

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	<b>EnerVest Operating, LLC</b>	)	VIRGINIA GAS
		)	AND OIL BOARD
RELIEF SOUGHT	<b>EXCEPTION TO STATEWIDE SPACING</b>	)	
	<b>LIMITATIONS PRESCRIBED BY</b>	)	DOCKET NO.
	<b>VA. CODE § 45.1-361.17 (a) (2)</b>	)	<b><u>VGOB-18-0417-4167</u></b>
	<b>FOR <u>WELL NO. 900120</u></b>	)	
		)	
		)	
LEGAL DESCRIPTION:		)	
	DRILLING UNIT SERVED BY WELL	)	
	NUMBERED <b><u>900120</u></b>	)	
	TO BE DRILLED IN THE LOCATION	)	
	DEPICTED ON <b>EXHIBIT A</b> HERETO,	)	
	<b>Big Sandy Fuel Corporation Tract</b>	)	
	12,627.34 acres, more or less	)	
	<b>PRATER QUADRANGLE</b>	)	
	<b>PRATER DISTRICT</b>	)	
	<b>BUCHANAN COUNTY, VIRGINIA</b>	)	
	(the "Subject Lands" are more particularly described	)	
	on <b>Exhibit "A"</b> , 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 **April 17, 2018** at the Russell County Conference Center, 139 Highland Drive, Lebanon, Virginia.
2. Appearances: **Timothy E. 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: None.
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. 900120.
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. 900120 which is 2,337.00 feet from EnerVest Well No. 820343; 2,467.00 feet from EnerVest Well No. 820471 and 1,835.00 feet from EnerVest Well No. 821906 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. 900120 as well as the right to participate and develop the reciprocal wells, being EnerVest Operating, LLC Well Nos. 820343, 820471 and 821906.
  - 8.4 The proposed Well No. 900120 is located on the Big Sandy Fuel Corporation 12,627.34-acre Tract and the surface, coal, gas and oil owners have consented to the proposed location for Well No. 900120 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. 820343, 820471 and 821006 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. 900120 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 525 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. 900120 to a depth of 6,076 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, 6,076 feet ("Subject Formations");
  - 8.8 Applicant proposes to drill Well No. 900120 a distance of 163.00 feet closer to EnerVest Well No. 820343; a distance of 33.00 feet closer to EnerVest Well No. 820471; and a distance of 665.00 closer to EnerVest Well No. 821906 than the 2500 feet mandated by statewide spacing;

- 8.9 Applicant proposes to complete and operate Well No. 900120 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 2 day of May, 2018 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

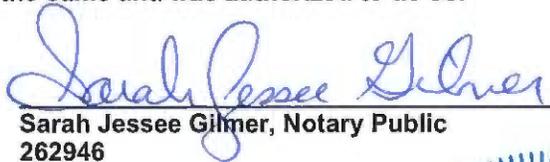
DONE AND PERFORMED this 2 day of May, 2018 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 2<sup>nd</sup> day of May, 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





900120 PLAT  
TRACT OWNERSHIP INFORMATION SCHEDULE  
12/16/2014

180000869

- 1 . Big Sandy Fuel Corp.  
12,627.34 Acres  
ACIN LLC - coal (except Splashdam seam)  
Alpha Land & Reserves LLC - coal lessee  
WBRD LLC - coal (except Splashdam seam)  
Dickenson - Russell Coal Company LLC - coal lessee  
Penn Virginia Operating Company, LLC - coal (Splashdam seam only)  
Wellmore Coal Company - coal lessee  
Mullins Land & Mineral, Inc. - coal  
Range Resources - Pine Mountain, Inc. - oil & gas  
Gas 111.70 Ac. 99.12%
- 2 . Lease No.  
Ronald Anthony & Tina Deel - oil & gas  
2 Acres  
Gas 0.03 Ac. 0.03%
- 3 . Lease No.  
Walter & Janice Deel - oil & gas  
30 Acres  
Gas 0.26 Ac. 0.23%
- 4 . Lease No.  
Michael & Susan R. Yates - oil & gas  
5 Acres  
Gas 0.47 Ac. 0.42%
- 5 . Lease No. 450271181A/B  
Jimmy B. & Martha J. Kelly - oil & gas  
10 Acres  
Gas 0.23 Ac. 0.20%

180000869

**Exhibit "B"**  
**900120**  
**VGOB-18-0417-4167**

**DEPTH - 5,717'**

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

Penn Virginia Operating Company, LLC  
Mr. John Keith  
Seven Sheridan Square, Suite 400  
Kingsport, TN 37660

Wellmore Energy Company  
Attn: Robert Brendlinger  
P.O. Box 2860  
Grundy, VA 24614-2860

Mullins Land and Mineral  
PO Box 951  
Clintwood, VA 24228

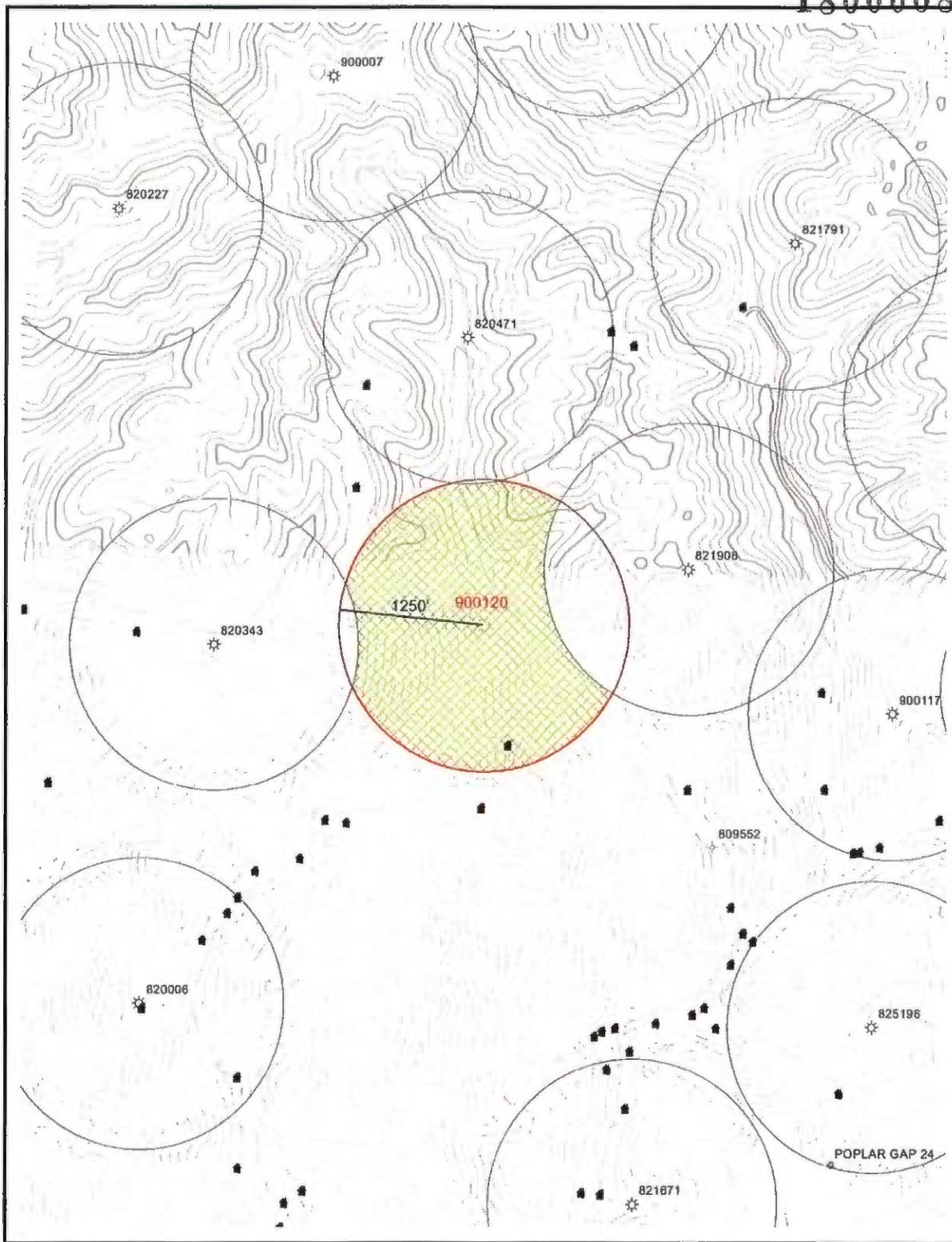
Ronald Anthony & Tina Deel  
1501 Knob Hill Road  
Haysi, VA 24256

Walter & Janice Deel  
4094 Old Greenbriar Road  
Haysi, VA 24256

Michael & Susan Yates  
2425 Old Springs Road  
Haysi, VA 24256

180000869

Jimmy B & Martha J Kelly  
2266 Old Springs Road  
Haysi, VA 24256

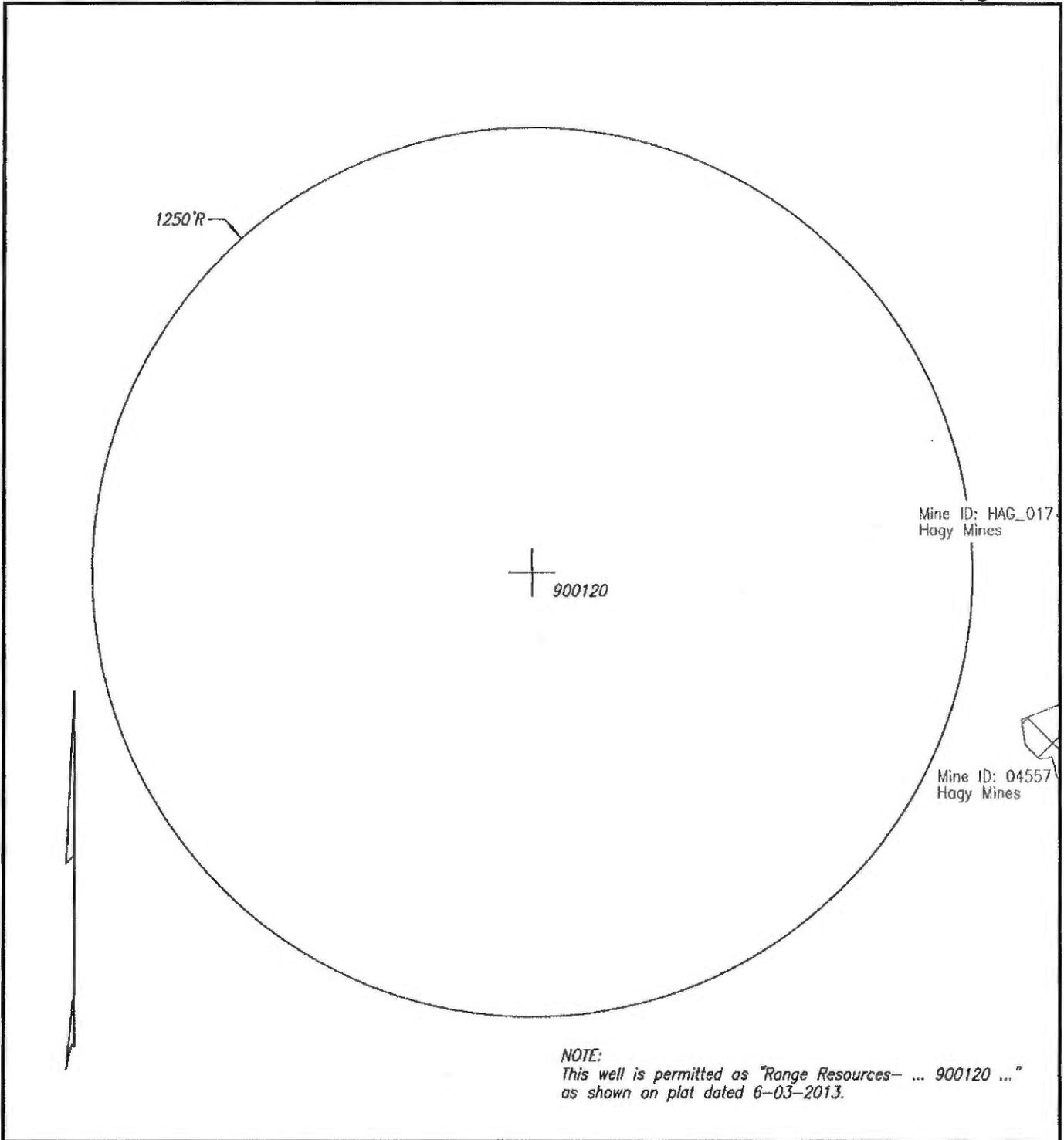


# Exhibit K

EnerVest Operating, LLC.

## 900120 LOCATION EXCEPTION EXHIBIT

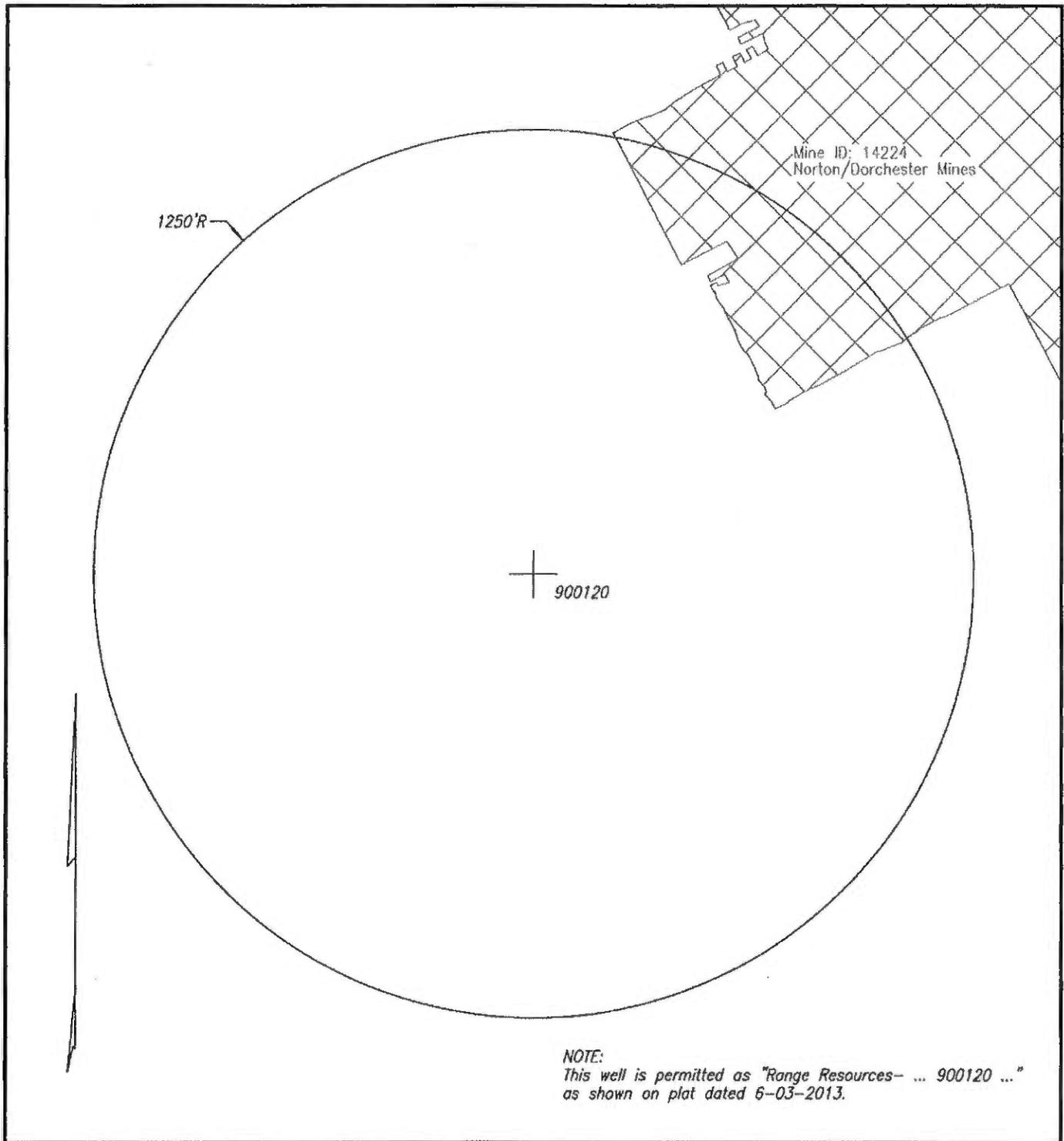
Quad: Prater	Date: 9/12/2017	Drainage Area = 92.69	Scale: 1 inch = 1,000 feet
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WELL & MINE LOCATION MAP NORA GRID S-69

COMPANY EnerVest Operating, LLC WELL NAME AND NUMBER 900120  
 QUADRANGLE Prater PERMIT NO. \_\_\_\_\_ SCALE 1" = 400' DATE 9-12-2017

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

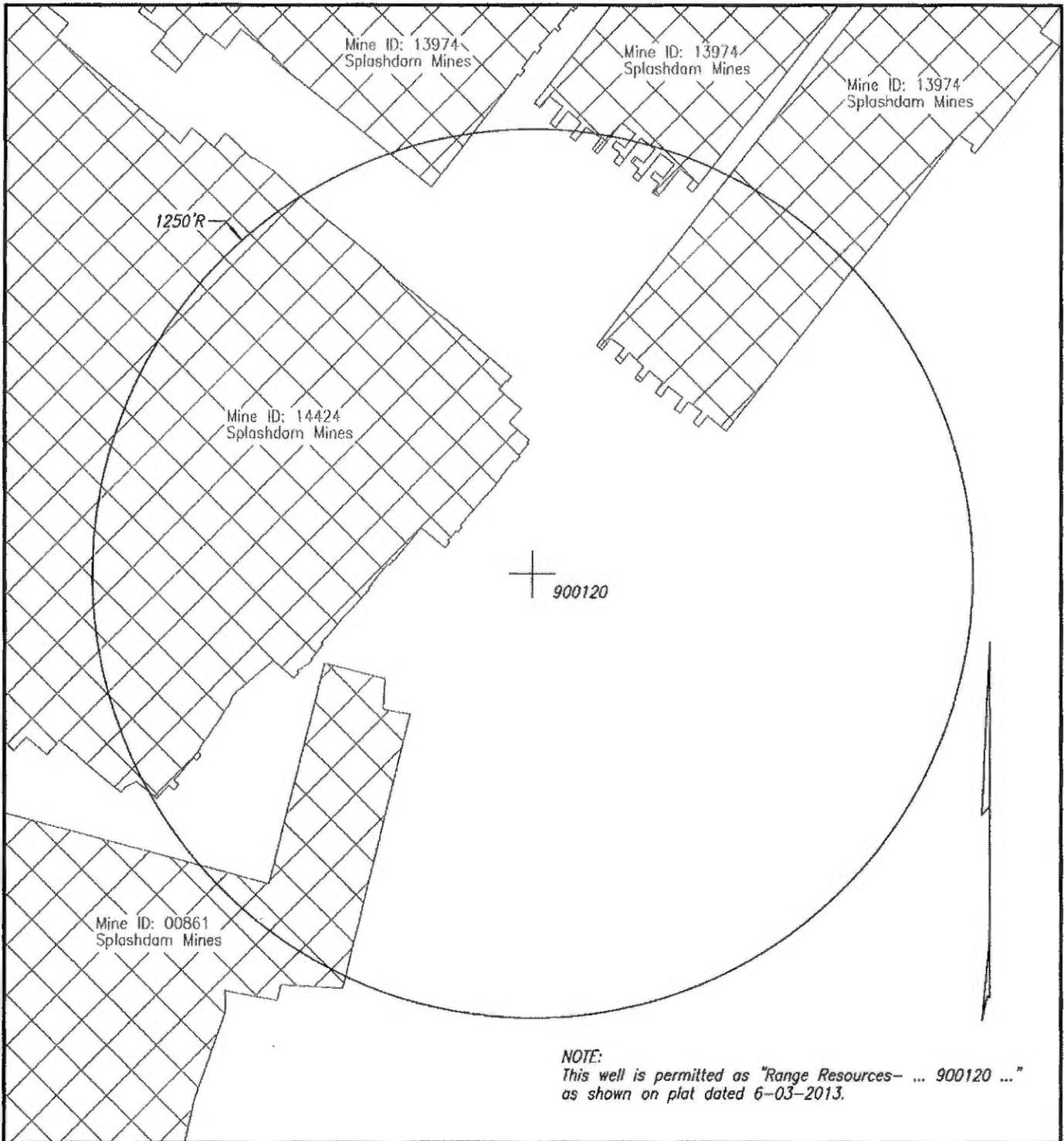


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EXHIBIT L



WELL & MINE LOCATION MAP NORA GRID S-69

COMPANY EnerVest Operating, LLC WELL NAME AND NUMBER 900120  
 QUADRANGLE Prater PERMIT NO. \_\_\_\_\_ SCALE 1" = 400' DATE 9-12-2017

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

EXHIBIT L

180000869

INSTRUMENT 180000869  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY CIRCUIT COURT ON  
May 14, 2018 AT 12:53 PM  
BEVERLY S. TILLER, CLERK  
RECORDED BY: CXE