

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: 539488
TRACT(S): 001
LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-10-0216-2672-01

APPLICANTS: EnerVest Operating, LLC on behalf of John M. Lamie; Esq., Range Resources Corporation, Weyerhaeuser Company

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.
2. Supplemental Order, Recorded on 05/13/2013, Deed Book/Instrument No. 130000825.

NOTICE:

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 001 identified in the attached petition.

170001800

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 001 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 539488 to all known owners in Tract 1, VGOB 10-0216-2672 pursuant to Order Approving Settlement and Quieting Title as to Yellow Poplar Lumber Company Tract 11.

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 16 day of August, 2017 by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert

Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 16th day of August, 2017, 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, that he executed the same and was authorized to do so.

Sarah Jessee Gilmer
Sarah Jessee Gilmer, Notary Public
262946



My Commission expires: July 31, 2021

DONE AND PERFORMED this 17 day of August, 2017 by Order of the Virginia Gas and Oil Board.

Rick Cooper

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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 17th day of August, 2017, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is the Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Sarah Jessee Gilmer
Sarah Jessee Gilmer, Notary Public
262946



My Commission expires: July 31, 2021

170001800

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EnerVest Operating, LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 10-0216-2672-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 001 (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: 539488

BUCHANAN 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 539488 to all known owners in Tract 1, VGOB 10-0216-2672 pursuant to Order Approving Settlement and Quietling Title as to Yellow Poplar Lumber Company Tracts 4 and 11

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)

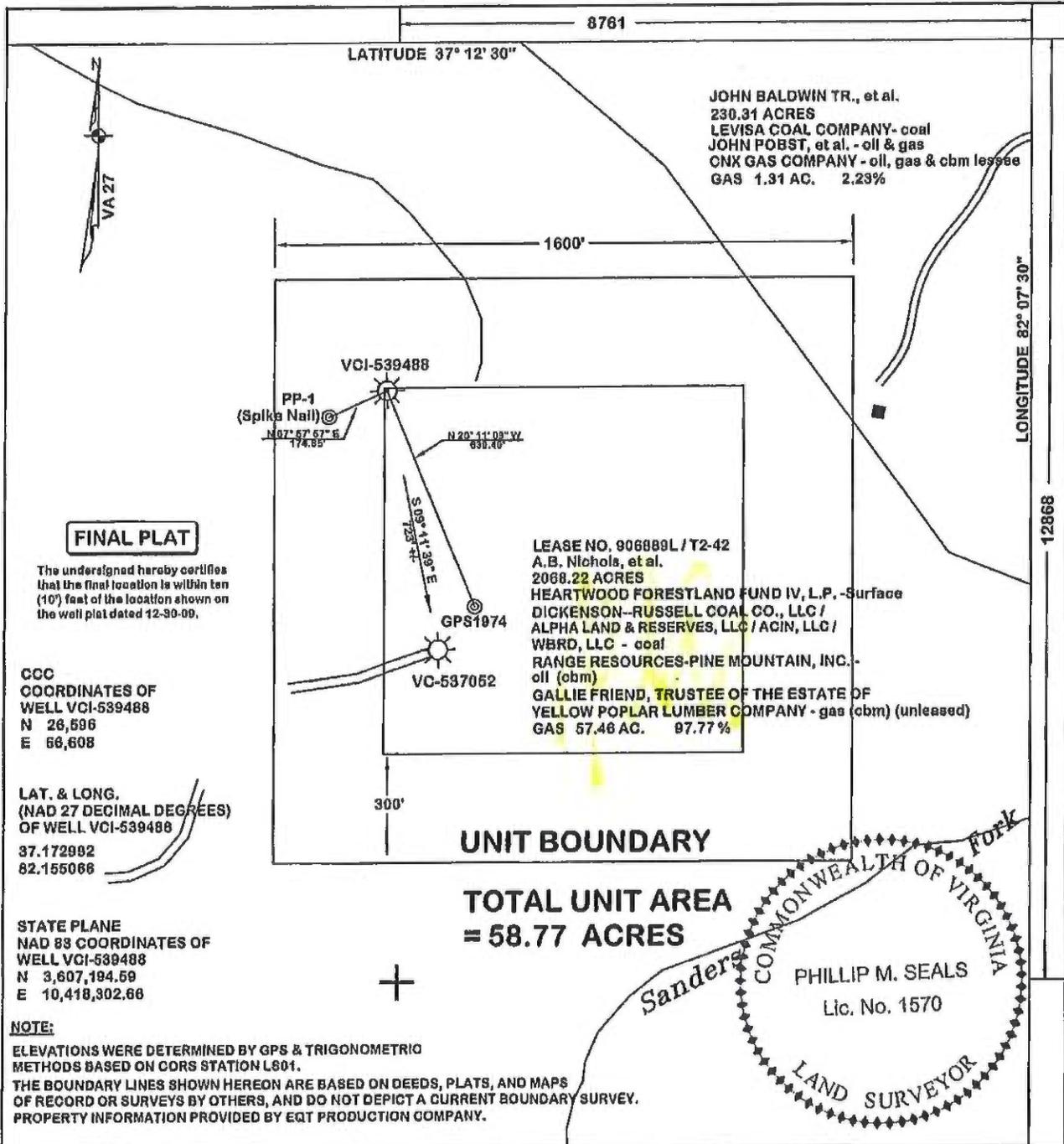
Coalbed Methane

5. Factual basis for relief requested

Petition to disburse funds from the escrow account for well 539488 to all known owners in Tract 1, VGOB 10-0216-2672 pursuant to Order Approving Settlement and Quietling Title as to Yellow Poplar Lumber Company Tract 11.

6. Attestation

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



FINAL PLAT

The undersigned hereby certifies that the final location is within ten (10') feet of the location shown on the well plat dated 12-30-09.

CCC
COORDINATES OF
WELL VCI-539488
N 28,596
E 56,608

LAT. & LONG.
(NAD 27 DECIMAL DEGREES)
OF WELL VCI-539488
37.172992
82.155066

STATE PLANE
NAD 83 COORDINATES OF
WELL VCI-539488
N 3,607,194.59
E 10,418,302.66

NOTE:

ELEVATIONS WERE DETERMINED BY GPS & TRIGONOMETRIC METHODS BASED ON CORS STATION L801.
THE BOUNDARY LINES SHOWN HEREON ARE BASED ON DEEDS, PLATS, AND MAPS OF RECORD OR SURVEYS BY OTHERS, AND DO NOT DEPICT A CURRENT BOUNDARY SURVEY.
PROPERTY INFORMATION PROVIDED BY EQT PRODUCTION COMPANY.

WELL LOCATION PLAT

COMPANY EQT PRODUCTION COMPANY WELL NAME OR NUMBER VCI-539488
TRACT NO. T2-42 QUADRANGLE Prater
DISTRICT Prater
WELL COORDINATES (VIRGINIA STATE PLANE 27) N 326,316.08 E 935,317.18
ELEVATION 2115.75 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.
COUNTY Buchanan SCALE: 1" = 400' DATE 5-11-10
THIS PLAT IS A NEW PLAT ; AN UPDATED PLAT ; OR A FINAL LOCATION PLAT X

✚ 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.

EXHIBIT "E"
VC-539488
VGOB 10-0216-2672-01

170001800

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

N/A

**EXHIBIT "EE"
VC-539488
VGOB 10-0216-2672-01**

170001800

<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>				
1	**John M. Lamie, Esq., Trustee for Yellow Poplar Lumber Co. Browning, Lamie & Gifford, PC PO Box 519 Abingdon, VA 24212	Unleased	48.885000%	28.7300
	**Range Resources Corporation Attn: David Poole, Esq. 100 Throckmorton Street Suite 1200 Ft. Worth, TX 76102	Unleased	24.442500%	14.3650
	**Weyerhaeuser Company Attn: Pamela J. Reed, CPL Sr. Land Manager Energy & Natural Resources 220 Occidental Ave S Seattle, WA 98104	Unleased	24.442500%	14.3650
	Total <i>** Frmlly Gaille Friend, Trustee of the Estate of Yellow Poplar Lumber Company Unknown</i>		97.770000%	57.4600
<u>Coal Estate Only</u>				
1	**Range Resources Corporation Attn: David Poole, Esq. 100 Throckmorton Street Suite 1200 Ft. Worth, TX 76102 <i>**Frmlly Pine Mountain Oil & Gas, Inc.</i>	Owned	97.770000%	57.4600

170001800

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA
ABINGDON DIVISION

CLERK'S OFFICE U.S. DIST. COURT
AT ABINGDON, VA
FILED

JUN 07 2017

JULIA C. DUDLEY, CLERK
BY: *J. Alak*
DEPUTY CLERK

WEYERHAEUSER COMPANY and
WEYERHAEUSER NR COMPANY,

Plaintiffs,

v.

YELLOW POPLAR LUMBER
COMPANY, INC., et al.

Defendants,

Case No. 1:13CV00062

IN RE YELLOW POPLAR LUMBER
COMPANY

Debtor

Case No. 1:15CV00037

ORDER APPROVING SETTLEMENT AND QUIETING TITLE
AS TO YELLOW POPLAR LUMBER COMPANY TRACTS 4 AND 11

On February 8, 2017, John M. Lamie, Trustee for the Estate of Yellow Poplar Lumber Company ("Trustee") moved the Court to approve a settlement by and among the Trustee, Weyerhaeuser Company and Weyerhaeuser NR Company (together, "Weyerhaeuser"), Range Resources-Pine Mountain, Inc. ("Range") and Range Resources-Appalachia, LLC, and EQT Production Company and EQT Production Nora, LLC (together, "EQT"). [ECF No. 520.] The terms of the settlement are memorialized in the proposed agreement between the parties dated January 25, 2017 ("Settlement Agreement"). [ECF No. 520-1.]

The dispute between the parties involves the ownership of the gas estate on Tracts 4 and 11 in a deed dated January 5, 1906, from Excelsior Coal and Lumber Corporation to Yellow Poplar Lumber Company, recorded in Buchanan County, Virginia, Deed Book 30, page 226, and

Dickenson County, Virginia, Deed Book 25, page 476. Tract 10 in this deed overlies a portion of Tract 11. The Court has previously entered an Order quieting title to the gas estate under Tract 10. As used in this Order, Tract 11 means that portion of Tract 11 that lies outside of Tract 10.

Among other things, the proposed Settlement Agreement resolves the competing claims of ownership as follows:

Title to Tract 11: The parties agree that they are undivided owners of the gas estate on Tract 11 in the following percentages: 25% Weyerhaeuser Company, 25% Range, 50% Trustee.

Title to Tract 4: The parties agree that Range and the Trustee are undivided owners of the gas estate on Tract 4 in the following percentages: 33% Range, 67% Trustee.

The Trustee having published the proposed settlement as ordered by the Court, there being no objections filed with the Court, and it otherwise appearing proper to approve the proposed settlement for all the reasons set forth in the Trustee's pleadings and the pleadings of the other parties, it is hereby ORDERED that the proposed Settlement Agreement is APPROVED and EFFECTIVE.

It is therefore ORDERED as follows:

1. The gas estate on Tract 11 is owned as follows:

Weyerhaeuser Company: 25% undivided interest;

Range: 25% undivided interest; and

Trustee: 50% undivided interest.

2. The gas estate on Tract 4 is owned as follows:

Range: 33% undivided interest; and

Trustee: 67% undivided interest.

As used in this Order, the term "gas estate" means all gas, including both conventional gas and coalbed methane gas.

It is further ORDERED that, except for claims reserved to Weyerhaeuser and the Trustee as stated in paragraphs 5 and 6 of the Settlement Agreement, all claims, counterclaims, and crossclaims brought by Weyerhaeuser, Range, Range Resources-Appalachia, LLC, EQT, and the Trustee in Case No. 1:13CV00062 are hereby dismissed with prejudice. Claims reserved in paragraphs 5 and 6 of the Settlement Agreement are dismissed without prejudice. Case No. 1:15CV00037 shall remain pending for further bankruptcy proceedings consistent with this Order.

This Order is a final decision of a court of competent jurisdiction adjudicating ownership of gas for purposes of Virginia Code § 45-361.22(5)(i) and allowing distribution of funds in escrow.

The Clerks of the Circuit Court of Buchanan County, Virginia, and the Circuit Court of Dickenson County, Virginia, are requested to record this Order in the land records of the Counties in the Grantor Index under the following names: YELLOW POPLAR LUMBER COMPANY, JOHN M. LAMIE, TRUSTEE OF THE ESTATE OF YELLOW POPLAR LUMBER COMPANY, W.M. RITTER LUMBER COMPANY, PLUM CREEK TIMBERLANDS, LP, PLUM CREEK MARKETING, INC., PLUM CREEK MANUFACTURING HOLDING COMPANY, INC., HIGHLAND RESOURCES, INC., WEYERHAEUSER COMPANY, WEYERHAEUSER NR COMPANY, BIG SANDY FUEL CORPORATION, RANGE RESOURCES-PINE MOUNTAIN, INC., and RANGE RESOURCES-APPALACHIA, LLC; and in the

170001800

Grantee Index under the following names: WEYERHAEUSER COMPANY, RANGE
RESOURCES-PINE MOUNTAIN, INC., and JOHN M. LAMIE, TRUSTEE OF THE
ESTATE OF YELLOW POPLAR LUMBER COMPANY.

Each party shall bear their own costs and expenses unless otherwise separately
ordered by the Court.

ENTER this 7th day of June, 2017.


UNITED STATES DISTRICT JUDGE

INSTRUMENT 170001800
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY CIRCUIT COURT ON
August 28, 2017 AT 04:15 PM
BEVERLY S. TILLER, CLERK
RECORDED BY: NKE