cement behind the 7" intermediate string casing. Run back into well with wireline casing buster and rip 7" intermediate directly above the top of the cement.
- 7th Cement Plug – Emplace a 15.6 pound per gallon Class A cement with 2% gel plug at a depth of approximately 2,850 to 2,700 feet (will be determined by cement bond log) to cover the rip plug on the 7" intermediate casing.

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Attachment 1 (cont.)

- * 8th Cement Plug – Emplace a 15.6 pound per gallon Class A cement with 2% gel plug at a depth from 1,950 to 1,850 feet to cover the casing shoe of the 9-5/8" intermediate casing string.
- 9th Cement Plug – Emplace a 15.6 pound per gallon Class A cement with 2% gel plug from a depth of 1,650 to 1,550 feet to cover the Berea Sandstone.
- 9th Cement Plug – Emplace a 15.6 pound per gallon Class A cement with 2% gel plug from a depth of 550 feet back to the surface to cover the coal seams, freshwater aquifers, and surface casing plug.
- Erect 30" permanent steel monument [per Section 35-4-5 (5) (b)] pipe with plate tack welded on top with API No. (1/2" lettering) burned into the plate. If landowner wants casing cut below grade, request variance from WV DEP and tack well plate with API No. on cut-off casing.
- Reclaim and vegetate the site per WV DEP regulations, remove all surface equipment, and purge buried pipelines.

* Note: 8th Cement Plug may need to be set shallower to cover 9 5/8" casing shoe.

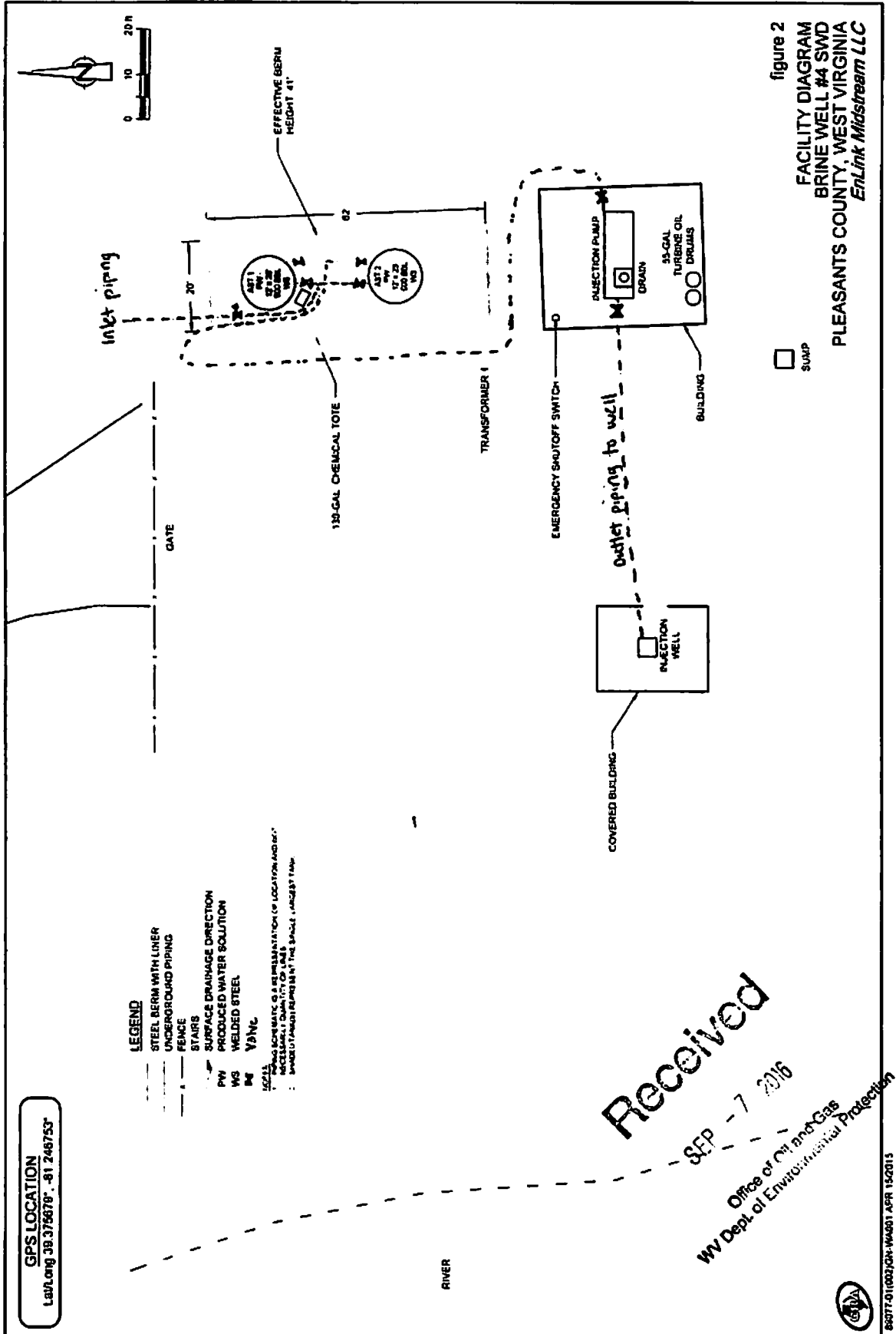
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Attachment 2



RIGHT OF APPEAL

Notice is hereby given of your right to appeal the terms and conditions of this permit of which you are aggrieved to the Environmental Quality Board by filing a NOTICE OF APPEAL, on the form prescribed by such Board for this purpose, in accordance with the provisions of Section 21, Article 11, Chapter 22 of the Code of West Virginia within thirty (30) days after the date of receipt of this permit.

Underground Injection Control Permit

CERTIFICATION DOCUMENT

West Virginia Department of Environmental Protection Office of Oil and Gas

Permit Id: 2D07302523002

Permit Name: Appalachian Oil Purchasers, LLC

In accordance with Part II, Reporting and Notification Requirements, I hereby certify that I have read and am personally familiar with all the terms and conditions of this permit.

I understand that the underground injection of any waste streams other than those provided for in this permit is strictly prohibited. I understand that failure to pay the Annual Permit Fee or any other associated fees required by West Virginia Code, Chapter 22, Articles 11 and 12 shall be cause for revocation of this Permit. I further understand that reporting is required, and noncompliance with the terms of this permit will be cause for revocation of the permit and subject me to significant penalties including the possibility of fines and imprisonment.

Signature

Name and Title (Type or Print)

Date