

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

UNITWELL NAME: VC-536421 & VCI-538674

TRACT(S): 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-08-0415-2211-02

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, 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 Kalser on behalf of EnerVest Operating, LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 05/30/2008, Recorded on 07/10/2008, Deed Book/Instrument No. 455, Page 9.

- 2. Supplemental Order, Recorded on 08/11/2010, Deed Book/Instrument No. 480, Page 013.
- 3. Modification Order -01 Executed 03/23/2016, Recorded on 04/26/2016, Deed Book/Instrument No. 535, Page 872.
- 4. Supplemental Order -01, Recorded on 07/07/2016, Deed Book/Instrument No. 537, Page 462.

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) A portion of 3 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 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-5386421 & VC1-538674, to all known owners in Tract 3. VGOB 08-0415-2211-02.

RELIEF GRANTED:

VGOB Disbursement
Unit VC-536421 & VCI-538674

VGOB-08-0415-2211-02

Table 1

Tracts: 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				0.30999		
			0.3100					
3		Tract 3 (total acreage)						
1	3	Dwight D. McCoy & Bonnetta McCoy\14232 Marshalls Retreat Road; Saint Paul; VA 24283		0.0827	50.00%	0.0413	13.3337%	
2	3	Standard Banner Coal Corporation\c/o Mike Clisso; P.O. Drawer 750; Wise; VA. 24293		0.0827	50.00%	0.0413	13.3337%	
3	3	Kimberly Kay Pharris\867 Idlewild Drive; Madison; TN 37115		0.0103	100.00%	0.0103	3.3334%	
4	3	Alice Kay McCoy Garrett\100 Kingston Road; Blountville; TN 37617		0.0103	100.00%	0.0103	3.3334%	
5	3	Valerie Lisa McCoy\662 Cold Springs Road; Nora; VA 24272		0.0021	100.00%	0.0021	0.6667%	
6	3	Sharon Bryant\260 Old Stage Trail; Bristol; TN 37620		0.0021	100.00%	0.0021	0.6667%	
7	3	Deborah R. Nelson\61 Tulip Grove Circle #3; Bristol; TN? 37620		0.0021	100.00%	0.0021	0.6667%	
8	3	Daphne Booher\21147 Lynn Street; Bristol; VA 24202		0.0021	100.00%	0.0021	0.6667%	
9	3	Harold Gene McCoy; Jr\1900 Southside Ave; Lot 8; Bristol; TN 37620		0.0021	100.00%	0.0021	0.6667%	
10	3	Joreen Hammon\5707 W. Kesslers Crossing; Fredericksburg; VA 22407		0.0103	100.00%	0.0103	3.3334%	
11	3	Charles Kenneth McCoy & Patricia A. McCoy\847 Cold Springs Road; Nora; VA 24272		0.0078	100.00%	0.0078	2.5001%	
12	3	Laura Gerlene McCoy Taylor\21014 Lovers Lane; Bristol; VA 24202-4228		0.0078	100.00%	0.0078	2.5001%	
13	3	James P. Herring and Debra A. Herring\1431 E. State St. Lot #6; Bristol; TN 37620		0.0078	100.00%	0.0078	2.5001%	
14	3	Laura Elswick\546 C.M. Circle; Nora; VA 24272		0.0078	100.00%	0.0078	2.5001%	
15	3	Pam Walker Day\1240 Flatwood Road NW; Ramsey; IN 47166		0.0078	100.00%	0.0078	2.5001%	
16	3	Kimberly McCoy King\8028 Hadfield Court; Pasadena; MD 21122		0.0013	100.00%	0.0013	0.4167%	

0.3100

3 Tract 3 (total acreage)

17	3	Crystal Ann McCoy Williams\32628 Roxana Road; Frankford; DE 19945	0.0013	100.00%	0.0013	0.4167%
18	3	Melinda McCoy Atkinson\8200 Dogwood Drive; Baltimore; MD 21222	0.0013	100.00%	0.0013	0.4167%
19	3	Deborah McCoy Fried\8053 Grayhaven Road; Baltimore; MD 21222	0.0013	100.00%	0.0013	0.4167%
20	3	Jamle Krohn\1500 Division Street; Evansville; IN 47711	0.0013	100.00%	0.0013	0.4167%
21	3	Nicholas Krohn\1500 E Division Street; Evansville; IN 47711-6681	0.0013	100.00%	0.0013	0.4194%
22	3	Ferrell Doug Reed & Deirdre Leann Reed\P.O. Box 2007; Clintwood; VA 24228	0.0019	100.00%	0.0019	0.6250%
23	3	Carlotta Reed Hawkins & Ross E. Hawkins\157 Edgewater Court; Clintwood; VA 24228	0.0019	100.00%	0.0019	0.6250%
24	3	Rita & Richard Ramey\P.O. Box 1631; Clintwood; VA 24228	0.0019	100.00%	0.0019	0.6250%
25	3	Regina Reed Patterson & Ralph Patterson\P.O. Box 2003; Clintwood; VA 24228	0.0019	100.00%	0.0019	0.6250%
26	3	Teddy Ray Grizzel\17905 Sorrelwood Court; Parrish; FL 34219	0.0155	100.00%	0.0155	5.0002%
27	3	Sammy Farrell Grizzel\c/o Lisa Carre; 232 Bar Harbor Road; Pasadena; MD 21122	0.0155	100.00%	0.0155	5.0002%
28	3	Jackie Darrell Grizzel\701 Schumaker Lane; Salisbury; MD 21804	0.0155	100.00%	0.0155	5.0002%
29	3	David Brownlow Grizzle\318 Cresswell Road; Brooklyn; MD 21225	0.0155	100.00%	0.0155	5.0002%

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

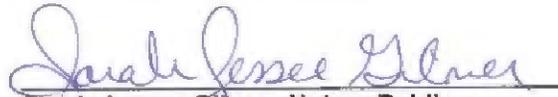
DONE AND PERFORMED this 25 day of July, 2016 by Order of the Virginia Gas and Oil Board.



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 08-0415-2211-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 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-536421 & VCI-538674

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, Willhoit 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-536421 & VCI-538674, to all known owners in Tract 3. VGOB 08-0415-2211-02.

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-536421 & VCI-538674, to all known owners in Tract 3. VGOB 08-0415-2211-02.

6. Attestation

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

DB 538 PG 724

8,299' (VCI-538674)

7,825' (VC-536421)

LATITUDE 37°02' 30"

**TOTAL UNIT AREA
= 58.77 ACRES**

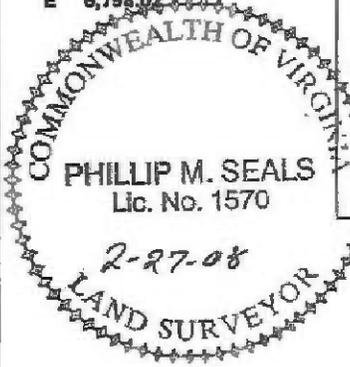
NOTE:

