

This order is being re-recorded to correct a clerical error in the Notary Clause.

DB 622 PG 119

DB 630 PG 420

VIRGINIA:

BEFORE THE VIRGINIA DEPARTMENT OF ENERGY

APPLICANT:	KEYROCK ENERGY, LLC	)	VIRGINIA GAS AND OIL BOARD
RELIEF SOUGHT:	EXCEPTION TO STATEWIDE SPACING LIMITATIONS PRESCRIBED BY § 45.2-1616 (B) (1) of the Code of Virginia for WELL NO. KEYROCK DM 26 BLUE JAY #1 (herein "Subject Drilling Unit")	)	DOCKET NO. VGOB 25-0218-4303
	DRILLING UNIT SERVED BY WELL NUMBERED KEYROCK DM 26 BLUE JAY #1 TO BE DRILLED IN THE LOCATION DEPICTED ON EXHIBIT A HERETO, TC-77 R. L. PHIPPS TRACT, POUND QUADRANGLE KENADY 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 18, 2025, 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 DM 26 Blue Jay #1.
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 DM 26 Blue Jay #1 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 DM 26 Blue Jay #1.
  - 8.4. An exception to the well spacing requirements of § 45.2-1616(B)(1) of the Code of Virginia for Well No. Keyrock DM 26 Blue Jay #1 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 Lower Banner Coal Seam in the Contura Deep Mine 26 underlying the Subject Drilling Unit, and to generally effect the purposes of the Virginia Gas and Oil Act;
  - 8.5. Applicant proposes the drilling of Well No. Keyrock DM 26 Blue Jay #1 to a depth of 384 feet on the Subject Drilling Unit at the location depicted on Exhibit A to explore for coalbed methane gas from the Mined Out Lower Banner Coal Seam in the Contura Deep Mine 26 underlying the Subject Drilling Unit;
  - 8.6. Applicant proposes to drill Well No. Keyrock DM 26 Blue Jay #1 which lies 311 feet from Keyrock Energy, LLC, Well No. M-26-1 which is less than the 1000 feet mandated by statewide spacing;
  - 8.7. Applicant proposes to drill Well No. Keyrock DM 26 Blue Jay #1 which lies 383 feet from Keyrock Energy, LLC, Well No. DM-26 Slope Drain Vent Pipe which is less than the 1000 feet mandated by statewide spacing;
  - 8.8. Applicant proposes to complete and operate Well No. Keyrock DM 26 Blue Jay #1 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 27 day of February, 2025 by a majority of the Virginia Gas and Oil Board.

*Gus W. Janson*

Interim Chairman, Gus W. Janson

DONE AND PERFORMED this 27 day of February, 2025 by Order of the Virginia Gas and Oil Board.

*James P. Skorupa*

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

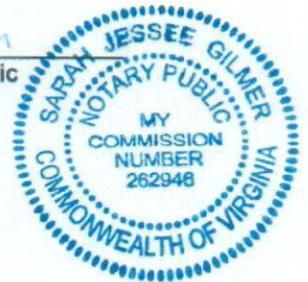
COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 27<sup>th</sup> day of February, 2025, personally before me a notary public in and for the Commonwealth of Virginia, appeared Donald L. Rattiff, being duly sworn did depose and say that he is the <sup>2-23-26</sup> ~~interim~~ Chairman of the Virginia Gas and Oil Board and 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. *Gus W. Janson* *2-23-26*

*Sarah Jessee Gilmer*

Sarah Jessee Gilmer, Notary Public  
262946

My Commission expires: July 31, 2025



*Sarah Jessee Gilmer* *2-23-26*



LATITUDE 37° 07' 30"

