

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: 537003

TRACT(S): 003, 004

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-09-0217-2476-01

APPLICANTS: EnerVest Operating, LLC on behalf of Carol P. Armstrong, Terry & Lisa Ball

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: Tim Scott on behalf of EnerVest Operating, LLC

PRIOR PROCEEDINGS:

- 1. Original Pooling Order Executed 06/14/2012, Recorded on 08/16/2012, Deed Book/Instrument No. 499, Page 547.
- 2. Supplemental Order Executed 02/06/2018, Recorded on 03/07/2018, Deed Book/Instrument No. 553, Page 777.

NOTICE:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 003, 004 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 003, 004 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 537003 to all known owners in Tracts 3 and a portion of Tract 4, VGOB 09-0217-2476-01

RELIEF GRANTED:

VGOB Disbursement
Unit 537003

VGOB-09-0217-2476-01

Table 1

Tracts: 003, 004

Item	Tract	Disbursement Table	Fractional Ownership		Net Acreage		Royalty		Escrowed		Percent of		Adjustment Amount
			in Tract	Ownership	in Tract	Ownership	Split	Acres	Disbursed	Escrowed Funds			
		Total acreage in escrow before disbursement							2.97000				
		003 Tract 003 (total acreage)	0.3000										
1	003	Carol P. Armstrong\12612 Celtic Court; Rockville; MD 20850		0.3000	100.00%	0.3000	10.1010%						
		004 Tract 004 (total acreage)	8.0100										
1	004	Terry & Lisa Ball\577 Contractors Lane; Haysi; VA 24256		2.6700	100.00%	2.6700	89.8990%						

Adjustment Comments:

DB 557 PG215

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 9 day of July, 2018 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

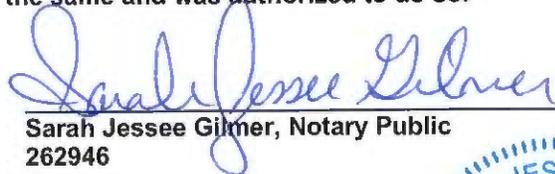
DONE AND PERFORMED this 9 day of July, 2018 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 9th day of July, 2018 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, 2021



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EnerVest Operating, LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 09-0217-2476-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 003, 004 (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: 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: 537003

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 Tim Scott, McKinnis & Scott Law Firm, 135 W. Main St., Kingsport, TN 37660.

2. Relief Sought

Petition to disburse funds from the escrow account for well 537003 to all known owners in Tracts 3 and a portion of Tract 4, VGOB 09-0217-2476-01.

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 537003 to all known owners in Tracts 3 and a portion of Tract 4, VGOB 09-0217-2476-01

6. Attestation

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

EXHIBIT PL-1

Property Ownership Information for EPCO Well # VC-537003

①

LEASE NO. 906889L/T-291
THOMAS FULLER
240.09 ACRES
DONNIE K. & DEBRA STANLEY- surface
DICKENSON-RUSSELL COAL CO., LLC /
ALPHA LAND & RESERVES, LLC / ACIN, LLC /
WBRD, LLC - coal
RANGE RESOURCES -PINE MOUNTAIN, INC -
oil, gas & cbm
Gas 36.78 AC. 62.61%

②

LEASE NO. 906889L/T-384
N.B. SUTHERLAND
400.63 ACRES
RUSSELL & SHERRY BOYD-surface
DICKENSON-RUSSELL COAL CO., LLO /
ALPHA LAND & RESERVES, LLC / ACIN, LLC /
WBRD, LLO - coal
RANGE RESOURCES -PINE MOUNTAIN, INC -
oil, gas & cbm
Gas 7.56 AC. 12.85%

③

LEASE NO. 906889L/T-364
N.B. SUTHERLAND
400.63 ACRES
DICKENSON-RUSSELL COAL CO., LLC /
ALPHA LAND & RESERVES, LLC / ACIN, LLC /
WBRD, LLC - coal
RANGE RESOURCES -PINE MOUNTAIN, INC - (cbm)
LEASE NO. 906880
CAROL ARMSTRONG - surface, oil, & gas (cbm)
52.00 ACRES
Gas 0.30 AC. 0.51%

④

LEASE NO. 242288 (Partially Leased)
CLEMANTINE GRIZZLE HEIRS, et al.
74 ACRES P/O 108 ACRES (104 ACRES)
coal, oil, gas, & cbm
Gas 8.01 AC. 13.64%

⑤

LEASE NO. 906889L/T-438
A.A. SKEEN
76.96 ACRES
DICKENSON-RUSSELL COAL CO., LLC /
ALPHA LAND & RESERVES, LLC / ACIN, LLC /
WBRD, LLC - coal
RANGE RESOURCES -PINE MOUNTAIN, INC -
oil, gas & cbm
Gas 6.10 AC. 10.38%

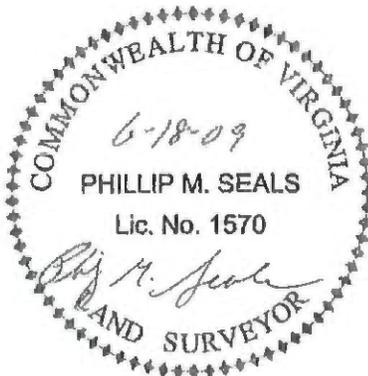


EXHIBIT "E"
VC-537003
VGOB 09-0217-2476-01
2/1/2018

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
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N/A

**Exhibit EE
VC-537003
VGOB 09-0217-2476-01
2/1/2018**

TR	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
Gas Estate				
3 3088	Carol P. Armstrong 12612 Celtic Court Rockville, MD 20850	Leased	0.510000%	0.30000
4* 15862	Terry & Lisa Ball 577 Contractors Lane Haysi, VA 24256	Unleased	4.544567%	2.67000

*It appears that Tract 4 should have been paid directly to the owners since there is no conflicting claim upon this tract. However, a previous operator who opened the escrow account, started paying this tract into the escrow account and the two subsequent operators were unaware this was happening. Since the funds have been paid into the escrow account all along, we are now releasing these funds to the current owner.

Tract 3 & 4 Totals **5.054567%** **2.97000**

Coal Estate

3	EnerVest Operating, LLC Attn: Jim McKinney 408 West Main Street Abingdon, VA 24210 <i>formerly Range Resources-Pine Mountain, Inc.</i>	Leased	0.510000%	0.30000
4 15862	Terry & Lisa Ball 577 Contractors Lane Haysi, VA 24256	Unleased	4.544567%	2.67000

Tract 3 & 4 Totals

INSTRUMENT 190000831
5.054567% 2.97000
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON CIRCUIT COURT ON
August 9, 2018 AT 01:33 PM
RICHARD W. EDWARDS, CLERK
RECORDED BY: CPF