

VIRGINIA:

BEFORE THE VIRGINIA DEPARTMENT OF ENERGY

APPLICANT:	KEYROCK ENERGY, LLC)	VIRGINIA GAS
)	AND OIL BOARD
RELIEF SOUGHT	EXCEPTION TO STATEWIDE)	
	SPACING LIMITATIONS PRESCRIBED)	DOCKET NO.
	BY § 45.2-1616 (B) (1) of the Code of)	VGOB 22-1115-4253
	Virginia for WELL NO. KEYROCK #5)	
	(herein "Subject Drilling Unit"))	
)	
)	
	DRILLING UNIT SERVED BY WELL)	
	NUMBERED KEYROCK #5)	
	TO BE DRILLED IN THE LOCATION)	
	DEPICTED ON EXHIBIT A HERETO,)	
	JOSHUA PRESSLEY 951.73 ACRE TRACT)	
	NORA QUADRANGLE)	
	ERVINTON 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 for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 10:00 a.m. on February 21, 2023, at 3405 Mountain Empire Road, Big Stone Gap, Virginia.
2. **APPEARANCES:** Freddie E. Mullins appeared for the Applicant.
3. **JURISDICTION AND NOTICE:** Pursuant to §§ 45.2-1600 *et seq.* of the Code of Virginia, 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 § 45.2-1618 of the Code of Virginia to notice of this application. Further, the Board has caused notice of this hearing to be published as required by § 45.2-1618 of the Code of Virginia. 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 § 45.2-1616 (B)(1) of the Code of Virginia for Well No. Keyrock #5.
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. Keyrock #5 which is 980 feet from EnerVest Operating, LLC, Well No. VC-3971 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 Keyrock Energy, LLC. Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
 - 8.2. Applicant Keyrock Energy, 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 Coalbed Methane Leases of Subject Drilling Unit and the right to explore for, develop and produce Gas from Well No. Keyrock #5.
 - 8.4. The proposed Well No. Keyrock #5 is located on the Joshua Pressley 951.73 Acre Tract and the coal, gas and oil owners have consented to the proposed location for Well No. Keyrock #5 that is depicted on the Plat attached hereto as Exhibit A;
 - 8.5. An exception to the well spacing requirements of § 45.2-1616(B)(1) of the Code of Virginia for Well No. Keyrock #5 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 an as yet undetermined quantum of coalbed methane gas from the Mined Out Jawbone Coal Seam in the Contura Deep Mine 41 underlying the Subject Drilling Unit, and to generally effect the purposes of the Virginia Gas and Oil Act;
 - 8.6. Applicant proposes the drilling of Well No. Keyrock #5 to a depth of 803 feet on the Subject Drilling Unit at the location depicted on Exhibit A to explore for coalbed methane gas from the Mined Out Jawbone Coal Seam in the Contura Deep Mine 41 underlying the Subject Drilling Unit;
 - 8.7. Applicant proposes to drill Well No. Keyrock #5 20 feet closer to EnerVest Well No. VC-3971 than the 1000 feet mandated by statewide spacing;
 - 8.8. Applicant proposes to complete and operate Well No. Keyrock #5 for the purpose of combusting coalbed methane gas to generate carbon credits for sale on the open market;
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 §45.2-1609 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, found in §2.2-4000 *et seq.*, of the Code of Virginia 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 March, 2023 by a majority of the Virginia Gas and Oil Board.

Interim Chairman, Donald L. Ratliff

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 10th day of March, 2023, 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, that he executed the same and was authorized to do so.

Sarah Jessee Gilmer, Notary Public
262946



My Commission expires: July 31, 2025

DONE AND PERFORMED this 13 day of March, 2023 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 13th day of March, 2023, personally before me a notary public in and for the Commonwealth of Virginia, appeared James P. Skorupa, 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, Notary Public
262946

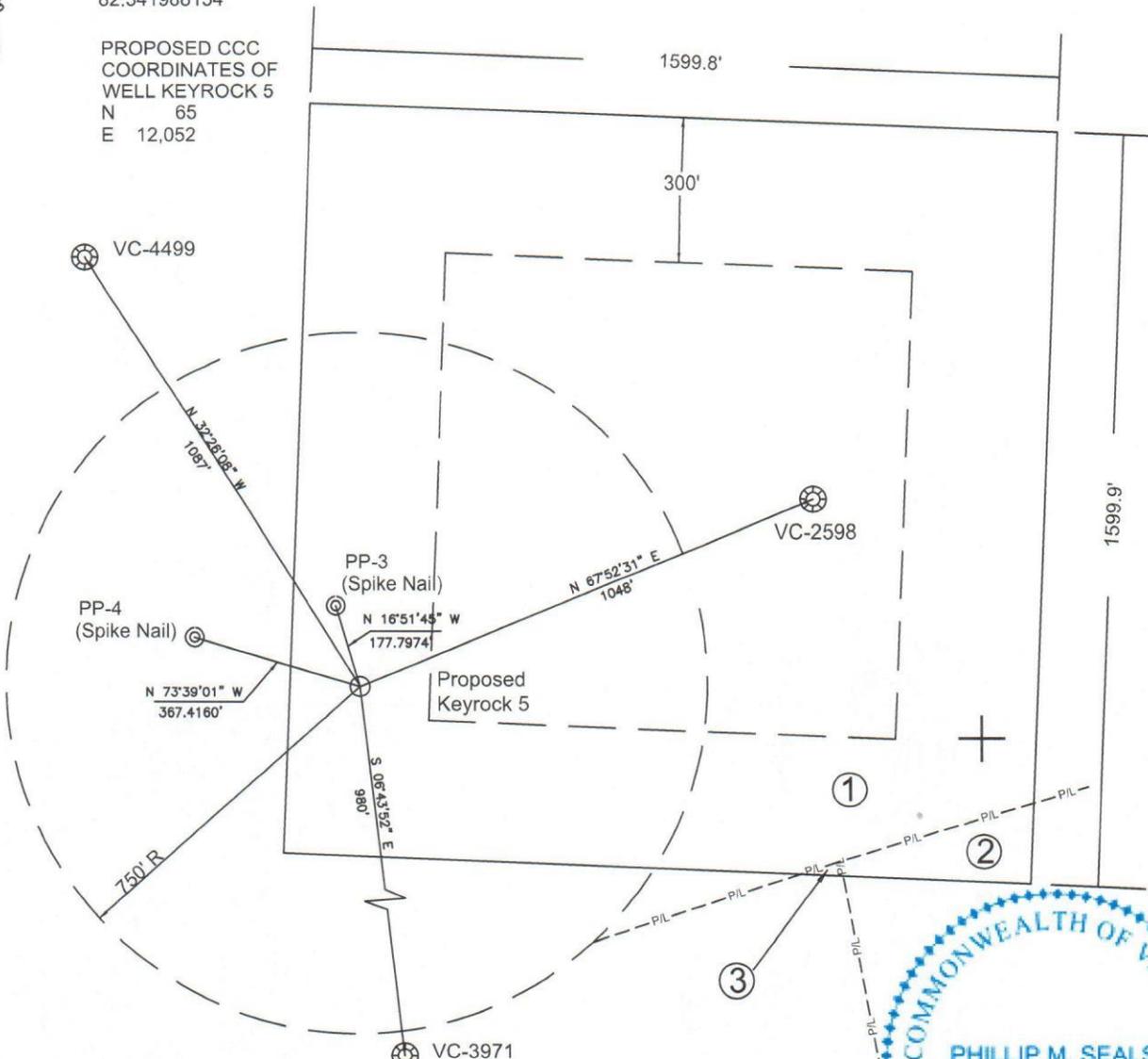


My Commission expires: July 31, 2025

EXHIBIT A

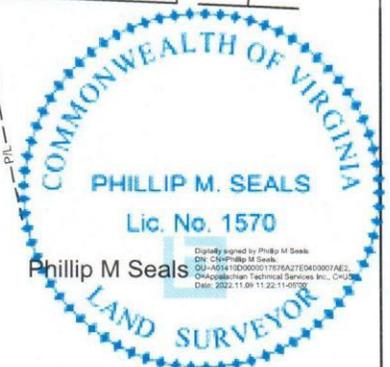
PROPOSED LAT. & LONG.
(NAD 83 DECIMAL DEGREES)
OF KEYROCK 5
37.100233538
82.341988154

PROPOSED CCC
COORDINATES OF
WELL KEYROCK 5
N 65
E 12,052



NOTE:

ELEVATIONS WERE DETERMINED BY GPS & TRIGONOMETRIC METHODS BASED ON CORS STATION VABG.
 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 KEYROCK ENERGY, LLC
 THE WELL WILL BE DRILLED WITHIN 10 (TEN) FEET OF THE PERMITTED COORDINATES.
 THE POSITIONS OF EXISTING OFFSET WELLS WERE TAKEN FROM PLATS IN THE DGO FILES.



WELL LOCATION PLAT (Nora Grid BA-45)

COMPANY Keyrock Energy LLC WELL NAME OR NUMBER KEYROCK 5
 TRACT NO. T-101 QUADRANGLE NORA
 DISTRICT Ervinton
 WELL COORDINATES (VIRGINIA STATE PLANE 83) N 3,582,849.29 E 10,362,764.22
 ELEVATION 1,989.69 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.
 COUNTY Dickenson SCALE: 1" = 400' DATE 9-19-2022
 THIS PLAT IS A NEW PLAT ; AN UPDATED PLAT ; 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.

Phillip M Seals

 LICENSED LAND SURVEYOR

EXHIBIT PL-1

Property Ownership Information for Well # KEYROCK 5

TRACT IDENTIFICATION

①

T-101
 JOSHUA PRESSLEY
 951.73 AC.
 CF HIGHLANDS LLC -Surface
 ACIN LLC - coal
 PARAMONT CONTURA, LLC - coal lessee
 WBRD LLC - coal
 DICKENSON-RUSSELL CONTURA, LLC- coal lessee
 ENERVEST XIV-A NORA LLC
 ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &
 ENERVEST XIV-WIC NORA LLC
 1/4 interest oil, gas (cbm)
 GAS 57.77AC. 98.31 %

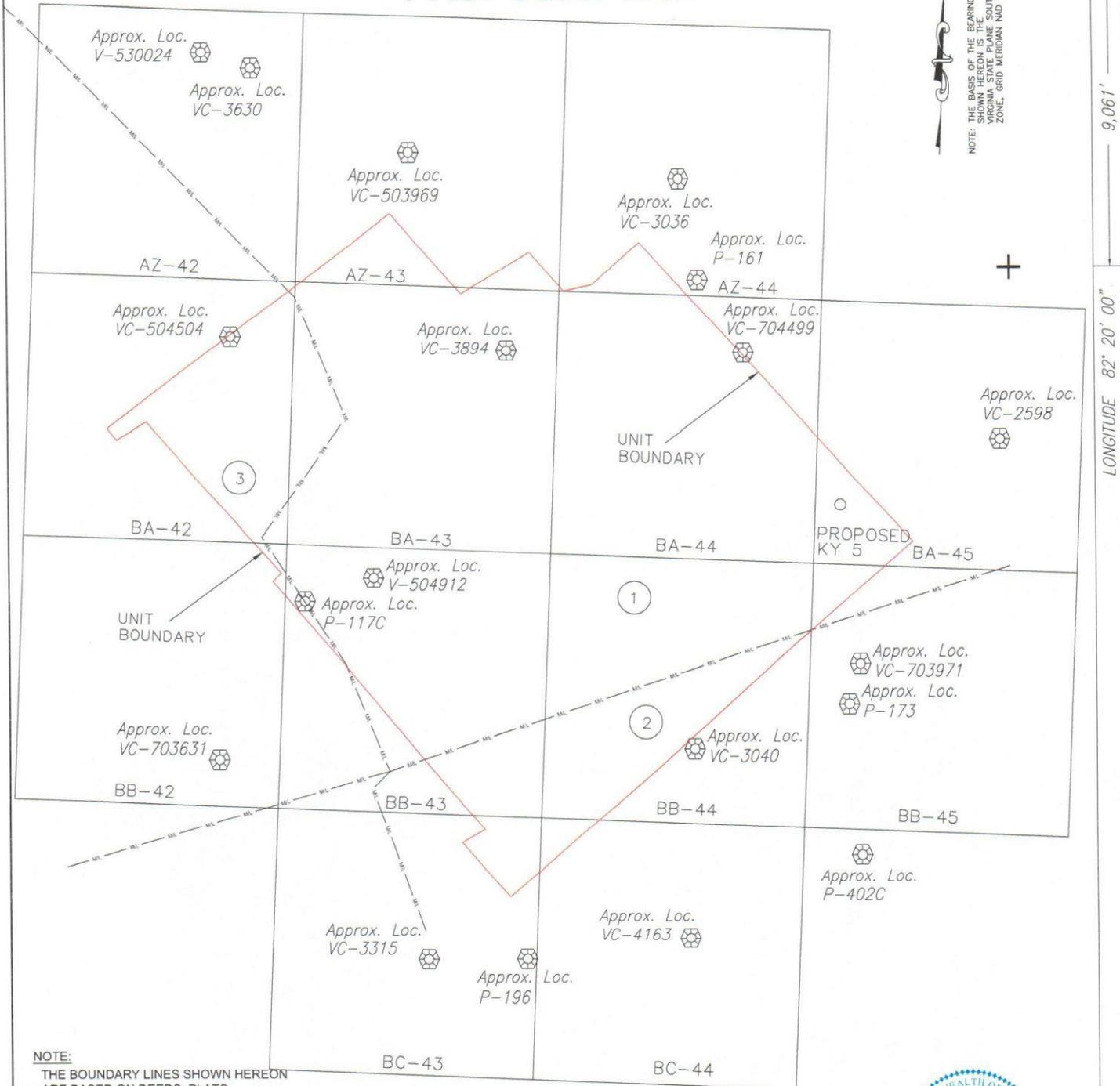
②

TRACT NO. T-7
 G. M. BLAIR
 280.00 ACRES
 ACIN LLC - coal
 PARAMONT CONTURA, LLC - coal lessee
 WBRD LLC - coal
 DICKENSON-RUSSELL CONTURA, LLC- coal lessee
 ENERVEST XIV-A NORA LLC
 ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &
 ENERVEST XIV-WIC NORA LLC
 1/4 interest oil, gas (cbm)
 GAS 0.97AC. 1.64 %

③

T-186
 NOAH A. SKEEN
 327.39 ACRES
 ACIN LLC - coal
 PARAMONT CONTURA, LLC - coal lessee
 WBRD LLC - coal
 DICKENSON-RUSSELL CONTURA, LLC- coal lessee
 ENERVEST XIV-A NORA LLC
 ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &
 ENERVEST XIV-WIC NORA LLC
 1/4 interest oil, gas (cbm)
 GAS 0.03 AC. 0.05 %

PROPOSED UNIT



NOTE: THE BASIS OF THE BEARINGS SHOWN HEREON IS THE VIRGINIA STATE PLANE SOUTH ZONE, GRID MERIDIAN NAD 83

LONGITUDE 82° 20' 00"

NOTE:
 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 KEYROCK ENERGY LLC. THE WELL WILL BE DRILLED WITHIN 10 (TEN) FEET OF THE PERMITTED COORDINATES. EXISTING WELL POSITIONS WERE TAKEN FROM PLATS IN THE DGO FILES. SEE ATTACHED EXHIBIT PL-1 FOR TRACT OWNERSHIP SCHEDULE.



TOTAL UNIT AREA = 234.30 ACRES

WELL LOCATION PLAT (Nora Grid N/A) DGO FILE NO.: Unknown At This Time

COMPANY Keyrock Energy LLC WELL NAME OR NUMBER KY 5
 TRACT NO. T2-101 QUADRANGLE Nora
 DISTRICT Ervington
 WELL COORDINATES (VIRGINIA STATE PLANE 83) N 3,582.89.29 E 10,362.764.22
 ELEVATION 1,989.69 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.
 COUNTY Dickenson SCALE: 1" = 400' DATE 9-19-2022
 THIS PLAT IS A NEW PLAT X; AN UPDATED PLAT ; 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.

EXHIBIT PL-1

Property Ownership Information for Keyrock 5
09-19-2022

TRACT IDENTIFICATION

①

T-101
Joshua Pressley
951.73 ACRES
C. F. Highlands - Surface
ACIN LLC - coal
PARAMONT CONTURA, LLC - coal lessee
WBRD LLC - coal
DICKENSON-RUSSELL CONTURA, LLC- coal lessee
ENERVEST XIV-A NORA LLC
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &
ENERVEST XIV-WIC NORA LLC
oil, gas & cbm

Keyrock Energy - cbm lessee

GAS 182.20 AC. 77.76%

②

T-186
Noah A. Skeen
327.39 ACRES
ACIN LLC - coal
PARAMONT CONTURA, LLC - coal lessee
WBRD LLC - coal
DICKENSON-RUSSELL CONTURA, LLC- coal lessee
ENERVEST XIV-A NORA LLC
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &
ENERVEST XIV-WIC NORA LLC
oil, gas & cbm

Keyrock Energy - cbm lessee

GAS 27.50 AC. 11.74%

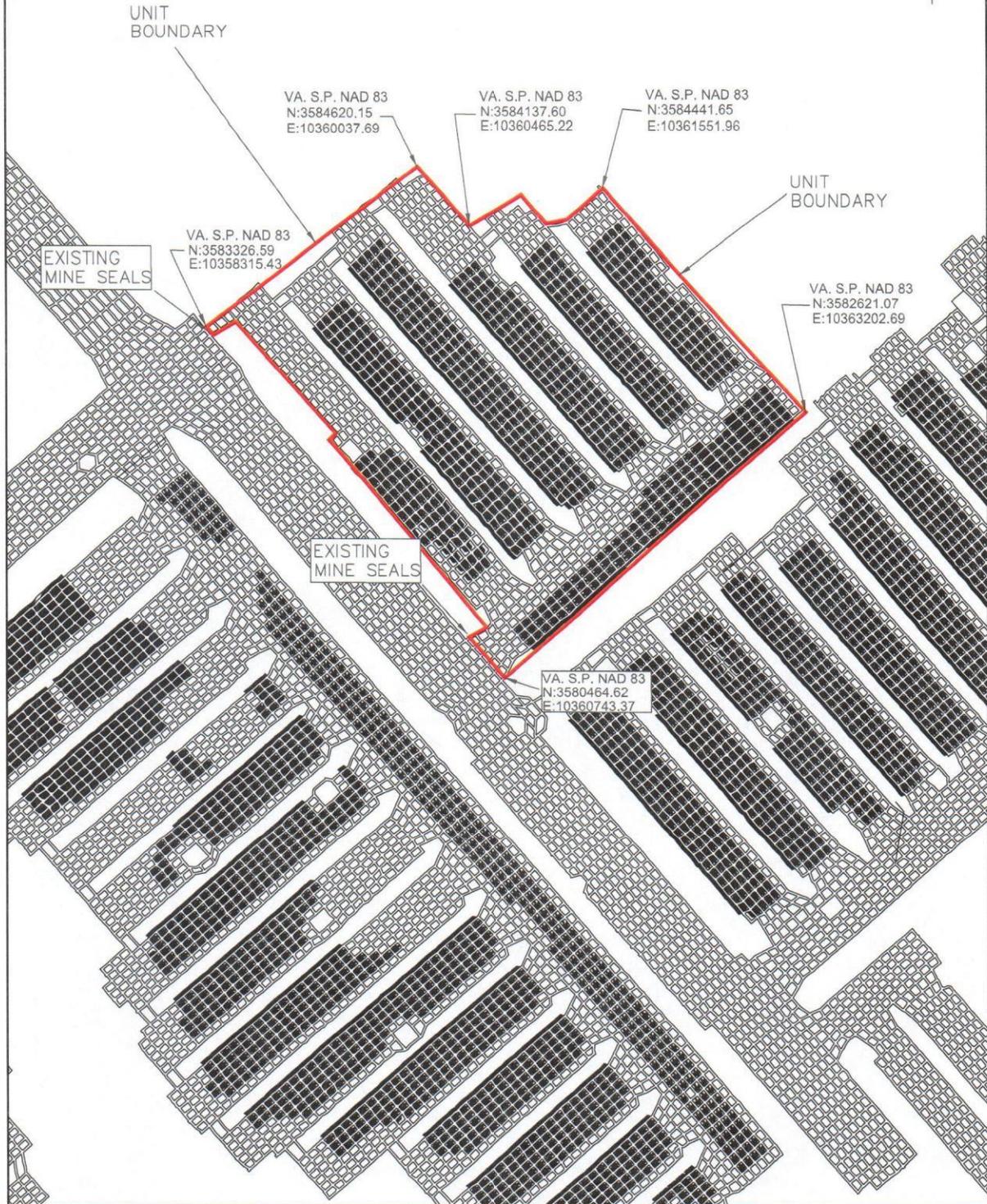
③

T-129
Jasper Sutherland
641 ACRES
ACIN LLC - coal
PARAMONT CONTURA, LLC - coal lessee
WBRD LLC - coal
DICKENSON-RUSSELL CONTURA, LLC- coal lessee
ENERVEST XIV-A NORA LLC
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &
ENERVEST XIV-WIC NORA LLC
oil, gas & cbm

Keyrock Energy - cbm lessee

GAS 24.60 AC. 10.50%

NOTE:
Mine Works shown as
provided by Alpha
Metallurgical Resources



Appalachian Technical Services, Inc.
Engineering, Architecture, Surveying, Ecology & Environmental Science

Abingdon Office
P.O. Box 1897
475 Third Main Street
Abingdon, VA 24212
(276) 676-4262

Wise Office
P.O. Box 3537
874 Indian Creek Road
Wise, VA 24293
(276) 338-4200

KEYROCK ENERGY LLC

**DEEP MINE 41 UNDERGROUND
MINE MAP KY5
EXHIBIT L**

Designed By: JMC	Drawn By: JMC	Checked By: PMS	Date: 10/14/22
Project Number: 1892.01	Scale: 1" = 800'	Coordinate System: NORA VA NAD 83 South Zone	
Drawing Name: Mineworks Only 24x36 With Well Units 10-14-22			01
Sheet/Layout: KY5 EXHIBIT L 11X17			01

Exhibit B
Unit # KY 5
VGOB Docket # 22-1115-4253
List of all Owners/Claimants
(234.30 Acre Unit)

	<u>Acres in Unit</u>	<u>Interest in Unit</u>
<u>Tract #T-101; Joshua Presley (951.73 Acres)</u>		
(1) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM 1001 Fannin Street Ste 800 Houston, TX 77002	182.20 acres	77.76 %
<u>Tract #T-186; Noah A. Skeen (327.39 Acres)</u>		
(1) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - 1001 Fannin Street Ste 800 Houston, TX 77002	27.50 acres	11.74 %
<u>Tract #T-129; Jasper Sutherland (641 Acres)</u>		
(1) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - 1001 Fannin Street Ste 800 Houston, TX 77002	24.60 acres	10.50 %

MEMORANDUM OF PAID UP METHANE GAS LEASE

ENERVEST XIV-A NORA LLC (50.10494%), ENERVEST ENERGY INSTITUTIONAL FUND XIV-A1, LP. (15.0000%) and ENERVEST XIV-WIC NORA LLC (34.89506%), each a Delaware limited partnership c/o EnerVest Operating, L.L.C. (herein called "Lessor"), whose address is 408 W. Main Street, Abingdon, VA 24210, and Keyrack Energy LLC (herein called "Lessee"), whose address is 207 E. Main Street, Suite 2-D, Johnson City, Tennessee 37605, hereby acknowledge and give notice that Lessor has executed and delivered to Lessee a Paid Up Methane Lease (herein after "Lease") under date of January 12th, 2022, covering the premises situated between the waters of the Buffalo Creek and Caney Creeks of Dickenson County, Virginia, commonly known as Deep Mine 41, to wit:

See attached Exhibit A for map of leased premise.

Said Lease provides for a primary term of three (3) years from January 12, 2022, and as long thereafter as CBM is produced in paying quantities from the lands covered by the Lease, or said Lease is maintained in force in any other manner therein provided. An executed copy of said Lease is in the possession of both Lessor and Lessee, and said Lease with all of its terms, covenants and provisions, is incorporated herein by reference and made a part hereof for all purposes.

The purpose of this Memorandum of Paid Up Methane Gas Lease is to evidence the existence of said Lease, and this Memorandum is given in lieu of filing said Lease in full for record with the office of the Recorder in the county or counties in which said Land is located.

This instrument may be executed in counterparts, which can be combined in one or more instruments for recordation.

IN WITNESS WHEREOF this instrument is executed on this 19th day of January 2022, but to be effective January 12, 2022.

LESSOR:

LESSEE

EnerVest Operating, L.L.C.

Keyrack Energy, LLC

By: [Signature]

[Signature]

Its: Walter R. Schmitt = Local

managing Director

Lessors:

Enervest Operating, LLC

By: Kevin Miller

Name: Kevin Miller

Title: Vice President – Land

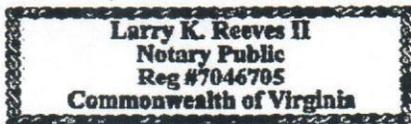
*Enervest Operating, LLC as agent for Enervest XIV-A Nora LLC, Enervest XIV-WIC Nora LLC, & Enervest Energy Institutional Fund XIV-A1, L.P.

Acknowledgement

COMMONWEALTH OF VIRGINIA)

COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this 19th day of January, 2022 by Kevin Miller, as the Vice President – Land of Enervest Operating, LLC, as agent and attorney-in-fact for Enervest XIV-A Nora LLC, Enervest XIV-WIC Nora LLC, & Enervest Energy Institutional Fund XIV-A1, L.P. on behalf of the limited partnerships.



[Signature]
Notary Public

My Commission Expires: November 30, 2023

Lessee

Keyrock Energy LLC

By: Mark Allaman

Name: Mark Allaman

Title: Managing Director

ACKNOWLEDGEMENT

STATE OF PENNSYLVANIA

)

) S

COUNTY OF BUTLER

)

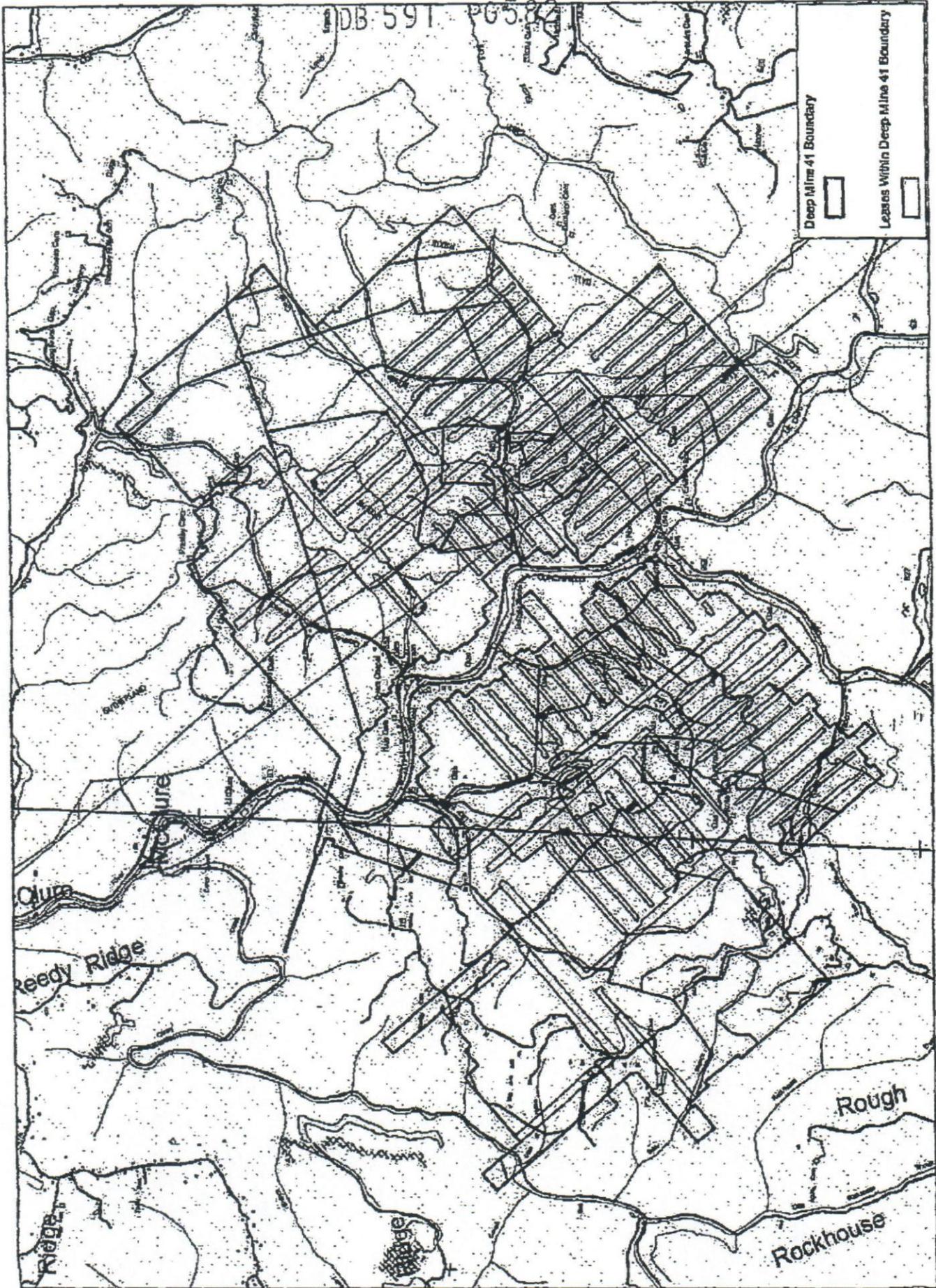
Venango

The foregoing instrument was acknowledged before me this 31st day of January, 2022 by Mark Allaman, as Managing Director of KEYROCK ENERGY, LLC, on behalf of the Limited Liability Company.

My Commission Expires: 12.17.22

Commonwealth of Pennsylvania - Notary Seal Katie Marie Sottiaux, Notary Public Venango County My commission expires December 17, 2022 Commission number 1342247 Member, Pennsylvania Association of Notaries

Exhibit "A"



DB 602 PG453

DB 591 PG583

INSTRUMENT 230000291
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON CIRCUIT COURT ON
MARCH 29, 2023 AT 11:56 AM
RICHARD W. EDWARDS, CLERK
RECORDED BY: SHM

INSTRUMENT 220000155
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON CIRCUIT COURT ON
FEBRUARY 15, 2022 AT 02:39 PM
RICHARD W. EDWARDS, CLERK
RECORDED BY: TJB