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



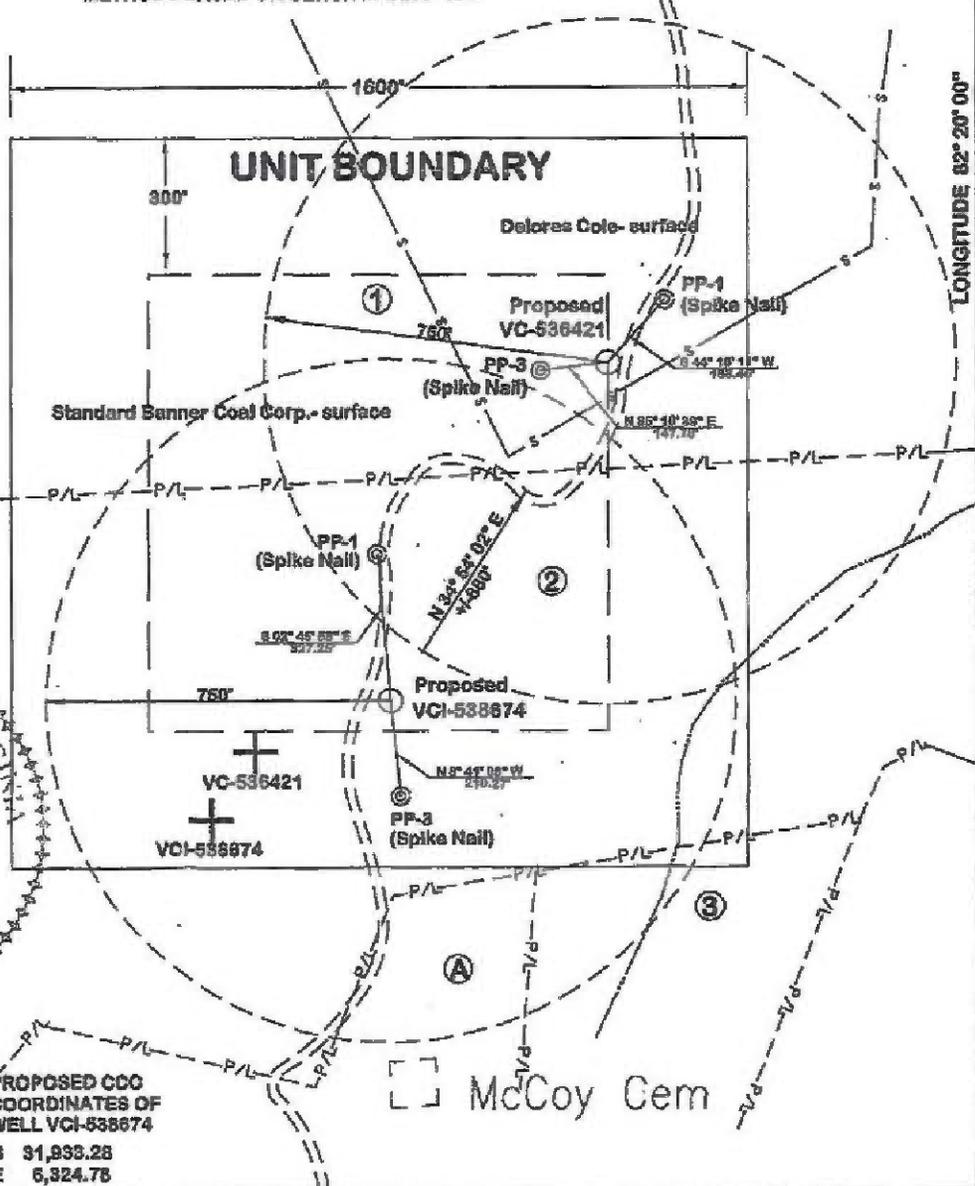
PROPOSED LAT. & LONG.
(NAD 27 DECIMAL DEGREES)
OF WELL VC-536421
37.014280
82.860134

PROPOSED CCC
COORDINATES OF
WELL VC-536421
S 31,191.25
E 6,798.02



PROPOSED LAT. & LONG.
(NAD 27 DECIMAL DEGREES)
OF WELL VCI-538674
37.012242
82.861756

PROPOSED CCC
COORDINATES OF
WELL VCI-538674
S 31,933.28
E 6,324.78



LONGITUDE 82° 20' 00"
10.713' (VCI-538674)
0.972' (VC-536421)

WELL LOCATION PLAT (Nora Grid BU-41)

COMPANY	EQUITABLE PRODUCTION CO.	WELL NAME OR NUMBER	VC-536421 & VCI-538674
TRACT NO.	TL-223	QUADRANGLE	Nora
DISTRICT	Kenady		
WELL COORDINATES (VIRGINIA STATE PLANE 27)	(VC-536421 N 270,957.87 E 873,253.31) (VCI-538674 N 270,235.86 E 872,749.62)		
ELEVATION (VC-536421 = 2,468.55) (VCI-538674 = 2,570.86)	METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.		
COUNTY	Dickenson	SCALE:	1" = 400' DATE 2-27-08
THIS PLAT IS A NEW PLAT <input checked="" type="checkbox"/> AN UPDATED PLAT <input type="checkbox"/> ; OR A FINAL LOCATION PLAT <input type="checkbox"/>			

+ 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.

1012.62 & 983.68
Form DGO-60-7
Rev. 1-88

Phillip M. Seals

LICENSED LAND SURVEYOR

(AFFIX SEAL)

BK 455PG 021

EXHIBIT PL-1

Property Ownership Information for EPCO Well # VC-536421 & VCI-538674

①

LEASE NO. 806886L/TL-223
W. T. GOODLOE T-89
1095.00 ACRES
STANDARD BANNER COAL CORP.-
coal, oil, gas & cbm
WELLMORE ENERGY COMPANY, LLC.- coal lessee
GAS 27.40 AC. 48.62%

②

LEASE NO. 806889U/TL-223
ELIJAH RASNICK T-38
171.31 ACRES
surface, oil, & gas
ELIJAH RASNICK T-20
217,015 ACRES
coal
STANDARD BANNER COAL CORP.-
surface, coal, oil, gas & cbm
WELLMORE ENERGY COMPANY, LLC.- coal lessee
GAS 31.08 AC. 52.85%

