

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 320 ACRES DESCRIBED) DOCKET NO.
	AND DEPICTED IN EXHIBIT A (herein "Subject Lands") VGOB 08/09/16-2334
	PURSUANT TO VA CODE § 45.1-361.20;)
	FOR THE DRILLING OF HORIZONTAL)
	CONVENTIONAL GAS WELLS)
)
)
LEGAL DESCRIPTION:)
)
	SUBJECT DRILLING UNIT SERVED BY)
	WELL: CA 826868 (HY-10-H))
	TO BE DRILLED IN THE LOCATION)
	DEPICTED ON "EXHIBIT A" HERETO,)
	JAMBOREE QUADRANGLE)
	ROCKLICK MAGISTERIAL DISTRICT)
	BUCHANAN 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 September 16, 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 Mississippi-Devonian Age formations, including, but not limited to, the Weir, Big Lime, Berea, Devonian Shale, 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.

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Beginning at approximate Virginia State Plane Coordinate (NAD 1927, South Zone): N: 402,643.60; E: 932,640.65, thence North to Virginia State Plane Coordinate (NAD 1927, South Zone): N 406,375.93; E 932,734.71; thence East to Virginia State Plane Coordinate (NAD 1927, South Zone): N 406,281.86; E 936,467.05; thence South to Virginia State Plane Coordinate (NAD 1927, South Zone): N 402,549.53; E 936,375.98; thence West to the point of beginning containing 320.00 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.

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.

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DONE AND EXECUTED this 2nd day of Sept, 2015, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert
Bradley Lambert, Chairman

DONE AND EXECUTED this 2nd day of Sept., 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 2nd day of September, 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



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11,577'
Bottom Hole

1,673'
Top Hole

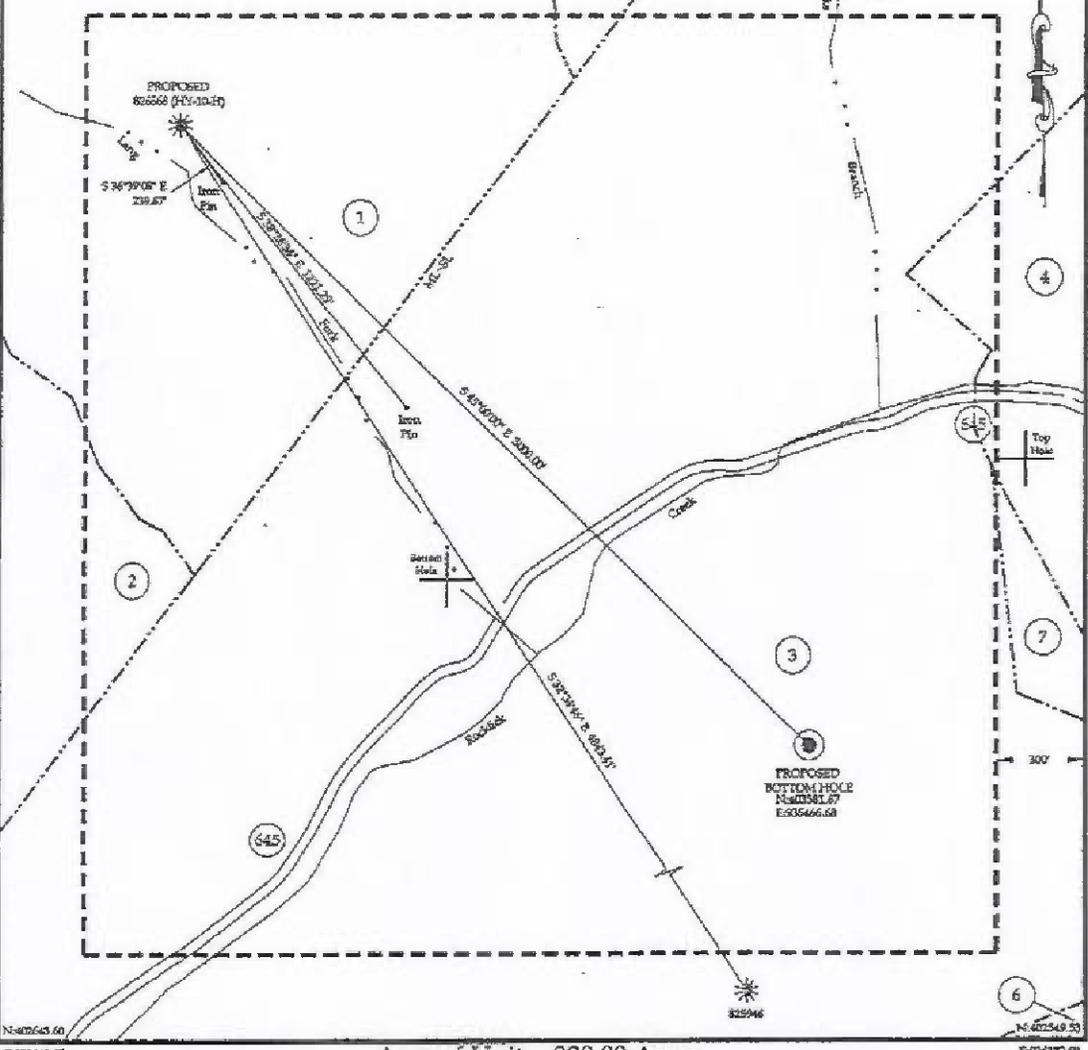
Latitude 37°25'00"

N446375.93

N404281.86

E592734.71

E593667.05



9466'
Top Hole

11,596'
Bottom Hole

Longitude 82°10'00"

Longitude 82°07'30"

Area of Unit ~ 320.00 Acres



Owner Index

SEE
DCO 7 SUPPLEMENT

NOTES:

1. Property Lines Not Surveyed.
2. This Plat Shows The Proposed Well And Its Coordinates, Surface & Mineral Ownership Is Based On Information Provided By Chesapeake Appalachia, L.L.C. Or Its Conveyance And Ejection On Record At The Buchanan County Courthouse. Information Subject To Change.
3. Well Will Be Drilled Within 10' Of Proposed Coordinates.

LEGEND

- * Proposed Well
- ML Mineral Line
- SL Surface Line
- ⊕ Existing Well

LBL'S ASSOCIATES, P.C.
SURVEYORS - ENGINEERS
RURAL CONSTRUCTION - DESIGN - PROVISIONS - LENDING
120 Virginia Avenue, Richlands, VA 24661
279-366-9848 (FAX: 279-399-9790)

Top Hole
Geographic Coordinates Nad 27
LAT: 37.90661 LON: 82.172625

Bottom Hole
Geographic Coordinates Nad 27
LAT: 37.90661 LON: 82.16468

WELL LOCATION PLAT

Company CHESAPEAKE APPALACHIA, L.L.C. Well Name or Number 829868 (HY-10-H)

Tract No. Green Charles Estate (2/3 Int.), Eagle Coal Corp. (1/3 Int.) Quadrange Jamboree

District Rocklick

Well Coordinates (Virginia State Plane) N: 405,702.99 E: 933,345.36

Elevation: 1435.95 Method Used to Determine Elevation: Trig. Levels from GPS derived elevation.

County Buchanan Scale: 2" = 400' Date 8-6-08

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.



Form DGO-GO-7
Rev. 1-98

Douglas R. Light
Licensed Professional Engineer & Licensed Land Surveyor

150001588

DGO-7 Supplement
WELL UNIT PROPERTY OWNER INDEX
826868 (HY-10-H) with pipeline

(1)

Drill Tract

Surface:

Elizabeth Mae (Justus) Love

Mineral:

Green Charles Estate (2/3 Int.)

Eagle Coal Corp. (1/3 Int.)

(78 Acre Tract)

65.88 Ac. ~ 20.59% of 320.00 Ac.

(2)

Big Sandy Coal Corp. (2/3 Int.)

Eagle Coal Corp. (1/3 Int.)

13.14 Ac. ~ 4.11% of 320.00 Ac.

(3)

Jewell Smokeless Coal Corp. (1/2 Int.)

