

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

UNITWELL NAME: 704057

TRACT(S): 002

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-99-0720-0737-01

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 09/07/1999, Recorded on 09/10/1999, Deed Book/Instrument No. 349, Page 729.
2. Supplemental Order Executed 11/16/1999, Recorded on 12/01/1999, Deed Book/Instrument No. 351, Page 5.

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) 002 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 002 relative to the interests of the Applicants identified in the attached petition.
- (3) Close 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 2, VGOB 99-0720-0737-01, 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 close 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

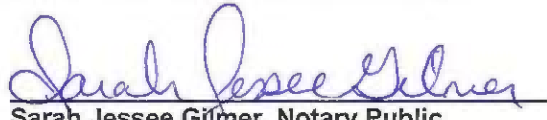
DONE AND PERFORMED this 17 day of May, 2017 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 17th 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 99-0720-0737-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 002 (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: 704057

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 2, 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

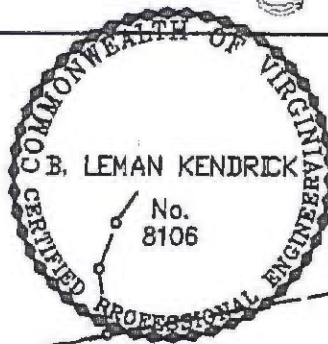
5. Factual basis for relief requested

Petition to disburse escrow funds to all known owners in Tract 2, VGOB 99-0720-0737-01, 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.

TOTAL UNIT AREA
= 58.77 ACRES



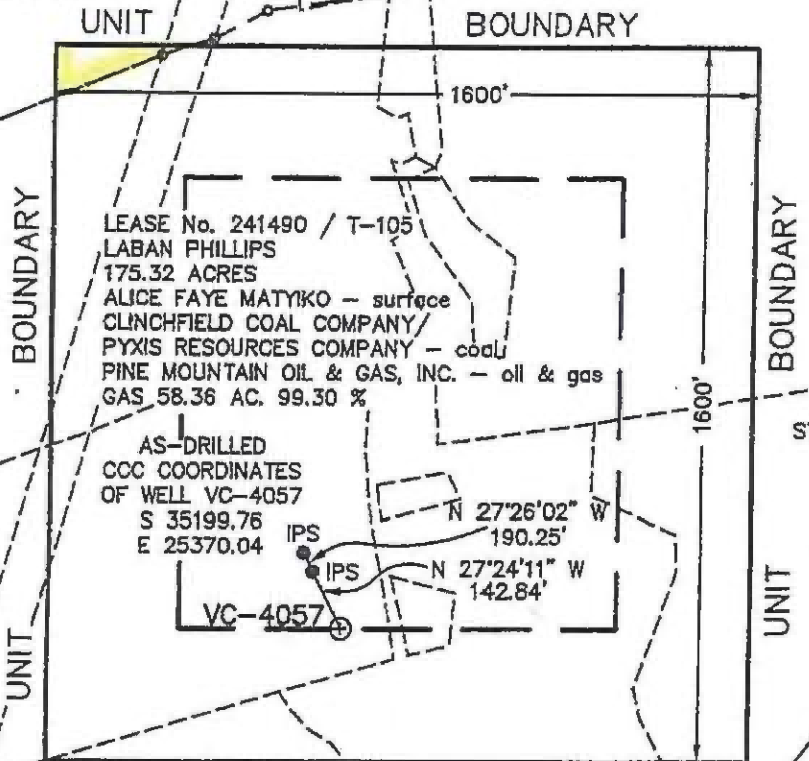
LATITUDE 37°02'30"

1399'

LONGITUDE 82°17'30"



LEASE No.
CHARLES W. GRIZZLE HEIRS - oil & gas
77.35 ACRES
LEASE No. 244728L
A.J. LAMBERT et als. - coal
GAS 0.41 AC. 0.70 %



LEASE No. 241490 / T-105
LABAN PHILLIPS
175.32 ACRES
ALICE FAYE MATYKO - surface
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - coal
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
GAS 58.36 AC. 99.30 %

AS-DRILLED
CCC COORDINATES
OF WELL VC-4057
S 35199.76
E 25370.04

AS-DRILLED
STATE PLANE COORDINATES
OF WELL VC-4057
N 266200.17
E 891669.06

COORDINATES
OF BENCH MARK
S 30453.10
E 25588.70
ELEV. = 1715.87

---○--- DENOTES MINERAL LINE
- - - - - DENOTES SURFACE LINE

**FINAL
PLAT**

NOTE !!!
WELL COORDINATES ARE BASED ON CLINCHFIELD
COAL COMPANY'S MINE COORDINATE SYSTEM
STATE PLANE WELL COORDINATES ARE CALCULATED
FROM CLINCHFIELD COAL COMPANY COORDINATES.
PROPERTY INFORMATION PROVIDED BY EQUITABLE
PRODUCTION COMPANY.
ELEVATIONS ARE BASED ON RAILROAD SPIKE IN
24-INCH SYCAMORE OPPOSITE TRAMMEL
SEWAGE TREATMENT PLANT

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-4057
TRACT No. LEASE NO. 241490L/T-105 ELEVATION 2057.53 (Trlg) QUADRANGLE NORA
COUNTY DICKENSON DISTRICT KENADY SCALE: 1" = 400' DATE OCTOBER 19, 1999
THIS PLAT IS A NEW PLAT ; AN UPDATED PLAT ; OR A FINAL LOCATION PLAT X
PROPOSED TOTAL DEPTH OF WELL =

+ 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.

B. Lemman Kendrick 10/19/99 (AFFIX SEAL)
LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

EXHIBIT "E"
VC-704057
VGOB 99-0720-0737-01

<u>TR</u>	<u>LESSOR</u>	<u>LEASE</u> <u>STATUS</u>	<u>INTEREST</u> <u>WITHIN</u> <u>UNIT</u>	<u>GROSS</u> <u>ACREAGE</u> <u>IN UNIT</u>
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N/A

EXHIBIT "EE"
VC-704057
VGOB 99-0720-0737-01

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
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Gas Estate Only

2	EnerVest Operating, L.L.C. Attn: Jim McKinney 408 West Main Street Abingdon, VA 24210 <i>fmlly listed as:</i> Charles W. Grizzle Heirs Unknown/Unlocatable TAX ID- Minerals Only	Owned	0.700000%	0.4100
TOTAL			0.700000%	0.4100

Coal Estate Only

4	Lambert Land, LLC PO Box 90 Emory, VA 24327 TAX ID- Minerals Only	Leased 244728	0.700000%	0.4100
TOTAL			0.700000%	0.4100

INSTRUMENT 170000617
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
May 30, 2017 AT 01:53 PM
RICHARD W. EDWARDS, CLERK
RECORDED BY: CJB