③

LEASE NO. 806889L/TL-223
ELIJAH RASNICK T-89
217,015 ACRES
STANDARD BANNER COAL CORP.- coal (cbm)
WELLMORE ENERGY COMPANY, LLC.- coal lessee
UNLEASED
DWIGHT D. MCCOY, et al.
8.681 ACRES
surface, oil & gas (cbm)
GAS 0.31 AC. 0.53%

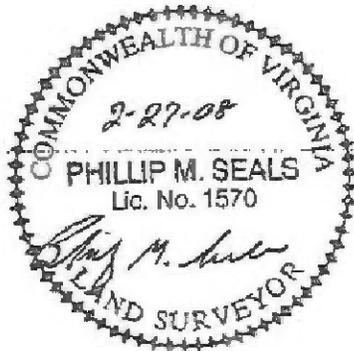


EXHIBIT PL-2

BK 455PG 022

Coal Ownership Supplement Sheet For EPCO Well # VC-536421 & VCI-538674 Showing Coal Ownership outside the Unit Boundary and Within a 750 Ft. Radius of the Well Location

(A)

LEASE NO. 906899L/TL-228
ELIJAH RASNICK T-60
217.016 ACRES
STANDARD BANNER COAL CORP. - coal (cbm)
WELLMORE ENERGY COMPANY, LLC - coal lessee
UNLEADED
CHARLES KENNETH MCCOY
8.41 ACRES
surface, oil & gas (cbm)

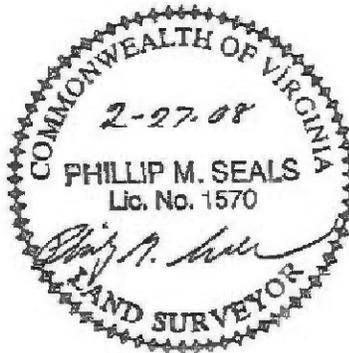


EXHIBIT "E"
VC-536421 & VCI-538674 (Unit BU-41)
VGOB-08-0415-2211-02
Revised - 3/14/2016

<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>	<u>Shalor Columbus McCoy</u> UNKNOWN	Unleased	0.01325000%	0.00775000
Tax ID				
6446	Paul J. Pounders UNKNOWN	Unleased	0.02650000%	0.01550000
	Anthony Paul Pounders UNKNOWN	Unleased	0.07950000%	0.04650000
	Tract 3 Totals		0.11925000%	0.06975000

EXHIBIT "EE"
VC-536421 & VCI-538674 (Unit BU-41)
VGOB-08-0415-2211-02
Revised - 3/29/2016

<u>TR</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>	Dwight D. McCoy & Bonnetta McCoy, h/w 14232 Marshalls Retreat Road Saint Paul, VA 24283 Subject to 50/50 split with Standard Banner	Leased <i>Split Agreement</i>	0.07066649%	0.04133323	
Tax ID 6446	Standard Banner Coal Corporation c/o Mike Clisso P.O. Drawer 750 Wise, VA. 24293 Subject to 50/50 split with Dwight D. McCoy & Bonnetta McCoy	Leased <i>Split Agreement</i>	0.07066649%	0.04133323	
	<u>Norma McCoy McGill Heirs</u> Kimberly Kay Pharris 867 Idlewild Drive Madison, TN 37115	Leased	0.01766649%	0.01033323	
	Alice Kay McCoy Garrett, single 100 Kingston Road Blountville, TN 37617	Leased	0.01766649%	0.01033323	
	<u>Harold G. & Barbara A. McCoy Heirs:</u> Valerie Lisa McCoy 662 Cold Springs Road Nora, VA 24272	Leased	0.00353330%	0.00206665	
	Sharon Bryant 260 Old Stage Trail Bristol, TN 37620	Leased	0.00353330%	0.00206665	
	Deborah R. Nelson 61 Tulip Grove Circle #3 Bristol, TN 37620	Leased	0.00353330%	0.00206665	
	Daphne Booher 21147 Lynn Street Bristol, VA 24202	Leased	0.00353330%	0.00206665	
<u>3</u>	Harold Gene McCoy, Jr 1900 Southside Ave, Lot 8 Bristol, TN 37620	Leased	0.00353330%	0.00206665	
Tax ID 6446					

