

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EnerVest Operating, LLC)	VIRGINIA GAS
)	AND OIL BOARD
RELIEF SOUGHT	EXCEPTION TO STATEWIDE SPACING)	
	LIMITATIONS PRESCRIBED BY)	DOCKET NO.
	VA. CODE § 45.1-361.17 (a) (2))	<u>VGOB-17-0620-4128</u>
	FOR <u>WELL NO. V-550512</u>)	
)	
)	
LEGAL DESCRIPTION:)	
	DRILLING UNIT SERVED BY WELL)	
	NUMBERED <u>V-550512</u>)	
	TO BE DRILLED IN THE LOCATION)	
	DEPICTED ON EXHIBIT A HERETO,)	
	James A. Baker Tract)	
	58.30 acres, more or less)	
	CLINTWOOD QUADRANGLE)	
	WILLIS DISTRICT)	
	DICKENSON COUNTY, VIRGINIA)	
	(the "Subject Lands" are more particularly described)	
	on Exhibit "A" , attached hereto and made a part)	
	hereof))	

REPORT OF THE BOARD

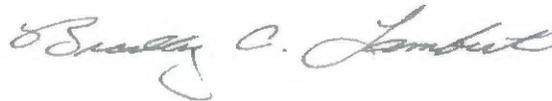
FINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on **June, 20, 2017** at the Russell County Conference Center, 139 Highland Drive, Lebanon, Virginia.
2. Appearances: **Timothy E. Scott of McKinnis & Scott**, appeared for the Applicant.
3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 *et seq.*, the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner having an interest in Subject Drilling Unit underlying and comprised of Subject Lands; and (2) represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of this application. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: Exhibit B.
5. Dismissals: None.
6. Relief Requested: Applicant requests an exception to the statewide spacing limitations set forth in Va. Code § 45.1-361.17 for Well No. V-550512.
7. Relief Granted: The requested relief in this cause shall be and hereby is granted. The Board hereby grants Applicant consent to permit and drill proposed Well No. V-550512 which is 2,396.81 feet from EnerVest Well No. V-550427; 2,279.17 feet from EnerVest Well No. P-428; and, 2,147.71 feet from EnerVest Well No. P-550511 at the location depicted on the Plat attached hereto as **Exhibit A**.
8. Special Findings: The Board specifically and specially finds:
 - 8.1 Applicant is EnerVest Operating, LLC. Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
 - 8.2 Applicant EnerVest Operating, LLC, is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
 - 8.3 Applicant claims ownership of Conventional Gas Leases of Subject Drilling Unit and the right to explore for, develop and produce Gas from Well No. V-550512 as well as the right to participate and develop the reciprocal wells, being EnerVest Operating, LLC, Well Nos. V-550427, P-428 and P-550511.
 - 8.4 The proposed Well No. V-550512 is located on the James A. Baker 58.30-acre Tract and the surface, coal, gas and oil owners have consented to the proposed location for Well No. V-550512 that is depicted on the Plat attached hereto as **Exhibit A**;
 - 8.5 The Applicant testified it has the right to operate and participate in the development of the reciprocal EnerVest Operating, LLC, Well Nos. V-550427, P-428 and P-550511 and that the granting of the application filed herein will not impact the correlative rights of any person;
 - 8.6 An exception to the well spacing requirements of Va. Code § 45.1-361.17 for Well No. V-550512 is necessary to efficiently drain a portion of the common sources of supply (reservoir) underlying Subject Drilling Unit, and the Board's granting of the requested location exception is in the best interest of preventing the waste of 450 million cubic feet of Conventional Gas underlying the Subject Drilling Unit, and to generally effect the purposes of the Virginia and Oil Act;
 - 8.7 Applicant proposes the drilling of Well No. V-550512 to a depth of 4,602 feet on the Subject Drilling Unit at the location depicted on **Exhibit A** to produce all the Mississippian and Devonian Age formations including, but not limited to, Ravencliff, Maxon, Big Lime, Weir, Berea and Devonian Shale, from surface to total depth drilled, 4,602 feet ("Subject Formations");
 - 8.8 Applicant proposes to drill Well No. V-550512 a distance of 103.19 feet closer to EnerVest No. V-550427; a distance of 220.83 feet closer to EnerVest Well No. P-428; and a distance of 352.29 feet closer to EnerVest Well No. P-550511 than the 2500 feet mandated by statewide spacing;

- 8.9 Applicant proposes to complete and operate Well No. V-550512 for the purpose of producing Conventional Gas;
9. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED.**
10. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code Ann. § 9-6.14:1 *et seq.* and Rule 2A of the Rules of the Virginia Supreme Court.
11. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DONE AND EXECUTED this 10 day of July, 2017 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

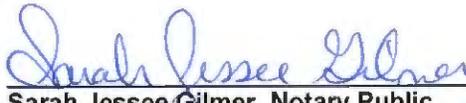
DONE AND PERFORMED this 10 day of July, 2017 by Order of the Virginia Gas and Oil Board.



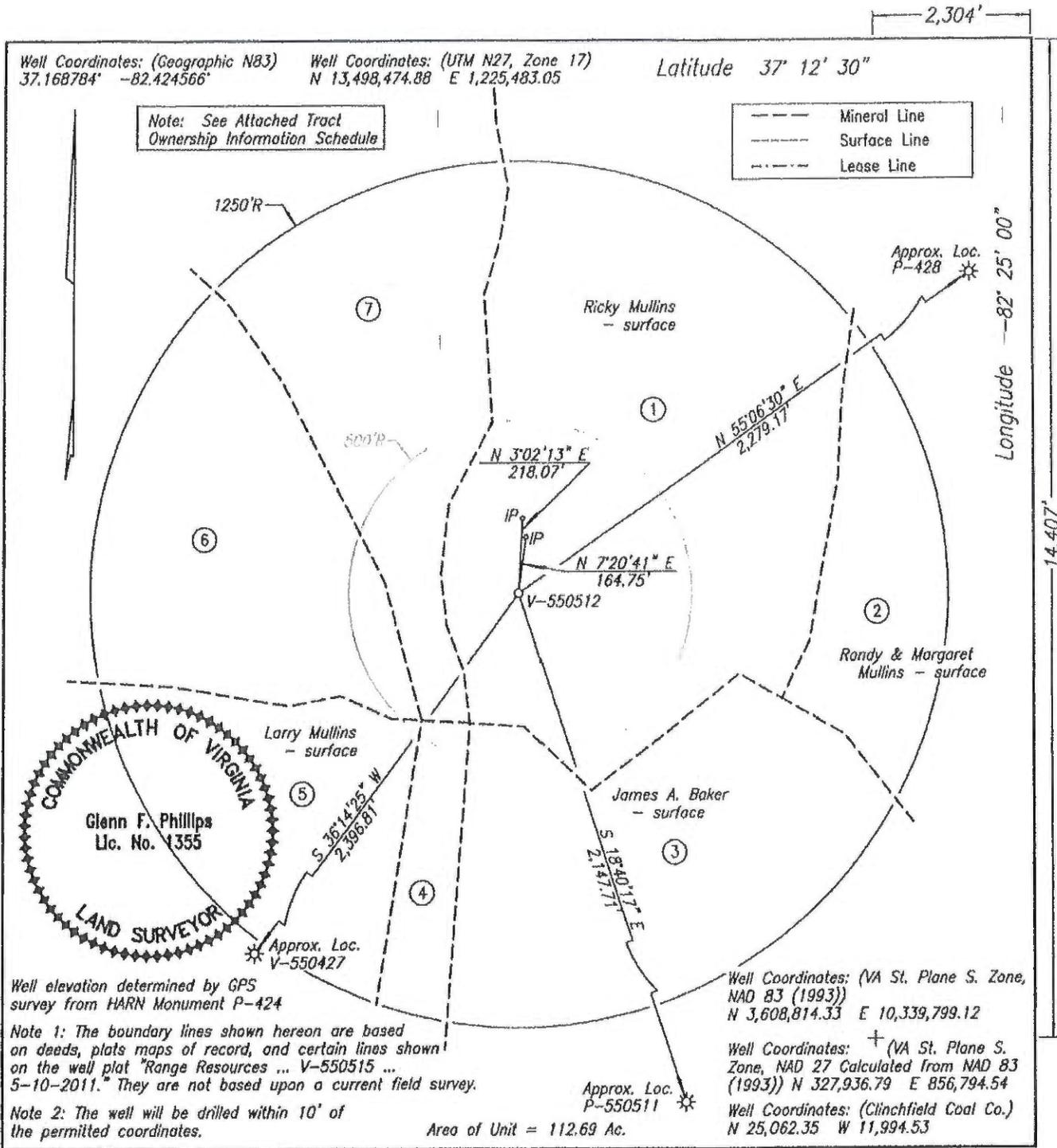
Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 10th day of July, 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 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



WELL LOCATION PLAT NORA GRID AL-30

COMPANY EnerVest Operating, LLC WELL NAME AND NUMBER V-550512
 TRACT NO. Lease No. 241520L ELEVATION 1,901.04' QUADRANGLE Clintwood
 COUNTY Dickenson DISTRICT Willis SCALE 1" = 400' DATE 5-31-2017

This Plat is a new plat ; an updated plat x; 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.

[Signature]
 Licensed Professional Engineer or Licensed Land Surveyor

V-550512 PLAT
TRACT OWNERSHIP INFORMATION SCHEDULE
5/31/2017

1. Wilbur Phipps coal tract
507.35 Acres
ACIN LLC - coal
Paramont Contura, LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Contura, LLC - coal lessee
Lease No. 241520L
James A. Baker - oil & gas
58.30 Acres
Gas 36.31 Ac. 32.22%
2. Wilbur Phipps coal tract
507.35 Acres
ACIN LLC - coal
Paramont Contura, LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Contura, LLC - coal lessee
Lease No. 241519L
Marie Fitzpatrick & James A. Baker - oil & gas
85.00 Acres
Gas 8.43 Ac. 7.48%
3. Wilbur Phipps coal tract
507.35 Acres
ACIN LLC - coal
Paramont Contura, LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Contura, LLC - coal lessee
Lease No. 904767L
James A. Baker 100.00 Acre tract
Freddie Mullins et al. - oil & gas
Gas 20.10 Ac. 17.84%
4. Sol. Fleming coal tract
94.79 Acres
ACIN LLC - coal
Paramont Contura, LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Contura, LLC - coal lessee
Lease No. 904767L
Freddie Mullins et al. - oil & gas
9.8 Acres P/O 104 Acres
Gas 3.42 Ac. 3.03%
5. Sol. Fleming coal tract
94.79 Acres
ACIN LLC - coal
Paramont Contura, LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Contura, LLC - coal lessee
Lease No. 244402L
Larry Mullins - oil & gas
89.00 Acres
Gas 12.17 Ac. 10.8%
6. Lease No.
Columbus Phipps Foundation et al. - coal, oil & gas
49.21 Acres
Gas 16.79 Ac. 14.9%
7. Lease No.
Edna Adkins Heirs - coal, oil & gas
68 Acres
Gas 15.47 Ac. 13.73%

Exhibit "B"
Well Location Well No. V-550512
Docket No.: VGOB-17-0620-4128

DEPTH - 4,602'

Dickenson-Russell Contura, LLC
Attn: Steve Smith
5703 Crutchfield Drive
Norton, VA 24273

Paramont Contura, LLC
Attn: Steve Smith
5703 Crutchfield Drive
Norton, VA 24273

WBRD LLC
Chad Mooney
5260 Irwin Road
Huntington, WV 25705-3247

ACIN LLC
Chad Mooney
5260 Irwin Road
Huntington, WV 25705-3247

James Alan & Rita Baker
PO Box 1647
Clintwood, VA 24228
Tax Card ID - Minerals Only

James Alan & Rita Baker
PO Box 1647
Clintwood, VA 24228
Tax Card ID - Minerals Only

Marie Fitzpatrick
136 Hill Drive
Abingdon, VA 24210-2029
Tax Card ID - Minerals Only

Freddie E & Karen Mullins
163 Willis Lane
Clintwood, VA 24228

Southwest Virginia Community Community College
PO Box SVCC
Richlands, VA 24641

Mountain Empire Community College
3441 Mountain Empire Road
Big Stone Gap, VA 24219

University Of Virginias College at Wise
One College Ave
Wise, VA 24293

The Columbus Phipps Foundation
C/O Kenneth G Childress
PO Box 1145
Clintwood, VA 24228

C/O Paul D Buchanan
PO Box 1145
Clintwood, VA 24228

Larry G & Juanita Mullins
362 Soggy Bottom
Clintwood, VA 24228-9530
Tax Card ID - 467, 468, 469

Tax Card ID - Minerals Only
The Columbus Phipps Foundation
C/O Kenneth G Childress
PO Box 1145
Clintwood, VA 24228

C/O Paul D Buchanan
PO Box 1145
Clintwood, VA 24228

Southwest Virginia Community Community College
PO Box SVCC
Richlands, VA 24641

Mountain Empire Community College
3441 Mountain Empire Road
Big Stone Gap, VA 24219

University Of Virginias College at Wise
One College Ave
Wise, VA 24293

John Greever Revocable Trust
John Greever, Trustee
4540 8th Ave NE, Unit 1501
Seattle, WA 98105

Tax Card ID -12329
Dorothy Adkins
114 Phoenix Drive
Clintwood, VA 24228

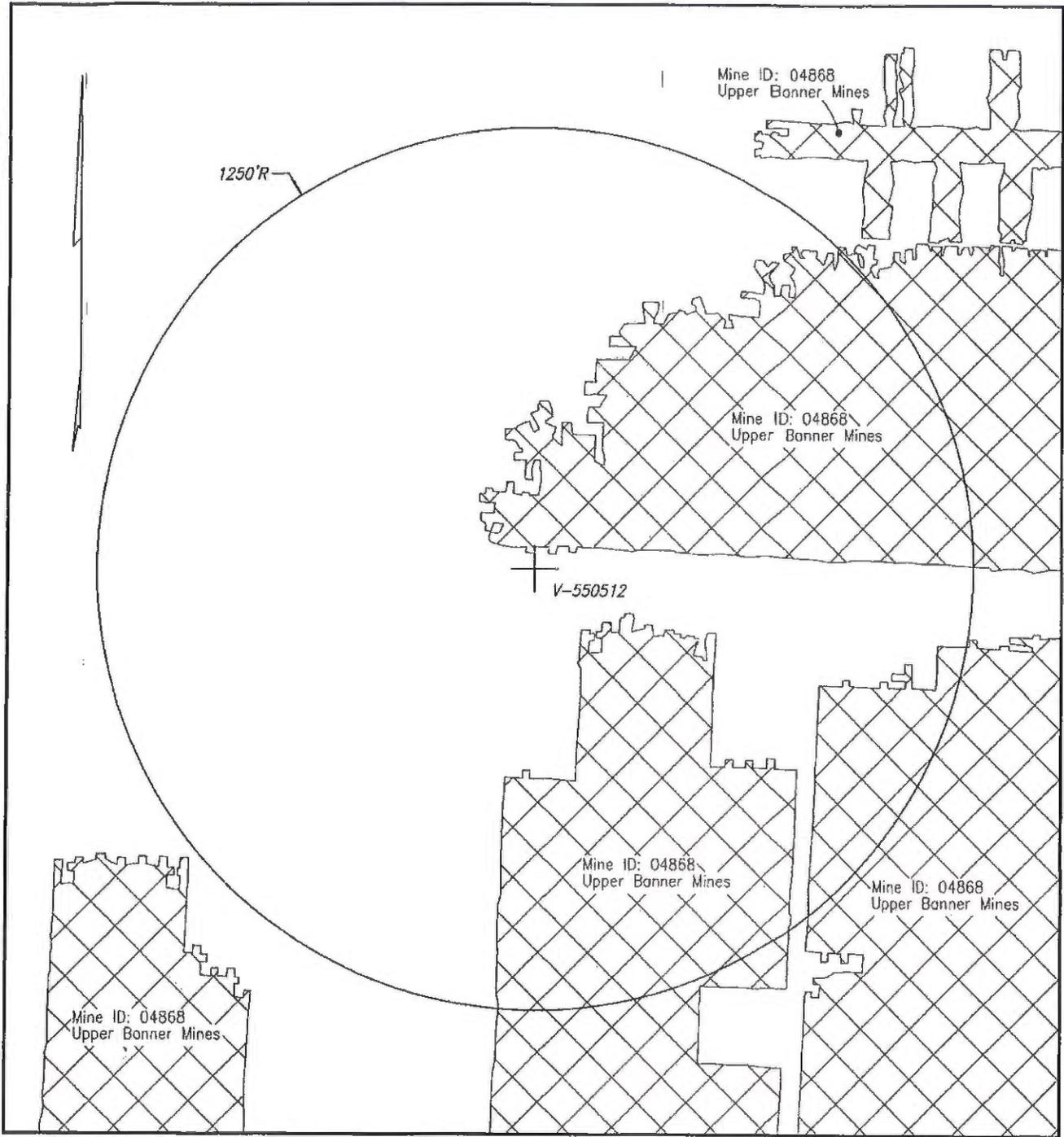
Peggy Ann Cornett
814 Spring Hill Lane
Frankfort, KY 40601

Terri Price
21468 Gudith
Woodhaven, MI 48183

Denice Wolf
85 Substation Station Road
Brunswick, OH 44212

Kenneth Little
1012 New York
Lincoln park, MI 48416

INSTRUMENT 170000861
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON CIRCUIT COURT ON
August 1, 2017 AT 02:34 PM
RICHARD W. EDWARDS, CLERK
RECORDED BY: CJB



WELL & MINE LOCATION MAP NORA GRID AL-30

COMPANY EnerVest Operating, LLC WELL NAME AND NUMBER V-550512
QUADRANGLE Clintwood PERMIT NO. _____ SCALE 1" = 400' DATE 5-23-2017

Exhibit L

NOTE: The mine locations are approximate locations taken from downloaded DMME data.
The maps are to be used for anticipated drilling hazards only.