

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: E-100

TRACT(S): 1

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-07-1016-2055-01

APPLICANTS: Appalachian Energy on behalf of JANICE COMPTON

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
May 10, 2016

APPEARANCES: James Kaiser on behalf of Appalachian Energy

PRIOR PROCEEDINGS:

- 1.
2. Supplemental Order, Recorded on 04/04/2011, Deed Book/Instrument No. 110000801.

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) 1 identified in the attached petition.

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(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1 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 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 AE-188 to Janice Compton. VGOB 07-1016-2055-01

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VGOB-07-1016-2055-01

Table 1

Tracts: 1

Item	Tract	Disbursement Table					
		Total acreage in escrow before disbursement			1.98800		
1		Tract 1 (total acreage)	39.7600				
1	1	JANICE COMPTON\4761 HUSTON DRIVE, LAKE ORION, MI 48359		1.9880	100.00%	1.9880	100.0000%

Adjustment Comments:

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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.

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



Chairman, Bradley C. Lambert

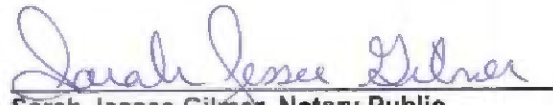
DONE AND PERFORMED this 11 day of May, 2016 by Order of the Virginia Gas and Oil Board.



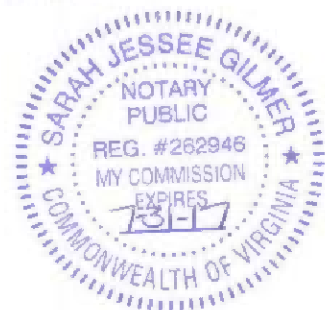
Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

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: Appalachian Energy

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 07-1016-2055-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1 (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: May 10, 2016

DRILLING UNIT: E-100

BUCHANAN COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is Appalachian Energy, P. O. Box 2406, Abingdon, VA 24212, (276)619-4880.
Petitioner's counsel is James Kaiser, Wilhoit and Kaiser Law Firm, 220 Broad Street, Suite 210,
Kingsport, TN 37660 .

2. Relief Sought

the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent,
attributable to Tract 1, as depicted upon the annexed table, and authorization to begin paying
royalties directly to Janice Compton, owner of 1/20 of the gas under a 90-acre tract of land that
makes up a portion of CBM Unit E-100 (Well AE-186).

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 AE-186 to Janice Compton. VGOB
07-1016-2055-01

6. Attestation

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

TOTAL UNIT AREA

= 58.77 ACRES

--- DENOTES MINERAL LINE

- - - - - DENOTES SURFACE LINE

- - - - - DENOTES SURFACE & MINERAL LINES

11109'

LATITUDE 37°20'00"

LONGITUDE 82°00'00"

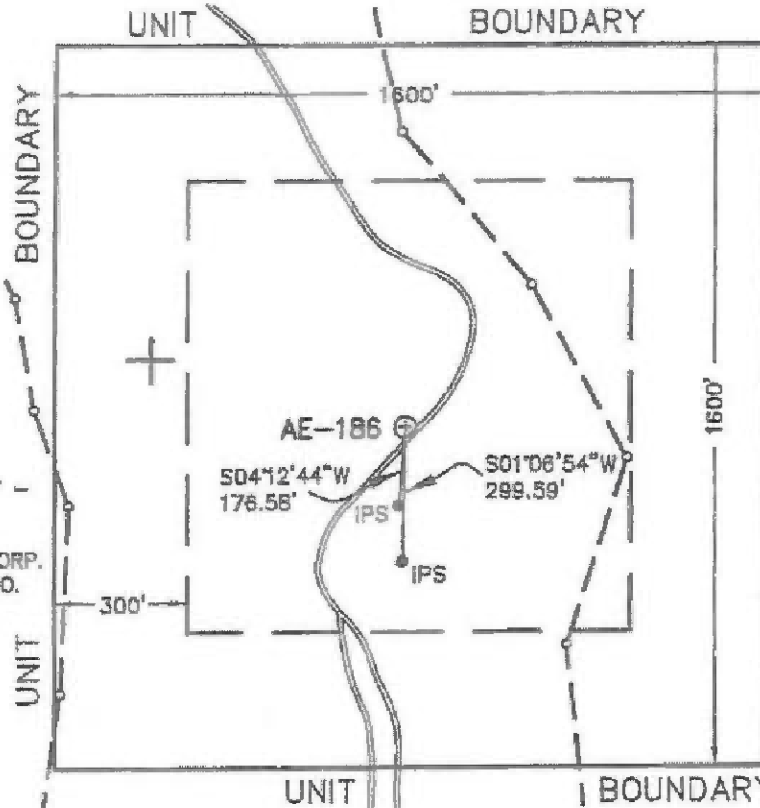


① COLEMAN, LECKIE, POBST -
coal, oil & gas
39.76 AC. - 67.65%
SHERRIE DOTSON &
RODNEY DOTSON - surface

STATE PLANE
NAD 27 COORDINATES
OF WELL AE-186
378644.47
971241.91
LAT 37.312138
LON -82.038197

CCC COORDINATES
OF WELL AE-186
N 77256.97
E 100894.26

UNIT BOUNDARY



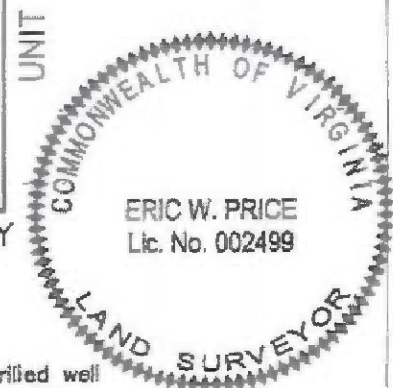
②

EAGLE COAL CORP. -
Coal, Gas, Oil
GAS 18.76 AC. - 31.92%

③

TRACT D-8
BUCHANAN REALTY -
coal, oil & gas
COAL LESSEES -
WELLMORE COAL CORP.
RAPCO ENERGY CO.
0.25 AC. - 0.43%

REVISION



COORDINATES
OF BENCH MARK
N 48858.71
E 75916.33
ELEV. = 2302.85

NOTE !!!

WELL COORDINATES ARE BASED ON CLINCHFIELD
COAL COMPANY'S COORDINATE SYSTEM
CLINCHFIELD COAL COMPANY COORDINATES ARE
CALCULATED FROM STATE PLANE WELL COORDINATES.
PROPERTY INFORMATION PROVIDED BY APPALACHIAN
ENERGY, INC.

The actual location of the drilled well
shall be within ten (10) feet of the
location shown hereon as provided
for by 4 VAC 25-150-290 and
45.1-361.30.

ELEVATIONS ARE BASED ON NGS CONTROL CINDY AZ MK.

WELL LOCATION PLAT

COMPANY Appalachian Energy, Inc. WELL NAME AND NUMBER AE-186 (E-100)
TRACT No. COLEMAN, LECKIE, POBST ELEVATION 2018.20 (GPS) QUADRANGLE GRUNDY
COUNTY BUCHANAN DISTRICT NORTH GRUNDY SCALE: 1" = 400' DATE September 14, 2007
THIS PLAT IS A NEW PLAT x; AN UPDATED PLAT ; OR A FINAL LOCATION PLAT
PROPOSED TOTAL DEPTH OF WELL =

+ 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.

9-14-07

(AFFIX SEAL)

T&L

LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR,

0011

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EXHIBIT E
Docket # 07-1016-2055-01
AE-186 (E-100)

TRACT	LESSOR	INTEREST IN UNIT	GROSS ACRES IN UNIT
	N/A		

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EXHIBIT EE

Docket #07-1016-2055-01

AE-186 (E-100)

TRACT		LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
	GAS ESTATE ONLY				
		<u>COLEMAN / LECKIE / POBST HEIRS</u>		67.6500%	39.76
1	0.050	JANICE COMPTON 4761 HUSTON DRIVE LAKE ORION, MI 48359	Leased	3.3825%	1.988
		<u>W.W. Coleman Heirs</u>			
1	0.035	* Lydia Jane Morris 9 Pinehurst Trail Fairfield, PA 17320	* Leased	2.3803%	1.399
1	0.035	* Alice Maclean Schepp 273 Hickory Heights Dr Bridgeville, PA 15017	* Leased	2.3803%	1.399
1	0.035	* Amy Elizabeth Reilly 819 Hillcrest Circle Wexford, PA 15090	* Leased	2.3803%	1.399
1	0.106	* Daniel L. & Annie G. Coleman 200 Bellefonte Circle Ashland, KY 41101	* Leased	7.1408%	4.197
1	0.106	* Lawrence E. Kapinos 18506 SE 24th St. Vancouver, WA 98683 <u>Heir to Frances Foley</u>	* Leased	7.1408%	4.197
		<u>W.S. Leckie Heirs</u>			
1	0.317	* S. Charles & Lillian C. Ratliff 1056 Fairview Street Grundy, VA 24614	* Leased	21.4225%	12.591
		<u>H. Claude Pobst Heirs</u>			
1	0.106	* Meredith Ellis Jennings 542 Butler Mill Rd Maryville, TN 37803	* Leased	7.1408%	4.197
1	0.053	* Richard K. Pobst 1024 Oxford Drive St. Augustine, FL 32084	* Leased	3.5704%	2.098
1	0.053	* Nancy Catherine Pobst-Hooper 111 Postelle St Cartersville, GA 30120	* Leased	3.5704%	2.098

John W. Pobst Heirs

1	0.053	*	John W. Pobst, Jr. & Lynda Pobst PO Box 86 Revere, PA 18953	* Leased	3.5704%	2.098
1	0.053	*	Virginia & Phillip Linnick 4324 South Ball Dr Veradale, WA 99037	* Leased	3.5704%	2.098
2	1.000	*	<u>EAGLE COAL CORPORATION</u> c/o Stewart & Campbell Hess PO Box 1060	* Leased	31.9200%	18.76
3	1.000	*	<u>BUCHANAN REALTY LTD PARTNERHIP</u> 4710 Hunterwood Circle Richmond, TX 77469	* Leased	0.4300%	0.25

* OWNERS THAT ARE PAID DIRECTLY. NO MONEY WAS EVER DEPOSITED IN ESCROW FOR THESE OWNERS.

TRACT		LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
	COAL ESTATE ONLY				
1	0.0370	Lydia Jane Morris 9 Pinchurst Trail Fairfield, PA 17320	unleased	2.64%	1.550
1	0.0370	Alice Maclean Schepp 273 Hickory Heights Dr Bridgeville, PA 15017	leased	2.64%	1.550
1	0.0370	Amy Elizabeth Reilly 819 Hillcrest Circle Wexford, PA 15090	leased	2.64%	1.550
1	0.1111	Daniel L. & Annie G. Coleman 200 Bellefonte Circle Ashland, KY 41101	leased	7.91%	4.651
1	0.1111	Lawrence E. Kapinos 18506 SE 24th St. Vancouver, WA 98683 <u>Heir to Frances Foley</u>	leased	7.91%	4.651
		W.S. Leckie Heirs			
1	0.3333	S. Charles & Lillian C. Ratliff 1056 Fairview Street Grundy, VA 24614	leased	23.74%	13.953
		H. Claude Pobst Heirs			
1	0.1111	Meredith Ellis Jennings 542 Butler Mill Rd Maryville, TN 37803	unleased	7.91%	4.651

160000899

1	0.0556	Richard K. Pobst 1024 Oxford Drive St. Augustine, FL 32084	unleased	3.96%	2.326
1	0.0556	Nancy Catherine Pobst-Hooper 111 Postelle St Cartersville, GA 30120 John W. Pobst Heirs	unleased	3.96%	2.326
1	0.0556	John W. Pobst, Jr. & Lynda Pobst PO Box 86 Revere, PA 18953	unleased	3.96%	2.326
1	0.0556	Virginia & Philip Linnick 4324 South Ball Dr Veradale, WA 99037	unleased	3.96%	2.326
2	1.0000	EAGLE COAL CORPORATION c/o Stewart & Campbell Hess PO Box 1060 Huntington, WV 25727	unleased	25.97%	15.260
3	1.0000	BUCHANAN REALTY LIMITED PARTNERHIP 4710 Hunterwood Circle Richmond, TX 77469	leased	2.80%	1.650

INSTRUMENT #160000899
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MAY 19, 2016 AT 04:48PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP