

Instrument prepared by the Virginia Gas and Oil Board

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: DIVERSIFIED PRODUCTION LLC

Docket No.: VGOB 20-1215-4236

RELIEF SOUGHT: Applicant requests the Virginia Gas and Oil Board to enter an order transferring the right to operate units listed in the application that were established by Board Order, from Nytis Exploration Company, LLC

**ORDER**

Hearing Date and Place: This matter came before the Virginia Gas and Oil Board by virtual call-in hearing at 9:00 a.m. on December 15, 2020.

Appearances: Tim Scott, Attorney with McKinnis & Scott Law Firm, and Seth Long, Landman with Diversified Production, LLC, appeared for the Applicant; and Jerald Hess, Assistant Attorney General, was present to advise the Board.

Diversified Production LLC, petitioned the Virginia Gas & Oil Board for an order transferring to it the right to operate all of the well units noted in Exhibit G of its petition that were established by Board Order from Nytis Exploration Company, LLC, noted in the attached Exhibit of its petition that was established by Board Order from Nytis Exploration Company, LLC.

Instrument prepared by the Virginia Gas and Oil Board

The petition is attached hereto and, for the exhibits referenced, and is incorporated into this order.

Diversified Production, LLC, represented to the Board that they had transferred ownership of the well units noted in the attached Exhibit of the petition.

As this is a voluntary transfer, the Virginia Gas and Oil Board, pursuant to its authority under the Virginia Gas and Oil Act of 1990, §§ 45.1-361.1 *et seq.*, and 4 VA. ADMIN. CODE § 25-160-120(A)(1), hereby GRANTS the petition; and further

ORDERS that Diversified Production, LLC, is now the designated operator for the well units listed in the attached Exhibit of its petition; and further

ORDERS that Nytis Exploration Company, LLC, is no longer the designated operator for the wells.

Effective Date: December 15, 2020

DONE AND EXECUTED this 6 day of January, 2021 by a majority of the Virginia Gas and Oil Board.



Interim Chairman, Donald L. Ratliff

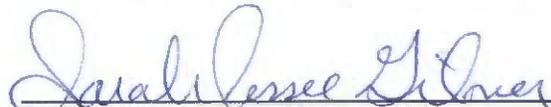
DONE AND PERFORMED this 6 day of January, 2021 by Order of the Virginia Gas and Oil Board.



James P. Skorupa  
Principal Executive to the staff,  
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 6<sup>th</sup> day of January, 2021, personally before me a notary public in and for the Commonwealth of Virginia, appeared Donald L. Ratliff, being duly sworn did depose and say that he is the Interim Chairman of the Virginia Gas and Oil Board and appeared James P. Skorupa, 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**

**APPLICANT:** Diversified Production LLC

**VIRGINIA GAS AND OIL BOARD  
DOCKET NO. VGOB 20-1215-4236**

**RELIEF SOUGHT:** Transfer of Rights to Operate Units

**DESCRIPTION:** See Exhibit G for Specific Description

**APPLICATION**

1. Parties: The Applicant and proposed New Unit Operator is: Diversified Production LLC, whose address for the purpose hereof is: 100 Diversified Way, P.O. Box 3878, Pikeville, KY 41502. The attorney for the applicant is Timothy E. Scott, whose address is 135 West Main Street, Kingsport, TN 37660, Telephone: (423)247-9376. The existing Unit Operator is: Nytis Exploration Company, LLC, whose address for the purpose hereof is: 2480 Fortune Drive, Suite 300, Lexington, KY 40509.
2. Allegation of Facts: Applicant is the owner of the right to develop and produce coalbed methane/natural gas/oil from all the units listed on Exhibit "G" pursuant to a Membership Interest Purchase and Sale Agreement dated April 7, 2020. See Exhibit "F" for written approval of the transfer attached hereto and made a part hereof.
3. Legal Authority: The relief sought by this Application is authorized by 4VAC25-160-120 and 45.1-361.15 of the Code of Virginia.
4. Relief Sought: Applicant requests the Virginia Gas and Oil Board to enter an order transferring the right to operate all units listed in this application that were established by Board Order, from Nytis Exploration Company, LLC to Diversified Production LLC.
5. Attestation: The foregoing Application is true and correct to the best of my knowledge, information, and belief.

Dated this 13<sup>th</sup> day of November 2020.

Diversified Production LLC

By: Seth Long

Seth Long  
Landman  
100 Diversified Way  
P.O. Box 3878  
Pikeville, KY 41502



## DIVERSIFIED GAS & OIL

October 1, 2020

Mr. Rick Cooper, Director  
Division of Gas and Oil  
PO Drawer 159  
Lebanon, VA 24266

RE : Permit Transfers to Diversified Production LLC

Dear Mr. Cooper:

Diversified Production LLC hereby requests transfer of all permits listed on the Exhibit A.

Diversified Production LLC certifies that, to the best of its knowledge, information, and belief, the original and revised plats associated with these wells are correct and accurate for the change of Operator name. Diversified Production LLC is the new Operator of said assets and accepts and assumes all regulatory and statutory liability attached thereto with the Operator change. This includes, but is not limited to, the following plans:  
Emergency Response Plans and Operations Plans.

Copies of all permits are on file in the DGO office in Lebanon, Virginia.

Sincerely,

Rocky Stilwell

Sr. Environmental Coordinator

File #	Well Name/Number	Surface Elev	SP North	SP East	Person Certified	Certified Title	Authorization File Name	EH Plan File Name	Operations Plan File Name	Updated Plan File Name
PL-0030	GASPT PL 150	0	1620442.8200	367296.5300	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PL-0030 Cabot PL 150 Pipeline Map.pdf
PL-0042	VA-2 VA-3, VA-4	2400	1033883.3100	863582.7700	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PL-0062 VA-2, VA-3, VA-4 Pipeline Permit File 41.pdf
PL-0049	VA-8	0	1030877.0700	364407.0000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	VA-8 Pipeline Map.pdf
PL-0080	ULS PIPELINE	2100	1030877.0700	365237.5900	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	COGC HS-Pipeline Map-DGO.pdf
PL-0091	PHC A-3 PIPELINE	2015.02	1031841.6200	3635908.2800	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PHC A-3 Pipeline Map.pdf
PL-0093	PHC A-3 PIPELINE	2095.89	1031841.6200	3638446.1800	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PHC A-3 Pipeline Map.pdf
PL-0094	PHC A-3 PIPELINE	2550.31	1031744.1200	3639384.8200	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PHC A-3 Pipeline Map.pdf
PL-0098	Existing PL-1 Pipeline Map.pdf	0	1041180.0000	3628975.5500	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	Existing PL-1 Pipeline Map.pdf
PL-0099	COGC PIPELINE	0	1040418.0000	3610453.0000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	COGC Pipeline Map-BGO.pdf
PL-0100	CR 18 CR-20 PL	0	1038242.7800 / 1038433.3200 / 1036086.7700 /	3604187.0400 / 3633046.3200 / 3637392.5500 /	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CR-19 & CR-20 PL Pipeline Map.pdf
PL-0214	COGC #20 PIPELINE	2600	1043216.4200	3612111.91000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PL-02614 COGC #20 Pipeline Map.pdf
PL-0262	COGC #20 PIPELINE	2465.16	1043216.4200	3594019.47000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	COGC #20A Pipeline Map-DGO.pdf
PL-0174	BERNARD LAND 228 PL	2913.32	1042984.8100	3627482.08000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	Bernard Land 228 PL Pipeline Map-DGO.pdf
PL-0180	REPAIR PIPELINE	2967.57	1042984.8100	3627484.40000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	Revised Land 227 PL Pipeline Map-DGO.pdf
PL-0092	R. Jewell #1	2476.52	1042482.7700	3657171.77000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	RF-CBM-2.pdf
PL-0201	AB JEWELL #1 WFL	2100	1037897.0700	3652737.58000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	R. Jewell #1.pdf
PL-0202	AS JEWELL #2 WFL	2300	1040181.0000	3657937.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	A.B. Jewell #1.pdf
PL-0203	LB BREEDING	2062.78	1041103.0000	3640586.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	1-8 Breeding.pdf
PL-0205	PHC #1	2457.1	1041623.2000	3641604.82000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PHC #9.pdf
PL-0207	PHC #1	2259.58	1040539.8000	3643975.58000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PHC A-3.pdf
PL-0210	PHC #3	2093.89	1035568.8100	3648446.13600	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PHC A-3.pdf
PL-0211	PHC #3	2014.79	1035568.8100	3645967.79200	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PHC A-5.pdf
PL-0183	PHC #4	2530.31	1041744.4200	3640873.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	PHC A-4.pdf
PL-0208	Big Vein #1 (PL-24)	2548.57	1042975.0000	3649463.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	Big Vein #1 (PL-24).pdf
PL-0209	Big Vein #2 (PL-24)	1477.1	1042975.0000	3598226.30000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	Big Vein #2 (PL-24).pdf
PL-0212	CONDO-RAY #1	2467.78	1044882.4200	3643423.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON - Ray #1.pdf
PL-0204	CONDO-RAY #2	2317.54	1041737.8300	3603797.50000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON - Ray #2.pdf
PL-0206	CONDO-RAY #3	2352.5	1043010.0000	3606014.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON - Ray #3.pdf
PL-0207	CONDO-RAY #4	2699.6	1043010.0000	3599994.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON - Ray No.4.pdf
PL-0208	CONDO-RAY #5	2764.9	1043010.0000	3608713.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON - Ray No.5.pdf
PL-0209	CONDO-RAY #6	2395.5	1043010.0000	3603004.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON - Ray No.6.pdf
PL-0210	CONDO-RAY #7	2244.2	1043010.0000	3598226.30000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON - Ray No.7.pdf
PL-0211	CONDO-RAY #8	2472.5	1043010.0000	3604916.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON - Ray No.8.pdf
PL-0212	CONDO-RAY #9	2539.37	1043010.0000	3601887.64000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON - Ray #9.pdf
PL-0213	CONDO-RAY #10	2479.9	1043010.0000	3598334.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	Youngstown No.1.pdf
PL-0214	CONDO-RAY #11	2862	1043010.0000	3611953.37000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	Youngstown No.1.pdf
PL-0215	CONDO-RAY #12	2414.94	1043010.0000	3607816.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.4.pdf
PL-0216	CONDO-RAY #13	2699.19	1043010.0000	3607623.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.5.pdf
PL-0217	CONDO-RAY #14	2196.34	1043010.0000	3604953.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.6.pdf
PL-0218	CONDO-RAY #15	2903.32	1043010.0000	3604064.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.7.pdf
PL-0219	CONDO-RAY #16	2976.46	1043010.0000	3607231.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.8.pdf
PL-0220	CONDO-RAY #17	2650.72	1043010.0000	3595643.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.9.pdf
PL-0221	CONDO-RAY #18	2603.38	1043010.0000	3605127.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.10.pdf
PL-0222	CONDO-RAY #19	2731.76	1043010.0000	3605610.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.11.pdf
PL-0223	CONDO-RAY #20	2350.65	1043010.0000	3595773.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.12.pdf
PL-0224	CONDO-RAY #21	2496.16	1043010.0000	3597802.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.13.pdf
PL-0225	CONDO-RAY #22	3990.61	1043010.0000	3561840.04000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.14.pdf
PL-0226	CONDO-RAY #23	2621.52	1043010.0000	3614655.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.15.pdf
PL-0227	CONDO-RAY #24	2913.32	1043010.0000	3617482.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.16.pdf
PL-0228	CONDO-RAY #25	2279.35	1043010.0000	3600049.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.17.pdf
PL-0229	CONDO-RAY #26	2465.17	1043010.0000	3619398.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.18.pdf
PL-0230	CONDO-RAY #27	2727.35	1043010.0000	3611840.04000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.19.pdf
PL-0231	CONDO-RAY #28	2960.6	1043010.0000	3562067.67000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.20.pdf
PL-0232	CONDO-RAY #29	2042.98	1043010.0000	3625246.17400	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.21.pdf
PL-0233	CONDO-RAY #30	2078.39	1043010.0000	3624855.00000	Joey Stumbo	Vice President Operations	Diversified_Authorization.pdf	EmergencyPlanDiversified.pdf	OperationsPlanDiversified 9.14.2020.pdf	CON No.22.pdf

## Nytis Exploration Company, LLC to Diversified Production, LLC Board

VGOB Docket #	Unit Name	File #	Effective Dt	Petition Type
96-07/16-0546	COGC #2	TA-0044	8/8/1996	Pooling Order
96-07/16-0546	COGC #2	TA-0044	8/8/1996	Supplemental Order
96-07/16-0547	COGC #1	TA-0043	8/20/1996	Supplemental Order
96-07/16-0547	COGC #1	TA-0043	8/20/1996	Pooling Order
97-05/20-0584	COGC #34	TA-0052	5/20/1997	Pooling Order
97-05/20-0584	COGC #34	TA-0052	5/20/1997	Supplemental Order
98-09/15-0686	PMC A-4	BU-1493	9/15/1998	Pooling Order
98-09/15-0686	PMC A-4	BU-1493	9/15/1998	Supplemental Order
98-11/17-0700	BERWIND #25	TA-0110	11/17/1998	Supplemental Order
98-11/17-0700	BERWIND #25	TA-0110	11/17/1998	Pooling Order
99-01/26-0708	BERWIND #23R	TA-0109	4/20/1999	Pooling Order
99-01/26-0708	BERWIND #23R	TA-0109	4/20/1999	Supplemental Order
99-10/19-0759	COGC #40	TA-0137	10/19/1999	Supplemental Order
99-10/19-0759	COGC #40	TA-0137	10/19/1999	Pooling Order