Buchanan Realty Corp. (1/4 Int.)

George Belcher Estate (1/4 Int.)

219.18 Ac. ~ 68.50% of 320.00 Ac.

(4)

Kentland Coal Company

12.20 Ac. ~ 3.81% of 320.00 Ac.

(5)

Big Sandy Coal Corp. (2/3 Int.)

Eagle Coal Corp. (1/3 Int.)

6.23 Ac. ~ 1.95% of 320.00 Ac.

(6)

Mae Charles Mitchell Estate

0.49 Ac. ~ 0.14% of 320.00 Ac.

(7)

Jewell Smokeless Coal Corp. (1/2 Int.)

Buchanan Realty Corp. (1/4 Int.)

George Belcher Estate (1/4 Int.)

2.88 Ac. ~ 0.90% of 320.00 Ac.

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Exhibit "B"
VGOB 08/09/16-2334
826868 (HY-10-H)

Green Charles Estate
c/o John H. Baird, Attorney In Fact
P.O. Box 351
Pikeville, KY 41502

Donald R. Johnson
Attorney at Law
1950 Electric Road
Roanoke, VA 24018

Eagle Coal Corporation
c/o Hess, Stewart & Campbell
P. O. Box 1060
Huntington, WV 25713-1060

Big Sandy Coal Corporation
c/o Hess, Stewart & Campbell
P. O. Box 1060
Huntington, WV 25713-1060

Larry Warrix
c/o Floyd Engineering
627 Jane Brown Branch
Prestonsburg, KY 41653

Jewell Smokeless Coal Company
Attn: Robert Weaver
P.O. Box 70
Vansant, VA 24656

Buchanan Realty Company, LLC
c/o John Irvin
4710 Hunterwood Circle
Richmond, TX 77469

Buchanan Realty Company, LLC
P.O. Box 1756
Grundy, VA 24614

George Belcher Estate:

Brian F. Belcher, Trustee for
George Belcher Heirs
7413 Lovers Gap Road
Vansant, VA 24656

Eileen Glover, Trustee for
George Belcher Heirs
2226 Daves Branch Road
Grundy, VA 24614

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Exhibit "B"
VGOB 08/09/16-2334
826868 (HY-10-H)

Robinson D. Belcher, Trustee for
George Belcher Heirs
2607 Shepherds Store Road
Bedford, VA 24523

Gladys C. Clement, Trustee for
George Belcher Heirs
3241 Somerset Street SW
Roanoke, VA 24014

Esther B. Crisman, Trustee for
George Belcher Heirs
444 Hanover Road
Sandston, VA 23150

Roger W. McClanahan, Trustee for
George Belcher Heirs
Rt. 2, Box 10925
Cedar Bluff, VA 24609

Sylvia B. Woodard, Trustee for
George Belcher Heirs
458 McNeary Ferry Road
Leesville, SC 29070

John H. Belcher, Agent for
George Belcher Heirs and Trustees
524 Maxfield Road
Big Stone Gap, VA 24219

CNX Gas Company LLC
c/o Don Puglio
Leatherwood, Inc.
4000 Brownsville Road
South Park, PA 15219

Kentland Coal Company
c/o Kentucky Berwind Land Company
Attn: Randy Wright, Vice President
300 Summers Street Suite 1050
Charleston, WV 25301

Mae Charles Mitchell Estate:

Richard Otto
7695 U.S. Highway 27 South
Waynesburg, KY 40489

Angela Lester Stacy
P.O. Box 57
Big Rock, VA 24603

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Exhibit "B"
VGOB 08/09/16-2334
826868 (HY-10-H)

Douglas Mack Justice
P.O. Box 2883
Pikeville, KY 41502

Edith J. Huber and
Charles H. Huber,
3901 Greenhaven Lane
Goshen, KY 40026-8755

Florane J. Baird
c/o John H Baird
P.O. Box 351
Pikeville, KY 41502

INSTRUMENT #150001588
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
SEPTEMBER 28, 2015 AT 04:17PM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB