

Instrument prepared by

VIRGINIA GAS AND OIL BOARD

Order recorded under

**CODE OF VIRGINIA
§ 45.1-361.26**

BEFORE THE VIRGINIA GAS AND OIL BOARD

**RELIEF
SOUGHT:**

An Order for Disbursement of Escrowed Funds
(and Authorization for Direct Payment of Royalties)

JURISDICTION:

Code of Virginia § 45.1-351. (et seq) AND § 45.1-361.22 (et seq) AND § 45.1-361.22:2

UNIT/WELL NAME: VC-2835

TRACT(S): A portion of 4

LOCATION: RUSSELL County, Virginia

DOCKET NUMBER: VGOB-98-0324-0642-06

APPLICANTS:

EnerVest Operating, LLC on behalf of Alicia Rosenbaum, Alma Simerly, Anna Claudine Breeding Parsons, Billy Ball, Carol Peacock and Jack Peacock, Curtis Wilson and Connie Wilson, Dave Craft, Destia Puckett, Diane Howell, EnerVest Operating, LLC Attn: Jim McKinney, Franklin Farmer & Karen Farmer, Ina Fern Breeding, Jack Kelvin Head, Johnny Lee Rosenbaum, Katherine Brooks Dillon, Keith Allen Musick, Kevin Howell, Lois Lee Breeding Rasnake, Maynard Counts, Michelle Ball, Ronald Scott Mullins, Samuel Musick, Sharon Lynn Jones Vipperman, Sheryl Mullins Bise, Wanda Jean Bryan, Wanda Whitt and Randall Whitt, Wiley J. Canter

HEARING DATE AND LOCATION:

Russell County Government Center, Lebanon, Virginia
July 19, 2016

APPEARANCES: James Kaiser on behalf of EnerVest Operating, LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 04/09/1998, Recorded on 04/15/1998, Deed Book/Instrument No. 474, Page 279.
2. Supplemental Order Executed 06/30/1998, Recorded on 07/16/1998, Deed Book/Instrument No. 478, Page 110.

BOOK 0806 PAGE 0155

3. Disbursement Order -03 Executed 01/02/2013, Recorded on 01/24/2013, Deed Book/Instrument No. 0757, Page 0302.
4. Disbursement Order -04 Executed 06/26/2014, Recorded on 07/16/2014, Deed Book/Instrument No. 778, Page 134.
5. Disbursement Order -05 Executed 02/05/2016, Recorded on 02/29/2016, Deed Book/Instrument No. 0798, Page 0893.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the July 19, 2016 hearing and considered whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) A portion of 4 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 4 relative to the interests of the Applicants identified in the attached petition.
- (3) Continue the escrow account under this docket number.

FINDINGS: Code of Virginia § 45.1-361.22 AND § 45.1-361.22:2

Applicant has certified and represented to the Board that:

Petition to disburse funds from the escrow account for well VC-2835, to all known owners in Tracts 4. VGOB 98-0324-0642-06.

Adjustment Comments:

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1 and 2.
2. The Escrow Agent is ordered to continue the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

APPEALS:

Appeals of this Order are governed by the provisions of the Code of Virginia § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

DONE AND EXECUTED this 25 day of July, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

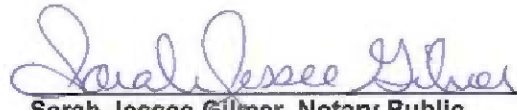
DONE AND PERFORMED this 25 day of July, 2016 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 25th day of July, 2016, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.



Sarah Jessee Gilmer, Notary Public
262946

My Commission expires: July 31, 2017



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EnerVest Operating, LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 98-0324-0642-06

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 4 (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES (3) AND DISMISSAL OF COAL OWNERS PURSUANT TO CODE OF VIRGINIA SECTION 45.1-361.22:2.

HEARING DATE: July 19, 2016

DRILLING UNIT: VC-2835

RUSSELL COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is EnerVest Operating, LLC, 408 W Main Street, Abingdon, VA 24210, 276-628-9001. Petitioner's counsel is James Kaiser, Wilhoit and Kaiser Law Firm, 220 Broad Street, Suite 210, Kingsport, TN 37660.

2. Relief Sought

Petition to disburse funds from the escrow account for well VC-2835, to all known owners in Tracts 4. VGOB 98-0324-0642-06.

3. Legal Authority

Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. Type of Well(s)

Coalbed Methane

5. Factual basis for relief requested

Petition to disburse funds from the escrow account for well VC-2835, to all known owners in Tracts 4. VGOB 98-0324-0642-06.

