

140000206

INSTRUMENT PREPARED BY  
VIRGINIA GAS AND OIL

ORDER RECORDED UNDER CODE  
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: **RANGE RESOURCES - PMI**

VIRGINIA GAS AND  
OIL BOARD  
VGOB DOCKET NO.:  
**89-0126-0009-81**

RELIEF SOUGHT:

MODIFICATION OF THE OGCB NORA GAS  
FIELD RULES ORDER ENTERED MARCH 26,  
1989, AS AMENDED, TO ALLOW MORE THAN  
ONE COALBED GAS WELL TO BE DRILLED IN  
THE UNITS IDENTIFIED ON EXHIBIT "A" HERETO

LEGAL DESCRIPTION:

DRILLING UNITS: **71AD, 72X, 72AF, 73V, & 76V;**  
LOCATED IN **BUCHANAN COUNTY, VIRGINIA;** SEE  
ANNEXED **EXHIBIT "H2"** AND STATE PLANE COORDINATE  
DESCRIPTION AT PARAGRAPH 7.h. WITHIN

**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 (hereinafter "Board") at 9:00 a.m. on **October 22, 2013** at the Conference Center at the Russell County Office Facility, Lebanon, Virginia.
2. Appearances: **James E. Kaiser of Wilhoit and Kaiser**, appeared for the Applicant; and Sharon B. Pigeon, Assistant Attorney General was present to advise the Board.
3. Jurisdiction and Notice: Pursuant to Va. Code §§45.1-361.1 *et seq.*, as amended, the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by the 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, or in the case of conflicting claims to the ownership of the coalbed methane gas, each person identified by Applicant as a potential owner of the coalbed methane gas underlying the area described at paragraph 7.h below and in **Exhibit "B"** attached hereto; and (2) has given notice to all parties so identified (hereinafter sometimes "person(s)" whether referring to individuals, corporation, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) and entitled by §§ 45.1-361.19 and 45.1-361.20, Virginia Code, as amended, to notice of the Application, and (3) that the persons listed in the Notice of Hearing are the persons so identified by the Applicant. Further, the Board has caused notice of this hearing to be published as required by § 45.1-361.19.B., Virginia Code, as amended. Whereupon, the Board hereby finds that the notices given satisfy all statutory requirements, Board rule requirements and the minimum standards of State due process.

4. Amendments and Dismissals: None.

5. Relief Requested: (1) Modification of the Nora Gas Field Rules to allow more than one coalbed methane gas well to be drilled within each of the Nora Field Drilling Units identified above and in **Exhibit "H2"** attached hereto; and (2) for an administrative order providing that additional well permits may be issued in the Nora Field after the Application is filed and while it is pending.

6. Relief Granted: Available data and the evidence adduced at the hearing support Applicant's position that the production from the pool underlying the Nora Coal Bed Gas Field Drilling Units in question would be enhanced and benefit from in-field drilling; accordingly,

a. With regard to the Drilling Units described above and in **Exhibit "H2"** hereto, the Nora Coal Bed Gas Field Rules Order, OCGB order entered of March 26, 1989, is hereby amended to allow the Board's Designated Unit Operator in Drilling Units pooled by Board Order and the Well Operator/Permittee in voluntary Drilling Units to drill a total of two (2) wells, said total to include any previously permitted well(s), within the units affected by the Application and this Order;

b. In the event that an additional coalbed methane gas well(s) permitted and drilled after the entry of this order is located within the drilling window(s) of a Nora Coal Bed Gas Field Drilling Unit affected by this order, the production therefrom shall be solely attributed to and allocated to the Nora Drilling Unit within which the wells are located.

c. In the event a second well is proposed that is to be located outside the drilling window of any Nora Unit affected by this order and a permit application is submitted to the Division of Gas and Oil seeking such location exception, the Inspector shall assess the permit as follows:

(i) If a 58 acre square with the proposed well at its center lies entirely within Nora Drilling Units which are voluntary in nature and are not subject to existing pooling order, the Inspector may grant or deny the location exception on a case-by-case basis according to standard procedures and provisions of the Nora Order which allow wells to be drilled outside the drilling windows; or

(ii) If a 58 acre square with the proposed well at its center lies entirely or partially within any Nora Drilling Unit(s) which is subject to existing pooling orders, the Inspector shall refer the permit application to the Board for its recommendations concerning correlative rights considerations, modification of pooling orders, and escrow provisions. Alternatively, the Unit Operator may present a pooling proposal directly to the Board prior to filing a permit application. No permit under this paragraph (ii) shall be issued until the Board has acted on the matter.

7. Special Findings:

- a. Applicant's proposed field rule modification is not an unreasonable or arbitrary exercise of the owner's right to explore for or produce gas;
- b. The Applicant's proposal would not unreasonably interfere with the present or future mining of coal or other minerals;
- c. The acreage to be embraced in the Drilling Units affected by and/or created by this Modification Order shall be as set forth above and in Exhibit "H2" attached hereto.
- d. The formations subject to this Modification Order are described in the OGCB Order entered March 26, 1989, as amended.
- e. The boundaries of the Drilling Units are the same as heretofore established by the OGCB Order entered March 26, 1989, as amended.
- f. Unit Operator's production simulations indicate that drilling of an additional well in each Unit could facilitate the recovery of an additional 250,000 MCF of gas per Unit within ten (10) years of drilling.
- g. The boundaries of any Drilling Units created subsequent to this Modification Order shall be according to paragraph 6.c.ii. above and as defined by Board action specific to individual units.
- h. The acreage subject to this Modification Order is depicted in Exhibit "H2" attached hereto:

i. Having considered the evidence presented, the Board found no reason to establish any allowable production rates for the wells contemplated by this Modification Order;

j. Except as herein specifically modified, the proposed Drilling Units in **Exhibit "H2"** shall be developed and produced in compliance with the OGCB Order entered on March 26, 1989 regarding the Nora Gas Field Rules, as amended.

k. This Modification Order shall be effective as of the date of the hearing, to wit: **October 22, 2013.**

8. **Conclusion:** The relief granted hereby will assist in enhancing production from existing wells, will assist in more efficiently recovering coalbed methane gas from the area in question, prevent waste by more effectively extracting the resource, and will continue to protect the correlative rights of all owners and claimants. Therefore, the relief and all terms and provisions set forth above be and are hereby granted and IT IS SO ORDERED.

9. **Effective Date: October 22, 2013.**

DONE AND EXECUTED this 16 day of November, 2013 by a majority of the Virginia Gas and Oil Board.

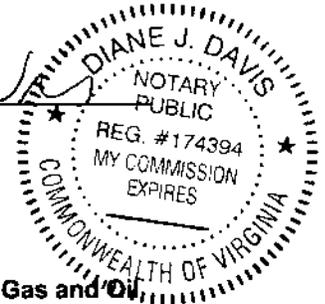
*Bradley C. Lambert*

Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 16<sup>th</sup> day of Nov 2013, 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, that he executed the same and was authorized to do so.

*Diane J. Davis*  
Diane J. Davis, Notary Public  
174394



My Commission expires: September 30, 2017

DONE AND PERFORMED this 18 day of November, 2013 by Order of the Virginia Gas and Oil Board.

*Rick Cooper*

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

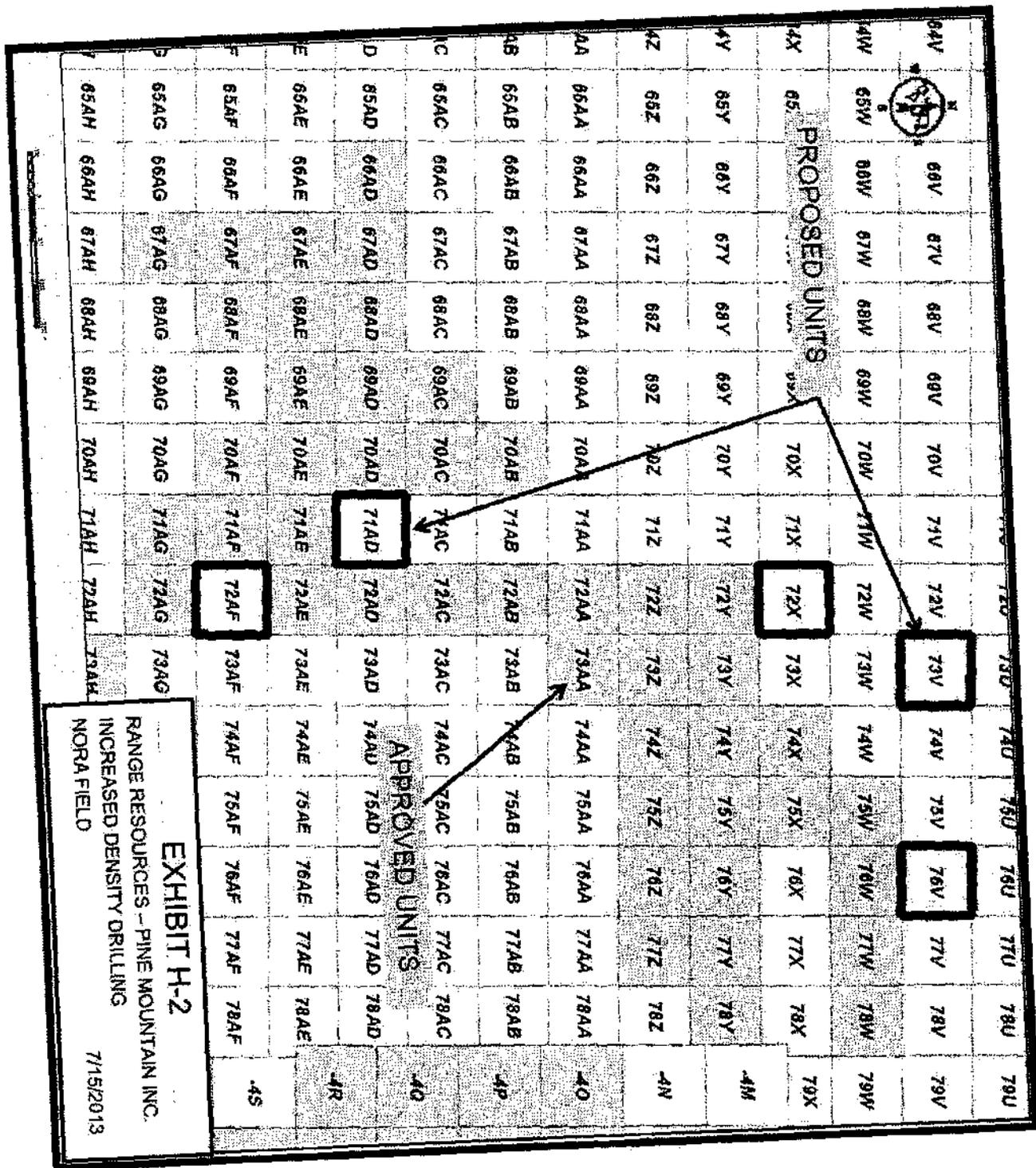
COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 18<sup>th</sup> day of Nov, 2013, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, 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.

*Diane J. Davis*  
Diane J. Davis, Notary Public  
174394



My Commission expires: September 30, 2017



**Exhibit "B"**

ACIN, LLC,  
5260 Irwin Road  
Huntington, WV 25705  
ATTN: John Mooney

WBRD, LLC,  
P.O. Box 2827,  
Huntington, WV 25727,  
ATTN: John Mooney

Alpha Land and Reserves, LLC,  
P.O. Box 2345,  
Abingdon, VA 24212,  
ATTN: Steve Smith

Maxxim Shared Services, LLC,  
5703 Cruthchfield Dr.,  
Norton, VA 24273,  
ATTN: Steve Smith

Penn Virginia Operating Company, LLC,  
Seven Sheridan Square, Suite 200,  
Kingsport, TN 37660,  
ATTN: John Keith'

Wellmore Energy Company,  
PO Box 2860,  
Grundy, VA 24614-2860,  
Attn: Robert Brendlinger

Samuel J Breeding Jr,  
2344 Loaita Avenue,  
Kingsport, TN 37660

Imogene Cox,  
PO Box 543,  
Bristol, TN 37621

Robert F Bond, Jr.,  
Agent and Attorney in Fact for  
Robert F Bond Sr,  
1975 River Road,  
Williamsburg, KY 49769-8754

**Exhibit "B"**

Anthony W. Owens,  
3210 Noah's Drive,  
Manchester, MD 21102

Brenda & William Mooney,  
1631 Spencer St.,  
Ferndale, MI 48220

Brenda and Bennett Richardson,  
3211 Piney Ridge Drive,  
Pamplin, VA 23958

Brian Owens,  
Address Unknown

Larry K. Owens,  
2536 Bear Branch Road,  
Vansant, VA 24656

Sharon Slone,  
706 Edgewood Ave,  
Thomasville, NC 27360

Debra McClanahan,  
2474 Bear Branch Road,  
Vansant, VA 24656

Cathy (Kathy) Owens,  
Address Unknown

Clinton Arrington,  
C/O Carol Sue Edwards,  
Agent and Attorney in Fact,  
18233 Westwood Drive,  
Abingdon, VA 24211

Danny & Stephanie Owens,  
2551 Deerwood Acres Drive,  
Saint Augustine, FL 32084-8313

Debbie & Donnie Stanley,  
1395 Rocklick Road,  
Birchleaf, VA 24220

**Exhibit "B"**

Diana Perrigan,  
Address Unknown

Donna & Chris Comer,  
242 Hackney Ridge  
Birchleaf, VA 24220

Donna Owens,  
2885 East Midway Blvd., Lot 329,  
Denver, CO 80234

Donnie Lee & Linda Owens,  
PO Box 191,  
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Doris Ann Owens,  
678 Low Bridge Road,  
Iron Station, NC 28080

Frances Johnson,  
40875 Maravian Drive,  
Clinton Township, Mi 48036

Fred Viers,  
PO Box 731,  
Haysi, VA 24256

Gay & Edmond Edwards,  
PO Box 1683,  
Clintwood, VA 24228

Howard R. Purdy,  
1441 Southeast 23rd Avenue,  
Gainesville, Fl 32641

Jack & Alivia Owens,  
5152 Big Ridge Road,  
Haysi, VA 24256

Jim (Jimmy Neale) Sutherland,  
5406 East State Route 56,  
Hazelton, Indiana 47640

**Exhibit "B"**

John T. Owens,  
4033 Rupp Road,  
Manchester, MD 21102

Joyce & Gary Vance,  
515 Vance Mt. Farm Road,  
Haysi, VA 24256

Joyce Irene Owens  
C/O Teresa Owens,  
1314 Mt Hill Road,  
Grundy, VA 24614

Joyce Mason,  
1791 State Route 61,  
Marengo, Ohio 43334

Kathy Joe Shoemaker,  
6154 Dell Cano Drive SE,  
Grand Rapids, Mi 49546

Ken Allen Owens,  
3019 Regal Oak Court,  
Manchester, MD 21102

Kevin Owens,  
Address Unknown

Laura & Robert Briest,  
529 Breist Hill,  
Birchleaf, VA 24220

Lois Marie Viers,  
209 Amber Lane,  
Bristol, TN 37620

Lonzy Carl Owens,  
PO Box 801,  
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Loreen Powers,  
8768 Hidden Valley Road,  
Abingdon, VA 24210

**Exhibit "B"**

Louie & Penelope Owens,  
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Lincoln, NC 28092

Michael Phillips,  
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Vansant, VA 24256

Myrtle V. Owens,  
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Bristol, TN 37620

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297 Creekside Drive,  
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Orbie Owens Estate,  
C/O Linda Rayfield,  
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Shelby, NC 28152

Patricia & Dale Turner,  
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Mt. Airy, MD 21771

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420 Aaron Drive,  
Birchleaf, VA 24220

Dena Kay Bostic,  
POA for Paul Matney,  
2989 Greenbriar Road,  
Haysi, VA 24256

Thelma G Deel,  
2278 Greenbriar Road,  
Haysi, VA 24256

**Exhibit "B"**

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Marengo, Ohio 43334

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Triangle, VA 22172

Ruth Owens,  
Address Unknown

**Exhibit "B"**

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Bee, VA 24217-4522

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Vickie Owens,  
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242 Hackney Ridge,  
Birchleaf, VA 24220

Eva L. Owens,  
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Bristol, TN 37620

Wilma O. Owens,  
207 East Amherst St.,  
Sterling, VA 20164

Billy J Owens,  
PO Box 824,  
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**Exhibit "B"**

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Craig Childress,  
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Murrells Inlet, SC 29576-8709

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Honaker, VA 24260-4831

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Haysi, VA 24256-6034

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Kissimmee, Fl 34741-2110

**Exhibit "B"**

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Honaker, VA 24260-4251

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Vansant, VA 24656

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Java, VA 24565-3938

Gloria Fay Langdon Keller,  
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Tombstone, AZ 85638-1755

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Christiansburg, VA 24073-5073

**Exhibit "B"**

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Vertie Owens Yates,  
C/O Richard Owens,  
9972 Lovers Gap Rd,  
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RECORDED IN THE CLERK'S OFFICE OF  
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BEVERLY S. TILLER, CLERK  
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