

Refresher on DOH Permitting

Gary Clayton

Regional Maintenance Engineer

Gary.k.clayton@wv.gov



WEST VIRGINIA DEPARTMENT OF TRANSPORTATION

Division of Highways

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

January 3, 2012

MEMORANDUM

TO: ALL DISTRICT ENGINEERS/MANAGERS

**FROM: PAUL A MATTOX, JR., P. E.
SECRETARY OF TRANSPORTATION/
COMMISSIONER OF HIGHWAYS**

A handwritten signature in cursive script that reads "Paul A. Mattox, Jr.".

SUBJECT: OIL AND GAS ROAD POLICY

Upon further review of the Interim Oil and Gas Roads Policy (Policy), the Division of Highways (DOH) recognizes a need to focus the scope of its Policy on those horizontal drilling operations that are anticipated to have significant impacts on State roadways and to ensure continued maintenance of the State's local roadways in light of heavy road traffic attendant to these types of oil and gas development operations. Additionally, coverage under this Policy extends to smaller oil and gas operations, primarily conventional drilling operations, which have significantly less potential to impact the condition of local roadways.

This Policy supersedes the policy dated February 1, 2011.

A. GENERAL:

1. The requirements set forth in this Policy shall apply to oil and gas operators as defined in WV Code §22-6-1(w).
2. The proposed project shall be identified as beginning with the onset of site preparation and concluding with the completion of well fracturing and reclamation at a site. Where more than one well is drilled at a site within a period of 12 months, the project will conclude with the completion of well fracturing for the last well and no additional wells are scheduled to be drilled or fractured for a period of at least 12 months.

OIL & GAS ROAD POLICY

January 3, 2012

Page Two

3. Bonding shall be required for only those highways classified as “state local service” roads in accordance with WV Code §17-1-28 and as defined in WV Code §17-4-2(d) (e.g., CR XX/X) (hereinafter referred to as “Covered Roads”). Highways that carry an interstate, state or corridor system designation are not Covered Roads and are not to be included in determining bonding amounts.
4. Permits for oversized/overweight vehicles are not subject to the conditions of this Policy and shall be handled through normal DOH procedures as identified in WV Code 17C-17 and legislative rules.
5. Definitions:
 - a) “Anticipated damage” is the added potential stress placed on a highway and/or structure due to the increased continuous use of the roadway by heavy vehicles.
 - b) “Gas and Oil Wells” means wells drilled for the purpose of extracting natural gas and/or oil as those terms are defined in WV Code §22-6-1(j) and (k).
 - c) “Required Major Improvements” are those modifications to Covered Roads that are necessitated by the high volumes of heavy traffic anticipated for a project and may include but are not limited to sight distance improvements, signage, signalization, road widening, construction of new roadways, and acquisition of rights-of-way.
 - d) “Restrictions” are requirements directed at the protection of the traveling public, including but are not limited to pilot cars, hours of operation, etc.

B. GAS AND OIL WELLS WITH 5,000+ BARRELS UTILIZED FOR DRILLING AND/OR STIMULATION ACTIVITIES:

1. The operator shall provide written notice to the appropriate district engineer/manager of its intent to conduct operations covered by this Policy at a location within the District. The written notice shall include the exact location of the proposed project along with the proposed routes to be used by the operator. Proposed routes may be changed during Drilling/Fracturing operations by an addendum added to the approved permit.

OIL AND GAS ROAD POLICY

January 3, 2012

Page Three

2. Within 14 days of the receipt of the notice provided pursuant to B.1, above, the district engineer/manager, or his appointed representative, shall conduct an on-site meeting with the operator, or his appointed representative, to determine if the roadway is designed to meet the requirements of both the operator and the DOH. The operator shall provide a 24 hour point-of-contact for use by the DOH.
3. The route shall be filmed if at all possible before commencement of the project.
4. Within one month of the on-site meeting, the DOH shall negotiate with the operator to secure an Agreement addressing the permit that will be provided from the DOH and defining the responsibilities of both parties and which shall include, at a minimum, any Required Major Improvements before, during and after the operator has completed the well fracturing. Any work within the DOH right-of-way shall be performed to DOH standards and specifications and subject to DOH final approval.
5. The Agreement may stipulate any appropriate Restrictions and shall require a bond.
6. Upon conclusion of the project, the operator shall notify the DOH to schedule an on-site meeting to determine if the conditions of the Agreement have been met. Such meeting shall be held within 14 days of the receipt of such notice by the DOH and, if it is determined that the conditions of the Agreement have been met, any bonding applicable to the project shall be promptly released.
7. The DOH shall provide the operator with a permit stipulating that covered roads shall be maintained in accordance with the OIL AND GAS BONDING AGREEMENT.

C. GAS AND OIL WELLS WITH LESS THAN 5,000 BARRELS OF LIQUIDS UTILIZED FOR DRILLING AND/ORSTIMULATION ACTIVITIES:

1. The operator shall provide written notice to the appropriate district engineer/manager of its intent to conduct operations covered by this Policy at a location within the District. The written notice shall include the exact location of the proposed project along with the proposed routes to be used by the operator. Proposed routes may be changed during Drilling/Fracturing operations by an addendum added to the approved permit.

OIL AND GAS ROAD POLICY

January 3, 2012

Page Four

2. Within two days of receipt of the notice required by C.1, above, the DOH shall contact the operator, or his representative, to review the road, if necessary, and determine if the road meets the needs for the project.
3. The operator shall provide a 24 hour point-of-contact for use by the DOH.
4. The DOH shall provide the operator with a permit stipulating that the road shall be maintained equal to or better than the original condition.

D. SECURITY

1. SINGLE BONDS

- a) For operators of wells with 5,000+ barrels of liquids utilized for drilling and/or stimulation activities covered by Section B, above, bonding shall be based on the degree of Anticipated Damage to Covered Roads up to the following maximum amounts:

<u>BOND</u>	<u>ROAD TYPE</u>
\$100,000	Paved Mile
\$ 35,000	Tar and Chipped Mile
\$ 25,000	Graveled Mile

- b) For operators of wells with less than 5,000 barrels of liquids utilized for drilling and/or stimulation activities covered by Section C, above, bonding shall be based on the degree of Anticipated Damage to Covered Roads up to a maximum amount of \$5,000 per well.

2. BLANKET BONDS

- a) In the alternative to D.1.a., operators of wells with 5,000+ barrels of liquids utilized for drilling and/or stimulation activities covered by Section B, above, may elect to post either a (a) district wide or (b) statewide blanket bond amount to cover multiple roads. The maximum blanket bond shall be \$250,000 per district or \$1,000,000 statewide.
- b) In the alternative to D.1.b, operators of wells with less than 5,000 barrels of liquids utilized for drilling and/or stimulation activities covered by Section C, above, may elect to post a maximum statewide blanket bond of \$50,000.

OIL AND GAS ROAD POLICY

January 3, 2012

Page Five

- c) Should the operator elect to use blanket bonding, projects may be added/deleted as they are initiated/completed. The DOH shall be provided with written notification of any changes to the blanket bond. Once a project has been completed and notification to DOH provided, there shall be no further liability under the bond for such project.
 - d) All agreements utilizing blanket bonds are negotiable and shall be handled by the DOH Central Office in Charleston.

- 3. **FORMS OF SECURITY:** The form of the bond(s) described in D.1 and D.2, above, shall be approved by the DOH. The forms of security provided pursuant to this Policy may include, at the option of the operator, surety bonding, collateral bonding (including cash and securities), letters of credit, establishment of an escrow account, self-bonding, or a combination of these methods.

- 4. Should damages attributable to the operator's activities occur on a secured road, the DOH shall contact the operator to agree upon the appropriate method of repair:
 - a) Operator repairs the roadway to the DOH standards and specifications;
 - b) DOH repairs the road with reimbursement by the operator; or
 - c) DOH seeks reimbursement from the pledged security.

- 5. Provided that the requirements of any Agreement executed in accordance with this Policy have been met, or, where no Agreement is required by this Policy and the condition of the Covered Roads at the conclusion of the project is at least as good as before the commencement of the project, normal wear and tear excepted, the DOH will promptly return the security upon written notice that the operator has:
 - a) Completed the project identified in the single project or
 - b) When notified that all projects under a blanket bond are complete and the operator anticipates no further work under the blanket bond.

- 6. The DOH reserves the right to pursue an operator for damages attributable to the operator's activities that exceed the bonded amount. The DOH further reserves the right to pursue the assistance

OIL AND GAS ROAD POLICY

January 3, 2012

Page Six

of the operator with regard to damages which can be attributed to the project on all routes. Said assistance may include the operator repairing or assisting in the repair of any damages that can be identified as a result of the project.

E. MULTIPLE OPERATORS SHARING A COMMON ROADWAY

In the event that damages occur on a shared section of roadway, the DOH shall seek an equitable reimbursement from all persons whose operations or activities have contributed to road damages. A determination of reimbursement levels shall take into consideration the number of trips/loads and associated weights attributable to each operation/activity and a credit shall be provided for any improvements funded by an operator.

F. NIGHTTIME TRAVEL

Nighttime hauling of oversized loads may be authorized in writing by the State Highway Engineer in certain circumstances to improve traffic safety.

G. APPEAL PROCESS

Should the operator and the district representative not reach agreement on the conditions to be stipulated in the Agreement or permit or on an equitable allocation under Sec. E, the operator may progressively appeal to:

1. District Engineer/Manager
2. Central Office Coordinator
3. State Highway Engineer
4. Commissioner of Highways

H. TERMINATION

This policy shall remain in effect until amended or modified.

PAM:Mb

cc: AC, CH, CHH, LL, HD, HO, OM

BEGINNING THE PERMIT PROCESS

***OIL AND GAS ROAD
DISTRICT WIDE BONDING AGREEMENT
For DOH District _____***

THIS AGREEMENT, executed in duplicate, made and entered into this _____ day of _____, 2012, by and between the WEST VIRGINIA DEPARTMENT OF TRANSPORTATION, DIVISION OF HIGHWAYS, hereinafter called "DEPARTMENT," and _____, _____ 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 February 1, 2011, 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 hereinafter set forth, the parties agree as follows:

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

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.

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**

Witness

By: _____
State Highway Engineer

Witness

By: _____

Title: _____

(To be executed in duplicate)

PERMIT TO ENTER UPON, UNDER, OVER OR ACROSS THE STATE ROADS OF THE STATE OF WEST VIRGINIA, AS PROVIDED FOR IN SECTION 6, ARTICLE 16, CHAPTER 17; SECTION 9, ARTICLE 16, CHAPTER 17; SECTION 3, ARTICLE 4, CHAPTER 17, WEST VIRGINIA CODE, 1931, AS AMENDED.

THIS PERMIT, Made this _____ day of _____, 20____, between the WEST VIRGINIA DEPARTMENT OF TRANSPORTATION, DIVISION OF HIGHWAYS, a statutory corporation hereinafter called DIVISION and _____

Address: _____ Phone No: _____

hereinafter called APPLICANT.

WITNESSETH

In consideration of the hereinafter set out covenants and in accordance with Section 6, Article 16, Chapter 17; or Section 9, Article 16, Chapter 17; or Section 3, Article 4, Chapter 17, of the Official Code of West Virginia, 1931, as amended, and the rules and regulations promulgated thereunder, APPLICANT does hereby apply to enter

Route Type & No. _____ DOH Project No. _____ (if applicable)

at _____ Mile Post _____

in _____ County, for the purposes hereinafter set forth and in accordance with the

plans and specifications which are attached hereto and made a part hereof _____

APPLICANT further agrees to accept the conditions hereinafter set forth:

1. APPLICANT shall deposit with DIVISION the sum of \$ _____ in the form of an official, certified or cashier's check, or executed bond with surety satisfactory to DIVISION to cover any damage and inspection costs DIVISION may sustain by reason of the granting of this permit, including any expense incurred in restoring said highway to its original condition or the proper repair of any and all damages that may result within one (1) year from the date of the completion of said work.
2. APPLICANT agrees to reimburse DIVISION for inspection costs as follows:
 - A. For any inspection costs incurred under this permit.
 - B. At \$ _____ per linear foot for _____ feet of water line installed under this permit
 - C. At \$ _____ per linear foot for _____ feet of sewer line installed under this permit
3. APPLICANT shall notify DIVISION at least 48 hours in advance of the date the work will begin. Failure to comply will be cause for cancellation of this permit.
4. APPLICANT agrees to protect its employees, equipment and users of the highway at all times in accordance with the current Division of Highways manual "Traffic Control For Street and Highway Construction and Maintenance Operations".
5. APPLICANT agrees to comply with all applicable state and federal laws in the performance of work under this permit.
6. Supplementary conditions cited on the reverse side of this permit are understood and agreed to be a part hereof.
7. The work authorized under this permit shall be completed on or before (Date): _____