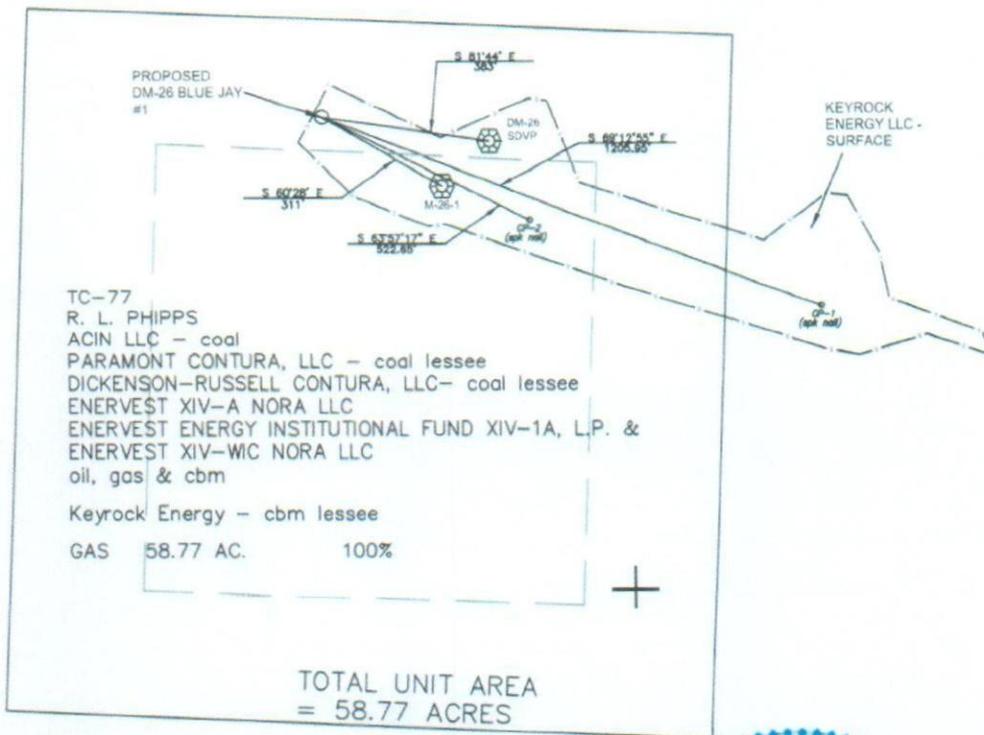
4,521'

**EXHIBIT A**

Well Coordinates: (VA St. Plane S. Zone,  
NAD 27 Calculated from NAD 83)  
N 303,489.74' E 829,125.67'

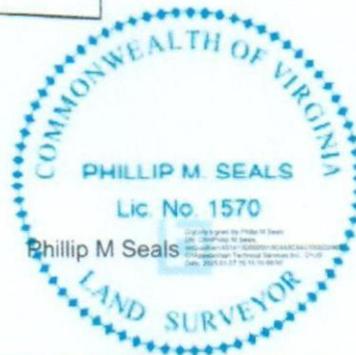
Well Coordinates: (Geographic NAD 83)  
LAT: 37.098606° LONG: 82.515747°

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



**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.



9,696'

LONGITUDE 82° 30' 00"

**WELL LOCATION PLAT (Nora Grid BB-13)**

COMPANY Keyrock Energy LLC WELL NAME OR NUMBER DM 26 BLUE JAY #1

TRACT NO. Enervest QUADRANGLE POUND

DISTRICT Kenady

WELL COORDINATES (VIRGINIA STATE PLANE 83) N 3,584,365.76 E 10,312,108.73

ELEVATION 1,629.38 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.

COUNTY Dickenson SCALE: 1" = 400' DATE 1-07-25

THIS PLAT IS A NEW PLAT  ; AN UPDATED PLAT  ; OR A FINAL LOCATION PLAT

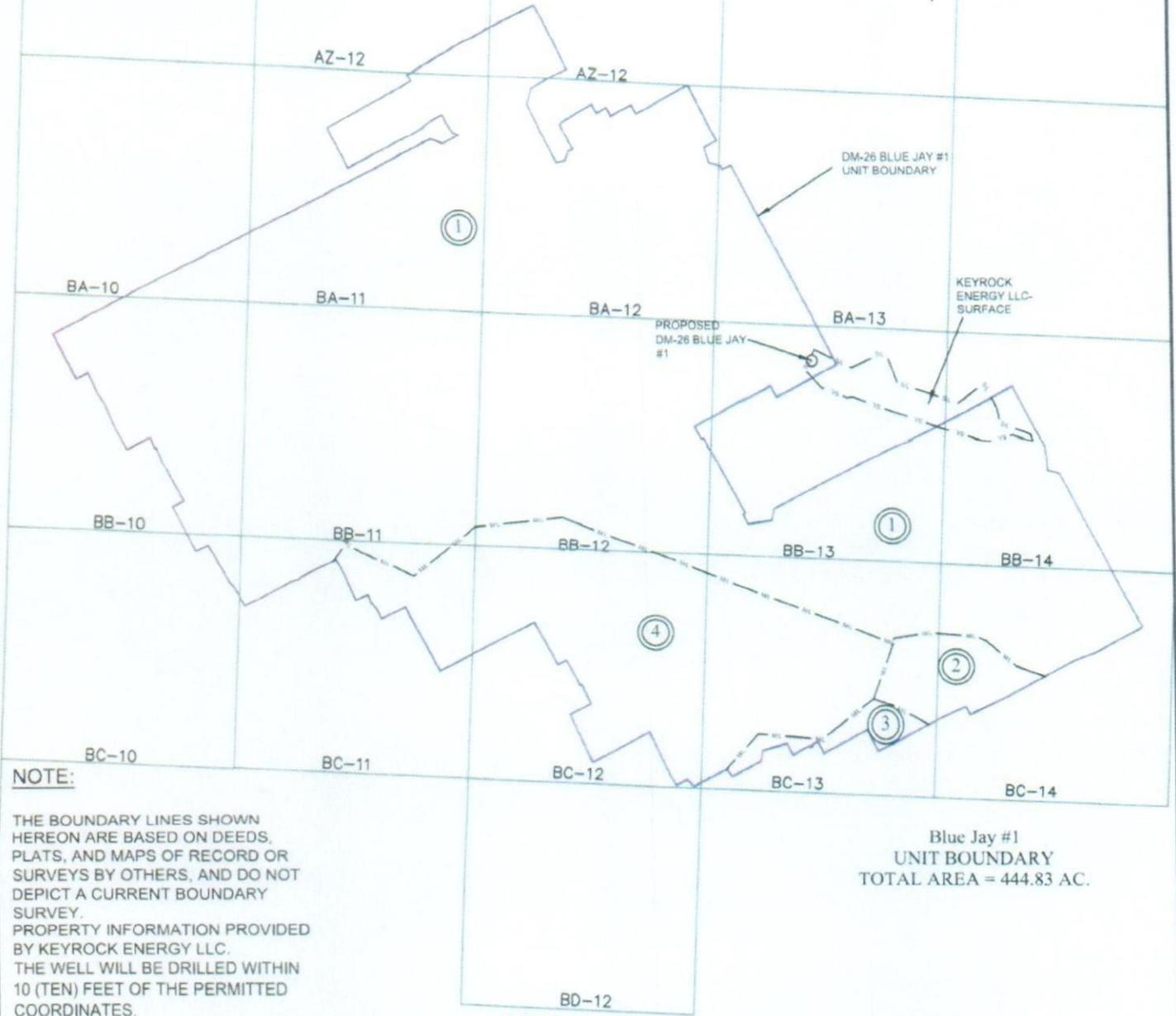
✚ DENOTES THE LOCATION OF A WELL ON UNITED STATES TOPOGRAPHIC MAPS, SCALE 1 TO 24,000, LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY BORDER LINES AS SHOWN.

*Phillip M. Seals*  
\_\_\_\_\_  
LICENSED LAND SURVEYOR

(AFFIX SEAL)

# PROPOSED UNIT

VIRGINIA STATE PLANE  
NAD 83, SOUTH ZONE  
GRID MERIDIAN

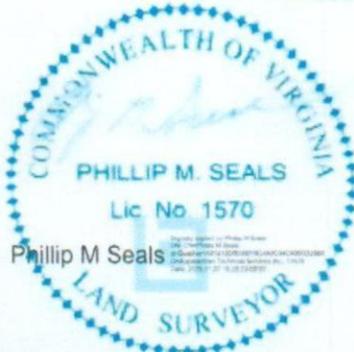
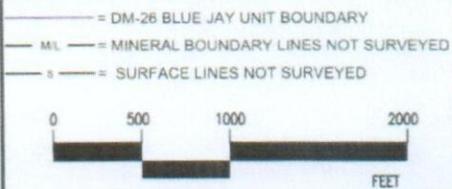


Blue Jay #1  
UNIT BOUNDARY  
TOTAL AREA = 444.83 AC.

**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.

**LEGEND**



**KEYROCK ENERGY  
DM-26 BLUE JAY #1  
UNIT BOUNDARY  
AND TRACTS  
DICKENSON CO., VA  
TOTAL UNIT AREA =  
444.83 ACRES**

Prepared By	Drawn By	Checked By	Date
PMS	PMS	PMS	1/07/2025

Appalachian Technical Services, Inc.  
Engineering, Architecture, Surveying, Energy & Environmental Services

Order Number	Sheet
DM 26 Blue Jay Unit Boundary Plat	01
Sheet/Order Number	1 of 1
Project Number	Sheet
1892.01	1" = 1000'

EXHIBIT PL-1

Property Ownership Information for DM 26 Blue Jay #1  
1-07-2025

①

ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
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 351.53 AC. 79.03%

②

UNKNOWN  
GAS 10.43 AC. 2.34%

③

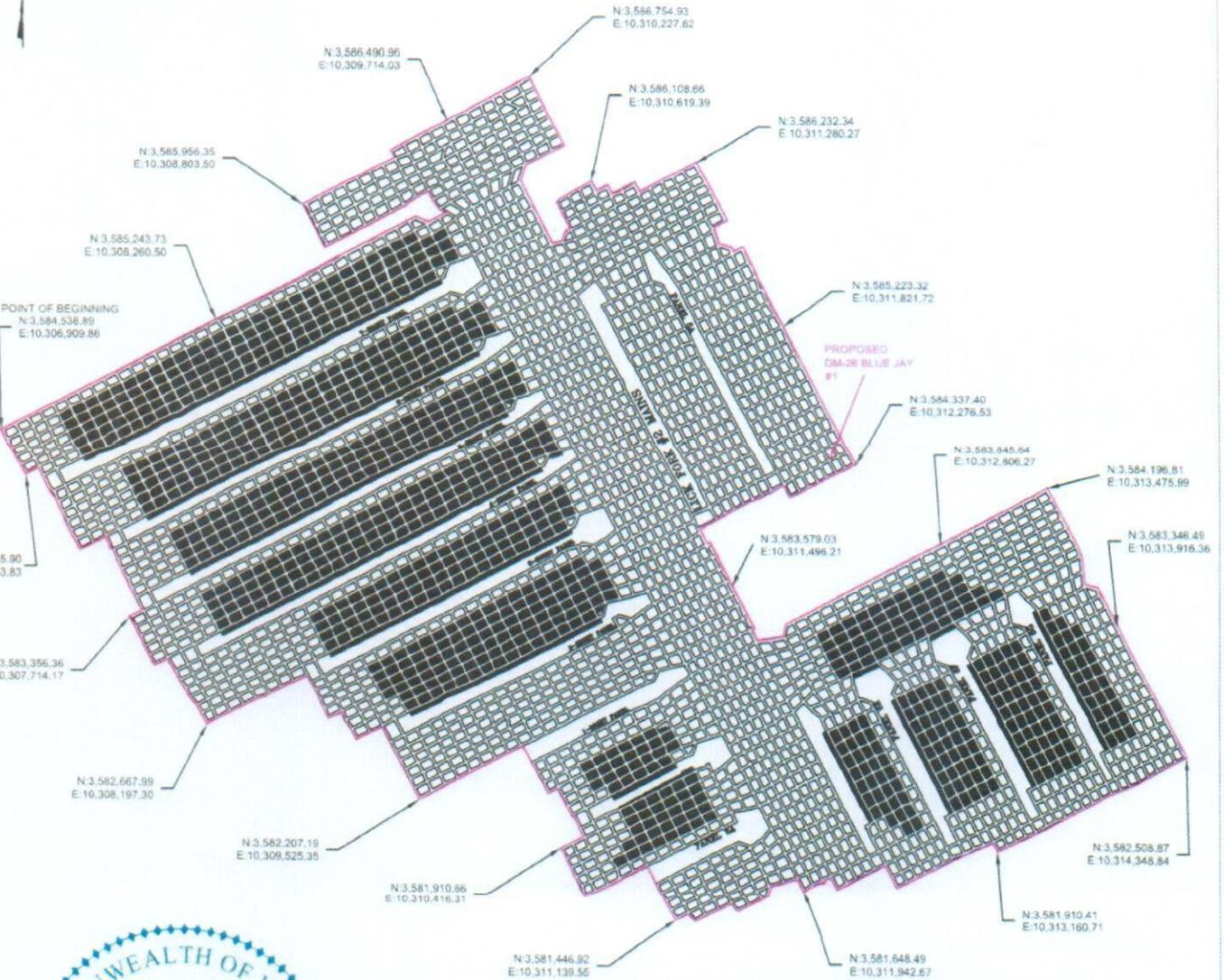
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm

Keyrock Energy - cbm lessee  
GAS 4.13 AC. 0.93%

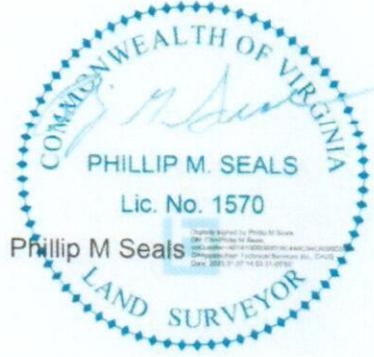
④

UNKNOWN  
GAS 78.74 AC. 17.70%

NOTE: THE BOUNDARY OF THE MINEWORKS SHOWN HEREON IS THE MINE STATE PLANE SOUTH, TANGENT TO MERIDIAN NAD 83.



DM-26 Blue Jay #1  
 UNIT BOUNDARY  
 TOTAL UNIT AREA=  
 444.83 ACRES



NOTES:  
 The mine works shown hereon are based on maps provided by others and do not depict a current survey by Appalachian Technical Services, Inc.

<p><b>KEYROCK ENERGY, LLC</b>  <b>DM 26 BLUE JAY #1</b>  <b>UNIT BOUNDARY</b>  <b>WITH MINE WORKS</b>  <b>EXHIBIT L</b></p>		 Appalachian Technical Services, Inc. <small>Engineering • Geotechnical • Surveying • Environmental • Construction</small>
<p>Prepared By: PMS          Drawn By: JMC          Checked By: PMS          Date: 12/11/24</p>	<p>Sheet Number: 01          Total Sheets: 01          Project Number: 1892.01          Scale: 1" = 1000'</p>	

LEGEND

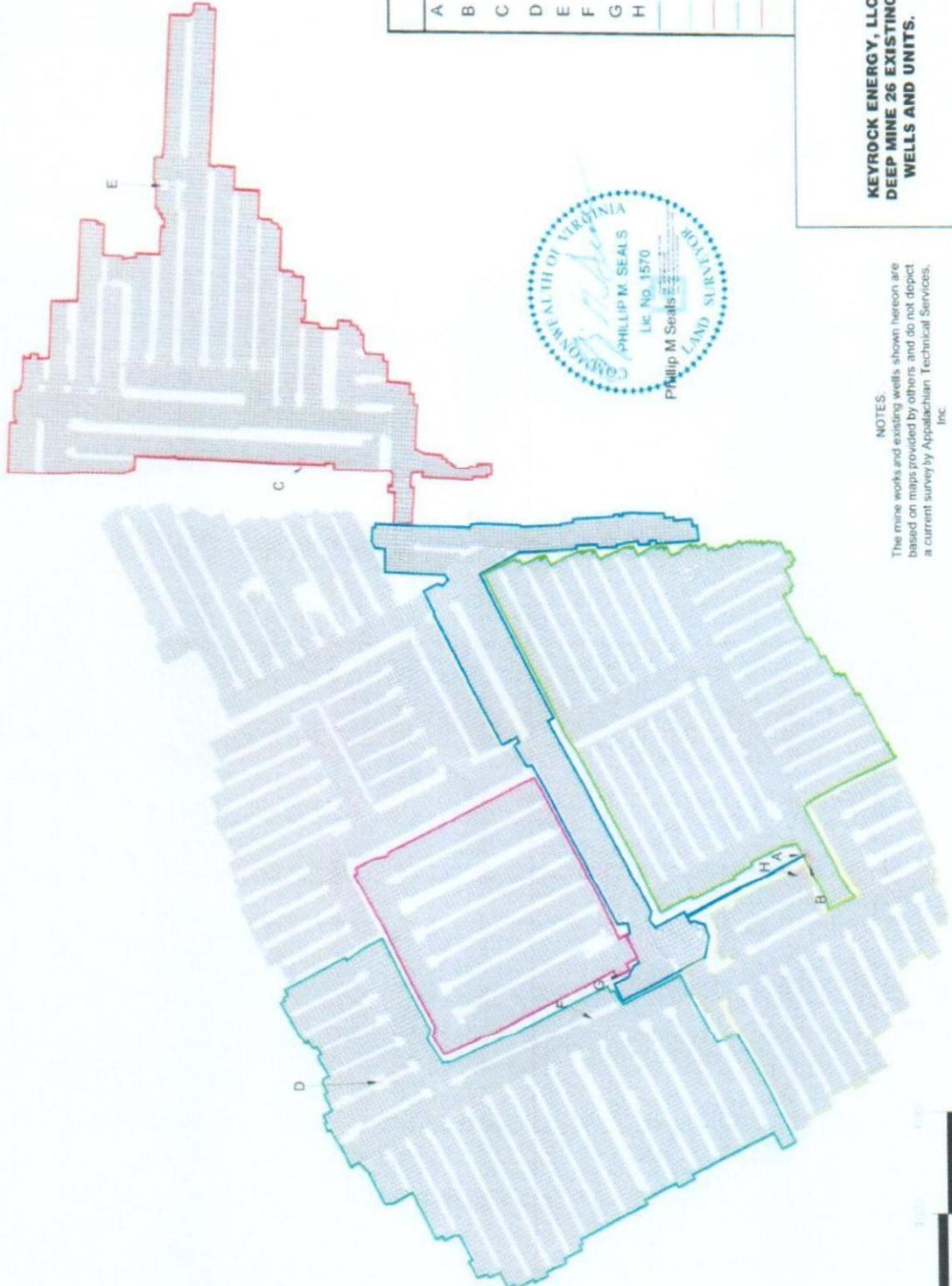
- A = EXISTING SLOPE DRAIN VENT PIPE SURFACE LOCATION
- B = EXISTING M-26-1 SURFACE LOCATION
- C = EXISTING HONEY CAMP #1-23 SURFACE LOCATION
- D = PLUGGED G-118 GAS WELL
- E = EXISTING P-750024 GAS WELL
- F = PROPOSED CHIP MILL #1 WELL
- G = PROPOSED WOLF PEN #1 WELL
- H = PROPOSED BLUE JAY #1 WELL
- = SLOPE DRAIN VENT PIPE UNIT BOUNDARY
- = M-26-1 UNIT BOUNDARY
- = HC-1-23 UNIT BOUNDARY
- = CHIP MILL #1 UNIT BOUNDARY
- = WOLF PEN #1 UNIT BOUNDARY
- = BLUE JAY #1 UNIT BOUNDARY



01

01

KEYROCK ENERGY, LLC  
DEEP MINE 26 EXISTING  
WELLS AND UNITS.



NOTES:  
The mine works and existing wells shown hereon are based on maps provided by others and do not depict a current survey by Appalachian Technical Services, Inc.



DB 622 PG 27

**Exhibit B**  
**Keyrock DM 26 Blue Jay #1**  
**VGOB Docket # 25-0218-4303**  
**List of Owners in a Sealed Gob**  
**(444.83 +/- Acre Unit)**

	<u>Acres in Unit</u>	<u>Interest in Unit</u>
<b><u>TRACT ONE</u></b>		
(1) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(2) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(3) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(4) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - CBM 1001 Fannin St Ste. 800 Houston TX 77002 - Oil, Gas & CBM -		
(5) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 - 5320	<b>351.53 acres</b>	<b>79.03%</b>
<b><u>TRACT TWO</u></b>		
UNKNOWN	<b>10.43 acres</b>	<b>2.34%</b>
<b><u>TRACT THREE</u></b>		
(1) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(2) Paramount Contura, LLC - Coal Lessee		

**Exhibit B  
Keyrock DM 26 Blue Jay #1  
VGOB Docket # 25-0218-4303  
List of Owners in a Sealed Gob  
(444.83 +/- Acre Unit)**

	<u>Acres in Unit</u>	<u>Interest in Unit</u>
Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(3) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		
(4) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - CBM 1001 Fannin St Ste. 800 Houston TX 77002 - Oil, Gas & CBM -		
(5) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 - 5320	4.13 acres	0.93%
<b><u>TRACT FOUR</u></b> UNKNOWN	<b><u>78.74 acres</u></b>	<b><u>17.70%</u></b>
<b>TOTALS:</b>	<b>444.83 acres</b>	<b>100.00%</b>

INSTRUMENT 250000261  
RECORDED IN THE CLERK'S OFFICE OF  
DICKENSON CIRCUIT COURT ON  
MARCH 25, 2025 AT 11:16 AM  
JOSHUA R. EVANS, CLERK  
RECORDED BY: MCR

INSTRUMENT 260000217  
RECORDED IN THE CLERK'S OFFICE OF  
DICKENSON CIRCUIT COURT ON  
MARCH 11, 2026 AT 10:38 AM  
JOSHUA R. EVANS, CLERK  
RECORDED BY: MCR