

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: 504660

TRACT(S): 001

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-01-0918-0926-01

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 11/01/2001, Recorded on 11/07/2001, Deed Book/Instrument No. 370, Page 66.
2. Supplemental Order Executed 02/13/2002, Recorded on 02/25/2002, Deed Book/Instrument No. 373, Page 87.

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) 001 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 001 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 funds from the escrow account for well 504660 to all known owners in Tract 1, VGOB 01-0918-0926

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

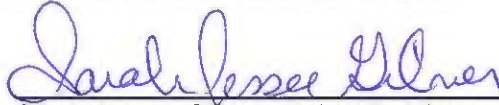
DONE AND PERFORMED this 17 day of May, 2017 by Order of the Virginia Gas and Oil Board.



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 01-0918-0926-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 001 (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: 504660

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 funds from the escrow account for well 504660 to all known owners in Tract 1, VGOB 01-0918-0926-01

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 504660 to all known owners in Tract 1, VGOB 01-0918-0926

6. Attestation

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

TOTAL UNIT AREA
= 58.77 ACRES

FINAL PLAT

LATITUDE 37°02'30"

- DENOTES MINERAL LINE
- - - DENOTES SURFACE LINE
- DENOTES SURFACE & MINERAL LINES

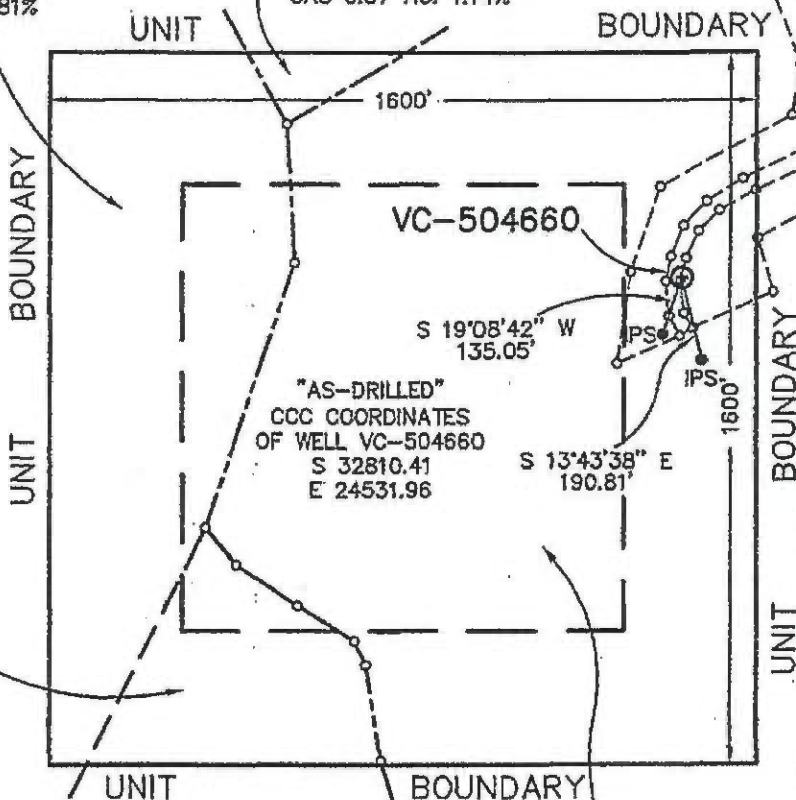
The undersigned hereby certifies that the final location is within ten (10) feet of the location shown on the well plat dated SEPTEMBER 10, 2001.

LEASE No. 244728
G.B. LAMBERT, et. als. - coal, oil & gas
83.17 ACRES
GAS 14.58 AC. 24.81%

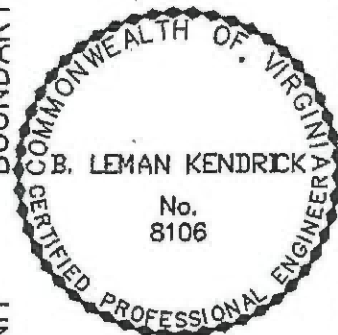
LEASE No. 244728
J.M. ERVIN, et. als.
77.05 ACRES
LAMBERT LAND, L.L.C. - coal, oil, & gas
GAS 0.67 AC. 1.14%

LEASE No. 241490 / T-525
DAWSON COAL & COKE CO.
6000 ACRES
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - coal
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
GAS 4.87 AC. 8.29%

COORDINATES OF BENCH MARK
S 77498.48
E 22826.48
ELEV. = 1754.09



LAMBERT LAND, L.L.C. - surface



“AS-DRILLED”
STATE PLANE COORDINATES
OF WELL VC-504660
N 268621.21
E 890926.77

NOTE !!!

WELL COORDINATES ARE BASED ON CLINCHFIELD COAL COMPANY'S COORDINATE SYSTEM
STATE PLANE WELL COORDINATES ARE CALCULATED FROM CLINCHFIELD COAL COMPANY COORDINATES.
PROPERTY INFORMATION PROVIDED BY EQUITABLE PRODUCTION COMPANY.
ELEVATIONS ARE BASED ON NGS CONTROL ST. PAUL 2.

LEASE No. 245754
90.00 ACRES
LAMBERT LAND, L.L.C. - coal
PYXIS RESOURCES COMPANY - surface
LEASE No.
CHARLES W. GRIZZLE, et. als. - oil & gas
GAS 38.65 AC. 65.76%

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-504660
TRACT No. LEASE NO. 245745 ELEVATION 2062.44 (GPS) QUADRANGLE NORA
COUNTY DICKENSON DISTRICT KENADY SCALE: 1" = 400' DATE MAY 17, 2002
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 5/17/02 (AFFIX SEAL)
LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

EXHIBIT "E"
VGOB 01-0918-0926-01
VC-504660
3/15/2017

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	n/a			

EXHIBIT "EE"
 VGOB 01-0918-0926-01
 VC-504660
 3/15/2017

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>1</u>	Enervest Operating LLC c/o Jim McKinney 408 West Main Street Abingdon, VA 24210 <i>*Previously reflected as Charles W. Grizzle - see CL16-115</i>	Owned	65.760000%	38.6500
Tract 1 Totals			65.7600%	38.6500
TOTAL DISBURSEMENT-01			65.7600%	38.6500

COAL ESTATE ONLY

The coal estate is released pursuant HB2058

<u>1</u>	Lambert Land, LLC Attn: Dennis Sutherland PO Box 90 Emory, VA 24327	Leased 245754	65.760000%	38.6500
Tract 1 Totals			65.760000%	38.6500

INSTRUMENT 170000618
 RECORDED IN THE CLERK'S OFFICE OF
 DICKENSON ON
 May 30, 2017 AT 01:55 PM
 RICHARD W. EDWARDS, CLERK
 RECORDED BY: CJB