

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-100A

TRACT(S): 1

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-08-0715-2280-01

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. Original Pooling Order Executed 04/08/2010, Recorded on 05/19/2010, Deed Book/Instrument No. 100001304.

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.
- (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.

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(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-231 to Janice Compton. VGOB 08-0715-2280-01

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RELIEF GRANTED:

VGOB Disbursement
Unit E-100A

VGOB-08-0715-2280-01

Table 1

Tracts: 1

Item	Tract	Disbursement Table	Fractional Ownership	Net Acreage Ownership	Royalty Split	Escrowed Acres	Percent of Escrowed Funds	Adjustment Amount
			in Tract	inTract	Agreement	Disbursed	Disbursed	
		Total acreage in escrow before disbursement				2.09300		
1 Tract 1 (total acreage)			41.8600					
1	1	Janice Compton\4761 Huston Drive, Lake Orion, MI 48359		2.0930	100.00%	2.0930	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

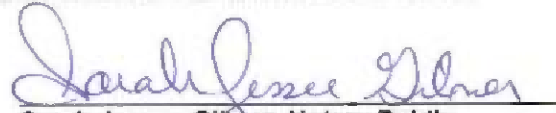
DONE AND PERFORMED this 11 day of May, 2016 by Order of the Virginia Gas and Oil Board.



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 08-0715-2280-01

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-100A

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

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-231 (Unit E-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

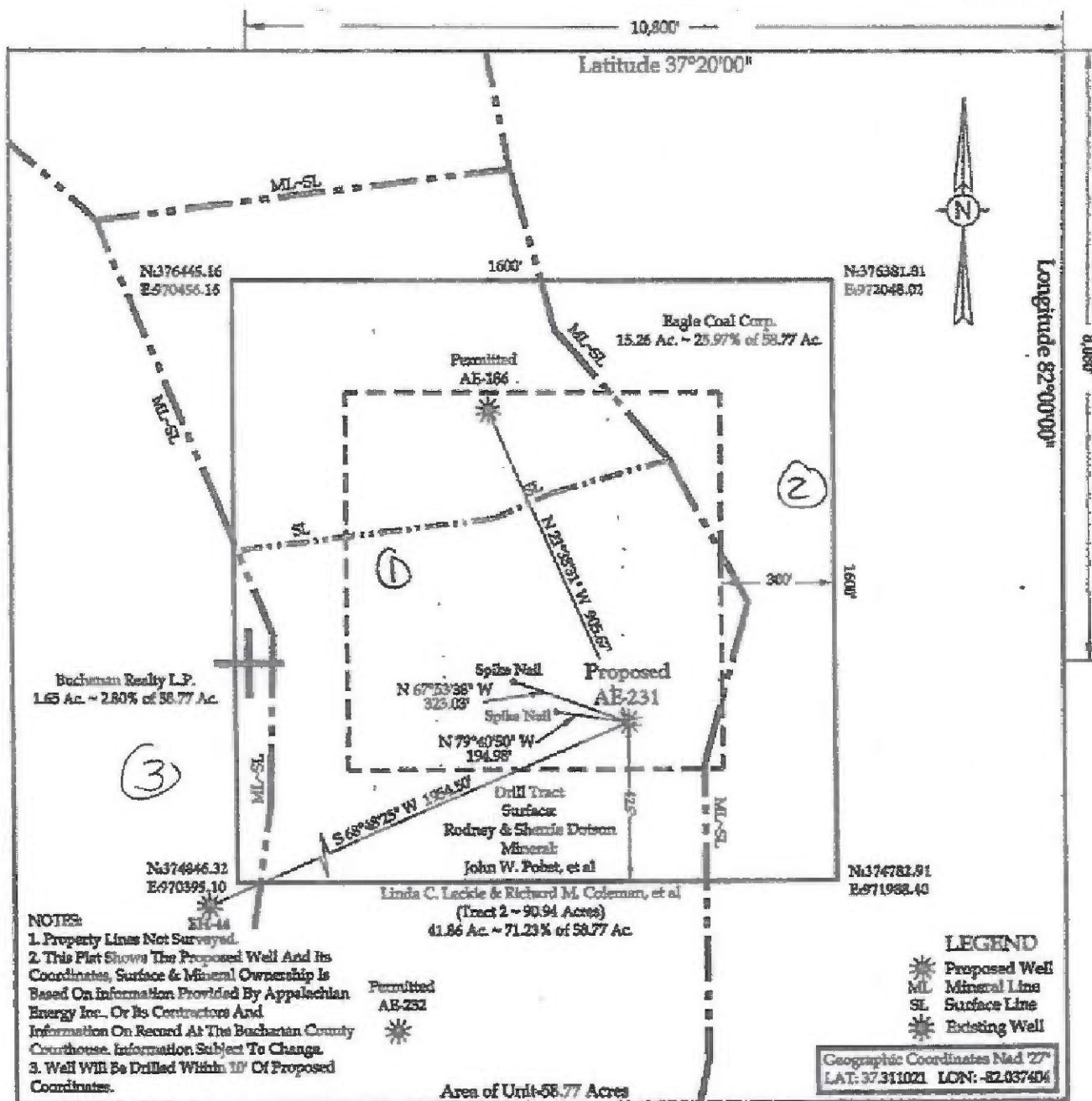
5. Factual basis for relief requested

Petition to disburse funds from the escrow account for well AE-231 to Janice Compton, VGOB
08-0715-2280-01

6. Attestation

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

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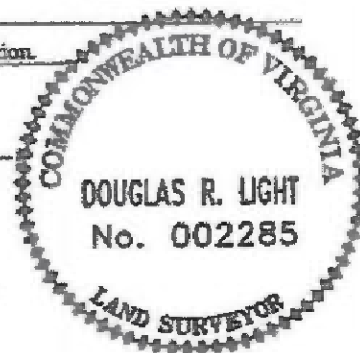


WELL LOCATION PLAT

Company APPALACHIAN ENERGY INC. Well Name or Number AB-231 (E-100A)
Tract No. John W. Pobst, et al Quadrangle Grundy
District North Grundy
Well Coordinates (Virginia State Plane) N: 375,229.73 E: 971,457.09
Elevation: 2116.22 Method Used to Determine Elevation: Trig. Levels from GPS derived elevation
County Buchanan Scale: 1" = 400' Date 1-04-08
This Plat is a new plat X; 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.

Form DGO-GO-7
Rev. 1-98

~~Professional Engineer~~ **Licensed Land Surveyor**



DGO-7 Supplement
WELL UNIT PROPERTY OWNER INDEX
APPALACHIAN ENERGY, INC. ("AEI")
AE-231 (CBM E-100A)

Tract 1

41.86 Ac. - 71.23% of 58.77 Ac.

"Drill Tract" - John W. Pobst, etal:

Oil, gas, & coalbed methane:

John W. Pobst, etal

Wellmore Energy Company LLC or subsidiary - Coal Lessee

AEI right to stimulate via Buch Co, VA Deed Book 377, Page 848

Surface: Herman Fletcher, etal

41.86 Ac. - 71.23% of 58.77 Ac.

Tract 2

15.26 Ac. - 25.97% of 58.77 Ac.

"Eagle Coal Corp" Tract:

Oil, gas, & coalbed methane:

Eagle Coal Corporation

Wellmore Energy Company LLC or subsidiary - Coal Lessee

AEI right to stimulate via Buchanan Co, VA Deed Book 377, Page 848

Tract 3

1.65 Ac. - 2.80% of 58.77 Ac.

"Buchanan Realty L.P." Tract:

Oil, gas & coalbed methane:

Buchanan Realty, LP

Wellmore Energy Company LLC or subsidiary - Coal Lessee

AEI right to stimulate via Buch Co, VA Deed Book 377, Page 848

Tract adjoining north side of John W. Pobst, etal "Drill Tract" (not labeled on plat):

Oil, gas & coalbed methane:

Buchanan Gas LLC

Wellmore Energy Company LLC or subsidiary - Coal Lessee

AEI right to stimulate via Buch Co, VA Deed Book 377, Page 848

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EXHIBIT E
Docket # 08-0715-2280-01
AE-231 (E-100)

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

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EXHIBIT EE**Docket #08-0715-2280-01****AE-231 (E-100A)**

TRACT			LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
			GAS ESTATE ONLY			
			<u>COLEMAN / LECKIE / POBST HEIRS</u>		71.2300%	41.86
1	0.050		JANICE COMPTON 4761 HUSTON DRIVE LAKE ORION, MI 48359	Leased	3.5615%	2.093
			W.W. Coleman Heirs			
1	0.035	*	Lydia Jane Morris 9 Pinehurst Trail Fairfield, PA 17320	* Leased	2.5062%	1.473
1	0.035	*	Alice Maclean Schepp 273 Hickory Heights Dr Bridgeville, PA 15017	* Leased	2.5062%	1.473
1	0.035	*	Amy Elizabeth Reilly 819 Hillcrest Circle Wexford, PA 15090	* Leased	2.5062%	1.473
1	0.106	*	Daniel L. & Annie G. Coleman 200 Bellefonte Circle Ashland, KY 41101	* Leased	7.5187%	4.419
1	0.106	*	Lawrence E. Kapinos 18506 SE 24th St. Vancouver, WA 98683 <u>Heir to Frances Foley</u>	* Leased	7.5187%	4.419
			W.S. Leckie Heirs			
1	0.317	*	S. Charles & Lillian C. Ratliff 1056 Fairview Street Grundy, VA 24614	* Leased	22.5562%	13.256
			H. Claude Pobst Heirs			
1	0.106	*	Meredith Ellis Jennings 542 Butler Mill Rd Maryville, TN 37803	* Leased	7.5187%	4.419
1	0.053	*	Richard K. Pobst 1024 Oxford Drive St. Augustine, FL 32084	* Leased	3.7594%	2.209
1	0.053	*	Nancy Catherine Pobst-Hooper 111 Postelle St Cartersville, GA 30120	* Leased	3.7594%	2.209

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John W. Pobst Heirs

1	0.053	*	John W. Pobst, Jr. & Lynda Pobst PO Box 86 Revere, PA 18953	* Leased	3.7594%	2.209
1	0.053	*	Virginia & Phillip Linnick 4324 South Ball Dr Veradale, WA 99037	* Leased	3.7594%	2.209
2	1.000	*	<u>EAGLE COAL CORPORATION</u> c/o Stewart & Campbell Hess PO Box 1060	* Leased	25.9700%	15.26
3	1.000	*	<u>BUCHANAN REALTY LTD PARTNERHIP</u> 4710 Hunterwood Circle Richmond, TX 77469	* Leased	2.8000%	1.65

* 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 Pinehurst 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

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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	unleased	3.96%	2.326
		John W. Pobst Heirs			
1	0.0556	John W. Pobst, Jr. & Lynda Pobst PO Box 86 Revere, PA 18953	unleased	3.96%	2.326
1	0.0556	Virginia & Phillip 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 #160000906
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MAY 19, 2016 AT 05:01PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP