

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	RANGE RESOURCES-PINE MOUNTAIN INC.) VIRGINIA GAS
) AND OIL BOARD
)
)
RELIEF SOUGHT:	ESTABLISHMENT OF A PROVISIONAL DRILLING)
	UNIT CONSISTING OF 235.08 ACRES DESCRIBED) DOCKET NO.
	AND DEPICTED IN EXHIBIT A (herein "Subject Lands") VGOB 08/05/20-2234
	PURSUANT TO VA CODE § 45.1-361.20;)
	FOR THE DRILLING OF HORIZONTAL)
	COALBED METHANE GAS WELLS)
)
)
LEGAL DESCRIPTION:)
)
	SUBJECT DRILLING UNIT SERVED BY)
	WELL: VCH-539907)
	TO BE DRILLED IN THE LOCATION)
	DEPICTED ON "EXHIBIT A" HERETO,)
	HAYSI QUADRANGLE)
	TOWN OF CLINCHCO MAGISTERIAL DISTRICT)
	DICKENSON COUNTY, VIRGINIA)

REPORT OF THE BOARD

FINDINGS AND ORDER

1. **Hearing Date and Place:** This matter came before the Virginia Gas and Oil Board (hereafter "Board") for final hearing at 9:00 a.m. on **May 20, 2008**, at the Southwest Virginia Higher Education Center, Abingdon, Virginia.

2. **Appearances:** James E. Kaiser, of Wilhoit and Kaiser, appeared for the Applicant. Sharon M.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., 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 entitled by the VA. Code and Board Rules to Notice hereof; and (2) has 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 the Application filed herein; Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of due process.

4. **Relief Requested:** Applicant request the Board issue an order providing as follows:

An establishment of a provisional unit for the exploration, development and production of conventional natural gas from the pool defined as the top of the Raven, including, but not limited to, the Middle Seaboard, War Creek, Lower Horsepen, Pocahontas 9, and all zones in communication therewith and all productive extensions thereof (hereinafter the "Pool"), underlying the area, as depicted in Exhibit "A" and described as follows:

Said boundaries are described using the State Plane Coordinate System as required by 4 VAC 25-160-50.5.c.

Beginning at approximate Virginia State Plane Coordinate (NAD 1927, South Zone): N: 321,059; E: 874,005 (NAD 1983, South Zone): N: 3,601,936; E 10,356,989 being the SW corner of unit AO41, thence North to the NW corner of unit AN41, thence East to the NE corner of AO42, thence South to the SE corner of AO42, thence West to the point of beginning containing 235.08 acres.

Providing that operations under and in accordance with this order shall be regarded and considered as development, operation and production upon all lands included within the subject provisional drilling unit. Production from any wells drilled on operated, or produced from any part of the provisional drilling unit, no matter where located, shall for all purposes be regarded as production from each separately-owned tract within the subject provisional drilling unit. The portion of production produced from and attributed to the provisional drilling unit and any separately owned tract therein, shall be deemed for all purposes to have been actually produced from such provisional drilling unit and tract, and development, exploration or production operation with respect to any portion of the provisional drilling unit shall be deemed for all purposes to be the conduct of such operation for the production of gas from each separately owned tract in said unit.

5. **Relief Granted:** Granting of such other relief as is merited by the evidence and is just and equitable whether or not such relief has been specifically requested herein shall be and hereby is granted.

6. **Special Findings:** The Board finds:

- (1) To Establish a Provisional Drilling Unit pursuant to Va. Code § 45.1-361.20;
- (2) Allow multiple wells within the provisional drilling unit established hereby as depicted on Exhibit "A"
- (3) Approve that the dimensions of the unit be 3733' by 3733'
- (4) That the Unit be established with a 300' interior window with a 600' standoff from horizontal wellbores in adjacent units;
- (5) That the operator be allowed to drill surface locations (top-hole) outside of the unit so long as all production comes from within the interior window of the unit, and
- (6) That there be a minimum of 600' between any horizontal wellbore and any vertical well producing from that horizon and that
- (7) The Order provides for multiple wells for maximum drainage.
- (8) The Board finds the subject drilling unit conforms to the mine development plan and corresponds with mine operations, including, without limitation, the drilling of multiple conventional gas wells in the subject drilling unit.

7. **Conclusion:** Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

8. **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.

9. **Effective Date:** This Order shall be effective as of the date of the Board's approval.

DONE AND EXECUTED this 13th day of August, 2015, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert
Bradley Lambert, Chairman

DONE AND EXECUTED this 13th day of August, 2015, by a majority of the Virginia Gas and Oil Board.

Rick Cooper
Rick Cooper
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF RUSSELL:

Acknowledged this 13th day of August, 2015, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board and 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 same and were authorized to do so.

Sally Settle Ketron
Sally Settle Ketron

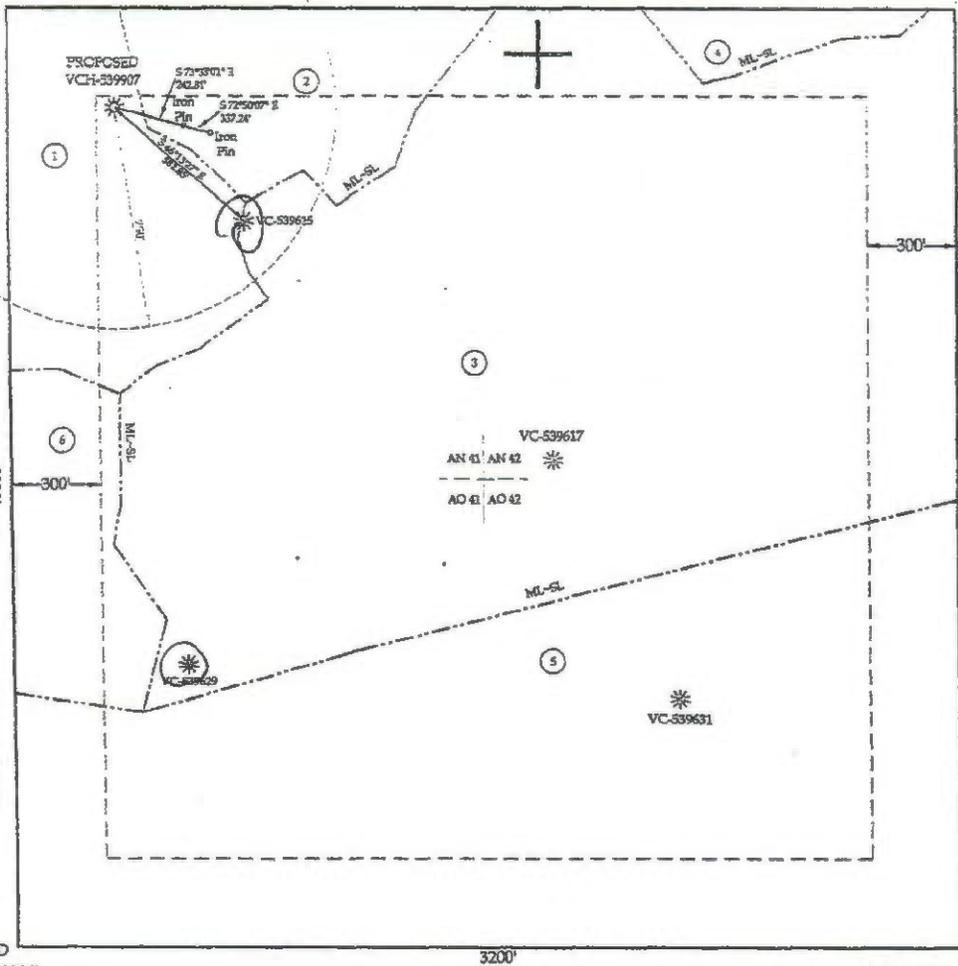
My Commission Expires January 31, 2019



Virginia State Plane NAD 83 / NAVD 88
 NORTH: 3604782.57
 EAST: 10357467.73
 ELEVATION: 1761.59

Grade 37° 00'

Longitude 83° 20' 07"



LEGEND
 * Proposed Well
 ML Mineral Line
 SL Surface Line
 * Existing Well
 * Permitted Well

EXHIBIT A
 Area of Unit - 725.08 Acres
WELL LOCATION PLAT

Clinchfield Coal Co. Coordinates
 North: 21,770 East: 5,890
 Geographic Coordinates NAD 27
 LAT: 37.159723 LON: -82.363342

- NOTES:**
1. Well Coordinates are based on the Virginia State Plane Coordinate System NAD '27 NGVD '29 as Calculated by GPS Survey from Cindy AZ Mark. Closed Loop Traverse & Trigonometric Leveling were used to determine actual staked location
 2. Clinchfield Coal Co. Coordinates were determined by Conversion from Virginia State Plane.
 3. Property Information Provided by Equitable Production Co.
 4. Property Lines Not Surveyed.

Company EQUITABLE PRODUCTION CO. Well Name or Number VCH-539907
 Tract No. Lease No. 906889/T-357 Quadrangle HAYSI
 District TOWN OF CLINCHCO
 Well Coordinates (Virginia State Plane) N: 323,904.97 E: 874,483.79
 Elevation: 1762.12 Method Used to Determine Elevation: Trig. Levels from GPS derived elevation.
 County DICKENSON Scale: 1" = 400' Date 04-04-08
 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.

Douglas R. Light

 Licensed Professional Engineer or Licensed Land Surveyor



DGO-7 Supplement
WELL UNIT PROPERTY OWNER INDEX
VCH-539907

(1)

Drill Tract

Lease No. 906889/T-357

Noah Sykes

52.93 Acres

Heartwood Forestland Fund IV, LLP ~ Surface

Dickenson-Russell Coal Company, LLC/Alpha Land & Reserves, LLC/ACIN Land & Reserves, LLC/WBRD, LLC ~ Coal
Range Resources~Pine Mountain, Inc. ~ Oil, Gas & CBM

18.08Ac. ~ 7.69%

(2)

Lease No. 906889/T-433

Tarpon C & C Company

37.06 Acres

Heartwood Forestland Fund IV, LLP ~ Surface

Dickenson-Russell Coal Company, LLC/Alpha Land & Reserves, LLC/ACIN Land & Reserves, LLC/WBRD, LLC ~ Coal
Range Resources~Pine Mountain, Inc. ~ Oil, Gas & CBM

13.16 Ac. ~ 5.60%

(3)

Lease No. 906889/T-236

Horace Hardaway (G.W. Branham Heirs)

157.10 Acres

Heartwood Forestland Fund IV, LLP ~ Surface

Dickenson-Russell Coal Company, LLC/Alpha Land & Reserves, LLC/ACIN Land & Reserves, LLC/WBRD, LLC ~ Coal
Range Resources~Pine Mountain, Inc. ~ Oil, Gas & CBM

107.31 Ac. ~ 45.65%

(4)

Lease No. 906889/T-354

James Sykes

76.47 Acres

Heartwood Forestland Fund IV, LLP ~ Surface

Dickenson-Russell Coal Company, LLC/Alpha Land & Reserves, LLC/ACIN Land & Reserves, LLC/WBRD, LLC ~ Coal
Range Resources~Pine Mountain, Inc. ~ Oil, Gas & CBM

3.06 Ac. ~ 1.30%

(5)

Lease No. 906889/T-444

J.W. Wright

916.84 Acres

Heartwood Forestland Fund IV, LLP ~ Surface

Dickenson-Russell Coal Company, LLC/Alpha Land & Reserves, LLC/ACIN Land & Reserves, LLC/WBRD, LLC ~ Coal
Range Resources~Pine Mountain, Inc. ~ Oil, Gas & CBM

82.96 Ac. ~ 35.29%

(6)

Lease No. 906889/T-355

Noah Sykes

764.47 Acres ~ Coal

J.A. Sykes

97.91 Acres ~ Surface, Oil & Gas

Heartwood Forestland Fund IV, LLP ~ Surface

Dickenson-Russell Coal Company, LLC/Alpha Land & Reserves, LLC/ACIN Land & Reserves, LLC/WBRD, LLC ~ Coal
Range Resources~Pine Mountain, Inc. ~ Oil, Gas & CBM

10.51 Ac. ~ 4.47%

EXHIBIT "B"
VGOB 08/05/20-2234
VCH-539907

Range Resources-Pine Mountain Inc.
Attn: Jerry Grantham
P.O. Box 2136
Abingdon, VA 24212

Dickenson-Russell Coal Company
Attn: Steve Smith
5703 Crutchfield Dr.
Norton, VA 24273

ALPHA Land & Reserves, LLC
Attn: Steve Smith
406 West Main Street
Abingdon, VA 24210

WBRD LLC
John Mooney
PO Box 2827
Huntington, WV 25727

ACIN LLC
John Mooney
PO Box 2827
Huntington, WV 25727

INSTRUMENT #150000952
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
AUGUST 26, 2015 AT 03:22PM

RICHARD W. EDWARDS, CLERK
RECORDED BY: CJB