

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: VCI-538607

TRACT(S): 4

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-07-1113-2071-02

APPLICANTS: Range Resources-Pine Mountain, on behalf of Wellmore Energy Company; LLC

HEARING DATE AND LOCATION: On June 16, 2015, the Virginia Gas and Oil Board, on its own motion, granted the Director of the Division of Gas and Oil the authority to process coal owner dismissal disbursements that have no pending deficiencies or issues. Code of Virginia Section 45.1-361.22:2. Effective date: July 1, 2015.

APPEARANCES: James Kaiser on behalf of Range Resources-Pine Mountain,

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 10/01/2008, Recorded on 10/17/2008, Deed Book/Instrument No. 459, Page 66.
2. Supplemental Order, Recorded on 11/12/2009, Deed Book/Instrument No. 472, Page 336.
3. Disbursement Order -01 Executed 06/26/2012, Recorded on 08/02/2012, Deed Book/Instrument No. 499, Page 214.

NOTICE:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 4 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 4 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 VCI-538607, to all known owners in Tract 4. VGOB 07-1113-2071-02.

RELIEF GRANTED:

VGOB Disbursement
Unit VCI-538607

VGOB-07-1113-2071-02

Table 1

Tracts: 4

Item	Tract	Disbursement Table	Fractional Ownership		Net Acreage		Royalty Split		Escrowed Acres		Percent of Escrowed Funds Disbursed	
			In Tract		In Tract		Agreement		Disbursed		Disbursed	
		Total acreage in escrow before disbursement							8.69000			
4 Tract 4 (total acreage)			8.6900									
1	4	Wellmore Energy Company; LLC\110 Sprint Drive; Blountville; TN 37617			8.6900		100.00%		8.6900		100.00000%	

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 23 day of February, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 23 day of February, 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 23rd day of February, 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: Range Resources-Pine Mountain,

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 07-1113-2071-02

**RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 4 (2) AND
AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES**

HEARING DATE: On June 16, 2015, the Virginia Gas and Oil Board, on its own motion, granted the Director of the Division of Gas and Oil the authority to process coal owner dismissal disbursements that have no pending deficiencies or issues. Code of Virginia Section 45.1-361.22:2. Effective date: July 1, 2015.

DRILLING UNIT: VCI-538607

DICKENSON COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is Range Resources-Pine Mountain,, P. O. Box 2136, Abingdon, VA 24212, (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 VCI-538607, to all known owners in Tract 4. VGOB 07-1113-2071-02.

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 well VCI-538607, to all known owners in Tract 4. VGOB 07-1113-2071-02.

6. Attestation

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

BK 499PG 225

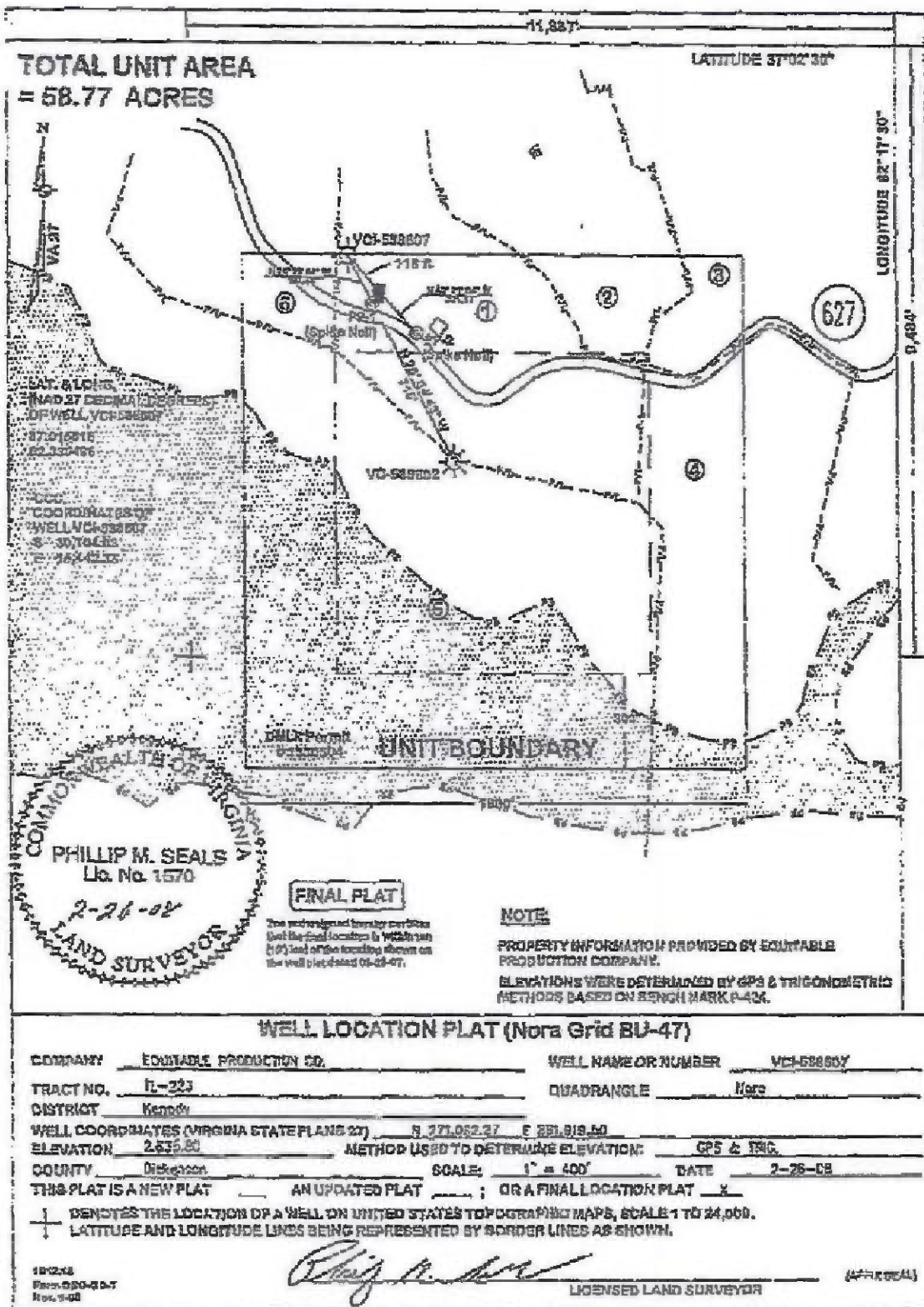


EXHIBIT PL-1

Property Ownership Information for EPCO Well # VCI-538607

①

LEASE NO. 241490L/ TL-223
CHARLES TURNER TRACT
709.00 ACRES
coal & oil
STANDARD BANNER COAL CORP.- coal, oil (cbm)
LEASE NO. 908478
MARY MAYES LIFE ESTATE- surface & gas (cbm)
VICTORIA RASNICK- remainder
13.16 ACRES
WELLMORE ENERGY COMPANY, LLC- coal lessee
GAS 11.78 AC. 19.86%

②

LEASE NO. 241490L/ TL-223
CHARLES TURNER TRACT
709.00 ACRES
coal & oil
STANDARD BANNER COAL CORP.- coal, oil (cbm)
LEASE NO. 908508
DANON A. & BOBBI RASNICK- surface & gas (cbm)
12.55 ACRES
WELLMORE ENERGY COMPANY, LLC- coal lessee
GAS 2.46 AC. 4.19%

③

LEASE NO. 241490L/ TL-223
CHARLES TURNER TRACT
709.00 ACRES
coal & oil
STANDARD BANNER COAL CORP.- coal, oil (cbm)
LEASE NO. 905997
DELMAR H. & MARY MAYES- surface & gas (cbm)
65.00 ACRES
WELLMORE ENERGY COMPANY, LLC- coal lessee
GAS 1.86 AC. 3.16%

④

LEASE NO. 241490L/ TL-223
CHARLES TURNER TRACT 107
709.00 ACRES
coal & oil
STANDARD BANNER COAL CORP.- coal, oil (cbm)
UNLEASED
WELLMORE ENERGY COMPANY- surface & gas (cbm)
24.50 ACRES
WELLMORE ENERGY COMPANY, LLC- coal lessee
WELLMORE ENERGY COMPANY, LLC- coal operator
GAS 8.68 AC. 14.79%

⑤

LEASE NO. 241490L/ TL-223
JOHN C. SMITH TRACT
140.26 ACRES
surface, gas & cbm
STANDARD BANNER COAL CORP.- surface, coal, oil & cbm
WELLMORE ENERGY COMPANY, LLC- coal lessee
WELLMORE ENERGY COMPANY, LLC- coal operator
GAS 32.30 AC. 54.96%

⑥

LEASE NO. 241490L/ TL-223
CHARLES TURNER TRACT
709.00 ACRES
coal & oil
J.H. NEECE TRACT - surface, gas & cbm
STANDARD BANNER COAL CORP.-
surface, coal, oil, gas & cbm
WELLMORE ENERGY COMPANY, LLC- coal lessee
GAS 1.78 AC. 2.94%

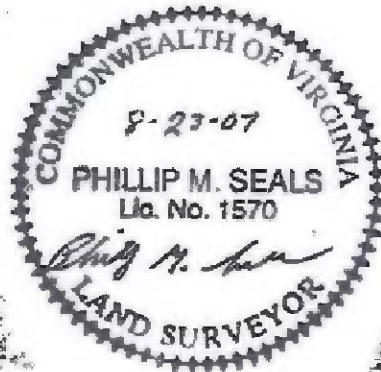


EXHIBIT "E"
VCI-538607
VGOB-07/1113/2071-02
REVISED 2/4/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
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GAS ESTATE ONLY

N/A

N/A

EXHIBIT "EE"
VCI-538607
VGOB-07/1113/2071-02
REVISED 2/4/2016

<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>1</u>	Mary Mayes & Victoria Rasnick	Leased 906478	19.9600%	11.7300
Tax ID 11017	P.O. Box 286 Dante, VA 24237			
	<i>*Subject to 50/50 Royalty Split with Standard Banner</i>			
Tract 1 Totals			19.9600%	11.7300
<u>2</u>	Damon A. & Bobbie Rasnick 4241 Long Ridge	Leased 906506	4.1900%	2.4600
Tax ID 10341	Nora, VA 24272			
Tract 2 Totals			4.1900%	2.4600
<u>3</u>	Mary Mayes P.O. Box 286	Leased 905997	3.1600%	1.8600
Tax ID 5106	Dante, VA 24237			
	<i>*Subject to 50/50 Royalty Split with Standard Banner</i>			
Tract 3 Totals			3.1600%	1.8600
EnerVest Operating, LLC is paying direct on the above tracts, no payments have been made to the escrow account on any of the above Interests.				
<u>4</u>	Wellmore Energy Company, LLC 110 Sprint Drive	Unleased	14.7900%	8.6900
Tax ID 5889	Blountville, TN 37617			
Tract 4 Totals			14.7900%	8.6900
TOTAL DISBURSEMENT-01			14.7900%	8.6900

EXHIBIT "EE"
VCI-538607
VGOB-07/1113/2071-02
REVISED 2/4/2016

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>COAL ESTATE ONLY</u>				
The coal estate is released pursuant HB2058				
<u>4</u>	Standard Banner Coal Corporation c/o Mike Clisso	Leased 906889/TL-223	14.7900%	8.6900
Tax ID 11659	P.O. Drawer 750 Wise, VA. 24293			
<u>TOTAL COAL ESTATE</u>			<u>14.7900%</u>	<u>8.6900</u>

INSTRUMENT #160000305
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
MARCH 29, 2016 AT 08:43AM
RICHARD W. EDWARDS, CLERK
RECORDED BY: CJB