

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-536171

TRACT(S): A portion of 2

LOCATION: RUSSELL County, Virginia

DOCKET NUMBER: VGOB-07-0220-1885-01

APPLICANTS:

EnerVest Operating, LLC on behalf of Adalane M. Sykes, Allen G. Musick, Andrew Scott Musick, Anna M. Shockley, Anthony C. Musick, Bettye R. Price, Bundy Musick, Byron H. Musick, C. Douglas Musick, Charles Scott Musick, Cheri I. Hall, Christine M. Smith, Craig Swafford, Daphne J. Gurney, Deborah D. Stutzer, Edith E. Isenburg, Elijah L. Musick, Eliza M. Dobyns, Elmer T. Musick, Emmitt F. Musick, Eva R. Musick, Evelyn M. Newman, Frances Musick, Gary Daniel Musick, Gordon L. Musick, James G. Crabtree, James W. Moses, Joseph Brian Musick, Julia Belcher Musick, Kathy Baker, Linda S. Hite, Mary A. Smith, Mary R. Nave, Patricia Carol Musick Harrison, Robert B. Musick, Robert M. Thompson, Sally Ann Musick, Samuel C. Musick, Samuel Crabtree, Sibyl T. Bundy, Sue E. Stallard, Sue Musick, Thomas Wayne Musick, W. Annette Musick, William F. Sargent, Wilma J. Norris

HEARING DATE AND LOCATION:

Russell County Government Center, Lebanon, Virginia
May 10, 2016

APPEARANCES:

James Kaiser on behalf of EnerVest Operating, LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 08/21/2007, Recorded on 08/28/2007, Deed Book/Instrument No. 677, Page 359.
2. Supplemental Order, Recorded on 06/10/2008, Deed Book/Instrument No. 691, Page 981.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the May 10, 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 2 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 2 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-536171, to all known owners in Tract 2. VGOB 07-0220-1885-01.

VGOB Disbursement

Unit VC-536171

VGOB-07-0220-1885-01

Table 1

Tracts: A portion of 2

[illegible]

10.5000

2 Tract 2 (total acreage)

21	2	Deborah D. Statzer\1762 Cross Roads; Lebanon; VA 24266		0.0500	100.00%	0.0500	0.5714%
22	2	Samuel Crabtree\1744 Cross Roads; Lebanon; VA 24266		0.0500	100.00%	0.0500	0.5714%
23	2	Frances Musick\1744 Cross Roads; Lebanon; VA 24266		0.0500	100.00%	0.0500	0.5714%
24	2	James G. Crabtree\1612 Cross Roads; Lebanon; VA 24266		0.0500	100.00%	0.0500	0.5714%
25	2	Mary A. Smith\100 Redwood Street; Bristol; TN 37620		0.1100	100.00%	0.1100	1.2571%
26	2	W. Annette Musick\2673 Back Valley Road; Cleveland; VA 24225		0.1100	100.00%	0.1100	1.2571%
27	2	Anthony C. Musick\600 Middle Ridge Road; Callaway; VA 24067		0.0500	100.00%	0.0500	0.5714%
28	2	Patricia Carol Musick Harrison\6903 Ridge Haven Road; Greensboro; NC 27410		0.0500	100.00%	0.0500	0.5714%
29	2	Charles Scott Musick\71 Willow Lane; Waynesboro; VA 22980		0.0500	100.00%	0.0500	0.5714%
30	2	Elmer T. Musick\4093 Back Valley Road; Cleveland; VA 24225		0.1100	100.00%	0.1100	1.2571%
31	2	Gordon L. Musick\4930 Loudon Drive; Richmond; VA 23234		0.1100	100.00%	0.1100	1.2571%
32	2	C. Douglas Musick\2029 Holly Street; Kingsport; TN 37660		0.1100	100.00%	0.1100	1.2571%
33	2	Edith E. Isenburg\3817 Skyland Drive; Kingsport; TN 37664		0.1100	100.00%	0.1100	1.2571%
34	2	Linda S. Hite\1744 Cross Roads; Lebanon; VA 24266		0.1100	100.00%	0.1100	1.2571%
35	2	Thomas Wayne Musick\233 Meadow Brooke Lane; Max Meadows; VA 24360		0.0300	100.00%	0.0300	0.3429%
36	2	Gary Daniel Musick\4390 E. Lee Highway; Max Meadows; VA 24360		0.0300	100.00%	0.0300	0.3429%
37	2	Joseph Brian Musick\4394 E. Lee Highway; Max Meadows; VA 24360		0.0300	100.00%	0.0300	0.3429%
38	2	Andrew Scott Musick\460 Archer Road; Max Meadows; VA 24360		0.0300	100.00%	0.0300	0.3429%
39	2	Ermitt F. Musick\4641 Back Valley Road; Cleveland; VA 24225		0.1100	100.00%	0.1100	1.2571%
40	2	Allen G. Musick\2353 John Simms Hill Road; Honaker; VA 24260		0.1100	100.00%	0.1100	1.2571%
41	2	Kathy Baker\2411 East Center Street; Kingsport; TN 37664		0.0600	100.00%	0.0600	0.6857%
42	2	Christine M. Smith\206 E. Lawson Street; Habira; GA 31632		0.3700	100.00%	0.3700	4.2286%
43	2	Betty R. Price\8328 Cazenovia Road; Manilus; NY 13104		0.3700	100.00%	0.3700	4.2286%
44	2	Julia Belcher Musick\5886 Blue Springs Road; Hiwassee; VA 24347		0.3700	100.00%	0.3700	4.2286%
45	2	Anna M. Shockley\802 Camellia Drive; Bluefield; WV 24701		0.3700	100.00%	0.3700	4.2286%

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.
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 11 day of May, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

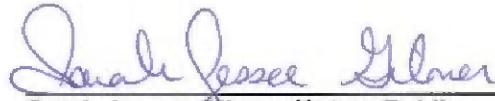
DONE AND PERFORMED this 11 day of May, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 11th day of May, 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 07-0220-1885-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 2 (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: April 19, 2016

DRILLING UNIT: VC-536171

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-536171, to all known owners in Tract 2.

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-536171, to all known owners in Tract 2. VGOB 07-0220-1885-01.

6. Attestation

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

Well Coordinates: (Geographic N27)
37.015658° -82.115180°

Latitude 37° 02' 30"

Lease No. 241490L / T-512
Jacob Musick
409.61 Acres
Heartwood Forestland Fund IV, L.P. - surface
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRO LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Pine Mountain Oil & Gas, Inc. - oil, gas & CBM
Gas 48.27 Ac. 82.13%

CBM
VC-536171

1600'

300'

Any Creek

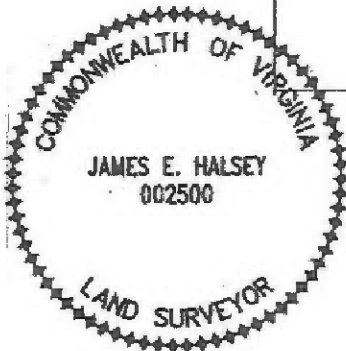
①

Unleased
22.81 Acres
C.B. Musick Heirs - coal, oil, gas & CBM
Gas 10.50 Ac. 17.87%

②

Longitude 82° 05' 00"

9,520'



Well elevation determined by GPS
survey from BM Y 109

Area of Unit = 58.77 Ac.

Well Coordinates: (VA St. Plane S. Zone,
Calculated from CCC coordinates)
N 268,590 E 944,693

Well Coordinates: (Clinchfield Coal Co.)
S 30,730.27 E 78,199.21

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-536171
TRACT NO. Tr. No. 241490L / T-512 ELEVATION 1,853.07' QUADRANGLE Big A Mtn.
COUNTY Russell DISTRICT New Garden SCALE 1" = 400' DATE 2-12-2007

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.

James E. Halsey
Licensed Professional Engineer or Licensed Land Surveyor

EXHIBIT "E"
VGOB 07-0220-1885-01
VC-536171
Revised as of 4/21/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
2	Judy A. White Unknown/Unlocatable		0.07%	0.04
	Craig Swafford Unknown/Unlocatable		0.10%	0.06
Tract 2 Totals			0.17%	0.10

EXHIBIT "EE"
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VC-536171
Revised as of 4/21/2016

<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>2</u>	C.B. Musick Heirs			
	Adalene M. Sykes 1617 East Main Street Lebanon, VA 24266		2.51%	1.48
	Evelyn M. Newman 225 Gettysburg Lane Daytona Beach, FL 32119		0.42%	0.25
	Elijah L. Musick 21144 Cardinal Pond Terrace, Apt. 318 Ashburn, VA 20147		0.42%	0.25
	Daphne J. Gurney 2270 Hickory Circle Drive Howell, MI 48855		0.42%	0.25
	Sally Anne Musick 4269 Allenhurst Drive Norcross, GA 30092		0.42%	0.25
	Robert M. Thompson 169 Barker Lane Mt. Airy, NC 27030		0.21%	0.12
	Sibyl T. Bundy 19497 Stone Mountain Road Abingdon, VA 24210		0.21%	0.12
	James W. Moses 630 Wayne Avenue Silver Spring, MD 20910		0.42%	0.25
	Sue Musick P.O. Box 91 Cleveland, VA 24225		0.84%	0.49
	Cheri I. Hall 301 Dulmer Drive Nokomis, FL 34275		0.84%	0.49
	Eliza M. Dobyns 870 Edgemont North Street Abingdon, VA 24210		0.84%	0.49

EXHIBIT "EE"
VGOB 07-0220-1885-01
VC-536171
 Revised as of 4/21/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Samuel C. Musick 4441 Back Valley Road Cleveland, VA 24225		0.36%	0.21
	Robert B. Musick 4441 Back Valley Road Cleveland, VA 24225		0.36%	0.21
	Byron H. Musick 4441 Back Valley Road Cleveland, VA 24225		0.36%	0.21
	Eva R. Musick 4441 Back Valley Road Cleveland, VA 24225		0.36%	0.21
	William F. Sargent P.O. Box 1018 Saint Paul, VA 24283		0.36%	0.21
	Mary R. Nave 1155 Lilac Charm Road Las Vegas, NV 89183		0.07%	0.04
	Bundy Musick P.O. Box 521 Blountville, TN 37617		0.07%	0.04
	Sue E. Stallard 223 9th Street NW Coeburn, VA 24230		0.07%	0.04
	Wilma J. Norris 590 County Home Road Blountville, TN 37617		0.07%	0.04
	Deborah D. Statzer 1762 Cross Roads Lebanon, VA 24266		0.09%	0.05
	Samuel Crabtree 1744 Cross Roads Lebanon, VA 24266		0.09%	0.05
	Frances Musick P.O. Box 2768 Lebanon, VA 24266		0.09%	0.05

EXHIBIT "EE"
VGOB 07-0220-1885-01
VC-536171
 Revised as of 4/21/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	James G. Crabtree 1612 Cross Roads Lebanon, VA 24266		0.09%	0.05
	Mary A. Smith 100 Redwood Street Bristol, TN 37620		0.19%	0.11
	W. Annette Musick 2673 Back Valley Road Cleveland, VA 24225		0.19%	0.11
	Anthony C. Musick 600 Middle Ridge Road Callaway, VA 24067		0.06%	0.04
	Patricia Carol Musick Harrison 6903 Ridge Haven Road Greensboro, NC 27410		0.06%	0.04
	Charles Scott Musick 71 Willow Lane Waynesboro, VA 22980		0.06%	0.04
	Elmer T. Musick 4093 Back Valley Road Cleveland, VA 24225		0.19%	0.11
	Gordon L. Musick 4930 Loudon Drive Richmond, VA 23234		0.19%	0.11
	C. Douglas Musick 2029 Holly Street Kingsport, TN 37660		0.19%	0.11
	Edith E. Isenburg 3817 Skyland Drive Kingsport, TN 37664		0.19%	0.11
	Linda S. Hite P.O. Box 77914 Fort Worth, TX 76177		0.19%	0.11

EXHIBIT "EE"
VGOB 07-0220-1885-01
VC-536171
 Revised as of 4/21/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Thomas Wayne Musick 233 Meadow Brooke Lane Max Meadows, VA 24360		0.05%	0.03
	Gary Daniel Musick 4390 E. Lee Highway Max Meadows, VA 24360		0.05%	0.03
	Joseph Brian Musick 4394 E. Lee Highway Max Meadows, VA 24360		0.05%	0.03
	Andrew Scott Musick 460 Archer Road Max Meadows, VA 24360		0.05%	0.03
	Emmitt F. Musick 4641 Back Valley Road Cleveland, VA 24225		0.19%	0.11
	Allen G. Musick 2353 John Simms Hill Road Honaker, VA 24260		0.19%	0.11
	Kathy Baker 2411 East Center Street Kingsport, TN 37664		0.10%	0.06
	Christine M. Smith 206 E. Lawson Street Habira, GA 31632		0.63%	0.37
	Bettye R. Price 8328 Cazenovia Road Manilus, NY 13104		0.63%	0.37
	Julia Belcher Musick 5886 Blue Springs Road Hiwassee, VA 24347		0.63%	0.37

EXHIBIT "EE"
VGOB 07-0220-1885-01
VC-536171
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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>
	Anna M. Shockley 802 Camellia Drive Bluefield, WV 24701		0.63%	0.37
	Tract 2 Totals		14.72%	8.65
	Total Gas Estate		14.72%	8.65

1600388

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 5-23 2016. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 2:04 o'clock P M, after payment of \$ _____ tax imposed by Sec. 58.1-802.

Original returned this date to: Sarah Gilmer

TESTE: ANN S. McREYNOLDS, CLERK
 BY: Sheila Pitts D. CLERK