

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: Nora G-100

TRACT(S): 1

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-07-1016-2057-01

APPLICANTS:

Appalachian Energy on behalf of Janice Compton

HEARING DATE AND LOCATION:

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

APPEARANCES:

James Kalser on behalf of Appalachian Energy

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 12/05/2007, Recorded on 12/12/2007, Deed Book/Instrument No. 70004651.
2. Supplemental Order, Recorded on 08/27/2009, Deed Book/Instrument No. 090002571.

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 07-1016-2057-01

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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.

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



Chairman, Bradley C. Lambert

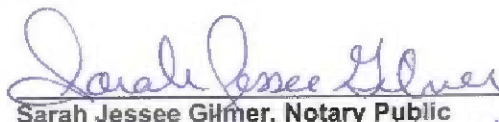
DONE AND PERFORMED this 11 day of May, 2016 by Order of the Virginia Gas and Oil Board.



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

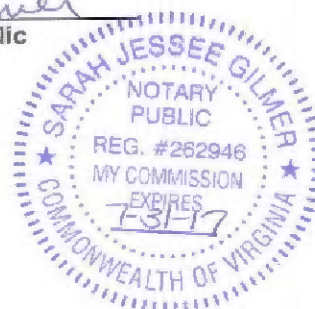
COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

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 07-1016-2057-01

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:** Nora G-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, Wilholt and Kaiser Law Firm, 220 Broad Street, Suite 210, Kingsport, TN 37660.

2. Relief Sought

Release escrowed funds to Janice Compton, owner of 1/20 of the gas estate under a certain 90-acre tract of land on Horse Branch in Buchanan County, VA, of which Appalachian Energy, Inc. CBM wells AE-188 (Unit G-100).

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-188 to Janice Compton. VGOB 07-1016-2057-01

6. Attestation

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

11248'

TOTAL UNIT AREA

= 61.43 ACRES

LATITUDE 37°20'00"

LONGITUDE 82°00'00"

TRUE

10730'

--- DENOTES MINERAL LINE
 - - - - - DENOTES SURFACE LINE
 - - - - - DENOTES SURFACE & MINERAL LINES

STATE PLANE
 NAD 27 COORDINATES
 OF WELL AE-188
 N 372843.32
 E 871020.78
 LAT 37.303877
 LON -82.038570

COLEMAN LECKIE POBST
 - Coal, Gas, Oil & CBM
 GAS 17.25 AC. - 28.08%
 SHERRIE DOTSON &
 RODNEY DOTSON - surface

JOSEPH B. LOONEY ESTATE -
 Coal, Gas, Oil & CBM
 GAS 0.06 AC. - 0.10%

CCC COORDINATES
 OF WELL AE-188
 N 74249.56
 E 100585.44

KELLY/LOWRY HEIRS -
 Coal, Gas, Oil & CBM
 GAS 15.29 AC. - 24.89%

COORDINATES
 OF BENCH MARK
 N 48858.71
 E 75816.33
 ELEV. = 2302.85

NOTE 1 1 1

WELL COORDINATES ARE BASED ON CLINCHFIELD
 COAL COMPANY'S COORDINATE SYSTEM

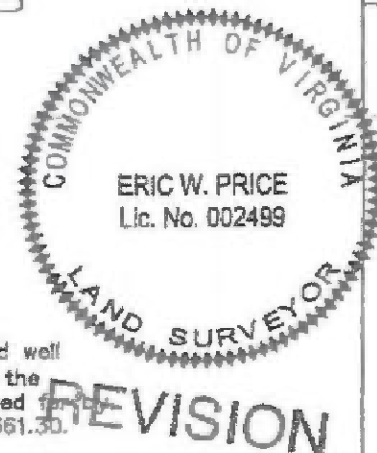
CLINCHFIELD COAL COMPANY COORDINATES ARE
 CALCULATED FROM STATE PLANE WELL COORDINATES.

PROPERTY INFORMATION PROVIDED BY APPALACHIAN
 ENERGY, INC.

ELEVATIONS ARE BASED ON NGS CONTROL CINDY AZ MK.

KELLY/LOWRY HEIRS - Coal, Gas, Oil & CBM
 GAS 28.83 AC. - 46.93%

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 45.1-361.50.



WELL LOCATION PLAT

COMPANY Appalachian Energy, Inc. WELL NAME AND NUMBER AE-188 (G-100)

TRACT No. COLEMAN, LECKIE, POBST ELEVATION 1996.88 (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 . 0012

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EXHIBIT E
Docket # 07-1016-2057-01
AE-188 (G-100)

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

EXHIBIT EE"

Docket #07-1016-2057-01

AE-188 (G-100)

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GAS ESTATE ONLY

			<u>Kelly-Lowry Heirs</u> (Kelly-Lowry Tracts 3 & 4)		46.93%	28.83
0.500	*	3	Barbara Oakley 440 Arlington Ave Bristol, VA 24201	leased	23.47%	14.415
0.056	*	3	Ann Wood Kelly PO Box 272 Reedville, VA 22539	leased	2.61%	1.602
0.019	*	3	Elizabeth K. Whitman PO Box 126 Keene, NY 12942	leased	0.87%	0.534
0.019	*	3	James M. Kelly 12 Madrono Court Corte Madera, CA 94925	leased	0.87%	0.534
0.019	*	3	Edith K. Bales 1940 Terwood Road Huntington Valley, PA 19006	leased	0.87%	0.534
0.014	*	3	Caroline K. Maynard 266 County Road 524 Nacogdoches, TX 75961	leased	0.65%	0.400
0.014	*	3	Lowry Stuart Kelly 722 Sinyard Circle Hiram, GA 30141	leased	0.65%	0.400
0.014	*	3	Minnie Kelly Hunt 1106 Northshore Drive Sunset Beach, NC 28468	leased	0.65%	0.400
0.014	*	3	William C. Kelly 6121 Lane PL Downers Grove, IL 60516-1806	leased	0.65%	0.400
0.333	*	3	Daphne M. Lowry 49 Kingsbridge Rd. Bristol, TN 37620	leased	15.64%	9.610
			<u>Kelly-Lowry Heirs</u> (Kelly-Lowry tracts 1&2)		24.89%	15.29
0.500	*	4	Barbara Oakley 440 Arlington Ave Bristol, VA 24201	leased	12.45%	7.65
0.056	*	4	Ann Wood Kelly PO Box 272 Reedville, VA 22539	leased	1.38%	0.85
0.019	*	4	Elizabeth K. Whitman PO Box 126 Keene, NY 12942	leased	0.461%	0.28
0.019	*	4	James M. Kelly 12 Madrono Court Corte Madera, CA 94925	leased	0.461%	0.28
0.019	*	4	Edith K. Bales 1940 Terwood Road	leased	0.461%	0.28

Huntington Valley, PA 19006

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0.014	*	4	Caroline K. Maynard 266 County Road 524 Nacogdoches, TX 75961	leased	0.346%	0.21
0.014	*	4	Lowry Stuart Kelly 722 Sinyard Circle Hiram, GA 30141	leased	0.35%	0.21
0.014	*	4	Minnie Kelly Hunt 1106 Northshore Drive Sunset Beach, NC 28468	leased	0.35%	0.21
0.014	*	4	William C. Kelly 6121 Lane PL Downers Grove, IL 60516-1806	leased	0.35%	0.21
0.167	*	4	Daphne M. Lowry 49 Kingsbridge Rd. Bristol, TN 37620	leased	4.15%	2.55
0.167	*	4	Nancy G. Lowry 49 Kingsbridge Bristol, TN 37620	leased	4.15%	2.55
<u>COLEMAN / LECKIE / POBST HEIRS</u>					28.08%	17.25
0.050		1	Janice Compton 4761 Huston Drive Lake Orion, MI 48359 Heir to Dorothy Compton Sprague W.W. Coleman Heirs	leased	1.40%	0.863
0.035	*	1	Lydia Jane Morris 99 Pinehurst Trail Fairfield, PA 17320	*Leased	0.99%	0.607
0.035	*	1	Alice Maclean Schepp 273 Hickory Heights Dr Bridgeville, PA 15017	*Leased	0.99%	0.607
0.035	*	1	Amy Elizabeth Reilly 819 Hillcrest Circle Wexford, PA 15090	*Leased	0.99%	0.607
0.106	*	1	Daniel L. & Annie G. Coleman 200 Bellefonte Circle Ashland, KY 41101	*Leased	2.96%	1.821
0.106	*	1	Lawrence E. Kapinos 18506 SE 24th St. Vancouver, WA 98683 Heir to Frances Foley W.S. Leckie Heirs	*Leased	2.96%	1.821
0.317	*	1	S. Charles & Lillian C. Ratliff 1056 Fairview Street Grundy, VA 24614 H. Claude Pobst Heirs	*Leased	8.89%	5.463

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0.106	*	1	Meredith Ellis Jennings 542 Butler Mill Rd Maryville, TN 37803	*Leased	2.96%	1.821
0.053	*	1	Richard K. Pobst 1024 Oxford Drive St. Augustine, FL 32084	*Leased	1.48%	0.910
0.053	*	1	Nancy Catherine Pobst-Hooper 111 Postelle St Cartersville, GA 30120	*Leased	1.48%	0.910
			John W. Pobst Heirs			
0.053	*	1	John W. Pobst, Jr. & Lynda Pobst PO Box 86 Revere, PA 18953	*Leased	1.48%	0.910
0.053	*	1	Virginia & Phillip Linnick 4324 South Ball Dr Veredale, WA 99037	*Leased	1.48%	0.910
			Jospeh Looney Estate		0.10%	0.06
0.500		2	Robert Kent Looney 5171 Slate Creek Road Grundy, VA 24614	*Leased	0.0005	0.03
0.500		2	Carol Looney Keene PO Box 1643 Grundy, VA 24614	*Leased	0.0005	0.03

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

COAL ESTATE ONLY

			Kelly-Lowry Heirs (Kelly-Lowry Heirs Tracts 3 & 4)		46.93%	28.830
0.500		3	Barbara Oakley 440 Arlington Ave Bristol, VA 24201	leased	23.47%	14.415
0.056		3	Ann Wood Kelly PO Box 272 Reedville, VA 22539	leased	2.61%	1.602
0.019		3	Elizabeth K. Whitman PO Box 126 Keene, NY 12942	leased	0.87%	0.534
0.019		3	James M. Kelly 12 Madrono Court Corte Madera, CA 94925	leased	0.87%	0.534
0.019		3	Edith K. Bales 1940 Terwood Road Huntington Valley, PA 19006	leased	0.87%	0.534
0.014		3	Caroline K. Maynard 266 County Road 524 Nacogdoches, TX 75961	leased	0.65%	0.400
0.014		3	Lowry Stuart Kelly 722 Sinyard Circle Hiram, GA 30141	leased	0.65%	0.400
0.014		3	Minnie Kelly Hunt 1106 Northshore Drive Sunset Beach, NC 28468	leased	0.65%	0.400

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0.014	3	William C. Kelly 6121 Lane Pl Downers Grove, IL 60516-1806	leased	0.65%	0.400
0.333	3	Daphne M. Lowry 49 Kingsbridge Rd. Bristol, TN 37620	leased	15.64%	9.610
		<u>Kelly-Lowry Heirs (tracts 1&2)</u>		24.89%	15.290
0.500	4	Barbara Oakley 440 Arlington Ave Bristol, VA 24201	leased	12.45%	7.645
0.056	4	Ann Wood Kelly PO Box 272 Reedville, VA 22539	leased	1.38%	0.849
0.019	4	Elizabeth K. Whitman PO Box 126 Keene, NY 12942	leased	0.46%	0.283
0.019	4	James M. Kelly 12 Madrono Court Corte Madera, CA 94925	leased	0.46%	0.283
0.019	4	Edith K. Bales 1940 Terwood Road Huntington Valley, PA 19006	leased	0.46%	0.283
0.014	4	Caroline K. Maynard 266 County Road 524 Nacogdoches, TX 75961	leased	0.35%	0.212
0.014	4	Lowry Stuart Kelly 722 Sinyard Circle Hiram, GA 30141	leased	0.35%	0.212
0.014	4	Minnie Kelly Hunt 1106 Northshore Drive Sunset Beach, NC 28468	leased	0.35%	0.212
0.014	4	William C. Kelly 6121 Lane Pl Downers Grove, IL 60516-1806	leased	0.35%	0.212
0.167	4	Daphne M. Lowry 49 Kingsbridge Rd. Bristol, TN 37620	leased	4.15%	2.548
0.167	4	Nancy G. Lowry 49 Kingsbridge Bristol, TN 37620	leased	4.15%	2.548
		<u>COLEMAN / LECKIE / POBST HEIRS</u>		28.08%	17.250
		<u>W.W. Coleman Heirs</u>			
0.037	1	Lydia Jane Morris 99 Pinehurst Trail Fairfield, PA 17320	unleased	1.04%	0.639
0.037	1	Alice Maclean Schepp 273 Hickory Heights Dr Bridgeville, PA 15017	leased	1.04%	0.639
0.037	1	Amy Elizabeth Reilly 819 Hillcrest Circle Wexford, PA 15090	leased	1.04%	0.639

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0.111	1	Daniel L. & Annie G. Coleman 200 Bellefonte Circle Ashland, KY 41101	leased	3.12%	1.917
0.111	1	Lawrence E. Kapinos 18506 SE 24th St. Vancouver, WA 98683 <u>Heir to Frances Foley</u> <u>W.S. Leckie Heirs</u>	leased	3.12%	1.917
0.333	1	S. Charles & Lillian C. Ratliff 1056 Fairview Street Grundy, VA 24614 M. Claude Pobst Heirs	leased	9.36%	5.750
0.111	1	Meredith Ellis Jennings 542 Butler Mill Rd Maryville, TN 37803	unleased	3.12%	1.917
0.056	1	Richard K. Pobst 1024 Oxford Drive St. Augustine, FL 32084	unleased	1.56%	0.958
0.056	1	Nancy Catherine Pobst-Hooper 111 Postelle St Cartersville, GA 30120 John W. Pobst Heirs	unleased	1.56%	0.958
0.056	1	John W. Pobst, Jr. & Lynda Pobst PO Box 86 Revere, PA 18953	unleased	1.56%	0.958
0.056	1	Virginia & Phillip Linnick 4324 South Ball Dr Veradale, WA 99037	unleased	1.56%	0.958
0.500	2	Robert Kent Looney 5171 Slate Creek Road Grundy, VA 24614	**Leased (Panther Development)	0.10% 0.050%	0.060 0.03
0.500	2	Carol Looney Keene PO Box 1643 Grundy, VA 24614	Unleased	0.050%	0.03

INSTRUMENT #160000901
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MAY 19, 2016 AT 04:53PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP