UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

March 6, 2018

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Doug Kepler, Vice President
Seneca Resources Corporation
5800 Corporate Blvd., Suite 300
Pittsburgh, Pennsylvania 15237

RE: UIC Final Permit PAS2D026BELK

Dear Mr. Kepler,

Enclosed is the final Underground Injection Control (UIC) program permit PAS2D026BELK. The permit authorizes Seneca Resources Corporation to convert well #38282 into a Class II-D injection well (Injection Well) to be used for the commercial disposal of produced fluid associated with oil and natural gas production and development. The Injection Well will be well #38282, located in the Kane (SRC Warrant 3771) Field, in Highland Township, Elk County. This final permit is unchanged from the draft version which was sent to you for review during the public notification period.

The effective date of the permit is specified on the signatory page. All permit conditions are effective and enforceable as of that date and your compliance with these conditions is required. You should respond to the provisions of Condition D.10.d. of Part I of this permit and provide an appropriate demonstration of the delegation of signatory authority. In addition, please note that permit Condition D.1. in Part II of this permit requires that you respond in writing to the Environmental Protection Agency within thirty (30) days of your receipt of this letter and attest to the fact that you have read and are personally familiar with all terms and conditions of this permit.

If you have questions regarding the permit, the conditions or other UIC procedures please contact Roger Reinhart at 215- 814-5462.

Sincerely,

for Roberta Lucas
James C. Bennett, Jr., Chief
Ground Water & Enforcement Branch (3WP22)
Office of Drinking Water & Source Water Protection

Printed on 100% recycled/recyclable paper with 100% post-consumer fiber and process chlorine free.
Customer Service Hotline: 1-800-438-2474

Cc: Amanda Veazey, Seneca Resources Company

Enclosure

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

Underground Injection Control (UIC)
Program Notice of Final Permit for
Seneca Resources Corporation

The United States Environmental Protection Agency (EPA) Region III, announced on March 7, 2018, the issuance of a final permit under the authority of the federal UIC regulations at 40 CFR Parts 124, 144, 145, 146 and 147 to Seneca Resources Corporation of Pittsburgh, Pennsylvania. This permit authorizes the construction and operation of a UIC Class IID brine disposal injection well, #38282, located in Highland, Allegheny County, Pennsylvania.

EPA Region III previously issued a draft permit for this well on June 15, 2017, and held a public hearing on this proposed permit on July 24, 2017, at the Highland Township Fire Hall in James City, Pennsylvania. EPA extended the public comment period until July 31, 2017 and invited the submission of any additional written comments.

EPA Region III is announcing the final permit issuance for UIC permit PAS2D026BELK which will be effective on March 7, 2018. The provisions governing the procedures for an appeal of an EPA permitting decision are specified at 40 CFR Part 124.19 and detailed at the end of the Response to Comments. A written petition for review must be filed within thirty (30) days of the date of the notice announcing EPA's permit decision to the Clerk of the EPA Environmental Appeals Board (EAB). The final permit and the Response to Comments are available for review at the following EPA Region III website:

https://www.epa.gov/pa/seneca-resource-corporation-pittsburgh-pa-pas2d026belk

Individuals interested in further information regarding this permit decision may contact Roger Reinhart by email at reinhart.roger@epa.gov or by telephone at 215-814-5462, or through regular mail at US EPA Region III, 1650 Arch Street, Philadelphia, PA 19103.

Printed on 100% recycled/recyclable paper with 100% post-consumer fiber and process chlorine free.
Customer Service Hotline: 1-800-438-2474

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

MAR 0 7 2018

UNDERGROUND INJECTION CONTROL PERMIT NUMBER PAS2D026BELK
AUTHORIZATION TO OPERATE A CLASS II-D INJECTION WELL

In compliance with provisions of the Safe Drinking Water Act, as amended, 42 U.S.C. §§ 300f - 300j-11, ("SDWA"), and the SDWA implementing regulations promulgated by the U.S. Environmental Protection Agency at Part 144 – 147 of Title 40 of the Code of Federal Regulations, this permit authorizes

Seneca Resources Corporation
5800 Corporate Blvd, Suite 300
Pittsburgh, PA 15237

as the permittee, to convert Seneca well #38282 into a Class II-D injection well (hereinafter, "Injection Well" or "Facility") and to operate the Injection Well for the purpose of injecting of fluids produced solely in association with oil and gas production from Seneca Resources oil and gas production, in accordance with the provisions of this permit. The Injection Well will be well #38282 and is located in the Kane (SRC Warrant 3771) Field, in Highland Township, Elk County. The coordinates for this Injection Well are: Latitude 41° 36' 44.7" and Longitude -78° 49' 20.2".

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 becomes effective.

This permit shall become effective on March 7, 2018.

This permit and its authorization to inject shall remain in effect until midnight March 7, 2028.

Signed this 7th day of March, 2018.

Catharine M. McManus

Catharine McManus, Acting Director
Water Protection Division

PART I

A. Effect of Permit

Seneca Resources Corporation ("the Permittee") is allowed to engage in underground injection at the Injection Well in accordance with the conditions of this permit. The Permittee shall not allow underground injection activity, otherwise authorized by this permit, to cause or contribute to the movement of fluid containing any contaminant into any underground source(s) of drinking water (USDW), if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 C.F.R. Part 141 or if it may otherwise adversely affect the health of persons. Any underground injection activity not authorized in this permit or otherwise authorized by rule is prohibited. 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, or any infringement of State or local law or regulations. Compliance with the terms of this permit does not constitute a defense to any action brought under Part C of the SDWA, or the imminent and substantial endangerment provisions in Part D of the SDWA or any other common or statutory law for any breach of any other applicable legal duty.

B. Permit Actions

This permit can be modified, revoked and reissued or terminated for cause or upon request as specified in 40 C.F.R. §§ 144.12, 144.39 and 144.40. Also, the permit is subject to minor modifications as specified in 40 C.F.R. § 144.41. The filing of a request for a permit modification, revocation and reissuance, or termination, or the notification of planned changes, or anticipated noncompliance on the part of the Permittee shall not stay the applicability or enforceability of any permit condition.

C. Severability

The provisions of this permit are severable, and if any provision of this permit or the Permittee's application, dated May 19, 2016, and revised September 2016, is held invalid, the application of such provision to other circumstances, and the remainder of this permit shall not be affected thereby.

D. General Requirements

1. Duty to Comply. The Permittee shall comply with all applicable Underground Injection Control ("UIC") Program regulations, including 40 C.F.R. Parts 124, 144-147, and with the conditions of this permit, except to the extent and for the duration that EPA authorizes any noncompliance by an emergency permit issued under 40 C.F.R. 144.34. 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 the 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, adequate security to prevent unauthorized access and operation of the Injection Well, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities 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 of the Water Protection Division ("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. For purposes of this permit, reports that are required to be submitted "in writing", or in "written" format may be submitted electronically through email or facsimile, unless otherwise specified herein.

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 the Facility or injection 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 the Facility, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and

d. Sample or monitor at reasonable times any substances or parameters at any location for the purposes of assuring permit compliance or as otherwise authorized by SDWA.

7. Penalties. Any person who violates a requirement of this permit is subject to administrative or civil penalties, fines and other enforcement actions under the SDWA. Any person who willfully violates conditions of this permit may be subject to criminal prosecution.

8. Transfer of Permits. This permit is not transferable to any person except after notice is sent on EPA Form 7520, approval is received from the Director, and the requirements of 40 C.F.R. § 144.38 are satisfied. The Director may require modification or revocation of this permit to change the name of the permittee and incorporate such other requirements as may be necessary under the SDWA or under its implementing regulations. The transferee is not authorized to inject under this Permit unless and until the Director notifies the transferee that the transferee is so authorized through issuance of a revised permit identifying the transferee as the permittee.

9. Signatory Requirements.

a. The Permittee shall sign all reports required by this permit and other information requested by the Director 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 person 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, such as the position of plant manager, operator of a well or a well field, superintendent, or a position of equivalent responsibility. A duly authorized 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 C.F.R. Part 2 (Public Information) and § 144.5, any information submitted to the Director pursuant to this permit 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 information available to the public without further notice. If a claim is asserted, the information will be treated in accordance with the procedures in 40 C.F.R. Part 2.

b. EPA will deny claims of confidentiality for the following information:

(1) The name and address of any permit applicant or permittee.

(2) Information which deals with the existence, absence, or level of contaminants in drinking water.

11. Reapplication. If the Permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the Permittee must submit a complete application for a new permit at least 100 days before this permit expires.

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

PART II

A. General

The Permittee shall sign and certify copies of all reports and notifications required by this permit in accordance with the requirements of Paragraph I.D.9. of this Permit and shall submit such information to the Director at the following address:

Ground Water & Enforcement Branch (3WP22)
Office of Drinking Water & Source Water Protection
U. S. Environmental Protection Agency
Region III
1650 Arch Street
Philadelphia, Pennsylvania 19103

B. Record Retention

1. The Permittee shall retain records of all monitoring and other information required by this permit, including the following (if applicable), for a period of at least five years from the date of the sample, measurement, report or application, unless such records are required to be retained for a longer period of time under Paragraph II.B.2, below. The Director may extend this record retention period at any time. If the Director extends the record retention period, the Permittee shall comply with the new record retention period.

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; and

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 required in Paragraphs II.C.4. and II.C.5. of this permit, until at least three years after the plugging and abandonment procedures are complete. The Permittee shall continue to retain these records after the three year retention period unless the Permittee delivers the records to the Director or obtains written approval from the Director to discard the records.

3. 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.

C. Monitoring Requirements

1. Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity. The Permittee shall obtain representative sample(s) of the fluid to be analyzed and conduct analysis(es) of the sample(s) in accordance with the approved methods and test procedures provided in 40 C.F.R. § 136.3 and EPA's SW-846 Compendium, or other methods and test procedures otherwise approved by the Director. The Permittee shall identify in its monitoring records the types of tests and methods used to generate the monitoring data.

2. The Permittee shall continuously monitor and record surface injection pressure, annular pressure, flow rate and cumulative volume in the Injection Well beginning on the date on which the Injection Well commences operation and concluding when the Injection Well is plugged and abandoned.

3. The Permittee shall also monitor and record quarterly (every three months), the fluid level of all of the following depleted gas production wells identified in the Application:

a. Well #04406, located approximately 1,000 feet northwest of the Injection Well.

b. Well # 04384, located approximately 1,000 feet northeast of the Injection Well.

Prior to monitoring the fluid level of the wells identified above, the Permittee shall place long casing in each monitoring well to a depth immediately above the injection formation in order to isolate the injection zone from any permeable zones above. If the fluid level in either of the monitoring wells is observed to rise within 100 feet of the base of the USDW, the Permittee shall stop disposal operations immediately, shall notify the EPA orally at (215) 814-5469) within 24 hours of the observation and shall send written notification to EPA within 5 days of the observation. Before the Permittee can resume disposal operations, EPA will evaluate the operating conditions and instruct the Permittee on any additional operating conditions necessary to control the fluid level.

4. The Permittee shall monitor the nature and composition of the injected fluid by sampling, analyzing and recording the injected fluid for the parameters listed below at the initiation of the injection operation and every two years thereafter, or whenever the operator observes or anticipates a change in the injection fluid.

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

5. The Permittee shall verbally report to the Director any analytical results for specific gravity that are greater than 1.16 and for TOC that are greater than 250 mg/l within twenty-four (24) hours of obtaining the results.

6. The Permittee shall make a demonstration of mechanical integrity in accordance with 40 CFR § 146.8 at least once every five years, after the initial demonstration. Subsequent five year demonstrations shall be conducted within five years of the date that the previous demonstration was made. In addition to the above requirement, the Permittee shall conduct a mechanical integrity test demonstration on the Injection Well when the protective casing or tubing is removed from the well, the packer is reseated, or a well failure is likely, or as requested by the Director. The Permittee may continue operation of the Injection Well only if the Permittee has demonstrated the mechanical integrity of the Injection Well to the Director's satisfaction. The Permittee shall cease injection operations if a loss of mechanical integrity becomes evident or if the Permittee cannot demonstrate mechanical integrity. The Injection Well shall be equipped with an automatic shut-off device which would be activated in the event of a mechanical integrity failure.

7. All environmental measurements required by the permit, including, but not limited to: measurements of pressure, temperature, mechanical integrity (as applicable) and chemical analyses shall be done in accordance with EPA guidance on quality assurance.

D. Reporting and Notification Requirements.

1. Report on Permit Review. Within thirty (30) days of receipt of this permit, the Permittee shall ensure that the person designated pursuant to Paragraph I.D.9 of this permit reports 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 Permittee shall not commence injection until construction or well rework is complete and all of the following conditions have been satisfied:

a. The Permittee has submitted notice of completion of construction (EPA Form 7520-10) to the Director;

b. The Permittee has demonstrated to EPA that the Injection well has mechanical integrity in accordance with 40 C.F.R. § 146.8 and the Permittee has received written notice from the Director that such demonstration is satisfactory; and

c.(1) The Director has inspected or otherwise reviewed the Injection Well and finds it is in compliance with the conditions of this permit; or

c.(2) The Permittee has not received notice from the Director of his or her intent to inspect or otherwise review the Injection Well within 13 days of the date of the notice in Paragraph II.D.2.a of this permit, in which case, prior inspection or review is waived and the Permittee may commence injection.

3. Twenty-four Hour Reporting.

a. The Permittee shall report to the Director any noncompliance which may endanger, or has endangered health or the environment. The Permittee shall provide such report orally (phone numbers: (215)814-5462 or (215)814-5469 within 24 hours from the time the Permittee becomes aware of the circumstances. The Permittee shall include following information in the oral report:

(1) Any monitoring or other information which indicates that any contaminant may endanger or has endangered an USDW.

(2) Any noncompliance with a permit condition, or malfunction of the injection system which may cause or has caused fluid migration into or between USDWs, or failure of mechanical integrity test demonstrations.

b. The Permittee shall provide a written submission within five (5) days of the time the Permittee becomes aware of the circumstances described in Paragraph II.D.3. 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, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent reocurrence of the noncompliance.

4. Anticipated Noncompliance. The Permittee shall give advance written notice to the Director of any planned changes in the permitted Facility or activity which may result in noncompliance with permit requirements.

5. Other Noncompliance. The Permittee shall report all other instances of noncompliance to the Director in writing within ten (10) days of the time the Permittee becomes aware of the circumstances. The reports shall contain the information listed in Paragraph II.D.3., of this permit.

6. Planned Changes. The Permittee shall provide written notice to the Director as soon as possible of any planned physical alterations or additions to the permitted Facility.

7. Conversion. The Permittee shall provide written notice to the Director thirty (30) days prior to the conversion of the Injection Well to an operating status other than an injection well.

8. Annual Report. The Permittee shall submit a written Annual Report to the Director summarizing the results of the monitoring required by Paragraph II.C of this permit. This report shall include monthly monitoring records of injected fluids, the results of any mechanical integrity test(s), and any major changes in characteristics or sources of injected fluids. The report shall list the additives used in the operation of the well. The Permittee shall complete and submit this information with its Annual Report EPA Form 7520-11 (Annual Disposal/Injection Well Monitoring Report). The Permittee shall submit the Annual Report to the Director not later than January 31st of each year, 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 in writing at least 45 days before plugging and abandonment of the Injection Well as described in Paragraph III.C. of this permit. The Director may allow a shorter notice period upon written request.

b. The Permittee shall submit any revisions to the Plugging and Abandonment Plan attached to and incorporated into this permit to the Director no less than 45 days prior to plugging and abandonment on EPA Plugging and Abandonment Form 7520-14. The Permittee shall not commence plugging and abandonment until it receives written approval of the revisions to the Plan from the Director.

c. To the extent that any unforeseen circumstances occur during plugging and abandonment of the Injection Well that cause the Permittee to believe the Plugging and Abandonment Plan should be modified, the Permittee shall obtain written approval from EPA of any changes to the Plugging and Abandonment Plan prior to plugging the Injection Well.

d. Within 60 days after plugging the Injection Well, the Permittee shall submit a Plugging and Abandonment Report to the Director which shall consist of either:

(1) A statement that the Injection Well was plugged in accordance with the EPA-approved plan; or

(2) Where actual plugging differed from the Plugging and Abandonment Plan previously approved by EPA, the Permittee shall provide to the Director an updated version of Form 7520-14, specifying the different procedures used.

e. The Permittee shall ensure that the Plugging and Abandonment Report is certified as accurate by the person who performed the plugging operation.

10. Compliance Schedules. The Permittee shall submit reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this permit no later than 30 days following each schedule date.

11. Mechanical Integrity Tests. The Permittee shall notify the Director in writing at least 30 days prior to conducting Mechanical Integrity Testing on the Injection Well.

12. Cessation of Injection Activity. After cessation of injection into the Injection Well for two years the Permittee shall plug and abandon the Injection Well in accordance with the Plugging and Abandonment Plan in Attachment 1, unless:

a. The Permittee provides written notice to the Director that describes actions and/or procedures, including compliance with the technical requirements applicable to the Injection Well, that are necessary to ensure that the Injection Well will not endanger USDWs during any period of temporary abandonment, unless waived, in writing, by the Director.

b. The Permittee receives approval from the Director that the actions and/or procedures described in the notice are satisfactory; and

c. The Permittee implements such EPA approved actions and/or procedures.

E. Mechanical Integrity Standards

1. The Permittee shall maintain the mechanical integrity of the permitted Injection Well pursuant to 40 CFR § 146.8.

2. Request from Director. The Director may, by written notice, require the Permittee to demonstrate mechanical integrity at any time during the term of this permit and the Permittee shall comply with the Director's request.

PART III

A. Construction Requirements

1. Notwithstanding any other provision of this permit, the Permittee shall inject through the Injection Well only into a formation which is separated from any USDW by a confining zone, as defined by 40 C.F.R. § 146.3, that is free of known open faults or fractures within the Area of Review, as required by 40 C.F.R. § 146.22.

2. Casing and Cementing. The Permittee shall:

a. ensure the Injection Well is cased and cemented to prevent the movement of fluids into or between USDWs, in accordance with 40 C.F.R. §§ 146.22 and 147.1955(b);

b. ensure the casing and cement used in the Injection Well are designed for the life expectancy of the well;

c. ensure the Injection Well has surface casing installed from the surface to a depth of approximately 553 feet below land surface, and cemented back to the surface;

d. ensure the Injection Well has long string casing installed from the surface to approximately 2335 feet, and cemented back at least 100 feet above the injection zone; and

e. install in the Injection Well a tubing string set on a packer installed inside the long string casing and set above the injection zone.

3. Logs and Tests. In accordance with 40 CFR § 146.22(f), the Permittee shall prepare logs and perform tests as follows during the construction or rework of the Injection Well: electric, gamma ray and caliper logs in the open hole, a cement bond, temperature or density log on the surface casing (if cement returns are not achieved), and a cement bond log/variable density log on the long string casing. The Permittee shall submit to the Director, for the Injection Well, cement records, a narrative report that interprets the well log(s) and test results, which specifically relate to the results of the cementing operation, and a detailed description of the rationale used to make these interpretations. The narrative report shall be prepared by a knowledgeable log analyst and submitted to the Director. The Director may prescribe additional logs or waive logging requirements in the future should field conditions so warrant.

4. Mechanical Integrity. The Permittee is prohibited from conducting injection operations in the Injection Well until it (i) demonstrates the mechanical integrity of the Injection Well in accordance with 40 C.F.R. § 146 and (ii) receives notice from the Director that such a demonstration is satisfactory in accordance with Paragraph II.D.2 of this permit.

5. Corrective Action.

a. If necessary, prior to injecting into the Injection Well, the Permittee shall complete corrective action by plugging and abandoning wells within the one-quarter mile area of review that could provide conduits for fluid migration into USDWs. If an abandoned well is discovered within the one-quarter mile area of review after injection commences, 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.

b. The Permittee currently operates two gas production wells which it will use for fluid level monitoring. Well #04384 is located approximately 1,000 feet northeast of the

Injection Well, and well #04406 is located about 1,000 feet northwest of the Injection Well. In order to isolate the injection zone for fluid level monitoring, the Permittee shall place long string casing to the depth of the top of the Elk 3 sand, at approximately 2,349 feet below the surface for Well #04384, and 2,265 feet below the surface for Well #04406. If gas production is terminated in either of the wells, the Permittee shall notify the Director within 30 days. The Director shall then prescribe measures to be taken by the Permittee for remediation of the inactive gas production well(s).

B. Operating Requirements

1. Injection Formation. The Permittee shall inject only into the Upper Devonian Elk 3 Sand in the subsurface interval between approximately 2327 feet and 2372 feet.

2. Injection Fluid. The Permittee shall not inject any hazardous waste, as defined by 40 CFR 261, nor any other fluid, other than the fluids produced solely in association with Seneca Resources oil and gas production activity, and additives necessary to maintain the integrity of the well.

3. Injection Volume Limitation. Injection volume shall not exceed 45,000 barrels per month.

4. Injection Pressure Limitation. Injection pressure shall not exceed a surface injection pressure maximum of 1416 psi. If the specific gravity of the injection fluid is exceeds 1.16, the Permittee shall reduce the surface injection pressure by the amount necessary to avoid exceeding a bottom-hole pressure of 2,587 psi. The Permittee shall not inject fluid at a pressure which initiates new fractures or propagates existing fractures in the confining zone, as defined in C.F.R. § 146.3 adjacent to USDWs or causes the movement of injection or formation fluids into an USDW.

5. The Permittee shall inject fluids into the Injection Well through the tubing string installed inside the long string casing. The Permittee is prohibited from injecting between the outermost casing protecting USDWs and the well bore, and also from injecting into any USDW.

C. Plugging and Abandonment

1. The Permittee shall plug and abandon the Injection Well in accordance with the EPA-approved plugging and abandonment plan in Attachment 1.

2. The Permittee shall plug and abandon the Injection Well in such a manner that fluids shall not move into or between USDWs.

D. Financial Responsibility

The Permittee shall continuously maintain financial responsibility and resources to close, plug and abandon the Injection Well in accordance with 40 C.F.R. §144.52(a)(7) in the amount

of at least $32,300. If the circumstances regarding the acceptability of the Financial Statement, which the Permittee 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 must submit financial statement demonstration to the EPA Director on an annual basis for evaluation and approval. Such financial statement demonstration should be submitted as part of the Annual Report due January 31 of each year. 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.

The Permittee shall not substitute an alternative demonstration of financial responsibility for that which the Director has approved, unless it has previously submitted evidence of that alternative demonstration to the Director and the Director notifies it that the alternative demonstration of financial responsibility is acceptable.

Attachment 1

Plugging and Abandonment Plan

OMB No. 2040-0042 Approval Expires 12/31/2018

United States Environmental Protection Agency
Washington, DC 20460

PLUGGING AND ABANDONMENT PLAN

Name and Address of Facility	Name and Address of Owner/Operator
Seneca Well #38282 Highland Township, Elk County, PA	Seneca Resources Corporation 5800 Corporate Blvd, Suite 300, Pittsburgh, PA 15237

Locate Well and Outline Unit on Section Plat - 640 Acres

N
W E
S

State	County	Permit Number
PA	Elk	37-047-32885

Surface Location Description

1/4 of ____ 1/4 of ____ 1/4 of ____ 1/4 of Section ____ Township ____ Range

Locate well in two directions from nearest lines of quarter section and drilling unit

Surface Location ____ ft. frm (N/S) ____ Line of quarter section and ____ ft. from (E/W) ____ Line of quarter section.

TYPE OF AUTHORIZATION
- [x] Individual Permit
- [ ] Area Permit
- [ ] Rule

Number of Wells 1

WELL ACTIVITY
- [ ] CLASS I
- [x] CLASS II
  - [x] Brine Disposal
  - [ ] Enhanced Recovery
  - [ ] Hydrocarbon Storage
- [ ] CLASS III

Lease Name

Well Number

CASING AND TUBING RECORD AFTER PLUGGING

SIZE	WT (LB/FT)	TO BE PUT IN WELL (FT)	TO BE LEFT IN WELL (FT)	HOLE SIZE
9 5/8"	26		40'	12.25"
7"	17		553' cemented to surface	8.75"

METHOD OF EMPLACEMENT OF CEMENT PLUGS
- [x] The Balance Method
- [ ] The Dump Bailer Method
- [ ] The Two-Plug Method
- [ ] Other

CEMENTING TO PLUG AND ABANDON DATA:	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7
Size of Hole or Pipe in which Plug Will Be Placed (inche	6.25"	6.25"					
Depth to Bottom of Tubing or Drill Pipe (ft	2500'	700'					
Sacks of Cement To Be Used (each plug)	173	18					
Slurry Volume To Be Pumped (cu. ft.)	204	21.3					
Calculated Top of Plug (ft.)	1544	600'					
Measured Top of Plug (if tagged ft.)							
Slurry Wt. (Lb./Gal.)	15.6	15.6					
Type Cement or Other Material (Class III)	Class A	Class A					

LIST ALL OPEN HOLE AND/OR PERFORATED INTERVALS AND INTERVALS WHERE CASING WILL BE VARIED (if any)

From	To	From	To
Surface casing seat at 553'	Total depth 2565'		

Estimated Cost to Plug Wells

$

Certification

I certify under the 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. (Ref. 40 CFR 144.32)

Name and Official Title *(Please type or print)*	Signature	Date Signed
Amanda Vezey Geologist	Amanda Vezey	5/1/2016

EPA Form 7520-14 (Rev. 12-11)