6. Attestation

The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

8,380'

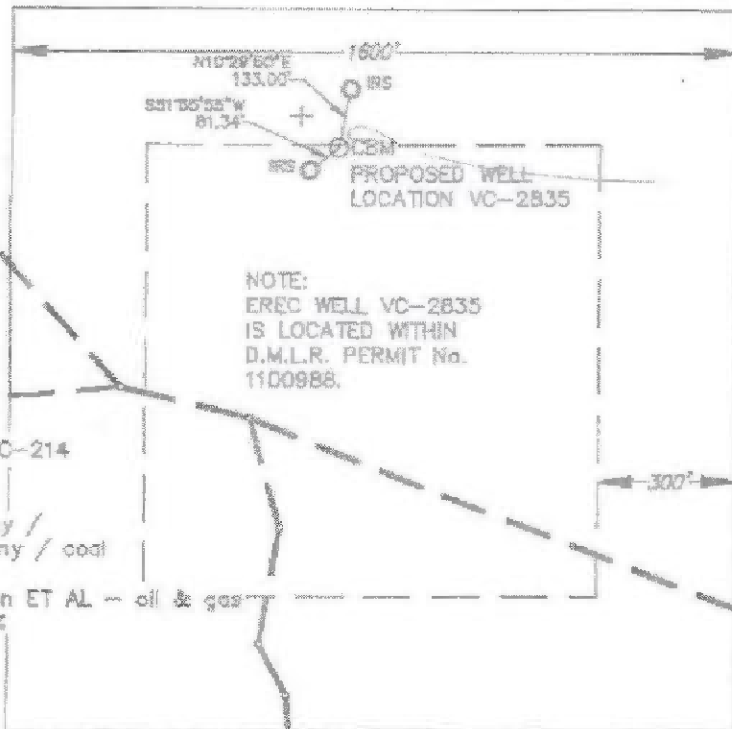
Note: Elevation determined by
Trigonometric leveling from
Ridge Monument.

Latitude 37° 02' 30"

Lease No. 241490L / T-483
Robert Rasnake Tr.
519.46 Acres
Clinchfield Coal Company /
Pyxis Resources Company / surface & coal
Pine Mountain Oil & Gas, Inc. - oil & gas
Gas 37.08 Ac. 63.09%

Longitude 82° 07' 30"

4,970'



NOTE:
EREC WELL VC-2835
IS LOCATED WITHIN
D.M.L.R. PERMIT No.
1100988.

Lease No. 244792L / TC-214
E. L. Kiser Tr.
209.02 (261.48) Acres
Clinchfield Coal Company /
Pyxis Resources Company / coal
Lease No. 244332L
Nettie Glenn Kiser Wilson ET AL - oil & gas
Gas 0.82 Ac. 1.39%

Lease No. 241490L / T-485
N. B. Rasnake Tr.
250.53 Acres
Clinchfield Coal Company /
Pyxis Resources Company / coal
Pine Mountain Oil & Gas, Inc. - oil & gas
Gas 9.80 Ac. 16.68%

Lease No. 241490L / T-488
Jasper Skeen Tr.
337.55 Acres
Clinchfield Coal Company /
Pyxis Resources Company / surface & coal
Pine Mountain Oil & Gas, Inc. - oil & gas
Gas 11.07 Ac. 18.84%

LEGEND

- Proposed Well Loc.
- ⊙ Offset Well
- Mineral Line
- Surface Line

Well Coordinates: (VA St. Plane S. Zone,
Calculated from CGC coordinates)
N - 273,541 E - 933,690

Well Coordinates: (Clinchfield Coal Co.)
S - 26,206.28 E - 67,024.38

Area of Unit = 58.77 Ac.

WELL LOCATION PLAT

COMPANY Equitable Resources Energy Company WELL NAME AND NUMBER VC-2835
TRACT NO. T-483 ELEVATION 2524.60 QUADRANGLE Duty
COUNTY Russell DISTRICT Castlewood SCALE 1" = 400' DATE 08-31-98

This Plat is a new plat ____; an updated plat ____; or a final location plat ____ x

+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

Greg Mullins
Licensed Land Surveyor

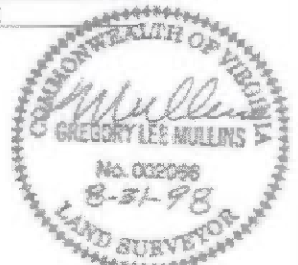


EXHIBIT "E"
VC-702835
VGOB 98-0324-0642-06
 REVISED as of 3/28/16

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
4	Steven Howell unknown	Unleased	0.000813%	0.0004
	Heirs Betty Lou Vance Phillips Unknown/Unlocatable	Unleased	0.003677%	0.0022
	Heirs of Joyce Nell Vance Smith Unknown/Unlocatable	Unleased	0.003677%	0.0022
	Heirs of Edward Farley Vance, Jr. Unknown/Unlocatable	Unleased	0.003677%	0.0022
	Heirs of Mary Sue Vance Cummings Unknown/Unlocatable	Unleased	0.003677%	0.0022
	Nellie Kiser Wells Heirs Unknown/Unlocatable	Leased - RRPM 244332	0.025741%	0.0150
	Freddy Wilson Unknown	Leased - RRPM 244332	0.001755%	0.0010
TRACT 4 TOTAL			0.042817%	0.0252

EXHIBIT "EE"
VC-702835
VGOB 98-0324-0642-06
 REVISED as of 5/26/16

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Current Disbursement-06</u>				
<u>4</u>	Maynard Counts* 2644 Pats Lane St. Paul, VA 24283 <i>*Subject to 75/25 split agreement</i>	Leased	0.019306%	0.0114
	Enervest Operating, LLC Dept. 962-1 P.O. Box 4346 Houston, TX 77210 <i>*Subject to 75/25 split agreement</i>	Owner	0.006435%	0.0038
<i>The interest above was not disbursed as shown in prior exhibits and this acreage needs to be included to total out to the 0.2884ac currently escrowed by VGOB for this unit. This is an exact pay from first date of production until September 1, 2008 when EQT included this ownership in their direct pay deck.</i>				
<u>4</u>	Ina Fern Breeding P.O. Box 2 Davenport, VA 24239	Leased - RRPM 244332	0.004680%	0.0028
	Billy Ball 3623 Jims CT Green Cove Springs, FL 32043	Leased - RRPM 244332	0.004680%	0.0028
	Sheryl Mullins Bise 888 Ramsey Ridge Clinchco, VA 24226	Unleased	0.001170%	0.0007
	Ronald Scott Mullins 425 Good Hope Church Road Aroda, VA 22709	Unleased	0.001170%	0.0007
	Samuel Musick 1085 Bellamy Lane Portsmouth, OH 45663	Unleased	0.002808%	0.0017
	Keith Allen Musick 21105 Currie Avenue Warren, MI 48091-4314	Leased - RRPM 244332	0.001404%	0.0008
	<u>Velva Lee Kiser Breeding Heirs</u> Lois Lee Breeding Rasnake PO Box 731 Jonesborough, TN 37659	Leased	0.077222%	0.0456
<u>4</u>	Anna Claudine Breeding Parsons 4184 Majestic Oak Drive Randleman, NC 27317	Leased	0.077222%	0.0456

EXHIBIT "EE"
VC-702835
VGOB 98-0324-0642-06
REVISED as of 5/26/16

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Current Disbursement-06</u>				
	Wanda Whitt and Randall Whitt W/H 1068 Wood Mill Road Stephenson, VA 22656-2036	Unleased	0.000613%	0.0004
	Carol Peacoe and Jackie Peacoe 418 S Kent Street Winchester, VA 22601	Unleased	0.000613%	0.0004
<u>4</u>	Diane Howell, single PO Box 414 Hebron, VA 21830	Unleased	0.000613%	0.0004
	Kevin Howell 140 Cline Drive Gore, VA 22637	Unleased	0.000613%	0.0004
	Franklin Farmer Karen Farmer H/W 8566 Burlington Court, Manassas, VA 20110	Unleased	0.000613%	0.0004
	Alma Simerly, single PO Box 1624 Honaker, VA 24260	Leased - RRPM 244332	0.032605%	0.0192
	Curtis Wilson 10 Terrace Avenue Rising Sun, MD 21911-2704	Leased - RRPM	0.005050%	0.0030
	Wiley J. Canter 464 Brown Street Bluff City, TN 37618	Unleased	0.001226%	0.0007
<u>4</u>	Johnny Lee Rosenbaum 14446 Black Hollow Road Abingdon, VA 24210	Unleased	0.001226%	0.0007
	Alicia Rosenbaum, single 30166 Lee Highway Glade Spring, VA 24340	Unleased	0.001226%	0.0007
	Sharon Lynn Jones Vipperman 8 Pinder Avenue Elkton, MD 21921-7108	Unleased	0.000735%	0.0004
	Jack Kelvin Head 89 Tolmax Lane Elkton, MD 21921	Unleased	0.000735%	0.0004

EXHIBIT "EE"
VC-702835
VGOB 98-0324-0642-06
 REVISED as of 5/26/16

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
Current Disbursement-06				
	Brady Brooks Heir Katherine Brooks Dillon 981 Valiant Drive Statesville, NC 28677	Leased - RRPM 244332	0.154444%	0.0911
4	Destia Puckett PO Box 103 Cleveland, VA 24225	Leased - RRPM 244332	0.006435%	0.0038
	Michelle Bail 1529 Bankbury Way Chesapeake, VA 23322	Unleased	0.025741%	0.0152
	Dave Craft 2700 Willimar Street Richmond, VA 23234	Unleased	0.009653%	0.0057
4	Wanda Jean Bryan, single PO Box 1295 Scott Depot, WV 25560	Leased - RRPM 244332	0.009653%	0.0057
Tract 4 Total			0.447892%	0.2642
Total Current Disbursement			0.447892%	0.2642

COAL ESTATE ONLY

The coal estate is released pursuant HB2058

4	Enervest Operating, LLC* Attn: Jim McKinney 408 West Main Street Abingdon, VA 24210 *formerly Range Resources-Pine Mountain, Inc.	Leased-RRPM 906889 TC-214	1.3900%	0.8200
Total Coal Estate			1.3900%	0.8200

1601466

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 8-2 2016. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 3:41 o'clock P M, after payment of \$ tax imposed by Sec. 58.1-802.

TESTE: ANN'S. McREYNOLDS, CLERK

BY: [Signature] D. CLERK

Original returned this date to: Sally Ketron