Compliance Notice

No 1282048725

Ohio Department of Natural Resources Divison of Mineral Resources Management Region Phone (740) 439-9079

THIS IS TO NOTIFIY YOU THAT AN INSPECTION WAS CONDUCTED BY THE ENFORCEMENT SECTION OF THE DIVISION OF MINERAL RESOURCES MANAGEMENT, OHIO DEPARTMENT OF NATURAL RESOURCES, ON THE BELOW DATE, AND THE FOLLOWING VIOLATIONS WERE NOTED.

API Well No. 34-013-20609-00-00 Project: BELMONT Twp. WI Typ: SWD County: WARREN Sec: Lot Owner: CNX GAS COMPANY LLC Resp Co Well Name: BUCKEYE UIC BARNESVILLE(S No.: WH_LAT: 40.026740 WH_LONG: -81.159720 Directions to site: Contact: Phone Inspection Type: Drill / Deepen / Reopen Address Status Check Inspection Purpose: Type of Notification Contact PAT SHREVE VIOLATION 1509: 22(A) 1501: 9-1-07 Drilling operation causing pollution and contamination VIOLATION 1509: 22[C] 1501: NONE(A) Dike or pit not able to prevent escape of Brine or other wastes **NOV** Requirements Inspection requires action

On day of inspection I was in on site for a BOP Test. The BOP test could not be completed at present time because of wrong rubber size for the job. The CNX engineer Jay Hewitt notified me on a situation with water leaking out of hill. There were four places. There was a 4"flow and two 2"flows There was also a 8"plastic corrugated pipe that was used for a french drain between the pit and the west wall of the location. I contacted Supervisor Simmers and Inspector Moravy. They told me to notify Inspector Farnsworth to assist me with this situation. I contacted Inspector Farnsworth and he would be in route ASAP I started taking samples of the water.WS-1 was taken at the 4"stream down over the north end of the pit.WS-2 was taken at the sediment trap, WS-3 was taken at the center of the pit Quantab readings revealed that the chlorides were 10,000-13,000ppm at WS-1 and WS-2.WS-3 and at site behind rig indicated that the chlorides were higher than that Baroid employee Titus Robinson took samples also. He indicated that the ground water sample was at a chloride level at 13,000ppm. The pit sample was at a 28,000ppm in chlorides. Jay Hewitt contacted the construction team and advised them that he needed them on site to construct the containment pit down over hill. At this point in time, the source of water is yet to be determined. I contacted Tom Tomastik in Columbus and he advised that there were no wells in area near the CNX site Delrick construction showed up and started to get prepared to construct the containment pit. Approximately 6:00pm Inspector Farnsworth arrived and Hewitt and I briefed him about the situation. We assessed the pit and the water flowing out of the hillside. There was no visible indication on the pit liner that there was a fluid loss from the drilling pit at this time. Inspection of the drilling pit revealed that pit liner was scorched and melted during the flaring of the Utica gas. We observed that the fluid level was at the lowest visible hole at this time. We tied an empty plastic sample bottle onto the flare line so that it was touching the fluid level so we could use this as fluid level indicator. Later in the evening we observed the water level was approximately one inch below the plastic bottle and the was a visible ring on the pit liner indicating a fluid loss. The drilling pit was losing fluid earlier in the evening, but due to the hot sun evaporating the fluid on the liner it was difficult to see the fluid loss. We notified Jay Hewitt that there was a visible fluid loss at this time and he immediately contacted water trucks and he also advised the drilling rig crew to start pumping the drilling pit into frac tanks. During the course of removing fluid from the drilling pit, we noticed a significant loss of water flow on the hillside. We continued to monitor the removal of the fluid from the drilling pit and the water flow on the hillside thru out the night and into the early morning. We advised Jay Hewitt to pump the fluids from the sediment trap and to keep pumping the fluid from the drilling pit until the water quits flowing out of the hillside. He advised that his company would empty the drilling pit and reline the drilling pit. We advised that they could pump it down below the holes or the could empty the pit and reline it. The operator is taking the appropriate remedial actions at this time. I advised Jay Hewitt that I would return to the site later today (Friday 13th) to check on compliance.

DIVISON MAY PURSUE.					
Accompanied by					
INJECTION/PRESSURE	[Vac	ANNULUS/PRESSURE:	Vac	FLOW/METER	Vac

OHIO REVISED CODE CHAPTER 1509. PROVIDES FOR ADDTIONAL NON-EXCLUSIVE REMEDIES WHICH THE

HAULER NO

LISCENSE_NUM:

Form DNR 5611 Revised 12/15/2002 Division Form #57a

Original Owner Former Owners

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CNX GAS COMPANY LLC