

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-536593 & VCI-538606

TRACT(S): 2, A portion of 3

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-07-1016-2050-02

APPLICANTS: EnerVest Operating, LLC on behalf of Alice Kay McCoy Garrett, Carlotta Reed Hawkins & Ross E. Hawkins, Charles Kenneth McCoy & Patricia A. McCoy, Crystal Ann McCoy Williams, Daphne Booher, David Brownlow Grizzel, Deborah McCoy Fried, Deborah R. Nelson, Dwight D. McCoy & Bonnetta McCoy, Ferrell Doug Reed & Deirdre Leann Reed, Harold Gene McCoy, Jr, Interstate Natural Gas Company, Jackie Darrell Grizzel, James P. Herring and Debra A. Herring, Jamie Krohn, Joreen Hammons, Kimberly Kay Pharris, Kimberly McCoy King, Laura Elswick, Laura Gerlene McCoy Taylor, Melinda McCoy Atkinson, Nicholas Krohn, Pam Walker Day, Regina Reed Patterson & Ralph Patterson, Rita & Richard Ramey, Sammy Farrell Grizzel, Sharon Bryant, Standard Banner Coal Corporation, Teddy Ray Grizzel, Valerie Lisa McCoy

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
July 19, 2016

APPEARANCES: James Kaiser on behalf of EnerVest Operating, LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 10/08/2009, Recorded on 11/06/2009, Deed Book/Instrument No. 472, Page 222.

2. Modification Order -01 Executed 03/23/2016, Recorded on 04/26/2016, Deed Book/Instrument No. 535, Page 843.

3. Supplemental Order -01, Recorded on 07/07/2016, Deed Book/Instrument No. 537, Page 422.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the July 19, 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 3 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2, A portion of 3 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 wells VC-536593 & VCI-538606, to all known owners in Tracts 2, 3, VGOB 07-1016-2050-02.

DB 538 PG670

RELIEF GRANTED:

VGOB Disbursement
 Unit VC-536593 & VCI-538606
 VGOB-07-1016-2050-02

Table 1
 Tracts: 2, A portion of 3

Item	Tract	Disbursement Table	Fractional Ownership	Net Acreage	Royalty Split	Escrowed Acres	Percent of Escrowed Funds	Adjustment Amount
		Total acreage in escrow before disbursement				3.25999		
		2 Tract 2 (total acreage)	2.8400	2.8400	100.00%	2.8400	87.1168%	
		3 Tract 3 (total acreage)	0.4200					
1	2	Interstate Natural Gas Company\P.O. Box 3385; Pikeville; KY 41502		0.1120	50.00%	0.0560	1.7178%	
2	3	Dwight D. McCoy & Bonnetta McCoy\14232 Marshalls Retreat Road; Saint Paul; VA 24283		0.1120	50.00%	0.0560	1.7178%	
3	3	Standard Banner Coal Corporation\c/o Mike Clisso; P.O. Drawer 750; Wise; VA. 24293		0.0140	100.00%	0.0140	0.4294%	
4	3	Kimberly Kay Pharris\867 Idlewild Drive; Madison; TN 37115		0.0140	100.00%	0.0140	0.4294%	
5	3	Alice Kay McCoy Garrett\100 Kingston Road; Blountville; TN 37617		0.0028	100.00%	0.0028	0.0859%	
6	3	Valerie Lisa McCoy\662 Cold Springs Road; Nora; VA 24272		0.0028	100.00%	0.0028	0.0859%	
7	3	Sharon Bryant\260 Old Stage Trail; Bristol; TN 37620		0.0028	100.00%	0.0028	0.0859%	
8	3	Deborah R. Nelson\61 Tulip Grove Circle #3; Bristol; TN? 37620		0.0028	100.00%	0.0028	0.0859%	
9	3	Daphne Booher\21147 Lynn Street; Bristol; VA 24202		0.0028	100.00%	0.0028	0.0859%	
10	3	Harold Gene McCoy; Jr\1900 Southside Ave; Lot 8; Bristol; TN 37620		0.0140	100.00%	0.0140	0.4294%	
11	3	Joreen Hammons\5707 W. Kesslers Crossing; Fredericksburg;VA 22407		0.0105	100.00%	0.0105	0.3221%	
12	3	Charles Kenneth McCoy & Patricia A. McCoy\847 Cold Springs Road; Nora; VA 24272		0.0105	100.00%	0.0105	0.3221%	
13	3	Laura Gerlene McCoy Taylor\21014 Lovers Lane; Bristol; VA 24202-4228		0.0105	100.00%	0.0105	0.3221%	
14	3	James P. Herring and Debra A. Herring\1431 E. State St. Lot #6; Bristol; TN 37620		0.0105	100.00%	0.0105	0.3221%	
	3	Laura Elswick\546 C.M. Circle; Nora; VA 24272		0.0105	100.00%	0.0105	0.3221%	

