

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: 536867

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-07-0821-1989-04

APPLICANTS: EnerVest Operating, LLC on behalf of Dennie J. Long, Joseph Long, Judy B. Manuel,
Standard Banner Coal Company, Timothy Riley Long

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
September 18, 2018

APPEARANCES: Tim Scott on behalf of EnerVest Operating, LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 10/18/2007, Recorded on 11/01/2007, Deed Book/Instrument No. 444, Page 695, County DICKENSON.
2. Supplemental Order, Recorded on 01/26/2009, County DICKENSON.
3. Disbursement Order -02 Executed 06/13/2013, Recorded on 07/16/2013, Deed Book/Instrument No. 509, Page 084, County DICKENSON.

NOTICE:

DB 559 PG446

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the September 18, 2018 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) 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 escrowed funds to all known owners in well 536867, Tract 1, VGOB 07-0821-1989, pursuant to Final Order and Agreement and Mutual Release between owners

DB 559 PG 447

RELIEF GRANTED:

VGOB Disbursement

Unit 536867

VGOB-07-0821-1989-04

Table 1 (pay exact dollar amount based on account balance of 2/1/2018)
Tracts: 001

Item	Tract	Disbursement Table	Account	Fractional Ownership	Net Acreage	Royalty Split	Escrowed Acres	Percent of Escrowed Funds	Disbursement
		Total acreage in escrow before disbursement					1.19000		
001 Tract 001 (total acreage)				1.1900					
1	001	Joseph Long\274 Westover Drive; Lebanon; VA 24266			0.5950	75.00%	0.4463	37.5000%	\$429.92
2	001	Standard Banner Coal Company\29059 Rivermont Drive; Meadowview; VA 24361			0.5950	25.00%	0.1488	12.5000%	\$143.31
3	001	Dennie J. Long\29501 US Highway 58; Lebanon; VA 24266			0.1983	75.00%	0.1487	12.5000%	\$143.30
4	001	Standard Banner Coal Company\29059 Rivermont Drive; Meadowview; VA 24361			0.1983	25.00%	0.0496	4.1667%	\$47.77
5	001	Judy B. Manuel\PO Box 314; 261 E. Main Street; Lebanon; VA 24266			0.1983	75.00%	0.1487	12.5000%	\$143.30
6	001	Standard Banner Coal Company\29059 Rivermont Drive; Meadowview; VA 24361			0.1983	25.00%	0.0496	4.1667%	\$47.77
7	001	Timothy Riley Long\25392 US Highway 58; Castlewood; VA 24224			0.1983	75.00%	0.1487	12.5000%	\$143.30
8	001	Standard Banner Coal Company\29059 Rivermont Drive; Meadowview; VA 24361			0.1983	25.00%	0.0496	4.1667%	\$47.77

VGOB Disbursement
Unit 536867

VGOB-07-0821-1989-04

Table 2 (pay percentage on balance after deducting the above balance)
Tracts: 001

Item	Tract	Disbursement Table	Fractional Ownership	Net Acreage Ownership	Royalty Split Agreement	Escrowed Acres	Percent of Escrowed Funds	Adjustment Amount
		Total acreage in escrow before disbursement				9.24000		
001 Tract 001 (total acreage)			1.1900					
1	001	Standard Banner Coal Company\29059 Rivermont Drive; Meadowview; VA 24361		1.1900	100.00%	1.1900	12.8788%	\$1,146.44

Adjustment Comments: Adjustment made to remove exact pay amount pursuant to Agreement and Mutual Release between owners

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 20 day of September, 2018 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

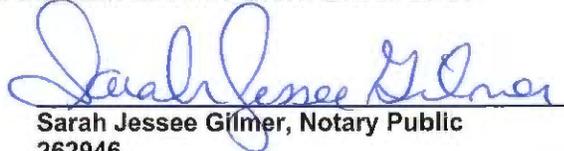
DONE AND PERFORMED this 20 day of September, 2018 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 20th day of September, 2018, 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 07-0821-1989-04

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: August 21, 2018

DRILLING UNIT: 536867

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 escrowed funds to all known owners in well 536867 VGOB 07-0821-1989, Tract 1.

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

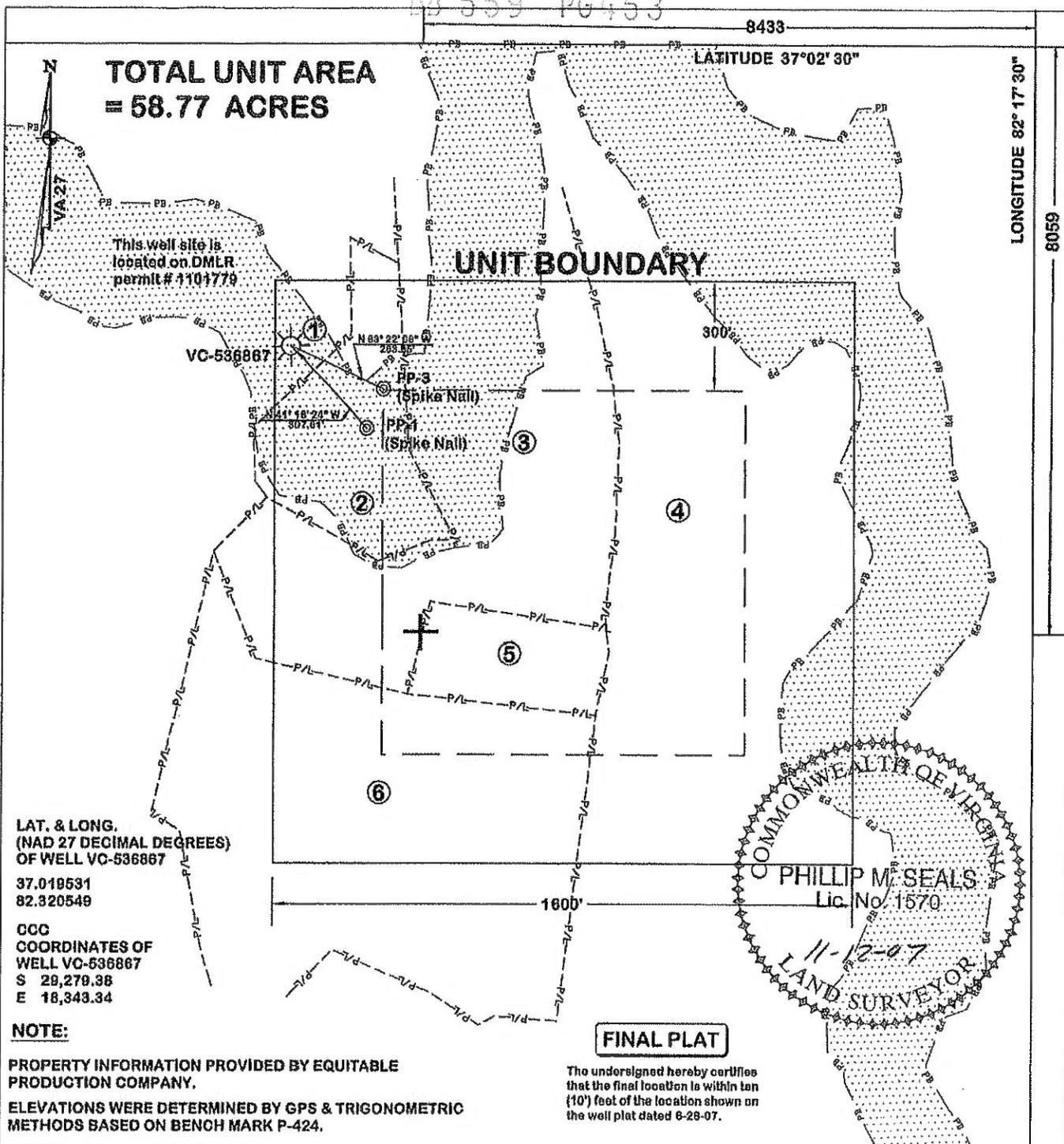
Petition to disburse escrowed funds to all known owners in well 536867, Tract 1, VGOB 07-0821-1989, pursuant to Final Order and Agreement and Mutual Release between owners

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"



LAT. & LONG. (NAD 27 DECIMAL DEGREES) OF WELL VC-536867

37.018531
82.320549

CCC COORDINATES OF WELL VC-536867
S 29,279.38
E 18,343.34

NOTE:

PROPERTY INFORMATION PROVIDED BY EQUITABLE PRODUCTION COMPANY.
ELEVATIONS WERE DETERMINED BY GPS & TRIGONOMETRIC METHODS BASED ON BENCH MARK P-424.

FINAL PLAT

The undersigned hereby certifies that the final location is within ten (10') feet of the location shown on the well plat dated 6-29-07.

WELL LOCATION PLAT

COMPANY EQUITABLE PRODUCTION CO. WELL NAME OR NUMBER VC-536867
TRACT NO. TL-223 QUADRANGLE Nora
DISTRICT Kenady
WELL COORDINATES (VIRGINIA STATE PLANE 27) N 272,398.03 E 884,878.82
ELEVATION 2163.53 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.
COUNTY Dickenson SCALE: 1" = 400' DATE 11-12-07
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.

Phillip M. Seals
LICENSED LAND SURVEYOR

(AFFIX SEAL)

EXHIBIT PL-1

Property Ownership Information for EPCO Well # VC-536867

①

LEASE NO. 244712L
B.H. LONG HEIRS TRACT
30.976 ACRES
B.H. LONG HEIRS-surface & gas (cbm)
LEASE NO. 241490L/ TL-223
STANDARD BANNER COAL CORP.- coal & oil (cbm)
5747.00 ACRES
WELLMORE ENERGY COMPANY.- coal lessee
GAS 1.19 AC. 2.02%

②

LEASE NO. 241490L/ TL-223
STANDARD BANNER COAL CORP. - coal & oil (cbm)
5747.00 ACRES
WELLMORE ENERGY COMPANY - coal lessee
UNLEASED
LAWRENCE TURNER HEIRS - surface & gas (cbm)
GAS 5.05 AC. 8.81%

③

LEASE NO. 241490L/ TL-223
STANDARD BANNER COAL CORP.- coal & oil (cbm)
5747.00 ACRES
WELLMORE ENERGY COMPANY.- coal lessee
LEASE NO. 244728
LAMBERT LAND, LLC.- gas (cbm)
GAS 14.88 AC. 25.32%

④

LEASE NO. 241490L/ TL-223
STANDARD BANNER COAL CORP.-
5747.00 ACRES
coal, oil, gas & cbm
WELLMORE ENERGY COMPANY - coal lessee
GAS 25.35 AC. 43.13%

⑤

UNLEASED
J.L. TURNER HEIRS- gas (cbm)
3.00 ACRES
LEASE NO. 241490L/ TL-223
STANDARD BANNER COAL CORP.-
5747.00 ACRES
coal, oil (cbm)
WELLMORE ENERGY COMPANY - coal lessee
GAS 3.00AC. 5.10%

⑥

LEASE NO. 906891
WAYNE & GENEVIE RINER- gas (cbm)
25.88 ACRES
LEASE NO. 241490L/ TL-223
STANDARD BANNER COAL CORP.-
5747.00 ACRES
coal, oil (cbm)
WELLMORE ENERGY COMPANY - coal lessee
GAS 9.30 AC. 15.82%

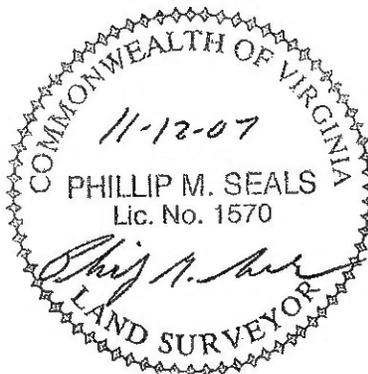


EXHIBIT "E"
VGOB 07/08/21-1989-04
VC-536867

<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>	Lawrence Turner Heirs Unknown & Unlocatable	Unleased	8.610000%	5.0500
TAX ID Minerals Only	Tract 2 Totals		8.610000%	5.0500
<u>5</u>	J.L. Turner heirs Unknown/Unlocatable	Unleased	5.100000%	3.0000
Minerals Only	Tract 5 Totals		5.100000%	3.0000
TOTAL GAS ESTATE			13.710000%	8.0500

EXHIBIT "EE"
VGOB 07/08/21-1989-04
VC-536867

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Disbursement -04</u>				
<u>1</u>	<u>B.H. Long Heirs</u>			
TAX ID	Joseph Long	Leased	1.010000%	0.5950
Minerals	274 Westover Drive	244712		
Only	Lebanon, VA 24266			
	Dennie J. Long	Leased	0.336667%	0.1983
	29501 US Highway 58	244712		
	Lebanon, VA 24266			
	Judy B. Manuel	Leased	0.336667%	0.1983
	P.O. Box 314, 261 E Main St	244712		
	Lebanon, VA 24266			
	Timothy Riley Long	Leased	0.336667%	0.1983
	25392 US Highway 58	244712		
	Castlewood, VA 24224			
Tract 1 Totals			2.020000%	1.1900

TOTAL DISBURSEMENT-04 **2.020000%** **1.1900**

COAL ESTATE ONLY

<u>1</u>	Standard Banner Coal Corporation	Leased	2.020000%	1.190
TAX ID	29059 Rivermont Dr	906889		
5362	Meadowview, VA 24361	TL-223		
Tract 1 Totals			2.020000%	1.190

RECORDED IN THE CLERK'S OFFICE OF
 DICKENSON CIRCUIT COURT ON
 NOVEMBER 1, 2018 AT 11:42 AM
 RICHARD W. EDWARDS, CLERK
 RECORDED BY: TLF
 INSTRUMENT 180001181