RECOMMENDED:

Title: _____

Signature and Title of Applicant

BOND REQUIREMENT

BOND NO. _____ DATE _____

Assessed On File

INSPECTION: Drive Consultant

Full Time Part Time

Permits Reimbursable No Cost

APPROVED:

Title _____
West Virginia Division of Highways

AUTHORIZATION NO: _____

PERMIT NO: _____

Bonding

Oil and Gas and Midstream

\$1 million Statewide for well pad approaches and/or pipeline access roads

or

\$250,000 District wide for well pad approaches and/or pipeline access roads

Midstream

\$75,000 District wide for pipeline installation and maintenance

NOTE: Separate bonding may be required for road improvements

Dist. Permit Number _____

SOND Number _____

OIL and GAS DATA INFORMATION SHEET

APPLICANT

Company Name _____

Address _____

City _____ ST _____ Zip _____

Contact Person Permit _____ Telephone _____

24/7 Road Maintenance Contact _____ Telephone _____ Cell _____

24/7 Backup Contact _____ Telephone _____ Cell _____

Drilling/fracking will require usage of _____ less than 5000 barrels of fluids _____ 5000 +/-

Site Location

Site Name _____ Road Local Name _____ Rte.# _____

Decimal Format GPS N: _____ W: _____ County _____

Location Description _____

On Rte. # _____ being _____ miles N S E W of Jct. of Rte. # _____ and Rte. # _____

DOH USE ONLY HAULING ROUTE from US or WV Route (Attach Map)

Name & Rte.#	Beg MP	End MP	Surface Type	Condition
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Well location WGS83 Decimal Format GPS N: _____ W: _____

WV DEP Permit Number 47 - _____ - _____

STATE COUNTY PERMIT NUMBER

Three different contacts for 24/7 road maintenance

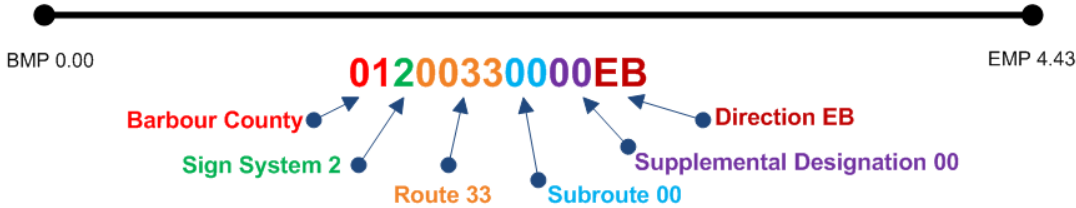
Site name should reference well pad, access road, or crossing ex. WV well pad, TAR-1, RC-1

Coordinates should be in NAD 83 decimal degree

Haul route for this permit should be entered here

Well pad coordinates should be entered here along with the API number if it is known.

US 33 East in
Barbour County from
Milepost 0.00 to
Milepost 4.43



Required Attachments

Typical

All new permits must include a typical of the well pad approach, access road approach, or road crossing. The typical should include the grade of slope.

Crossings

The degree of slope must be listed on the typical for each side of the road.

For crossings with a degree of slope 45° or greater, a slope protection plan must also be submitted, if the crossing is an open cut or conventional bore.

Photos

A minimum of four photos for each permit location- One facing each direction North, South, East, and West.

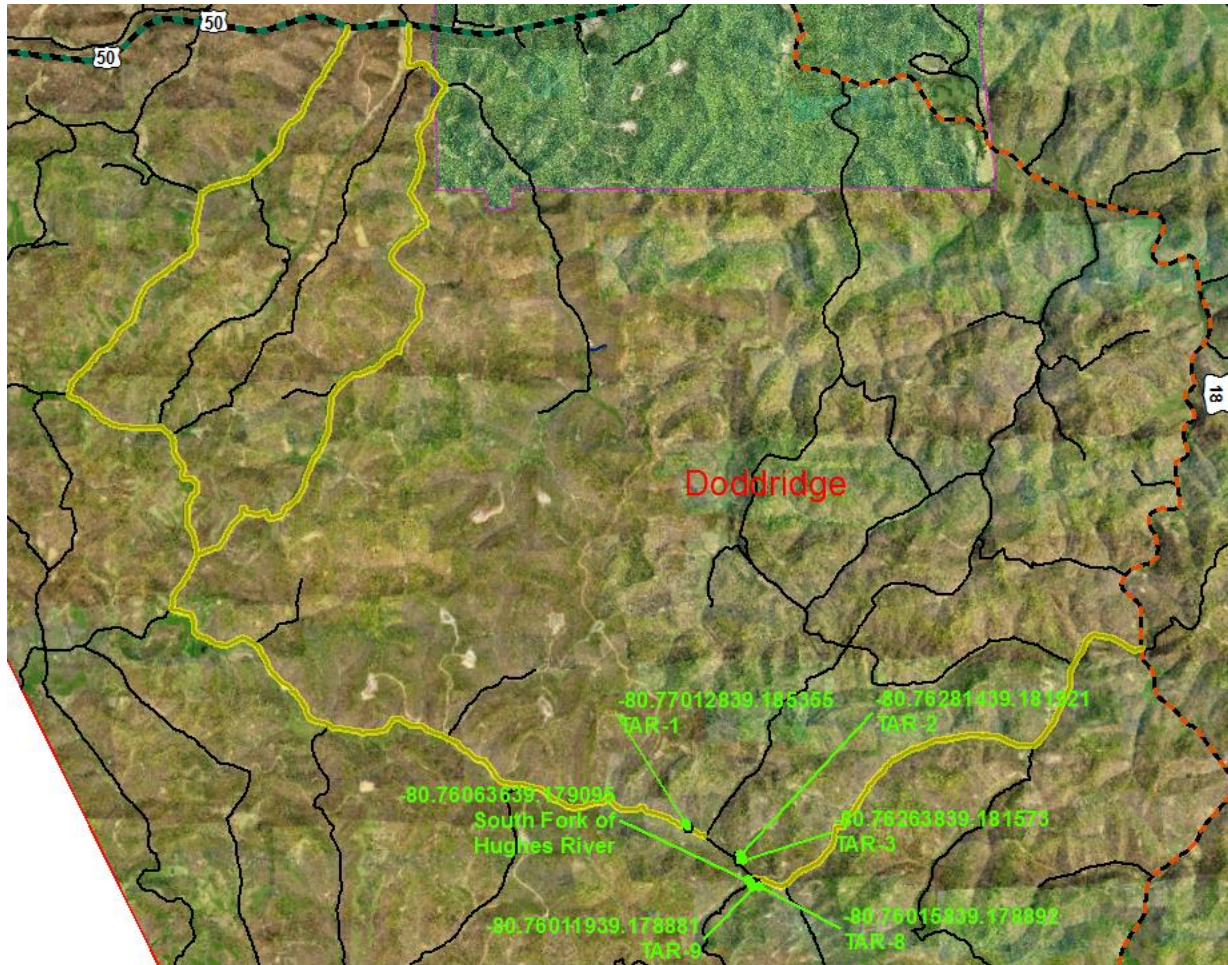
Shape Files

- Haul route
- Pipeline Centerline
- Access Roads

Overall Map

Haul route

Permit locations with coordinates and site name



Map depicting overall haul route and location of well, approaches, and/or crossings



Submitting shape files of the haul routes, access roads, and pipeline will expedite the permit review and approval process.

WV DEP Compliance



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

July 30, 2014

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 [REDACTED] Pad, Doddridge County
[REDACTED] Unit 1H Well site

Dear Mr. Martin,

This well site will be accessed from a DOH permit #04-2013-[REDACTED] which has been issued to [REDACTED] for access to the State Road for a well site located off of Doddridge County Route [REDACTED] SLS.

The operator has signed a STATEWIDE 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,

A handwritten signature in blue ink that reads "Gary K. Clayton".

Gary K. Clayton, P.E.
Regional Maintenance Engineer
Central Office O&G Coordinator

Cc: Ashlie Mihalcin
Antero Resources Corporation
CH, OM, D-4
File

PHASE 1 DRILLING

- Road Maintenance Agreement
- Improvement Agreement if Needed
- Haul Roads can be changed by Permit Adden.
- Need to Stress Notice of Completion
- Much larger than anticipated impact on primary roads

PHASE 2 MIDSTREAM UTILITIES

- Road Maintenance Agreement With Bond
- Before Construction Road Video
- Agreement For Any Required Improvements
- After Construction Road Video
- May require reimbursement of inspection fees

PHASE 3 DRILLING

- Returning to drill additional Wells
- Possibly needing to re-frack existing wells
- New Sites

PHASE 4 PROCESSING FACILITIES

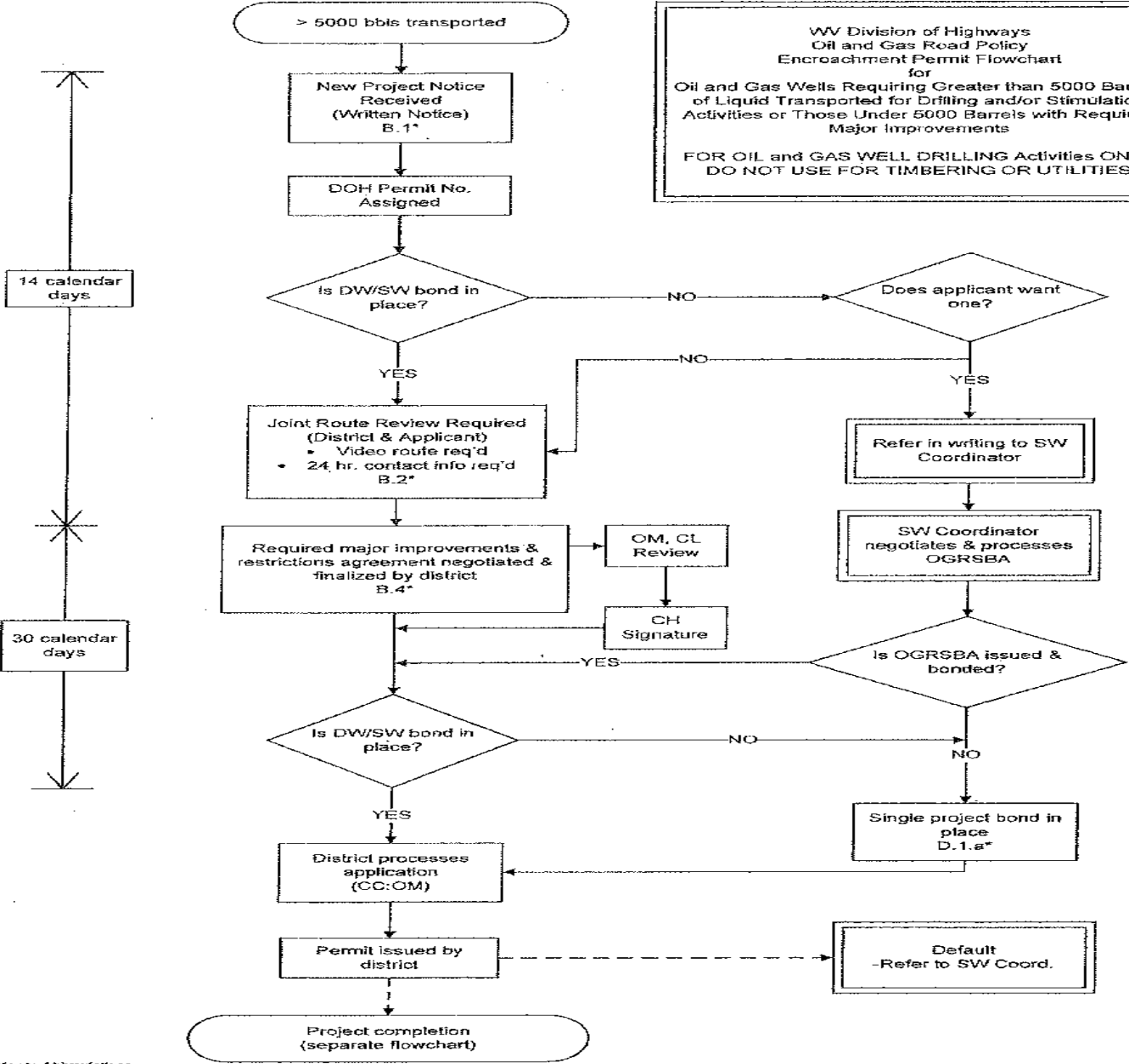
- STRIPPING PLANTS
- LOADING FACILITIES
- CRACKER FACILITIES
- PRODUCT TRANSPORTATION
Pipe/Road/Rail/River