3 Tract 3 (total acreage) 0.4200

15	3	Pam Walker Day\1240 Flatwood Road NW; Ramsey; IN 47166	0.0105	100.00%	0.0105	0.3221%
16	3	Kimberly McCoy King\8028 Hadfield Court; Pasadena; MD 21122	0.0018	100.00%	0.0018	0.0537%
17	3	Crystal Ann McCoy Williams\32628 Roxana Road; Frankford; DE 19945	0.0018	100.00%	0.0018	0.0537%
18	3	Melinda McCoy Atkinson\8200 Dogwood Drive; Baltimore; MD 21222	0.0018	100.00%	0.0018	0.0537%
19	3	Deborah McCoy Fried\8053 Grayhaven Road; Baltimore; MD 21222	0.0018	100.00%	0.0018	0.0537%
20	3	Jamie Krohn\1500 Division Street; Evansville; IN 47711	0.0018	100.00%	0.0018	0.0537%
21	3	Nicholas Krohn\1500 E Division Street; Evansville; IN 47711-6681	0.0018	100.00%	0.0018	0.0552%
22	3	Ferrell Doug Reed & Deirdre Leann Reed\P.O. Box 2007; Clintwood; VA 24228	0.0026	100.00%	0.0026	0.0805%
23	3	Carlotta Reed Hawkins & Ross E. Hawkins\157 Edgewater Court; Clintwood; VA 24228	0.0026	100.00%	0.0026	0.0805%
24	3	Rita & Richard Ramey\P.O. Box 1631; Clintwood; VA 24228	0.0026	100.00%	0.0026	0.0805%
25	3	Regina Reed Patterson & Ralph Patterson\P.O. Box 2003; Clintwood; VA 24228	0.0026	100.00%	0.0026	0.0805%
26	3	Teddy Ray Grizzel\17905 Sorrelwood Court; Parrish; FL 34219	0.0210	100.00%	0.0210	0.6442%
27	3	Sammy Farrell Grizzel/c/o Lisa Carre; 232 Bar Harbor Road; Pasadena; MD 21122	0.0210	100.00%	0.0210	0.6442%
28	3	Jackie Darrell Grizzel\701 Schumaker Lane; Salisbury; MD 21804	0.0210	100.00%	0.0210	0.6442%
29	3	David Brownlow Grizzel\318 Cresswell Road; Brooklyn; MD 21225	0.0210	100.00%	0.0210	0.6442%

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 25 day of July, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

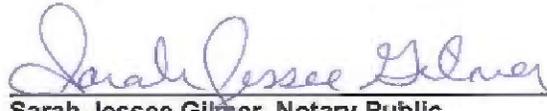
DONE AND PERFORMED this 25 day of July, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 25th day of July, 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 07-1016-2050-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2, A portion of 3 (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: July 19, 2016

DRILLING UNIT: VC-536593 & VCI-538606

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 wells VC-536593 & VCI-538606, to all known owners in Tracts 2, 3. VGOB 07-1016-2050-02.

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 wells VC-536593 & VCI-538606, to all known owners in Tracts 2, 3. VGOB 07-1016-2050-02.

6. Attestation

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

**TOTAL UNIT AREA
= 58.77 ACRES**

NOTE:

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

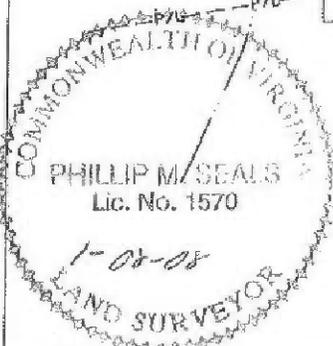
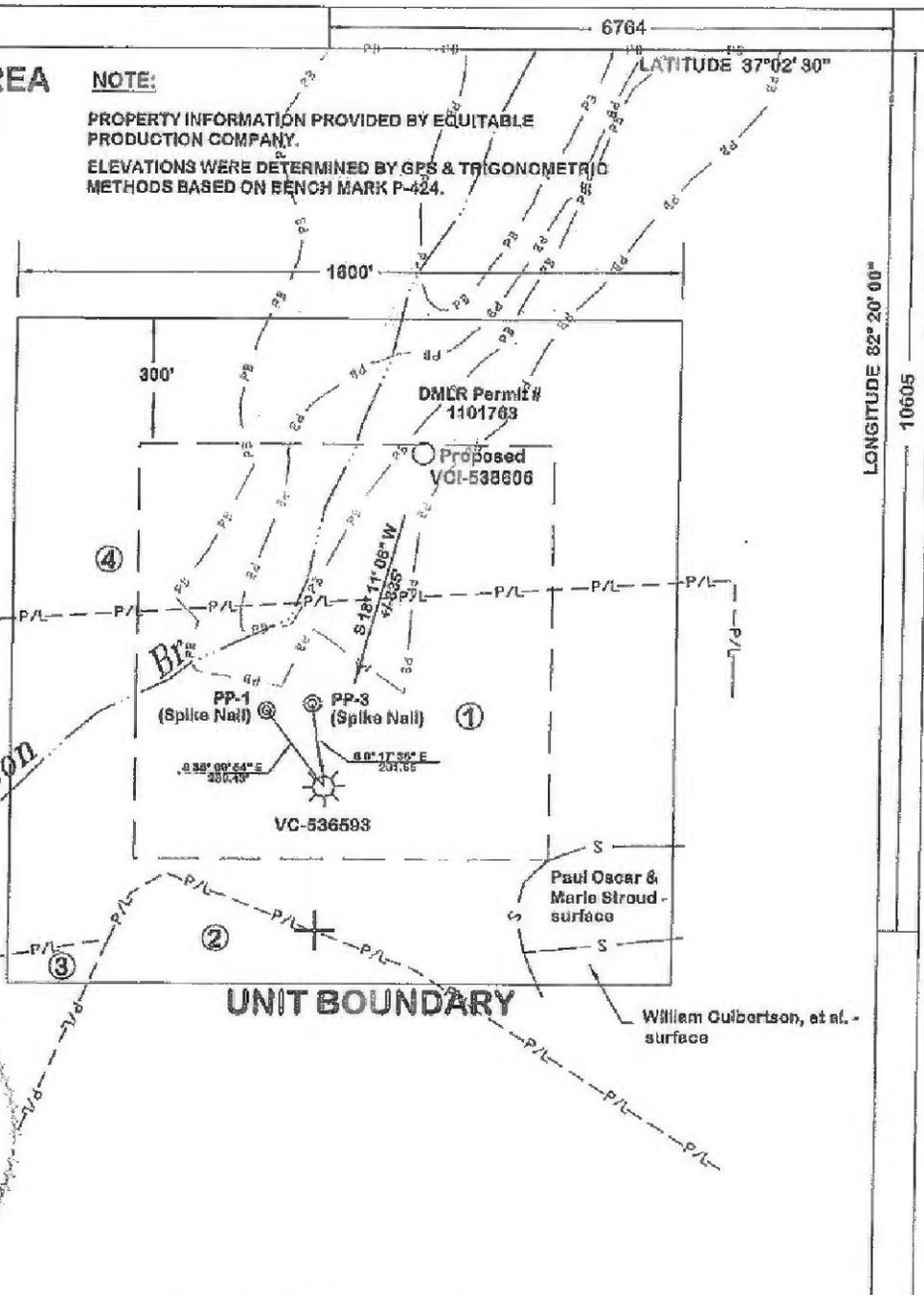


FINAL PLAT

The undersigned hereby certifies
that the final location is within ten
(10') feet of the location shown on
the well plat dated 10-16-07.

OOO
COORDINATES OF
WELL VC-536593
S 31,824.63
E 7,858.34

LAT. & LONG.
(NAD 27 DECIMAL DEGREES)
OF WELL VC-536593
37.012540
82.356498



WELL LOCATION PLAT

COMPANY EQUITABLE PRODUCTION CO. WELL NAME OR NUMBER VC-536593
 TRACT NO. TL-223 QUADRANGLE Noro
 DISTRICT Kenedy
 WELL COORDINATES (VIRGINIA STATE PLANE 27) N 270,281.68 E 874,288.01
 ELEVATION 2,179.16 METHOD USED TO DETERMINE ELEVATION: GPS & TRIC.
 COUNTY Dickenson SCALE: 1" = 400' DATE 1-08-08
 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.

052.60
Form DGO-00-7
Rev. 1-08

Phillip M. Seals

LICENSED LAND SURVEYOR

(AFFIX SEAL)

EXHIBIT PL-1

Property Ownership Information for EPCO Well # VC-536593 & VCI-538606

①

LEASE NO. 906889L/ TL-223
ELIJAH RASNICK T-30
171.31 ACRES
surface, oil, & gas
ELIJAH RASNICK T-00
217.015 ACRES
coal
STANDARD BANNER COAL CORP.-
surface, coal, oil, gas & cbm
WELLMORE ENERGY COMPANY, LLC.- coal lessee
GAS 30.82 AC. 52.10 %

②

LEASE NO. 906889L/ TL-223
ELIJAH RASNICK T-08
107.00 ACRES
STANDARD BANNER COAL CORP.- coal (cbm)
WELLMORE ENERGY COMPANY, LLC.- coal lessee
LEASE NO. 900740 (VC-536593)
LEASE NO. 960769 (VCI-538606)
INTERSTATE NATURAL GAS COMPANY
P/O 83.00 ACRES
oil & gas (cbm)
GAS 2.04 AC. 4.83 %

③

LEASE NO. 906889L/ TL-223
ELIJAH RASNICK T-90
217.015 ACRES
STANDARD BANNER COAL CORP.- coal (cbm)
WELLMORE ENERGY COMPANY, LLC.- coal lessee
PARTIALLY LEASED
DWIGHT D. McCOY, et al.
0.631 ACRES
surface, oil & gas (cbm)
GAS 0.42 AC. 0.71%

④

LEASE NO. 906889L/ TL-223
W. T. GOODLOE T-00
1006.08 ACRES
STANDARD BANNER COAL CORP.-
coal, oil, gas & cbm
WELLMORE ENERGY COMPANY, LLC.- coal lessee
GAS 24.89 AC. 42.36%

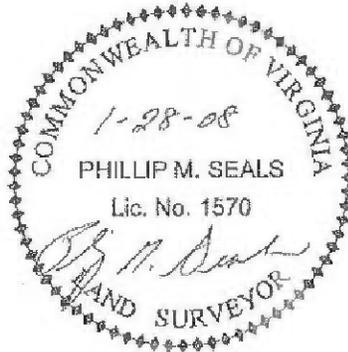


EXHIBIT "E"
VC-536593 & VCI-538606 (Unit BU-42)
VGOB-07/10/16-2050
REVISED 3/14/2016

<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>3</u>	Shalor Columbus McCoy UNKNOWN	Unleased	0.0178%	0.0105
	Paul J. Pounders Unknown	Unleased	0.0355%	0.0210
	Anthony Paul Pounders Unknown	Unleased	0.1065%	0.0630
TOTAL			0.1598%	0.0945

DB 538 PG679

EXHIBIT "EE"
 VC-536593 & VCI-538606 (Unit BU-42)
 VGOB-07/10/16-2050
 REVISED 3/29/2016

<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>	Interstate Natural Gas Company P.O. Box 3385 Pikeville, KY 41502	Unleased	4.83000000%	2.84000000
Tax ID 5963				
Tract 2 Totals			4.83000000%	2.84000000
<u>3</u>	Dwight D. McCoy & Bonnetta McCoy, h/w 14232 Marshalls Retreat Road Saint Paul, VA 24283	Leased <i>Split Agreement</i>	0.09466643%	0.05599986
Tax ID 6446				
	<i>*Subject to 50% Split with Standard Banner</i>			
	Standard Banner Coal Corporation c/o Mike Clsso P.O. Drawer 750 Wise, VA. 24293	Leased <i>Split Agreement</i>	0.09466643%	0.05599986
	<i>*Subject to 50% Split with Dwight D. McCoy & Bonnetta McCoy</i>			
	<u>Norma McCoy McGill Heirs</u> Kimberly Kay Pharris 867 Idlewild Drive Madison, TN 37115	Unleased	0.02366643%	0.01399986
	Alice Kay McCoy Garrett, single 100 Kingston Road Blountville, TN 37617	Leased	0.02366643%	0.01399986
	<u>Harold G. & Barbara A. McCoy Heirs:</u> Valerie Lisa McCoy 662 Cold Springs Road Nora, VA 24272	Leased	0.00473329%	0.00279997
	Sharon Bryant 260 Old Stage Trail Bristol, TN 37620	Leased	0.00473329%	0.00279997
<u>3</u>	Deborah R. Nelson 61 Tulip Grove Circle #3 Bristol, TN 37620	Leased	0.00473329%	0.00279997
Tax ID 6446				
	Daphne Booher 21147 Lynn Street Bristol, VA 24202	Leased	0.00473329%	0.00279997

EXHIBIT "EE"
 VC-536593 & VCI-538606 (Unit BU-42)
 VGOB-07/10/16-2050
 REVISED 3/29/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Harold Gene McCoy, Jr 1900 Southside Ave, Lot 8 Bristol, TN 37620	Leased	0.00473329%	0.00279997
<u>3</u> Tax ID 6446	Joreen Hammons, widow 5707 W. Kesslers Crossing Fredericksburg, VA 22407	Leased 907129	0.02366643%	0.01399986
	Charles Kenneth McCoy & Patricia A. McCoy, h/w 847 Cold Springs Road Nora, VA 24272	Leased	0.01775000%	0.01050000
	Laura Gerlene McCoy Taylor 21014 Lovers Lane Bristol, VA 24202-4228	Leased	0.01775000%	0.01050000
	<u>Barbara McCoy Herring Heir:</u> James P. Herring and Debra A. Herring, H/W 1431 E. State St. Lot #6 Bristol, TN 37620	Unleased	0.01775000%	0.01050000
	<u>Danny Kermit McCoy Heir:</u> Laura Elswick 546 C.M. Circle Nora, VA 24272	Leased	0.01775000%	0.01050000
	<u>Cassie Carlotta McCoy Walker Heir:</u> Pam Walker Day 1240 Flatwood Road NW Ramsey, IND 47166	Leased	0.01775000%	0.01050000
	<u>Arthur Jerry McCoy Heirs</u> Kimberly McCoy King 8028 Hadfield Court Pasadena, MD 21122	Leased	0.00295833%	0.00175000
	Crystal Ann McCoy Williams 32628 Roxana Road Frankford, DE 19945	Leased	0.00295833%	0.00175000
<u>3</u> Tax ID 6446	Melinda McCoy Atkinson 8200 Dogwood Drive Baltimore, MD 21222	Leased	0.00295833%	0.00175000

EXHIBIT "EE"
 VC-536593 & VCI-538606 (Unit BU-42)
 VGOB-07/10/16-2050
 REVISED 3/29/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Deborah McCoy Fried 8053 Grayhaven Road Baltimore, MD 21222	Leased	0.00295833%	0.00175000
<u>3</u>	Jamie Krohn 1500 Division Street Evansville, IN 47711	Leased	0.00295833%	0.00175000
Tax ID 6446	Nicholas Krohn 1500 E Division Street Evansville, IN 47711-6681	Leased	0.00295833%	0.00175000
	<u>Anna Sue McCoy Blevins Heirs:</u> Ferrell Doug Reed & Deirdre Leann Reed, h/w P.O. Box 2007 Clintwood, VA 24228	Leased	0.00443750%	0.00262500
	Carlotta Reed Hawkins & Ross E. Hawkins, w/h 157 Edgewater Court Clintwood, VA 24228	Leased	0.00443750%	0.00262500
	Rita & Richard Ramey P.O. Box 1631 Clintwood, VA 24228	Leased	0.00443750%	0.00262500
	Regina Reed Patterson & Ralph Patterson, w/h P.O. Box 2003 Clintwood, VA 24228	Leased	0.00443750%	0.00262500
	<u>Brownlow Grizzel Heirs</u> Teddy Ray Grizzel 17905 Sorrelwood Court Parrish, FL 34219	Unleased	0.03550000%	0.02100000
<u>3</u>	Sammy Farrell Grizzel c/o Lisa Carre 232 Bar Harbor Pasadena, MD 21122	Leased	0.03550000%	0.02100000
Tax ID 6446	Jackie Darrell Grizzel 701 Schumaker Lane Salisbury, MD 21804	Unleased	0.03550000%	0.02100000

DB 538 PG682

EXHIBIT "EE"
VC-536593 & VCI-538606 (Unit BU-42)
VGOB-07/10/16-2050
REVISED 3/29/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>3</u>	David Brownlow Grizzel 318 Cresswell Road Brooklyn, MD 21225	Unleased	0.03550000%	0.02100000
Tax ID 6446				
Tract 3 Totals			0.5502%	0.32549916
TOTAL			5.3802%	3.16549916

Coal Estate Only

The coal estate is released pursuant HB2058

<u>2</u>	Standard Banner Coal Corporation c/o Mike Clisso	Leased 906889/TL-223	4.8300%	2.8400
Tax ID 11636	P.O. Drawer 750 Wise, VA. 24293			
<u>3</u>	Standard Banner Coal Corporation c/o Mike Clisso	Leased 906889/TL-223	0.7100%	0.4200
Tax ID 11636	P.O. Drawer 750 Wise, VA. 24293			
TOTAL COAL ESTATE			5.5400%	3.2600

INSTRUMENT #160000924
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
AUGUST 9, 2016 AT 09:20AM

RICHARD W. EDWARDS, CLERK
RECORDED BY: TLF