



**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:** 703756

**TRACT(S):** 003

**LOCATION:** DICKENSON County, Virginia

**TAX ID NUMBERS:** Tax Map Identification Numbers for all parcels affected by this order are shown on: Exhibit E - Exhibit EE

**DOCKET NUMBER:** VGOB-98-0818-0678-02

**APPLICANTS:** EnerVest Operating, LLC on behalf of EnerVest Operating LLC

**HEARING DATE AND LOCATION:** Russell County Government Center, Lebanon, Virginia  
May 16, 2017

**APPEARANCES:** Tim Scott on behalf of EnerVest Operating, LLC

**PRIOR PROCEEDINGS:**

1. Original Pooling Order Executed 09/28/1998, Recorded on 09/29/1998, Deed Book/Instrument No. 339, Page 115.
2. Supplemental Order Executed 12/08/1998, Recorded on 12/17/1998, Deed Book/Instrument No. 341, Page 420.
3. Disbursement Order -01 Executed 06/14/2016, Recorded on 06/21/2016, Deed Book/Instrument No. 537, Page 135.

**NOTICE:**

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the May 16, 2017 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) 003 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 003 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 escrow funds to all known owners in Tract 3, pursuant to HB 2058 and CL 16-115



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.
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 17 day of May, 2017 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

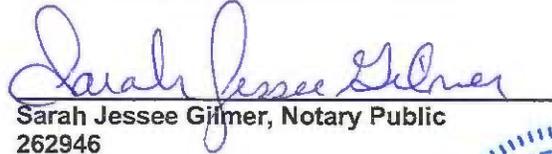
DONE AND PERFORMED this 17 day of May, 2017 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 17<sup>th</sup> day of May, 2017, 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, 2021



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EnerVest Operating, LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 98-0818-0678-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 003 (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: May 16, 2017

DRILLING UNIT: 703756

DICKENSON 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 Tim Scott, McKinnis & Scott Law Firm, 135 W. Main St., Kingsport, TN 37660.

**2. Relief Sought**

Petition to disburse escrow funds to all known owners in Tract 3, pursuant to HB 2058.

**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 escrow funds to all known owners in Tract 3, pursuant to HB 2058 and CL 16-115

**6. Attestation**

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

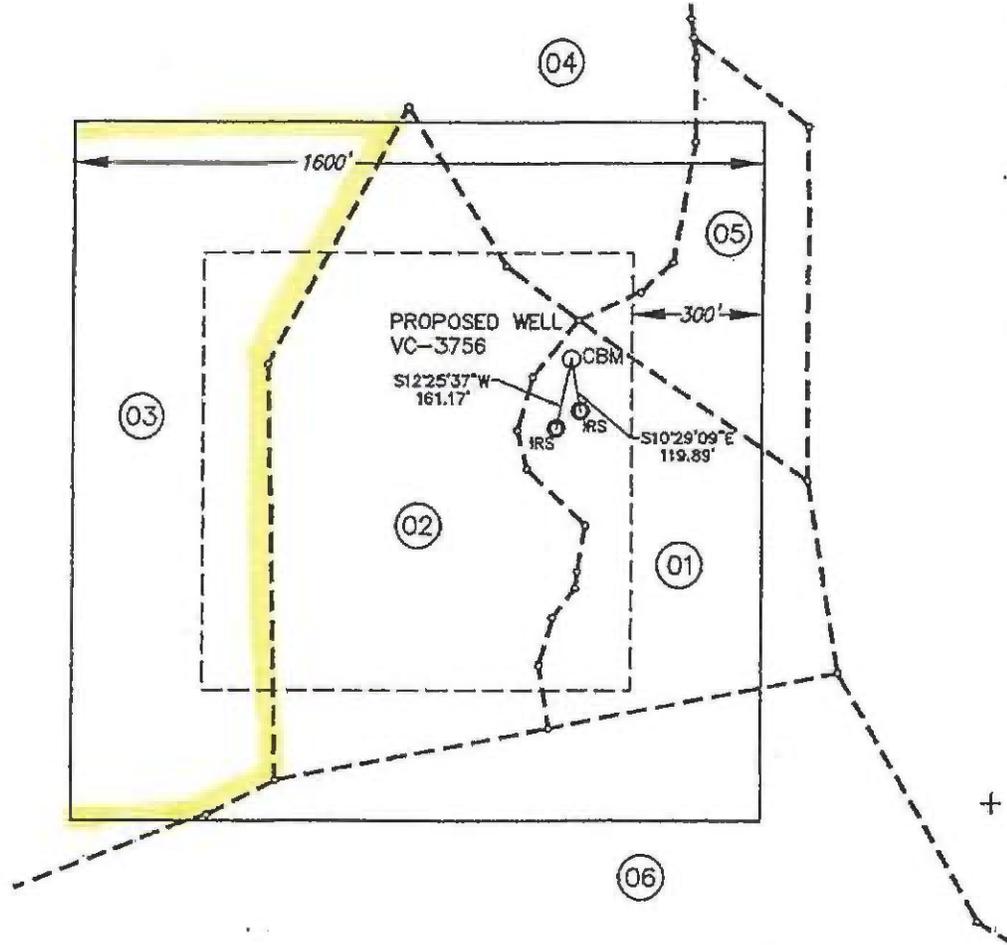
900'

Note: Elevation determined by Trigonometric leveling from CCC Monument.

Latitude 37° 02' 30"

Longitude 82° 17' 30"

11,600'



- LEGEND**
- Proposed Well Loc.
  - ⊗ Offset Well
  - Mineral Line
  - - - Surface Line

Well Coordinates: (VA St. Plane S. Zone, Calculated from CCC coordinates)  
 N - 268,534 E - 892,253  
 Well Coordinates: (Clinchfield Coal Co.)  
 S - 32,844.04 E - 25,858.73

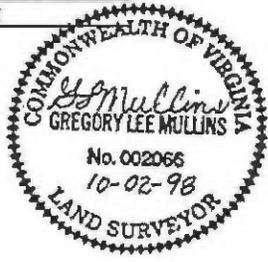
Area of Unit = 58.77 Ac.

**WELL LOCATION PLAT**

COMPANY Equitable Resources Energy Company WELL NAME AND NUMBER VC-3756  
 TRACT NO. N. K. Rasnick Heirs ELEVATION 2096.58 QUADRANGLE Nora  
 COUNTY Dickenson DISTRICT Kenady SCALE 1" = 400' DATE 10-02-98

This Plat is a new plat ; an updated plat ; or a final location plat .  
 + 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



SUPPLEMENTAL  
FOR  
FORM DGO-GO-7

- ① Lease No. . . .  
N. K. Rasnick Heirs Tr.  
27.75 Acres  
N. K. Rasnick Heirs - oil & gas  
A. J. Lambert ET AL - coal (below Lower Banner seams)  
Clinchfield Coal Company /  
Pyxis Resources Co. - surface & coal (Lower Banner  
& above seams)  
Gas 8.53 Ac. 14.51%
- ② Lease No.  
N. K. Rasnick Heirs Tr.  
27.75 Acres  
N. K. Rasnick Heirs - oil & gas  
A. J. Lambert ET AL - coal  
Gas 18.08 Ac. 30.76%
- ③ Lease No.  
Charles W. Grizzle Heirs Tr.  
77.35 Acres  
Charles W. Grizzle Heirs - oil & gas  
A. J. Lambert ET AL - coal  
Gas 18.60 Ac. 31.65%
- ④ Lease No. 244728L  
A. J. Lambert ET AL Tr.  
347.40 Acres  
A. J. Lambert ET AL - oil, gas & coal  
Gas 4.53 Ac. 7.71%
- ⑤ Lease No. 244728L  
A. J. Lambert ET AL Tr.  
347.40 Acres  
A. J. Lambert ET AL - oil & gas  
A. J. Lambert ET AL - coal (below Lower Banner seams)  
Clinchfield Coal Company /  
Pyxis Resources Co. - surface & coal (Lower Banner  
& above seams)  
Gas 3.66 Ac. 6.23%
- ⑥ Lease No. 241490L / T-105  
Cranesnest Coal & Coke Company Tr.  
175.32 Acres  
Clinchfield Coal Company /  
Pyxis Resources Co. - surface & coal  
Pine Mountain Oil & Gas, Inc. - oil & gas  
Gas 5.37 Ac. 9.14%