Section B

**GAS AND OIL WELLS WITH 5,000+
BARRELS OF LIQUID TRANSPORTED ON
COVERED ROADS FOR DRILLING
AND/OR STIMULATION ACTIVITIES**

WV Division of Highways
Oil and Gas Road Policy
Encroachment Permit Flowchart
 for
Oil and Gas Wells Requiring Greater than 5000 Barrels
of Liquid Transported for Drilling and/or Stimulation
Activities or Those Under 5000 Barrels with Required
Major Improvements
FOR OIL and GAS WELL DRILLING Activities ONLY
DO NOT USE FOR TIMBERING OR UTILITIES



Key to Abbreviations
 OGRSBA - Oil and Gas Road
 Statewide Bonding Agreement

*Oil and Gas Road Policy

Video Taping Of Bonded Route

- Haul Route from Entrance to Primary Route
- Route for Different Permits may cover same routes
- Copies for both DOH and Operator
- Required for 5000+ Barrel Permits
- Change in Route may require additional video taping





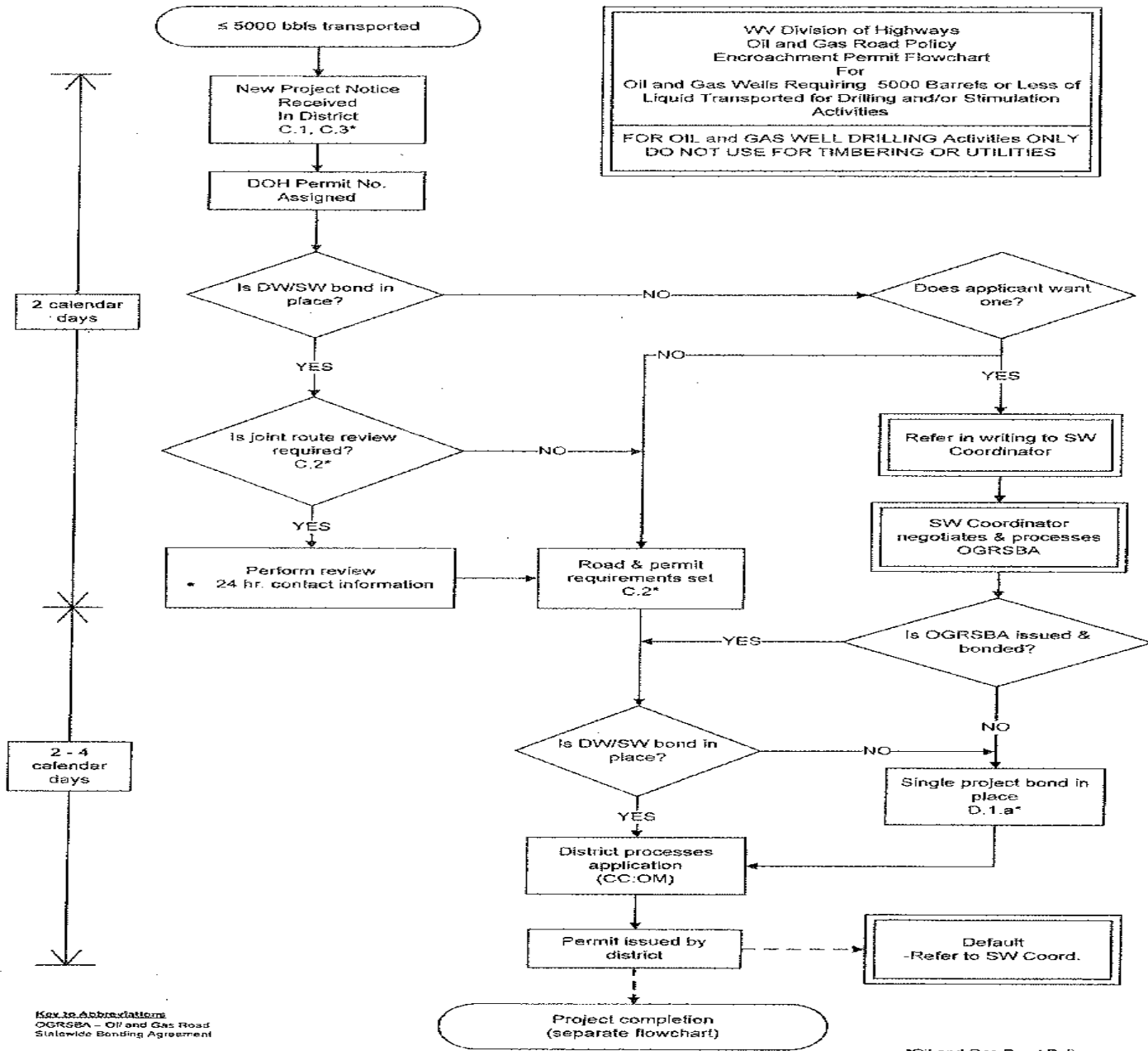
IMPROVEMENT AGREEMENT/MAINTENANCE ACTIVITIES

- All Work or Materials shall be in accordance with the West Virginia Division Of Highways Standard Specifications for Roads And Bridges as Adopted 2010
- Inspection/Testing will be performed as required

SECTION C

**GAS AND OIL WELLS WITH LESS
THAN 5,000 BARRELS OF LIQUIDS
TRANSPORTED ON COVERED
ROADS FOR DRILLING AND/OR
STIMULATION ACTIVITIES**

WV Division of Highways
 Oil and Gas Road Policy
 Encroachment Permit Flowchart
 For
 Oil and Gas Wells Requiring 5000 Barrels or Less of
 Liquid Transported for Drilling and/or Stimulation
 Activities
 FOR OIL and GAS WELL DRILLING Activities ONLY
 DO NOT USE FOR TIMBERING OR UTILITIES



