

*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)

UNIT/WELL NAME: VC-551127

TRACT(S): 5

LOCATION: DICKENSON County, Virginia

**TAX ID NUMBERS:**

Tax Map Identification Numbers for all parcels affected by this order are shown on: Exhibit B

**DOCKET NUMBER:** VGOB-02-1119-1098-01

**APPLICANTS:**

Range Resources-Pine Mountain, on behalf of C&R Associates Inc. c/o Lowell Counts

**HEARING DATE AND LOCATION:**

Russell County Government Center, Lebanon, Virginia ☐  
June 16, 2015

**APPEARANCES:**

James Kaiser on behalf of Range Resources-Pine Mountain,

**PRIOR PROCEEDINGS:**

1. Original Pooling Order Executed 05/13/2004, Recorded on 06/02/2004, Deed Book/Instrument No. 400, Page 284.
2. Supplemental Order Executed 07/20/2004, Recorded on 07/21/2004, Deed Book/Instrument No. 402, Page 247.

**NOTICE:**

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the June 16, 2015 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) 5 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 5 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

Applicant has certified and represented to the Board that:

Disburse funds from the escrow account for Well No. PC-551127, to all known owners in Tract 5. VGOB 02-1119-1098.

**RELIEF GRANTED:**

Unit VC-551127

VGOB-02-1119-1098-01

Table 1  
Tracts: 5[illegible]

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 20 day of June, 2015 by a majority of the Virginia Gas and Oil Board.

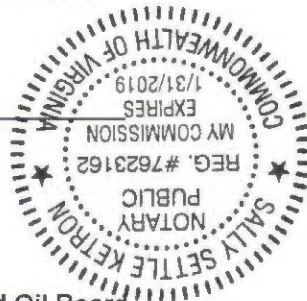
*Bradley C. Lambert*

Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 20 day of June, 2015, 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, that he executed the same and was authorized to do so.

*Sally Settle Ketron*  
Sally Settle Ketron, Notary Public  
7623162



My Commission expires: January 31, 2019

DONE AND PERFORMED this 22 day of June, 2015 by Order of the Virginia Gas and Oil Board.

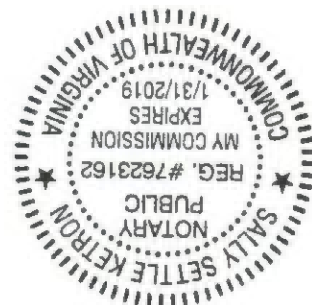
*Rick Cooper*

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

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 22 day of June, 2015, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is the Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

*Sally Settle Ketron*  
Sally Settle Ketron, Notary Public  
7623162



My Commission expires: January 31, 2019

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: Range Resources-Pine Mountain,

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 02-1119-1098-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM  
ESCROW REGARDING TRACT(S) 5  
(2) AND AUTHORIZATION FOR DIRECT  
PAYMENT OF ROYALTIES

HEARING DATE: June 16, 2015

DRILLING UNIT: VC-551127

DICKENSON COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

**1. Petitioner and its counsel**

Petitioner is Range Resources-Pine Mountain,, P. O. Box 2136, Abingdon, VA 24212, (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**

Disbursement of funds in the escrow account for Well No. VC-551127, to all known owners in Tract 5. VGOB 02-1119-1098-01.

**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)**

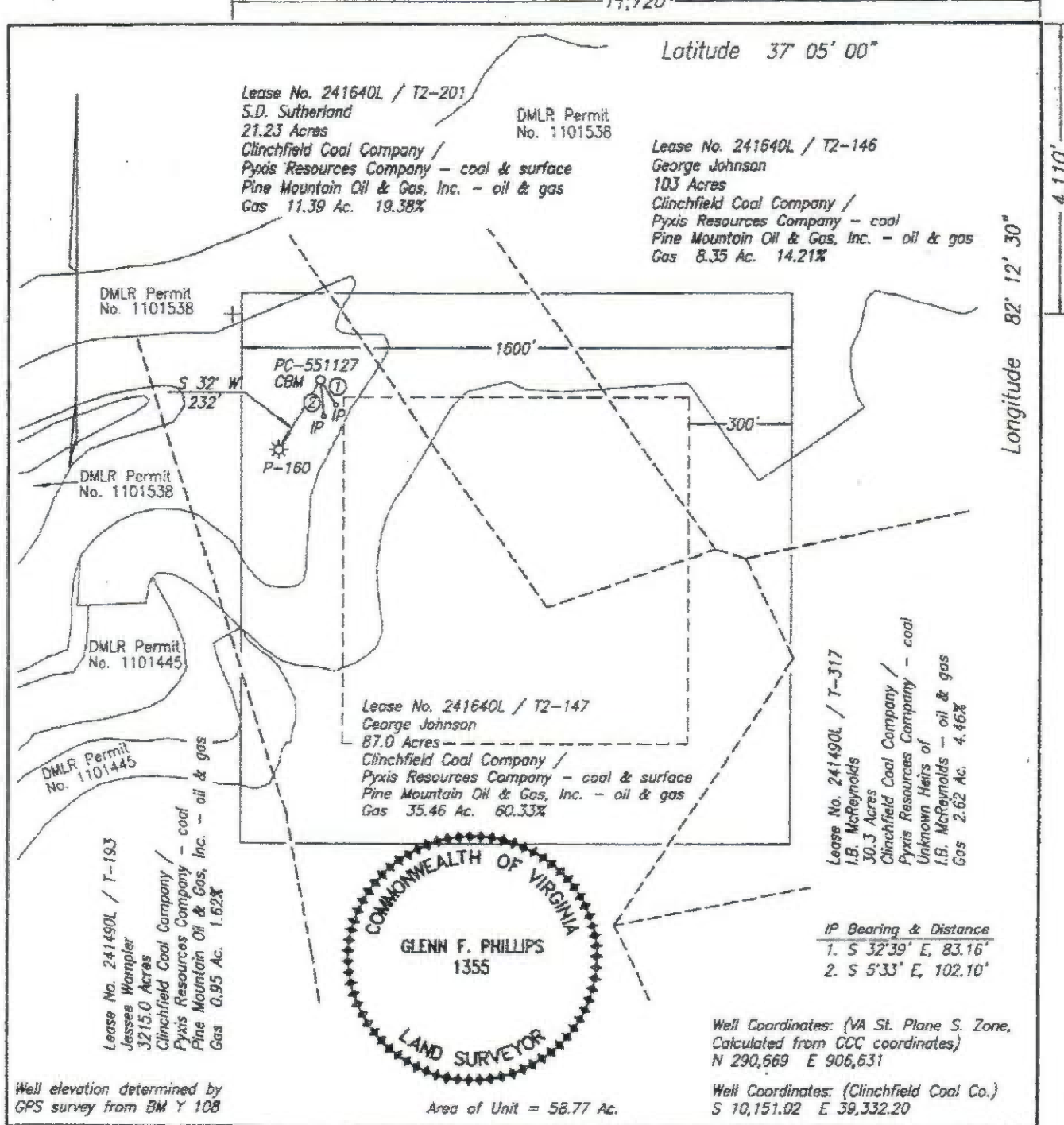
Coalbed Methane

**5. Factual basis for relief requested**

Disburse funds from the escrow account for Well No. PC-551127, to all known owners in Tract 5. VGOB 02-1119-1098.

**6. Attestation**

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

8' 400PG 295  
19,720

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER PC-551127  
TRACT NO. T2-147 ELEVATION 1934.95' QUADRANGLE Duty  
COUNTY Dickenson DISTRICT Ervinton SCALE 1" = 400' DATE 10-9-2002

This Plat is a new plat x; 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.

*Glenn F. Phillips*

~~Licensed Professional Engineer or~~ Licensed Land Surveyor

**EXHIBIT "B"**  
**PC-551127**  
**VGOB 02/11/19-1098-01**  
 REVISED as of 05/07/2015

| <u>TRACT</u>            | <u>LESSOR</u>                       | <u>LEASE STATUS</u> | <u>INTEREST WITHIN UNIT</u> | <u>GROSS ACREAGE IN UNIT</u> |
|-------------------------|-------------------------------------|---------------------|-----------------------------|------------------------------|
| <u>Gas Estate Only</u>  |                                     |                     |                             |                              |
| <u>1</u>                | Range Resources-Pine Mountain, Inc* | Leased-RRPM         | 60.3300%                    | 35.4600                      |
| <b>TAX ID</b>           | Attn: Jerry Grantham                | 906889              |                             |                              |
| <b>21007</b>            | PO Box 2136                         | T2-147              |                             |                              |
|                         | Abingdon, VA 24212                  |                     |                             |                              |
| <b>Tract 1 Totals</b>   |                                     |                     | <b>60.3300%</b>             | <b>35.4600</b>               |
| <u>2</u>                | Range Resources-Pine Mountain, Inc* | Leased-RRPM         | 1.6200%                     | 0.9500                       |
| <b>TAX ID</b>           | Attn: Jerry Grantham                | 906889              |                             |                              |
| <b>20789</b>            | PO Box 2136                         | T-193               |                             |                              |
|                         | Abingdon, VA 24212                  |                     |                             |                              |
| <b>Tract 2 Totals</b>   |                                     |                     | <b>1.6200%</b>              | <b>0.9500</b>                |
| <u>3</u>                | Range Resources-Pine Mountain, Inc* | Leased-RRPM         | 19.3800%                    | 11.39                        |
| <b>TAX ID</b>           | Attn: Jerry Grantham                | 906889              |                             |                              |
| <b>20552</b>            | PO Box 2136                         | T2-201              |                             |                              |
|                         | Abingdon, VA 24212                  |                     |                             |                              |
| <b>Tract 3 Totals</b>   |                                     |                     | <b>19.3800%</b>             | <b>11.3900</b>               |
| <u>4</u>                | Range Resources-Pine Mountain, Inc* | Leased-RRPM         | 14.2100%                    | 8.35                         |
| <b>TAX ID</b>           | Attn: Jerry Grantham                | 906889              |                             |                              |
| <b>21006</b>            | PO Box 2136                         | T2-146              |                             |                              |
|                         | Abingdon, VA 24212                  |                     |                             |                              |
| <b>Tract 4 Totals</b>   |                                     |                     | <b>14.2100%</b>             | <b>8.3500</b>                |
| <u>5</u>                | I. B. McReynolds Heirs              | Unleased            | 4.4600%                     | 2.62                         |
| <b>TAX ID</b>           | C & R Associates Inc.               |                     |                             |                              |
| <b>22467</b>            | c/o Lowell Counts                   |                     |                             |                              |
|                         | P.O. Box 267                        |                     |                             |                              |
|                         | Blountville, TN 37617               |                     |                             |                              |
| <b>Tract 5 Totals</b>   |                                     |                     | <b>4.4600%</b>              | <b>2.6200</b>                |
| <b>TOTAL GAS ESTATE</b> |                                     |                     | <b>100.00%</b>              | <b>58.77</b>                 |
|                         | Percentage of Unit Leased           |                     | 98.0200%                    |                              |
|                         | Percentage of Unit Unleased         |                     | 1.9800%                     |                              |
|                         | Acreage in Unit Leased              |                     |                             | 57.61                        |
|                         | Acreage in Unit Unleased            |                     |                             | 1.16                         |

COAL ESTATE ONLY

|                 |                                     |        |          |         |
|-----------------|-------------------------------------|--------|----------|---------|
| <u>1</u>        | Range Resources-Pine Mountain, Inc* | Leased | 60.3300% | 35.4600 |
| <b>TAX ID</b>   | Attn: Jerry Grantham                | 906889 |          |         |
| <b>Minerals</b> | PO Box 2136                         | T2-147 |          |         |
|                 | Abingdon, VA 24212                  |        |          |         |



