



pennsylvania
DEPARTMENT OF ENVIRONMENTAL
PROTECTION

Southwest Regional Office

FILE

December 18, 2017

Joseph Zoka
CNX Gas Company, LLC
280 Indian Springs Road, Suite 333
Indiana PA 15701

COPY

Re: Application for Inactive Well Status
005-20967

Dear Mr. Zoka:

On July 18, 2013, CNX Gas Company, LLC ("CNX") submitted Applications for Inactive Well Status ("Application") requesting Inactive Status for the above referenced well (the "Well"). In the application for inactive status, it is stated that the utility company abandoned pipeline and that CNX is looking for alternate route for gas. The Pennsylvania Department of Protection ("DEP") denies the Application for the reasons set forth below.

Pennsylvania's Oil and Gas Act (58 Pa.C.S. §§ 3201 - 3274) requires that any well that has not been used to produce, extract or inject gas, petroleum, or other liquids within the preceding 12 months, or any well which the equipment necessary for production, extraction, or injection has been removed, or any well, not considered dry, not equipped for production within sixty (60) days after drilling, redrilling, or deepening, is considered an abandoned well, unless the well is granted inactive status (58 Pa.C.S. § 3203). Upon application, the Department may grant inactive status for a period of five (5) years for a permitted or registered well if the application meets the requirements of Section 3214 of the Oil and Gas Act (58 Pa.C.S. § 3214) and Sections 78.101 to 78.102 of the Department's regulations (25 Pa. Code §§ 78.101-78.102). A well granted inactive status shall be plugged in accordance with Section 3220 of the Oil and Gas Act (relating to plugging requirements, 58 Pa. C.S. § 3220) or returned to active status within five years of the date inactive status was granted, unless the owner or operator applies for an extension of inactive status which may be granted on a year-to-year basis if the department determines that the owner or operator has demonstrated an ability to continue meeting the requirements of Section 3214 of the Oil and Gas Act and the owner or operator certifies that the well will be of future use within a reasonable period of time (58 Pa.C.S. § 3214).

In accordance with 25 Pa. Code § 78.102(4)(ii), the applicant must certify that the well is of future utility and present a viable plan for utilizing the well within a reasonable time. CNX did not indicate in the application for inactive status the date upon which the Well would be retruned to use. Furthermore, the Well is scheduled to be plugged in accordance with the terms and conditions of a Consent Order and Agreement with the Department.

DEP finds that CNX's Application for Inactive Status fails to meet the requirements Sections 3211 and 3214 of the Oil and Gas Act and 25 Pa. Code § 78.102 because CNX did not certify that the Well will be of future use within a reasonable period of time.

Accordingly, DEP hereby denies your requests for Inactive Status.

Pursuant to 25 Pa. Code 78.104, CNX shall plug the well in accordance with the terms and conditions of the Consent Order and Agreement or return it to active status within thirty (30) days of the date of this letter.

Any person aggrieved by this action may appeal, pursuant to Section 4 of the Environmental Hearing Board Act, 35 P.S. Section 7514, and the Administrative Agency Law, 2 Pa. C.S. Chapter 5A, to the Environmental Hearing Board ("Board"), Second Floor, Rachel Carson State Office Building, 400 Market Street, P.O. Box 8457, Harrisburg, PA 17105-8457, 717.787.3483. TDD users may contact the Board through the Pennsylvania Relay Service, 800.654.5984. Appeals must be filed with the Environmental Hearing Board within 30 days of receipt of written notice of this action unless the appropriate statute provides a different time period. Copies of the appeal form and the Board's rules of practice and procedure may be obtained from the Board. The appeal form and the Board's rules of practice and procedure are also available in Braille or on audiotape from the Secretary to the Board at 717.787.3483. This paragraph does not, in and of itself, create any right of appeal beyond that permitted by applicable statutes and decisional law.

IF YOU WANT TO CHALLENGE THIS ACTION, YOUR APPEAL MUST REACH THE BOARD WITHIN 30 DAYS. YOU DO NOT NEED A LAWYER TO FILE AN APPEAL WITH THE BOARD.

IMPORTANT LEGAL RIGHTS ARE AT STAKE, HOWEVER, SO YOU SHOULD SHOW THIS DOCUMENT TO A LAWYER AT ONCE. IF YOU CANNOT AFFORD A LAWYER, YOU MAY QUALIFY FOR FREE *PRO BONO* REPRESENTATION. CALL THE SECRETARY TO THE BOARD (717.787.3483) FOR MORE INFORMATION.

If you have any questions, you may contact Karen Milcic at 412.442.4033 or at the address located at the bottom on the first page of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Daniel F. Counahan', with a long horizontal line extending to the right.

Daniel F. Counahan
District Oil and Gas Manager
Southwest District Oil and Gas Office
District Oil and Gas Operations



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Oil & Gas Management Program

NOT BONDED

Application for Inactive Well Status

No Master Auth. 57014

DEP USE ONLY	
Auth # 1211184	APS # 957761
Site # 9159	PF # 10908
Client # 159257	SF # 24418 1053084

Well Operator CNX GAS COMPANY LLC		DEP Client ID # 159257	Well Permit or Registration Number 37-005-20967 ✓	
Address 280 INDIAN SPRINGS ROAD, SUITE 333		Well Farm Name J. MCAFEE ✓		Well # 4 ✓
City INDIANA	State PA	Zip Code 15701	County ARMSTRONG ✓	Municipality VALLEY ✓
Phone 724-349-4450	Fax 724-349-5735	Bond Instrument No. 7579	Is this an application for annual extension of inactive status? ☐ Yes ☒ No	

Condition of the Well

Describe in detail how the condition of the well satisfies the criteria for approval of inactive status. See 25 Pa. Code §§ 78.102(i), (2)(i) or (ii) and (3). Use additional sheets if necessary. If available, attach well records, driller's logs, and other information describing well casing, cement, equipment, and any other pertinent information.

Well Type: ☒ Gas ☐ Oil ☐ Combination Oil & Gas ☐ Injection ☐ Storage ☐ Disposal

Casing Diameters: 6 1/4"	Casing Lengths: 645'	Type and amount of cement (sacks) used for surface casing: No Cement Records	
		Tubing or Production Casing Pressure (current): 56 psi	If an oil well, state the depth to fluid in the surface casing:
		Annulus Pressure (current - between tubing or production casing and surface casing): 0 psi	
Tubing or production casing diameter: 3 1/2"	Tubing or production casing length: 2642'	Is the annulus open to atmosphere? ☒ Yes ☐ No	

Other information about the well's condition:

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Future Use of the Well

Describe a viable plan, in accordance with 25 Pa. Code § 78.102(4), explaining the intended future use of the well within a reasonable time. Use additional sheets if necessary. Provide the information requested below and any other information necessary for DEP to make a determination on inactive status for this well.

Provide certification that one of the following applies (check one):

☒ Significant reserves remain in place and I plan to return the well to production.

The well will be used for: ☐ Disposal ☐ Storage ☐ Observation ☐ Injection - Recovery ☐ Other (describe)

This well will be returned to use in: Month:

Year:

State your plan for future use of the well.

Utility company abandoned pipeline. Looking for alternate route for gas.

DEP CAMBRIA OFFICE

OCT 27 2017

Signature of Applicant (Well Operator)

Signature: *Joseph Zoka* Date: 7/14/13
Print or type signer's name and title: Joseph Zoka - General Manager

DEP USE ONLY

☐ Approved ☒ Denied
by (DEP Manager): *[Signature]*

Date

12/15/17

Denied Joe Zoka 11/20/17 OG15

DM-6G-4-56

8.550' S 40° 50' 00"
6.200' W 79° 25' 00" Sect. (E)

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF MINES

Oil and Gas Division
HARRISBURG

005-20967

MOSGROVE
QUADRANGLE: Rural Valley

☒ 7 1/2' ☐ 15'

PERMIT NO. ATM-967-DMAP REFERENCE: Map NO WK N1 E9

KIND OF WELL: Gas
(Oil, Gas, Other)

WELL RECORD

COMPANY: <u>The Peoples Natural Gas Company</u>	Size of Casing and Tubing	Used in Drilling	Left in Well	Packers: Type, Size and Depth
ADDRESS: <u>Two Gateway Center-Pittsburgh, Pa. 15222</u>	<u>6-5/8"</u>		<u>645'-10"</u>	<u>Original Casing</u>
FARM: <u>J. McAfee</u> ACRES <u>180</u>	<u>3-1/2"</u>		<u>2642'</u>	
WELL(FARM)NO. <u>4</u> CO. SERIAL NO. <u>101</u>				
ELEVATION: <u>1191.49'</u> LEASE: <u>1291</u>				
TOWNSHIP: <u>Valley</u> COUNTY: <u>Armstrong</u>				
DRILLING COMMENCED: <u>7-11-68</u> COMPLETED: <u>7-26-68</u>				
PRODUCTION: <u>22,900 cfd. #</u>				PERFORATIONS AT:
ROCK PRESSURE: <u>Not taken. #psig</u> hrs.				<u>2510' to 2520'</u>
WELL TREATMENT: (Shooting, Acidizing, Fracturing Etc.)				
<u>Fractured 8-15-68</u>	CEMENTING DATA: (Size Pipe, Depth, No. Bags, Date)			
	<u>3-1/2" - 2642' - 100 bags - 8-12-68</u>			
RESULTS AFTER TREATMENT: <u>1,400,000 cfd.</u>				
ROCK PRESSURE AFTER TREATMENT: <u>700 psi - 5 days</u>				

REMARKS: # Not equipped to take rock pressure.
plugged back from 3310' to 2650'.
completed 8-20-68.

FORMATION	TOP	BOTTOM	GAS AT	OIL AT	WATER AT (Fresh or Salt Water)	REMARKS
Sand	2480	2510	2673			
Sand	2670	2710				
Sand	2840	2850				
Above is original log.						
Following is drill deeper formations.						
Shells	2960	2963				
Sand	2963	2970				
Sand Shells	2970	2981				
Sand	2981	2987				
Sand Shells	2987	3013				
Sand	3013	3059				
Slate	3059	3068				
Sand	3068	3112				
Slate	3112	3138				
Sand	3138	3142				
Slate	3142	3155				

(Over)

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