

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

V I R G I N I A:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Range Resources-Pine Mountain, Inc.

)
) VIRGINIA GAS
) AND OIL BOARD

RELIEF SOUGHT: **EXCEPTION TO STATEWIDE SPACING**
LIMITATIONS PRESCRIBED BY VA. CODE
§ 45.1-361.17(a) (2) FOR WELL
V-530016

) DOCKET NO.
) 08-1118-2388-01

LEGAL DESCRIPTION:

DRILLING UNIT SERVED BY WELL NUMBERED
V-530016 TO BE DRILLED IN THE LOCATION
DEPICTED ON EXHIBIT A HERETO,

John Page Tract No. T-103

60.24-Acre Tract

Caney Ridge QUADRANGLE,
Kennedy MAGISTERIAL 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 on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on January 20, 2009, at the Southwest Virginia Higher Education Center, Abingdon, Virginia.
2. Appearances: Timothy E. Scott 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., 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; (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 this application. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. 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. Relief Requested: Applicant requests (1) an exception to the statewide spacing limitations set forth in Va. Code § 45.1-361.17 for Well No. V-530016.

5. Relief Granted: The requested relief in this cause be and hereby is granted. The Board hereby grants Applicant consent to permit and drill proposed Well No. V-530016, 1620 feet from Well No. P-391, 2222 feet from Well No. P-550450, 2435 feet from Well No. P-153, and 2423 feet from Well No. P-435 at the location depicted on the Plat attached hereto.

6. Special Findings: The Board specifically and specially finds:

6.1 Applicant is Range Resources-Pine Mountain, Inc. is duly authorized and qualified to transact business in the Commonwealth of Virginia;

6.2 Applicant Range Resources-Pine Mountain, Inc. is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;

6.3 Applicant claims ownership of Conventional Gas leases of Subject Drilling Unit and the right to explore for, develop and produce Gas from Well No. V-530016.

6.4 The proposed Well V-530016 is located on a surface, coal, oil and gas tract being part of a tract consisting of 60.24 acres known as John Page Tract No. T-103 and the surface, coal, gas and oil owner has consented to the proposed location for Well V-530016 that is depicted on the Plat attached hereto as Exhibit A;

6.5 The Applicant testified it has the right to participate in the reciprocal Well P-391, P-550450, P-153 and P-435 and that the granting of the application filed herein will not impact the correlative rights of any person;

6.6 An exception to the well spacing requirements of Va. Code § 45.1-361.17 for Well V-530016 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 500 million cubic feet of Conventional Gas underlying Subject Drilling Unit, and to generally effect the purposes of the Virginia Gas and Oil Act;

- 6.7 Applicant proposes the drilling of Well No. V-530016 to a depth of 6135 feet on the Subject Drilling Unit at the location depicted in Exhibit A to produce all the Mississippian and Devonian age formations including, but not limited to, Ravencliff, Maxon Big Lime, Weir, Berea and Devonian Shale, from surface to a total depth of 6230 feet (Subject Formations");
- 6.8 Applicant proposes to drill Well V-530016 a distance of 1620 feet from Well No. P-391, 2222 feet from Well No. P-550450, 2435 feet from Well No. P-153, and 2423 feet from Well No. P-435 which is closer than the 2500 feet mandated by statewide spacing;
- 6.9 Applicant proposes to complete and operate Well V-530016 for the purpose of producing Conventional Gas;

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. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code Ann. § 9-6.14:1 et seq. and Rule 2A of the Rules of the Virginia Supreme Court.

9. Effective Date: Effective Date: This Order shall be effective as of the date of the Boards approval of this application which is set forth in Paragraph 1 above.

DONE AND EXECUTED this 9 day of Feb, 2010, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert
Chairman, Bradley C. Lambert

DONE AND PERFORMED this 9th day of February, 2010, by Order of the Board.

David E. Asbury Jr.
David E. Asbury, Jr.
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 9th day of February, 2010, 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 Chairman of the Virginia Gas and Oil Board, and appeared David E. Asbury, Jr., being duly sworn did depose and say that he is Acting Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.

Diane J Davis
Notary Public

Registration No. 174394

My commission expires 09/30/1913