EXHIBIT "EE"
VC-536421 & VCI-538674 (Unit BU-41)
VGOB-08-0415-2211-02
Revised - 3/29/2016

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Joreen Hammons, widow 5707 W. Kesslers Crossing Fredericksburg, VA 22407	Leased	0.01766649%	0.01033323
<u>3</u> Tax ID 6446	Charles Kenneth McCoy & Patricia A. McCoy, h/w 847 Cold Springs Road Nora, VA 24272	Leased	0.01325000%	0.00775000
	Laura Gerlene McCoy Taylor 21014 Lovers Lane Bristol, VA 24202-4228	Leased	0.01325000%	0.00775000
	<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	0.01325000%	0.00775000
	<u>Danny Kermit McCoy Heir:</u> Laura Elswick 546 C.M. Circle Nora, VA 24272	Leased	0.01325000%	0.00775000
	<u>Cassie Carlotta McCoy Walker Heir:</u> Pam Walker Day 1240 Flatwood Road NW Ramsey, IND 47166	Leased	0.01325000%	0.00775000
	<u>Arthur Jerry McCoy Heirs</u> Kimberly McCoy King 8028 Hadfield Court Pasadena, MD 21122	Leased	0.00220833%	0.00129167
	Crystal Ann McCoy Williams 32628 Roxana Road Frankford, DE 19945	Leased	0.00220833%	0.00129167
	Melinda McCoy Atkinson 8200 Dogwood Drive Baltimore, MD 21222	Leased	0.00220833%	0.00129167
<u>3</u> Tax ID 6446	Deborah McCoy Fried 8053 Grayhaven Road Baltimore, MD 21222	Leased	0.00220833%	0.00129167

EXHIBIT "EE"
VC-536421 & VCI-538674 (Unit BU-41)
VGOB-08-0415-2211-02
Revised - 3/29/2016

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Jamie Krohn 1500 Division Street Evansville, IN 47711	Leased	0.00220833%	0.00129167
<u>3</u>	Nicholas Krohn 1500 E Division St. Evansville, IN 47711-6681	Leased	0.00220833%	0.00129167
Tax ID 6446	<u>Anna Sue McCoy Blevins Heirs:</u> Ferrell Doug Reed & Deirdre Leann Reed, h/w P.O. Box 2007 Clintwood, VA 24228	Leased	0.00331250%	0.00193750
	Carlotta Reed Hawkins & Ross E. Hawkins, w/h 157 Edgewater Court Clintwood, VA 24228	Leased	0.00331250%	0.00193750
	Rita & Richard Ramey P.O. Box 1631 Clintwood, VA 24228	Leased	0.00331250%	0.00193750
	Regina Reed Patterson & Ralph Patterson, w/h P.O. Box 2003 Clintwood, VA 24228	Leased	0.00331250%	0.00193750
	<u>Brownlow Grizzel Heirs</u> Teddy Ray Grizzel 17905 Sorrelwood Court Parish, FL 34219	Unleased	0.02650000%	0.01550000
	Sammy Farrell Grizzel c/o Lisa Carre, Agent & Attorney-in-Fact 232 Bar Harbor Road Pasadena, MD 21122	Leased	0.02650000%	0.01550000
<u>3</u>	Jackie Darrell Grizzel 701 Schumaker Lane Salisbury, MD 21804	Unleased	0.02650000%	0.01550000
Tax ID 6446	David Brownlow Grizzel 318 Cresswell Road Brooklyn, MD 21225	Unleased	0.02650000%	0.01550000
Tract 3 Totals			0.41074893%	0.24024942
TOTAL GAS ESTATE			0.41074893%	0.24024942

EXHIBIT "EE"
 VC-536421 & VCI-538674 (Unit BU-41)
 VGOB-08-0415-2211-02
 Revised - 3/29/2016

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Coal Estate Only</u>				
<u>3</u>	Standard Banner Coal Corporation c/o Mike Clisso	Leased 906889/TL-223	0.53000000%	0.31000000
<u>Tax ID</u> 11636	P.O. Drawer 750 Wise, VA. 24293			
	TOTAL COAL ESTATE		0.53000000%	0.31000000

INSTRUMENT #160000927
 RECORDED IN THE CLERK'S OFFICE OF
 DICKENSON ON
 AUGUST 9, 2016 AT 09:39AM
 RICHARD W. EDWARDS, CLERK
 RECORDED BY: CPF