

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

UNITWELL NAME: VC-536589

TRACT(S): 2, A portion of 4, 7, 8

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-07-0515-1935-05

APPLICANTS: EnerVest Operating, LLC on behalf of Charlton Tiller, EnerVest Operating LLC

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
October 25, 2016

APPEARANCES: James Kaiser on behalf of EnerVest Operating, LLC

PRIOR PROCEEDINGS:

1. Re-pooling Order Executed 03/20/2008, Recorded on 04/25/2008, Deed Book/Instrument No. 451, Page 625.
2. Supplemental Order, Recorded on 06/11/2009, Deed Book/Instrument No. 466, Page 336.
3. Disbursement Order -01 Executed 02/16/2012, Recorded on 03/23/2012, Deed Book/Instrument No. 495, Page 418.
4. Disbursement Order -04 Executed 05/11/2016, Recorded on 05/19/2016, Deed Book/Instrument No. 536, Page 369.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the October 25, 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) 2, A portion of 4, 7, 8 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2, A portion of 4, 7, 8 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-536589, to all known owners in Tracts 2, 4, 7, 8. VGOB 07-0515-1935-05.

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 and 2.
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.

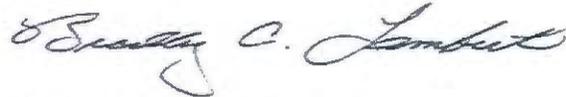
CONCLUSION:

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 26 day of October, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 26 day of October, 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 26th day of October 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 07-0515-1935-05

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2, A portion of 4, 7, 8 (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: October 25, 2016

DRILLING UNIT: VC-536589

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 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-536589, to all known owners in Tracts 2, 4, 7, 8.

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-536589, to all known owners in Tracts 2, 4, 7, 8. VGOB 07-0515-1935-05.

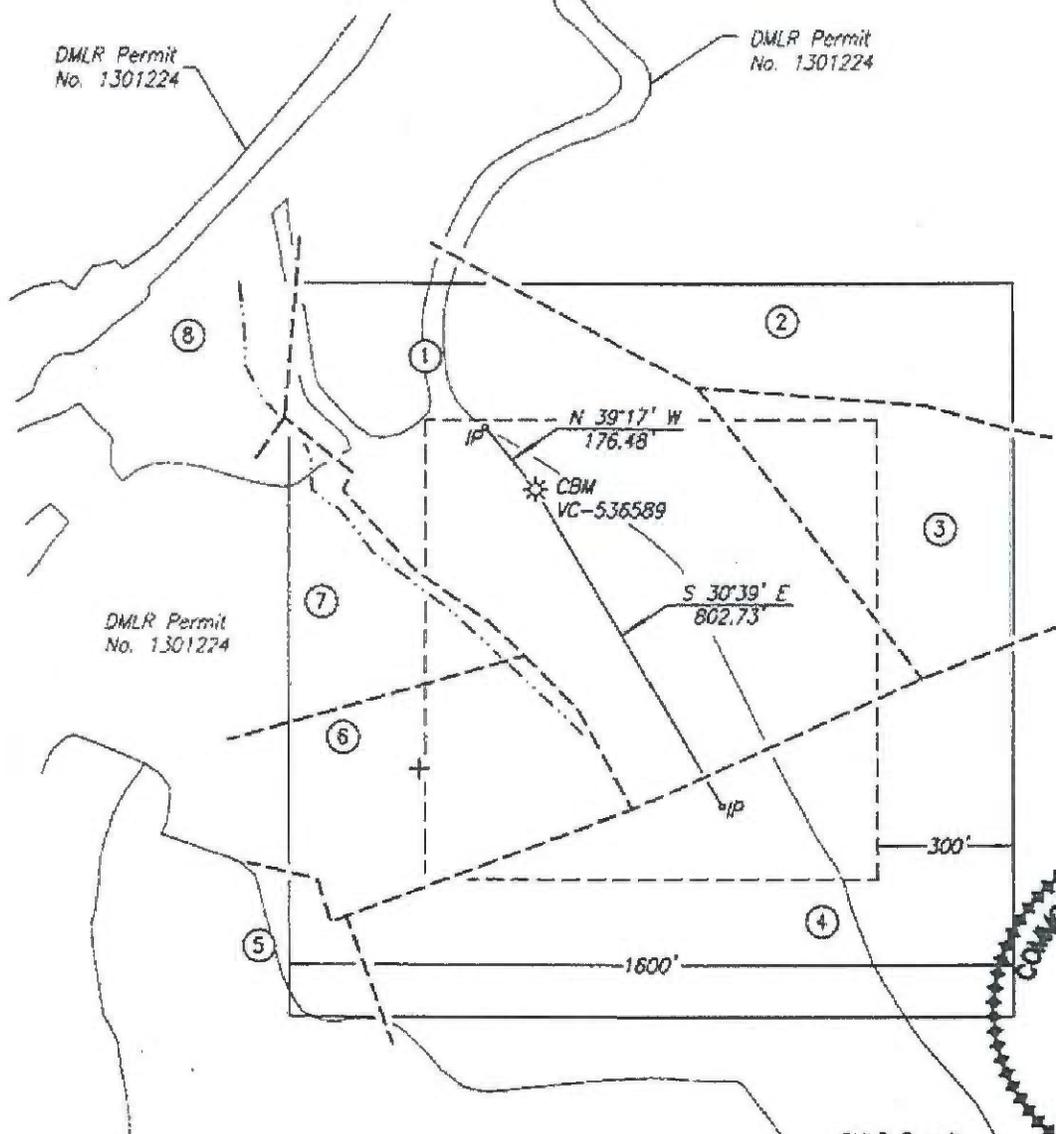
6. Attestation

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

Well Coordinates: (Geographic N27)
37.058336° -82.159738°

Latitude 37° 05' 00"

Longitude 82° 07' 30"



DMLR Permit No. 1301224

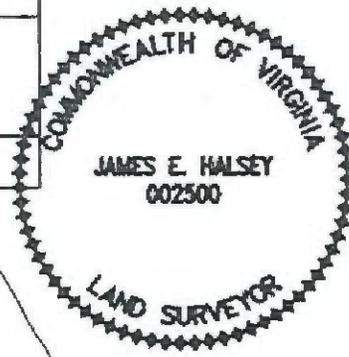
DMLR Permit No. 1301224

DMLR Permit No. 1101150

DMLR Permit No. 1301224

DMLR Permit No. 1301224

DMLR Permit No. 1101150



See attached Tract Ownership Information Schedule

The undersigned hereby certifies that the final location is within ten (10') feet of the location shown on the well plat dated 3-05-2007.

Well elevation determined by GPS survey from Mon. Hatchet

FINAL PLAT

Area of Unit = 58.77 Ac.

Well Coordinates: (VA St. Plane S. Zone, Calculated from CCC coordinates)
N 284,656 E 932,339

Well Coordinates: (Cinchfield Coal Co.)
S 15,151.59 E 65,245.42

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-536589
 TRACT NO. Is. No. 241640/T2-173 ELEVATION 1,805.33' QUADRANGLE Duty
 COUNTY Dickenson DISTRICT Ervinon SCALE 1" = 400' DATE 5-25-2007

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.

James E. Halsey
Licensed Professional Engineer or Licensed Land Surveyor

VC-536589 PLAT
TRACT OWNERSHIP INFORMATION SCHEDULE
 3/29/2007

1. Lease No. 241640L / T2-173
 S. J. Tiller
 27.36 Acres
 Heartwood Forestland Fund IV, L.P. - surface
 ACIN LLC - coal
 Alpha Land & Reserves LLC - coal lessee
 WBRD LLC - coal
 Dickenson-Russell Coal Company LLC - coal lessee
 Pine Mountain Oil & Gas, Inc. - oil, gas & CBM
 Gas 19.54 Ac. 33.25%

2. Lease No. 241640L / T2-166
 S. J. Tiller
 52.87 Acres
 Heartwood Forestland Fund IV, L.P. - surface
 ACIN LLC - coal
 Alpha Land & Reserves LLC - coal lessee
 WBRD LLC - coal
 Dickenson-Russell Coal Company LLC - coal lessee
 Pine Mountain Oil & Gas, Inc. - (CBM)
 Lease No. 245255L
 Charlton Tiller - oil & gas (CBM)
 Gas 5.28 Ac. 8.98%

3. Lease No. 241640L / T2-253
 Rosie Jessee Tiller
 10.08 Acres
 Heartwood Forestland Fund IV, L.P. - surface
 ACIN LLC - coal
 Alpha Land & Reserves LLC - coal lessee
 WBRD LLC - coal
 Dickenson-Russell Coal Company LLC - coal lessee
 Pine Mountain Oil & Gas, Inc. - oil, gas & CBM
 Gas 5.88 Ac. 10.01%

4. Lease No. 241640L / T2-174
 S. J. Tiller
 63.00 Acres
 Heartwood Forestland Fund IV, L.P. - surface
 ACIN LLC - coal
 Alpha Land & Reserves LLC - coal lessee
 WBRD LLC - coal
 Dickenson-Russell Coal Company LLC - coal lessee

 Lease No. 243087L
 Avery Eugene Barton, et al - 7.78% int. oil & gas, (CBM)
 Gas 16.99 Ac. 28.90%

- 5 . Lease No. 241640L / T2-172
 S. J. Tiller
 76.71 Acres
 Heartwood Forestland Fund IV, L.P. - surface
 ACIN LLC - coal
 Alpha Land & Reserves LLC - coal lessee
 WBRD LLC - coal
 Dickenson-Russell Coal Company LLC - coal lessee
 Pine Mountain Oil & Gas, Inc. - (CBM)
 Lease No. 245755L
 J. B. Tiller Heirs - oil & gas (CBM)
 Gas 0.98 Ac. 1.67%

- 6 . Lease No. 241640L / T2-263
 Rebecca Deel
 7.38 Acres
 Heartwood Forestland Fund IV, L.P. - surface
 ACIN LLC - coal
 Alpha Land & Reserves LLC - coal lessee
 WBRD LLC - coal
 Dickenson-Russell Coal Company LLC - coal lessee
 Pine Mountain Oil & Gas, Inc. - oil, gas & CBM
 Gas 6.33 Ac. 10.77%

- 7 . Lease No. 244792L / TC-244
 Evans Tiller
 7.5 Acres
 Heartwood Forestland Fund IV, L.P. - surface
 ACIN LLC - coal
 Alpha Land & Reserves LLC - coal lessee
 WBRD LLC - coal
 Dickenson-Russell Coal Company LLC - coal lessee
 Pine Mountain Oil & Gas, Inc. - (CBM)
 Unleased
 Eivens Tiller Heirs - oil & gas, (CBM)
 Gas 3.73 Ac. 6.35%

- 8 . Lease No. 241640L / T2-167
 S. J. Tiller
 30.60 Acres
 Heartwood Forestland Fund IV, L.P. - surface
 ACIN LLC - coal
 Alpha Land & Reserves LLC - coal lessee
 WBRD LLC - coal
 Dickenson-Russell Coal Company LLC - coal lessee
 Pine Mountain Oil & Gas, Inc. - (CBM)
 Unleased
 Eivens Tiller Heirs - oil & gas (CBM)
 Gas 0.04 Ac. 0.07%

EXHIBIT "E"
 VGOB 07/0515/1935-05
 VC-536589
 REVISED as of 6/1/2015

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>4</u>	Lowell Barton Unknown	Unleased	0.588704%	0.3461
Tract 4 Total			0.588704%	0.3461

EXHIBIT "EE"
VGOB 07/0515/1935-05
VC-536589
REVISED as of 6/1/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>DISBURSEMENT-05</u>				
<u>2</u>	Enervest Operating LLC Attn: Jim McKinney 408 W. Main Street Abingdon, VA 24210	Leased	2.2450%	1.3200
Tax ID 7890				
Tract 2 Totals			2.2450%	1.3200

Enervest's portion of this tract was paid to the escrow agent from initial production to current. A portion of Enervest's funds for this tract will be paid to them through this disbursement.

<u>4</u>	Enervest Operating LLC Attn: Jim McKinney 408 W. Main Street Abingdon, VA 24210	Leased	26.6522%	15.6686
Tax ID 20972				
Tract 4 Totals			26.6522%	15.6686

Please note that the above tract was never reflected on the Supplemental Order as being escrowed; however, ALL funds for this tract have been paid to the escrow agent. A portion of Enervest's funds for this tract will be paid to them through this disbursement.

<u>7</u>	<u>Eivens Tiller Heirs:</u>			
Tax ID 3154	Charlton Tiller 860 Falcon Drive Abingdon, VA 24210	Leased	0.793750%	0.46635
	Enervest Operating LLC Attn: Jim McKinney 408 W. Main Street Abingdon, VA 24210	Leased	0.264583%	0.15545
Tract 7 Totals			1.0583%	0.6218

Please note that the above tract was never reflected on the Supplemental Order as being escrowed; however, ALL funds for this tract have been paid to the escrow agent. All of Charlton Tiller's funds and a portion of Enervest's funds for this tract will be paid to them through this disbursement.

EXHIBIT "EE"
VGOB 07/0515/1935-05
VC-536589
REVISED as of 6/1/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>8</u> Tax ID Minerals Only	<u>Eivens Tiller Heirs:</u>			
	Charlton Tiller 860 Falcon Drive Abingdon, VA 24210	Leased	0.008750%	0.0051
	Enervest Operating LLC Attn: Jim McKinney 408 W. Main Street Abingdon, VA 24210	Leased	0.002917%	0.0017
Tract 8 Totals			0.0117%	0.0068
Total Gas Estate			29.9672%	17.6172

Please note that the above tract was never reflected on the Supplemental Order as being escrowed; however, ALL funds for this tract have been paid to the escrow agent. All of Charlton Tiller's funds and a portion of Enervest's funds for this tract will be paid to them through this disbursement.

COAL ESTATE ONLY

The coal estate is released pursuant HB2058

<u>2</u> TAX ID 21025	EnerVest Operating, LLC Attn: Jim McKinney 408 West Main Street Abingdon, VA 24210 <i>formerly Range Resources-Pine Mountain, Inc.</i>	Leased	8.9800%	5.2800
	Tract 2 Totals			8.9800%
<u>4</u> TAX ID 20972	EnerVest Operating, LLC Attn: Jim McKinney 408 West Main Street Abingdon, VA 24210 <i>formerly Range Resources-Pine Mountain, Inc.</i>	Leased	28.9000%	16.9900
	Tract 4 Totals			28.9000%

EXHIBIT "EE"
 VGOB 07/0515/1935-05
 VC-536589
 REVISED as of 6/1/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>7</u>	EnerVest Operating, LLC Attn: Jim McKinney 408 West Main Street Abingdon, VA 24210 <i>formerly Range Resources-Pine Mountain, Inc.</i>	Leased	6.3500%	3.7300
TAX ID Minerals Only				
Tract 7 Totals			6.3500%	3.7300
<u>8</u>	EnerVest Operating, LLC Attn: Jim McKinney 408 West Main Street Abingdon, VA 24210 <i>formerly Range Resources-Pine Mountain, Inc.</i>	Leased	0.0700%	0.0400
TAX ID 21026				
Tract 8 Totals			0.0700%	0.0400
TOTAL COAL ESTATE			44.3000%	26.0400

INSTRUMENT #160001295
 RECORDED IN THE CLERK'S OFFICE OF
 DICKENSON ON
 NOVEMBER 8, 2016 AT 11:51AM
 RICHARD W. EDWARDS, CLERK
 RECORDED BY: CPF