UNDERGROUND INJECTION CONTROL PERMIT NUMBER PAS2D215BWAR

AUTHORIZATION TO OPERATE A CLASS IID INJECTION WELL

In compliance with provisions of the Safe Drinking Water Act, as amended, (42 U.S.C. §§ 300f-300j-11, commonly known as the SDWA), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901-6991i, commonly known as RCRA) and attendant regulations promulgated by the U. S. Environmental Protection Agency under Title 40 of the Code of Federal Regulations,

Bear Lake Properties, LLC
3000 Village Run Road, Unit 103, #223
Wexford, PA 15090

is authorized by this permit to inject fluids through a Class IID commercial injection well, Bittinger #4, from a facility located in Columbus Township, Warren County, PA into the Medina Formation in accordance with the conditions set forth herein.

All references to Title 40 of the Code of Federal Regulations are to all regulations that are in effect on the date that this permit is effective.

This permit shall become effective on June 8, 2011.

This permit and its authorization to inject shall remain in effect until midnight June 8, 2016.

Signed this 8th day of June, 2011.

[Signature]
Joe M. Capaccia, Director
Water Protection Division

Printed on 100% recycled/recyclable paper with 100% post-consumer fiber and process chlorine free.
Customer Service Hotline: 1-800-438-2474
authorized by an emergency permit. Any permit noncompliance constitutes a violation of the SDWA and is grounds for enforcement action, permit termination, revocation and reissuance, modification, or for denial of a permit renewal application.

2. Need 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.

3. Duty to Mitigate. The permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this permit.

4. Proper Operation and Maintenance. The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control and related appurtenances 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 operator staffing and training, facility security, and 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.

5. Duty to Provide Information. The permittee shall furnish to the Director, within a time specified by the Director, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, 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 reports, the permittee shall promptly submit information addressing these deficiencies.

6. Inspection and Entry. The permittee shall allow the Director, 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;
(2) the authorization specifies either an individual or a position having responsibility for the overall operation of the regulated facility or activity, such as the position of plant manager, operator of a well or a well field, superintendent, or a position of equivalent responsibility. A duly authorize representative may thus be either a named individual or any individual occupying a named position; and

(3) the written authorization is submitted to the Director.

c. If an authorization under paragraph b. of this section is no longer accurate because a different individual or position 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 Director 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 a. or b. of this section shall make the following certification:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person(s) who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

10. Confidentiality of Information.

a. In accordance with 40 CFR Parts 2 (Public Information) and § 144.5, any information submitted to the Director pursuant to these permits may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission by stamping the words "confidential business information" on each page containing such information. If no claim is made at the time of submission, EPA may make the
period of time under paragraphs B.2 and B.3, below. This period may be extended by request of the Director at any time.

a. All data required to complete the Permit Application form for this permit and any supplemental information submitted under 40 CFR § 144.31.

b. Calibrations and maintenance records and all original strip chart recordings for continuous monitoring instrumentation.

c. Copies of all reports required by this permit.

2. The permittee shall retain records concerning the nature and composition of all injected fluids, as listed in Part II, paragraphs C.3. through C.5.of this permit, until three years after the completion of any plugging and abandonment procedures.

3. The permittee shall continue to retain the records after the above specified retention periods unless he or she delivers the records to the Director or obtains written approval from the Director to discard the records.

4. Records of monitoring information shall include:

a. The date, exact place, and the time of sampling or measurements;
b. The individual(s) who performed the sampling or measurements;
c. A precise description of both sampling methodology and the handling (custody) of samples;
d. The date(s) analyses were performed;
e. The individual(s) who performed the analyses;
f. The analytical techniques or methods used; and
g. The results of such analyses.

5. Monitoring the nature of injected fluids shall comply with applicable analytical methods cited in Part II, paragraph C.1., below.

6. All environmental measurements required by the permit, including, but not limited to; measurements of pressure, temperature, mechanical integrity (as applicable) and chemical
5. The permittee shall maintain a record of every load of fluid received. The record shall include the hauler’s name, the operator’s name and the location from where the load was obtained, 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.

6. A demonstration of mechanical integrity in accordance with 40 CFR § 146.8 shall, after the initial demonstration, be made at least once every two years. Subsequent two year demonstrations shall be conducted no more than 30 days prior to the anniversary date of the issuance of this permit. 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 reseated, or a well failure is evident. The permittee may continue operation only if he or she has successfully demonstrated to the Director 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. Any such test shall be conducted in keeping with the notification requirements of Permit Condition D.11. of Part II of this permit.

D. Reporting and Notification Requirements.

1. Report on Permit Review. Within 30 days of receipt of this permit, the permittee shall report to the Director that he or she has read and is personally familiar with all terms and conditions of this permit.

2. Commencing Injection. The operator of a new injection well may not commence injection until construction is complete, and

   a. The permittee has demonstrated to EPA that the injection well has mechanical integrity in accordance with 40 CFR § 146.8 and the permittee has received written notice from the Director that such demonstration is satisfactory;

   b. The permittee has submitted notice of completion of construction (EPA Form 7520-10) to the Director; and

   c. The Director has inspected or otherwise reviewed the new injection well and finds it is in compliance with the conditions of the permit; or
7. **Conversion.** The permittee shall notify the Director thirty days prior to the conversion of the well to an operating status other than an injection well.

8. **Annual Report.** The permittee shall submit an Annual Report to the Director summarizing the results of the monitoring required by Permit Condition C within Part II of this permit. This report shall include monthly monitoring records of injected fluids, fluid level monitoring results, the results of any mechanical integrity test(s), and any major changes in characteristics or sources of injected fluids. The permittee shall complete and submit with its Annual Report EPA Form 7520-11 (Annual Disposal/Injection Well Monitoring Report). The Annual Report shall be submitted not later than January 31st, summarizing the activity of the calendar year ending the previous December 31st.

9. **Plugging and Abandonment Reports and Notifications.**

   a. The permittee shall notify the Director 45 days before the plugging and abandonment of the well. The Director may allow a shorter notice period upon written request.

   b. Revisions to the Plugging and Abandonment Plan must be submitted to the Director no less than 45 days prior to plugging and abandonment on EPA Plugging and Abandonment Form 7520-14. The Director must approve the revisions prior to the start of plugging operations.

   c. Within 60 days after plugging the well, the permittee shall submit a report to the Director which shall consist of either:

      (1) A statement that the well was plugged in accordance with the plan previously submitted to and approved by the Director; or

      (2) Where actual plugging differed from the plan previously submitted, an updated version of the plan, on the form supplied by the Director, specifying the different procedures used.

     The report shall be certified as accurate by the person who performed the plugging operation.

10. **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
depth at least fifty feet below the lowermost underground source of drinking water and the injection zone shall be isolated by the placement of long string casing to total depth and cemented back at least 100 feet above the injection zone. Injection shall occur through a tubing string and packer installed inside the long string casing.

3. Logs and Tests. The logs and tests listed below shall be conducted during the drilling and construction of the well or, in the event that the well is being converted to an injection well, obtain and submit the logs and tests from the well's original construction. A descriptive report interpreting the results (which specifically relate to (1) the lowermost underground source of drinking water and the confining zone adjacent to it and (2) the injection zone and adjacent formations) shall be prepared by a knowledgeable log analyst and submitted to the Director. At a minimum, such logs and or tests shall include the following:

- A cement bond log and variable density log which document the cemented portion of the long string casing.
- A log which documents the location of the surface casing.
- Records documenting the cementing of the surface casing.
- Gamma Ray logs which document the geologic formations in the wellbore.

4. Mechanical Integrity. Injection operations are prohibited until the permittee demonstrates that the well covered by this permit has mechanical integrity in accordance with 40 CFR § 146.8 and the permittee has received notice from the Director that such a demonstration is satisfactory in accordance with the provisions of Condition D.2. of Part II of this permit.

5. Corrective Action. Injection operations are prohibited until the permittee has successfully performed any activities detailed in the Corrective Action Plan submitted in their Permit Application, and hereby incorporated. If any abandoned well is discovered within the one-quarter mile area of review as identified in the Permit Application, the permittee shall notify the Director upon discovery and within five (5) days submit to the Director for approval a plan for corrective action and implement the approved plan.
well in accordance with 40 CFR Section 144.52(a)(7) in the amount of at least $30,000. If the circumstances regarding the acceptability of the Letter of Credit and Standby Trust Agreement submitted to EPA to demonstrate financial responsibility should change, the permittee shall provide advance notification to the Director, and the Director may seek an alternative financial demonstration from the permittee.

The permittee shall not substitute an alternative demonstration of financial responsibility for that which the Director has approved, unless he or she has previously submitted evidence of that alternative demonstration to the Director and the Director notifies him or her that the alternative demonstration of financial responsibility is acceptable. The Director may require the permittee to submit a revised demonstration of Financial Responsibility if the Director has reason to believe that the original demonstration is no longer adequate to cover the costs of plugging and abandonment.