**EXHIBIT "E"**  
**VGOB 98-0818-0678-02**  
**VC-703756**

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>1</u>	<u>N.K. RASNICK HEIRS</u>			
Tax ID	<u>Mary R. Phillips Heirs</u>			
Minerals Only	<u>Pearl Phillips Martin Heirs</u>			
	<u>Ralph Martin Heirs</u>			
	Clyde Martin Unknown	Unleased	0.030229%	0.0178
	Butch Martin Unknown	Unleased	0.030229%	0.0178
	Chuck Martin Unknown	Unleased	0.030229%	0.0178
	<u>Lester Martin Heirs</u>			
	Jacky Martin Unknown	Unleased	0.012955%	0.0076
	Mickey Martin Unknown	Unleased	0.012955%	0.0076
	Buddy Martin Unknown	Unleased	0.012955%	0.0076
	Zelma Martin Unknown	Unleased	0.012955%	0.0076
	Brenda Martin Unknown	Unleased	0.012955%	0.0076
	Linda Martin Unknown	Unleased	0.012955%	0.0076
	Myrtle Martin Unknown	Unleased	0.012955%	0.0076
	<u>Eugene Martin Heirs</u>			
	Unknown	Unleased	0.090688%	0.0533
	<u>Darrell Martin Heirs</u>			
	Darrell Martin Jr. Unknown	Unleased	0.090688%	0.0533

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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>Inez Chandler Heirs</u>			
	Kay & Pat O'Malley Unknown	Unleased	0.030229%	0.0178
	Stacy Hughes Unknown	Unleased	0.030229%	0.0178
	<u>Mona Humphreys Heirs</u>			
	Mildred F. Dickenson Heirs Unknown	Leased-RRPM 245424	0.022672%	0.0133
	<u>June Humphrey Heirs</u>			
	Unknown	Leased	0.090688%	0.0533
	<u>Lou Martin Heirs</u>			
	Billie Martin Smith Unknown	Unleased Life Estate		
	Janet & Eddie Benton Unknown	Unleased Remainderman	0.181375%	0.1067
	Mike & Brenda Smith Unknown	Unleased Remainderman	0.181375%	0.1067
	Jeannie & Jackie Hubbard Unknown	Unleased Remainderman	0.181375%	0.1067
	<u>Harold Rasnick Heirs</u>			
	Unknown	Unleased	0.725500%	0.4266
	<u>R. W. Rasnick Heirs</u>			
	<u>Elizabeth Rasnick Heirs</u>			
	<u>Peggy Varney Heirs</u>			
	Unknown	Leased-RRPM 245424	0.046063%	0.027079
	<u>Billie Rasnick Heirs</u>			
	Unknown	Unleased	0.322441%	0.1896
	<u>Tilden Rasnick Heirs</u>			
	Unknown	Unleased	2.902000%	1.7060
	<b>Tract 1 Totals</b>		<b>5.07670%</b>	<b>2.9847</b>

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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>2</u>	<u>N.K. RASNICK HEIRS</u>			
	<u>Mary R. Phillips Heirs</u>			
	<u>Pearl Phillips Martin Heirs</u>			
Tax ID Minerals Only	<u>Ralph Martin Heirs</u>			
	Clyde Martin Unknown	Unleased	0.064083%	0.0377
	Butch Martin Unknown	Unleased	0.064083%	0.0377
	Chuck Martin Unknown	Unleased	0.064083%	0.0377
	<u>Lester Martin Heirs</u>			
	Jacky Martin Unknown	Unleased	0.027464%	0.0161
	Mickey Martin Unknown	Unleased	0.027464%	0.0161
	Buddy Martin Unknown	Unleased	0.027464%	0.0161
	Zelma Martin Unknown	Unleased	0.027464%	0.0161
	Brenda Martin Unknown	Unleased	0.027464%	0.0161
	Linda Martin Unknown	Unleased	0.027464%	0.0161
	Myrtle Martin Unknown	Unleased	0.027464%	0.0161
	<u>Eugene Martin Heirs</u>			
	Unknown	Unleased	0.192250%	0.1130
	<u>Darrell Martin Heirs</u>			
	Darrell Martin Jr. Unknown	Unleased	0.192250%	0.1130

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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>Inez Chandler Heirs</u>			
	Kay & Pat O'Malley Unknown	Unleased	0.064083%	0.0377
	Stacy Hughes Unknown	Unleased	0.064083%	0.0377
	<u>Mona Humphreys Heirs</u>			
	Mildred F. Dickenson Heirs Unknown	Leased-RRPM 245424	0.048063%	0.0283
	<u>June Humphrey Heirs</u>			
	Unknown	Leased	0.192250%	0.1130
	<u>Lou Martin Heirs</u>			
	Billie Martin Smith Unknown	Unleased Life Estate		
	Janet & Eddie Benton Unknown	Unleased Remainderman	0.384500%	0.2260
	Mike & Brenda Smith Unknown	Unleased Remainderman	0.384500%	0.2260
	Jeannie & Jackie Hubbard Unknown	Unleased Remainderman	0.384500%	0.2260
	<u>Harold Rasnick Heirs</u>			
	Unknown	Unleased	1.538000%	0.9040
	<u>R. W. Rasnick Heirs</u>			
	<u>Elizabeth Rasnick Heirs</u>			
	<u>Peggy Varney Heirs</u> Unknown	Leased-RRPM 245424	0.097651%	0.057397
	<u>Tilden Rasnick Heirs</u>			
	Unknown	Unleased	6.152000%	3.6160
	<u>Billie Rasnick Heirs</u>			
	Unknown	Unleased	0.683549%	0.4018
	<b>Tract 2 Totals</b>		<b>10.76218%</b>	<b>6.3258</b>
	<b>TOTAL GAS ESTATE</b>		<b>15.8389%</b>	<b>9.3104</b>

EXHIBIT "EE"  
VGOB 98/0818/0678-02  
VC-703756

COAL ESTATE ONLY

The coal estate is released pursuant HB2058

<b>3</b> <b>Tax ID</b> <b>Minerals</b> <b>Only</b>	EnerVest Operating, L.L.C. Attn: Jim McKinney 408 West Main Street Abingdon, VA 24210 <i>Frmly Charles W. Grizzle Heirs</i> <i>Unknown</i>	Unleased	31.650%	18.600
<b>Tract 3 Totals</b>			<b>31.650%</b>	<b>18.6000</b>

<b>3</b> <b>TAX ID</b> <b>Minerals</b> <b>Only</b>	Lambert Land, LLC Attn: Dennis Sutherland P.O. Box 191 Abingdon, VA 24212 <i>Frmly Arlie J. Lambert, et al coal owners</i>	Leased 244728	31.650000%	18.6000
<b>Tract 3 Totals</b>			<b>31.650000%</b>	<b>18.6000</b>

INSTRUMENT 170000616  
RECORDED IN THE CLERK'S OFFICE OF  
DICKENSON ON  
May 30, 2017 AT 01:51 PM  
RICHARD W. EDWARDS, CLERK  
RECORDED BY: CJB