Key to Abbreviations
 OGRSBA - Oil and Gas Road
 Statewide Bonding Agreement

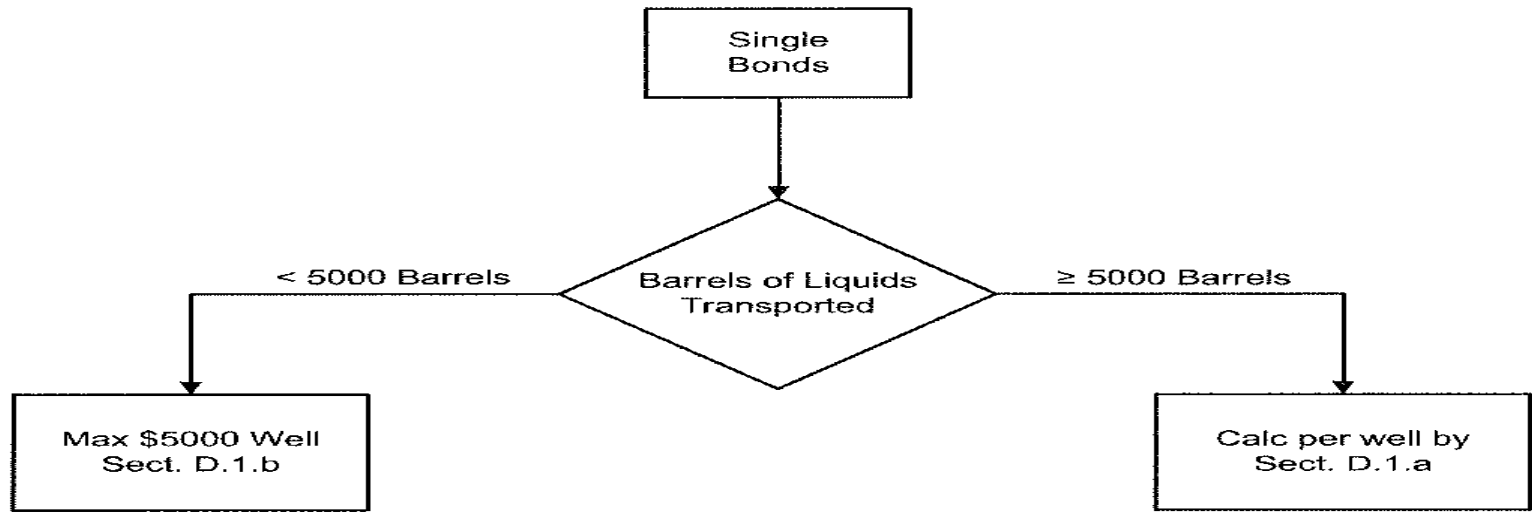
*Oil and Gas Road Policy

SECTION D

SECURITY

ROADWAY MAINTENANCE BONDING

- Does Not Affect Over Weight Permits
- Does Not Affect Over Size Permits
- Does Not Affect Bridge Weight Limits
- Special Conditions Affecting Regulations must be approved by Commissioner's Order or Special Agreement



WV Division of Highways
Oil and Gas Road Policy
Encroachment Permit Flowchart
For
Bonding And Security utilizing Single Bonds as per
Section D, 1.a & 1.b

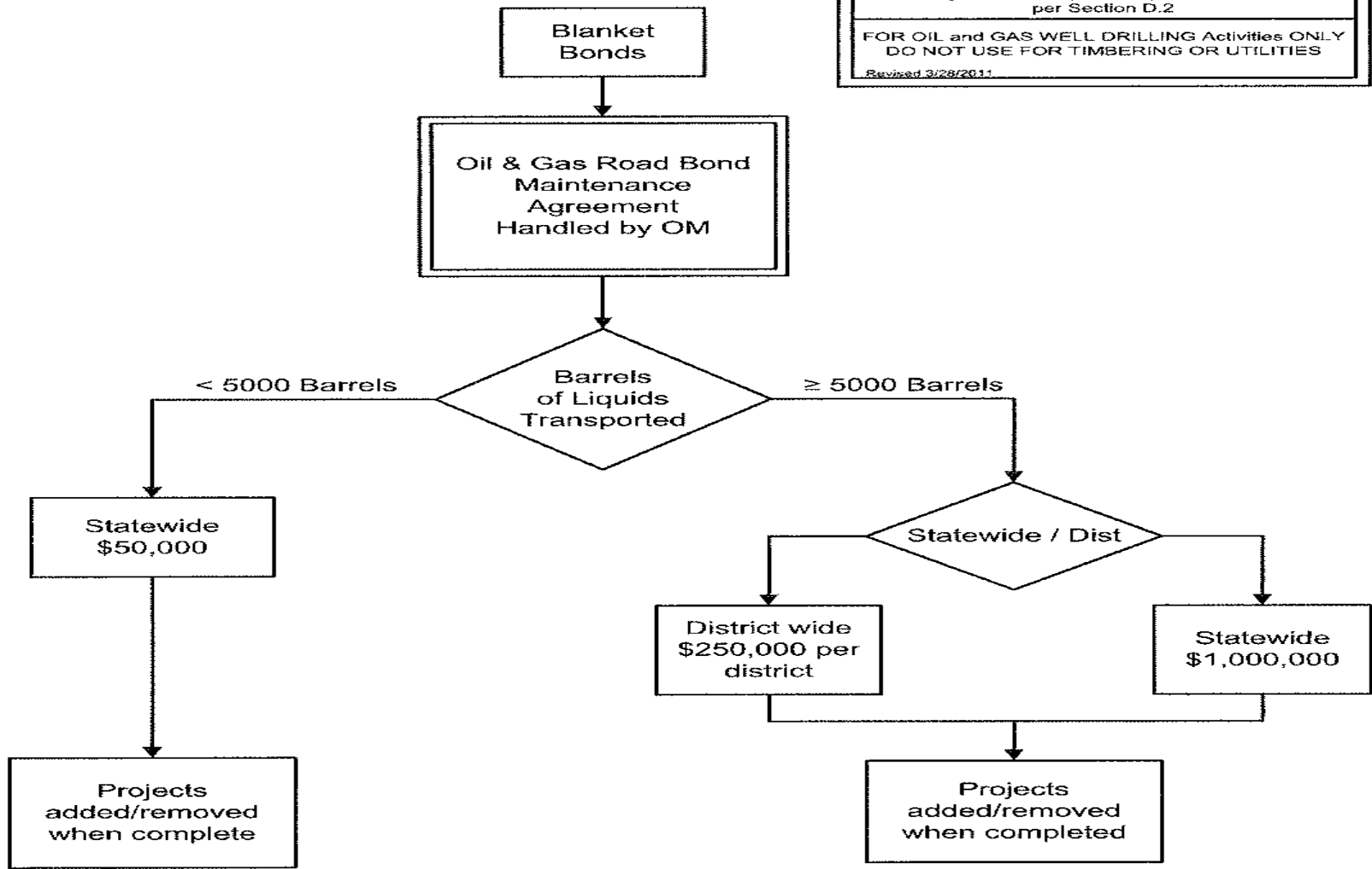
FOR OIL and GAS WELL DRILLING Activities ONLY
DO NOT USE FOR TIMBERING OR UTILITIES

Revised 3/28/2011

WV Division of Highways
Oil and Gas Road Policy
Encroachment Permit Flowchart
For
Bonding And Security Utilizing Blanket Bonds as
per Section D.2

FOR OIL and GAS WELL DRILLING Activities ONLY
DO NOT USE FOR TIMBERING OR UTILITIES

Revised 3/28/2011



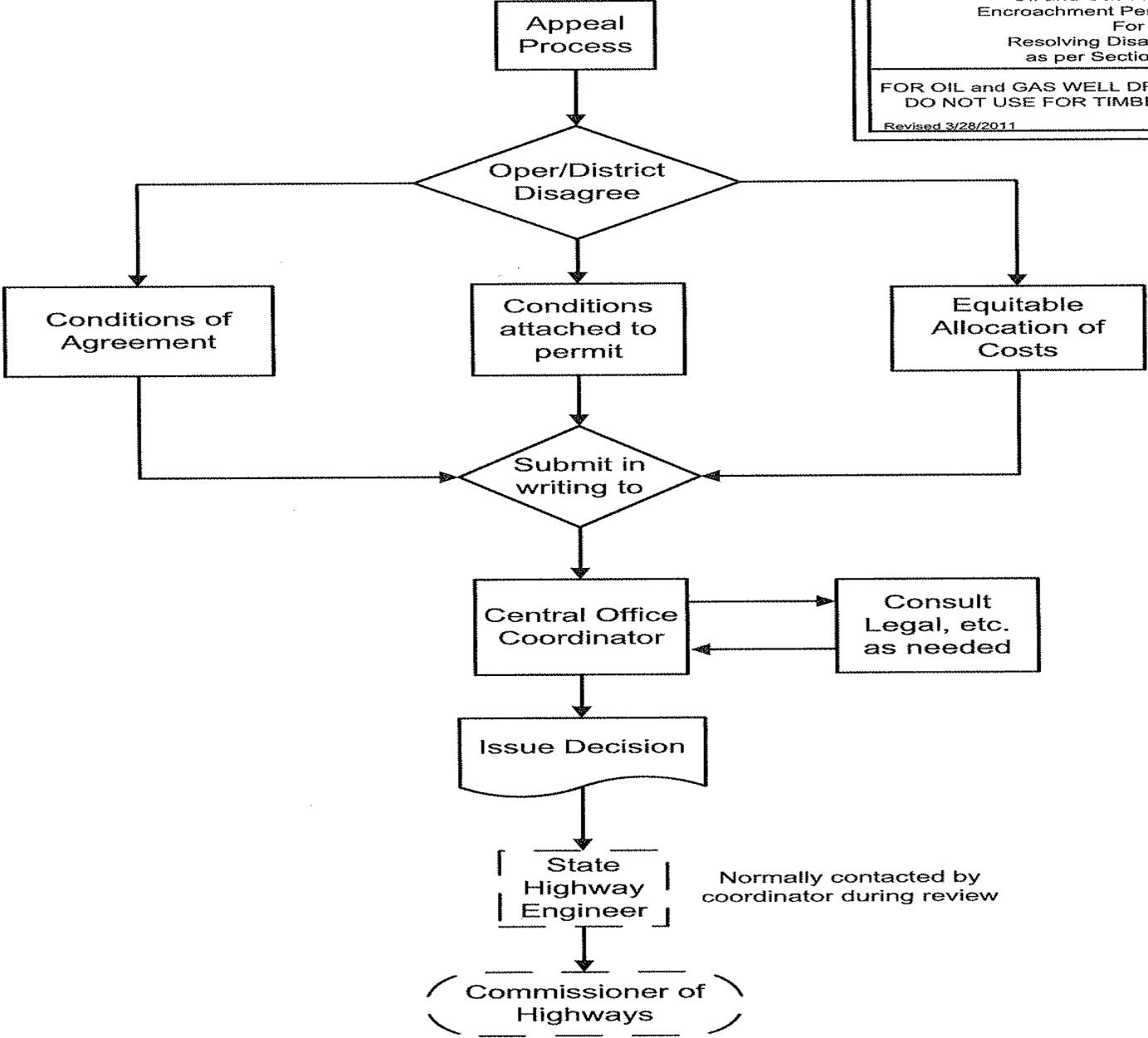
SECTION F

APPEAL PROCESS

WV Division of Highways
Oil and Gas Road Policy
Encroachment Permit Flowchart
For
Resolving Disagreements
as per Sections E & F

FOR OIL and GAS WELL DRILLING Activities ONLY
DO NOT USE FOR TIMBERING OR UTILITIES

Revised 3/28/2011



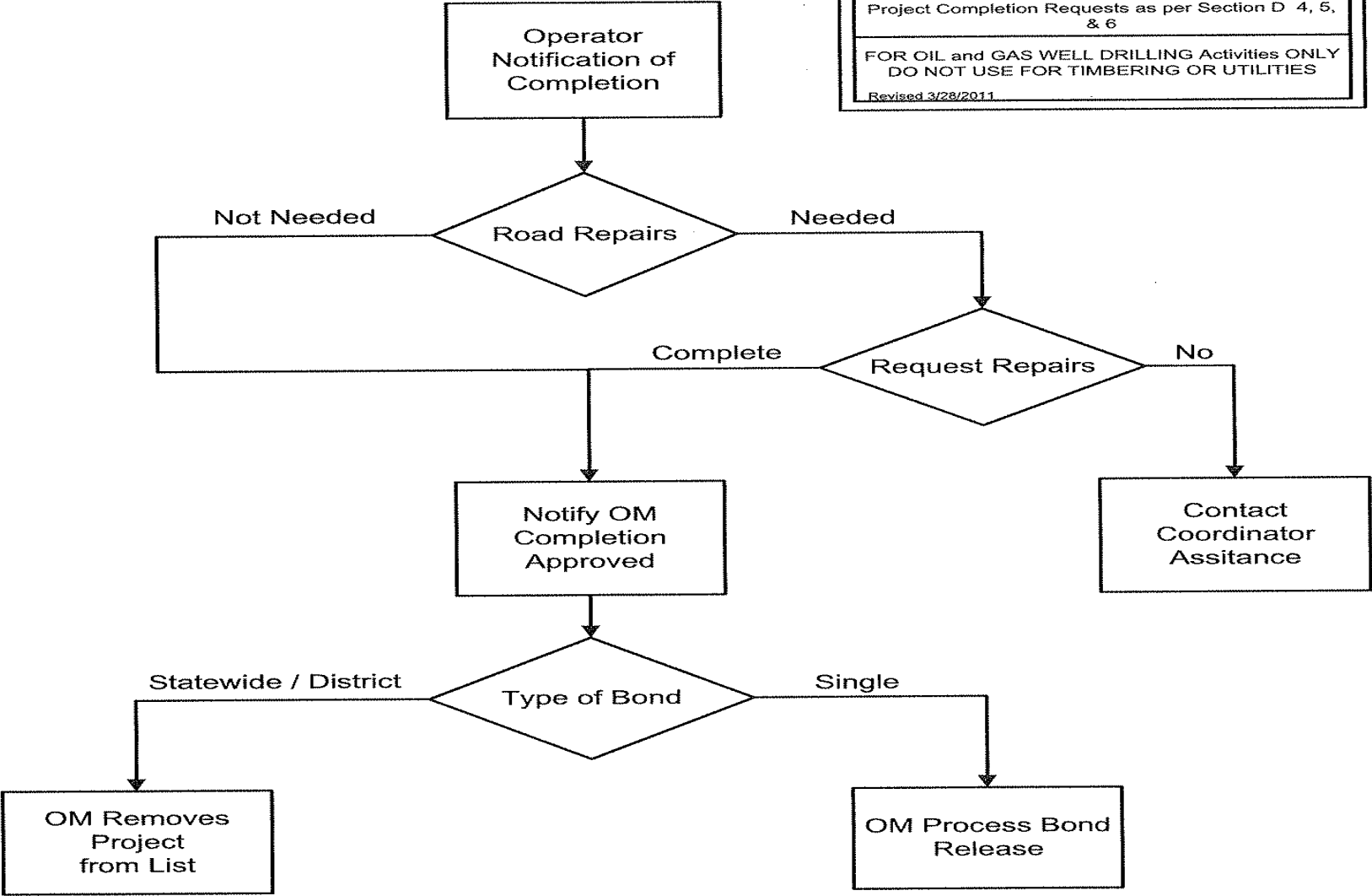
COMPLETING THE PROJECT

- Written notification must be submitted upon the project's completion
- Release project from bond
- Post completion video and inspection

WV Division of Highways
Oil and Gas Road Policy
Encroachment Permit Flowchart
For
Project Completion Requests as per Section D 4, 5,
& 6

FOR OIL and GAS WELL DRILLING Activities ONLY
DO NOT USE FOR TIMBERING OR UTILITIES

Revised 3/28/2011



**OBLIGATION RELEASE
ENCROACHMENT/AGREEMENT BONDS**

TO: MAINTENANCE DIVISION

DATE: _____

APPLICANT NAME _____

ADDRESS _____

BOND/CHECK NO. _____ DATE _____ AMOUNT _____

NAME OF SURETY _____

ADDRESS _____

DESCRIPTION OF WORK _____

_____ COUNTY _____

PERMIT NUMBER _____ PERMIT DATE _____

AUTH. NUMBER _____ AUTH. DATE _____ AMOUNT _____

RECOMMENDATIONS

DISTRICT

Is work complete? Yes _____ No _____ Date work was completed: _____

Have all charges been submitted to Finance Division? YES _____ NO _____ AMT _____

RECOMMENDATION/APPROVAL TO RELEASE:

Signature

YES NO

Permit Office			
Comptroller			
District E/M			

If NO, state reason _____

District _____ Date _____

FINANCE DIVISION

Accounts Receivable

Total Expenditures (Authorization System) _____

Total Invoiced and Paid _____

Signature _____ Date _____

NOTE: After completion of this form, transmit to Maintenance Division.

OM-XX?

BLANKET BOND PROJECT RELEASE
ENCROACHMENT/AGREEMENT BONDS

TO: MAINTENANCE DIVISION

DATE: _____

APPLICANT NAME _____
 ADDRESS _____
 BOND/CHECK NO. _____ Date _____ Amount _____
 NAME OF SURETY _____
 ADDRESS _____
 DESCRIPTION OF WORK _____
 COUNTY _____
 PERMIT NUMBER _____ PERMIT DATE _____
 AUTH. NUMBER _____ AUTH. DATE _____ AMOUNT _____

RECOMMENDATIONS

DISTRICT

Is work complete? YES _____ NO _____ Date work was completed: _____
 Have all charges been submitted to Finance Division? YES _____ NO _____ AMT _____

RECOMMENDATION/APPROVAL TO RELEASE		Signature	YES	NO
District	Date _____	Permit Office		
		District E/M		
Central Office	Date _____	Coordinator		

If NO, state reason _____

FINANCE DIVISION

Accounts Receivable
 Total Expenditure (Authorization System) _____
 Total Invoiced and Paid _____
 Signature _____ Date _____

NOTE: After completion of this form, transmit to Maintenance Division

Data Entry Screen

West Virginia Oil & Gas Roadway Damage Recovery Cost Tracking

DB Original Design: 4/2/2014

Data Entry

Datasheet View
Base Table

Add/Edit Company

Generate Route ID
Excel File

REPORTS

- ALL
- ALL - Select By Year

- COUNTY - ALL Years
- COUNTY - Select by Year

- DISTRICT - ALL Years
- DISTRICT - Select by Year

- COMPANY - All Years
- COMPANY - Select by Year

Current Company Names: Ches Energy, CNX Gas, Stone, Antero, JayBee, XTO Energy, Various

Report Generation

Oil & Gas Roadway Damage Recovery Cost Tracking - Data Entry

Add Record

Back

Main Entry Various Breakdown

Company:

Project Year

If "Various" is selected, provide total on this page and "detail" split by Company on next tab, if known.

Project Description

County:

DATA ENTRY NOTE

Route

Route/SubRoute fields must have zero fill. i.e. Enter Route 4/1 as 004/01. This needed for correct generation of Route ID. Single digit for Sign System OK. Always select Supp Desg. Do not leave blank. None = mainline 00.

SubRoute

Sign System

Supp Desig:

Bridge Replacement

Non-DOH Cost

DOH Cost

Payment Type

Beg MP

End MP

Length Miles

Comments