**EXHIBIT "B"**  
**PC-551127**  
**VGOB 02/11/19-1098-01**  
 REVISED as of 05/07/2015

| <u>TRACT</u>             | <u>LESSOR</u>                                                                                    | <u>LEASE STATUS</u>        | <u>INTEREST WITHIN UNIT</u> | <u>GROSS ACREAGE IN UNIT</u> |
|--------------------------|--------------------------------------------------------------------------------------------------|----------------------------|-----------------------------|------------------------------|
| <b>Tract 1 Totals</b>    |                                                                                                  |                            | <b>60.3300%</b>             | <b>35.4600</b>               |
| <u>2</u>                 | Range Resources-Pine Mountain, Inc*<br>Attn: Jerry Grantham<br>PO Box 2136<br>Abingdon, VA 24212 | Leased<br>906889<br>T-193  | 1.6200%                     | 0.9500                       |
| <b>TAX ID Minerals</b>   |                                                                                                  |                            |                             |                              |
| <b>Tract 2 Totals</b>    |                                                                                                  |                            | <b>1.6200%</b>              | <b>0.9500</b>                |
| <u>3</u>                 | Range Resources-Pine Mountain, Inc*<br>Attn: Jerry Grantham<br>PO Box 2136<br>Abingdon, VA 24212 | Leased<br>906889<br>T2-201 | 19.3800%                    | 11.3900                      |
| <b>TAX ID Minerals</b>   |                                                                                                  |                            |                             |                              |
| <b>Tract 3 Totals</b>    |                                                                                                  |                            | <b>19.3800%</b>             | <b>11.3900</b>               |
| <u>4</u>                 | Range Resources-Pine Mountain, Inc*<br>Attn: Jerry Grantham<br>PO Box 2136<br>Abingdon, VA 24212 | Leased<br>906889<br>T2-146 | 14.2100%                    | 8.3500                       |
| <b>TAX ID Minerals</b>   |                                                                                                  |                            |                             |                              |
| <b>Tract 4 Totals</b>    |                                                                                                  |                            | <b>14.2100%</b>             | <b>8.3500</b>                |
| <u>5</u>                 | Range Resources-Pine Mountain, Inc*<br>Attn: Jerry Grantham<br>PO Box 2136<br>Abingdon, VA 24212 | Leased<br>906889<br>T-317  | 4.4600%                     | 2.6200                       |
| <b>TAX ID Minerals</b>   |                                                                                                  |                            |                             |                              |
| <b>Tract 5 Totals</b>    |                                                                                                  |                            | <b>4.4600%</b>              | <b>2.6200</b>                |
| <b>TOTAL COAL ESTATE</b> |                                                                                                  |                            | <b>100.00%</b>              | <b>58.77</b>                 |

\*Formerly:  
 Pine Mountain Oil & Gas, Inc.  
 Attn: Richard Brillhart  
 PO Box 2136  
 Abingdon, VA 24212

**NOTE:** Pursuant to that certain Purchase and Sales Agreement, effective January 1, 2014, Range Resources-Pine Mountain, Inc. obtained ownership in this well, and the above noted Leases, from EQT Production Comp:



DB 526 PG862

EXHIBIT "E"  
PC-551127  
VGOB 02/11/19-1098  
REVISED as of 05/07/2015

| <u>TRACT</u> | <u>LESSOR</u> | <u>LEASE<br/>STATUS</u> | <u>INTEREST<br/>WITHIN<br/>UNIT</u> | <u>GROSS<br/>ACREAGE<br/>IN UNIT</u> |
|--------------|---------------|-------------------------|-------------------------------------|--------------------------------------|
| N/A          |               | N/A                     |                                     |                                      |

DB 526 PG863

EXHIBIT "EE"  
PC-551127  
VGOB 02/11/19-1098-01  
REVISED as of 05/07/2015

| <u>TRACT</u>                  | <u>LESSOR</u>                                                                       | <u>LEASE<br/>STATUS</u> | <u>INTEREST<br/>WITHIN<br/>UNIT</u> | <u>GROSS<br/>ACREAGE<br/>IN UNIT</u> |      |
|-------------------------------|-------------------------------------------------------------------------------------|-------------------------|-------------------------------------|--------------------------------------|------|
| <u>Disbursement-01</u>        |                                                                                     |                         |                                     |                                      |      |
| <u>5</u>                      | I. B. McReynolds Heirs                                                              | Unleased                | 4.4600%                             | 2.62                                 | 100% |
| <b>TAX ID</b><br><b>22467</b> | C & R Associates Inc.<br>c/o Lowell Counts<br>P.O. Box 267<br>Blountville, TN 37617 |                         |                                     |                                      |      |
| <b>Tract 5 Totals</b>         |                                                                                     |                         | <b>4.4600%</b>                      | <b>2.6200</b>                        |      |
| <b>TOTAL DISBURSEMENT-01</b>  |                                                                                     |                         | <b>4.4600%</b>                      | <b>2.6200</b>                        |      |

Note: Range Resources-Pine Mountain, Inc. hereby waives any claims to past or future royalties attributable to the conflicting interests herein as shown above, unless otherwise stated within prior agreements.

INSTRUMENT #150000699  
RECORDED IN THE CLERK'S OFFICE OF  
DICKENSON ON  
JULY 6, 2015 AT 10:36AM  
RICHARD W. EDWARDS, CLERK  
RECORDED BY: GJB