

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 ) DOCKET NO.  
 ) § 45.1-361.17(a)(2) FOR WELL ) 09-0120-2456  
 ) **V-530024** )  
 )  
LEGAL DESCRIPTION: )  
 )  
 ) DRILLING UNIT SERVED BY WELL NUMBERED )  
 ) **V-530024** TO BE DRILLED IN THE LOCATION )  
 ) DEPICTED ON EXHIBIT A HERETO, )  
 ) **Joshua Pressley** )  
 ) **Tract T-101, 951.78 acres** )  
 ) **Nora** QUADRANGLE, )  
 ) **Ervinton** 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-530024.
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-530024, 1118 feet from Well No. P-17 and 1196 feet from well P-18 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 of Subject Drilling Unit and the right to explore for, develop and produce Gas from Well No. V-530024.
  - 6.4 The proposed Well V-530024 is located on a surface, coal, oil and gas tract being part of a tract consisting of 951.78 acres known as Joshua Pressley Tract No. T-101 and the surface, coal, gas and oil owner has consented to the proposed location for Well V-530024 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 Wells P-17 and P-18 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-530024 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 350 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-530026 to a depth of 6219 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 4995 feet (Subject Formations");
- 6.8 Applicant proposes to drill Well V-530024, 1118 feet from Well No. P-17 and 1196 feet from well P-18 which is closer than the 2500 feet mandated by statewide spacing;
- 6.9 Applicant proposes to complete and operate Well V-530026 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.

Dickenson

DONE AND EXECUTED this 24 day of Nov, 2009, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert  
Chairman, Bradley C. Lambert

DONE AND PERFORMED this 24<sup>th</sup> day of November, 2009, by Order of the Board.

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

STATE OF VIRGINIA  
COUNTY OF RUSSELL

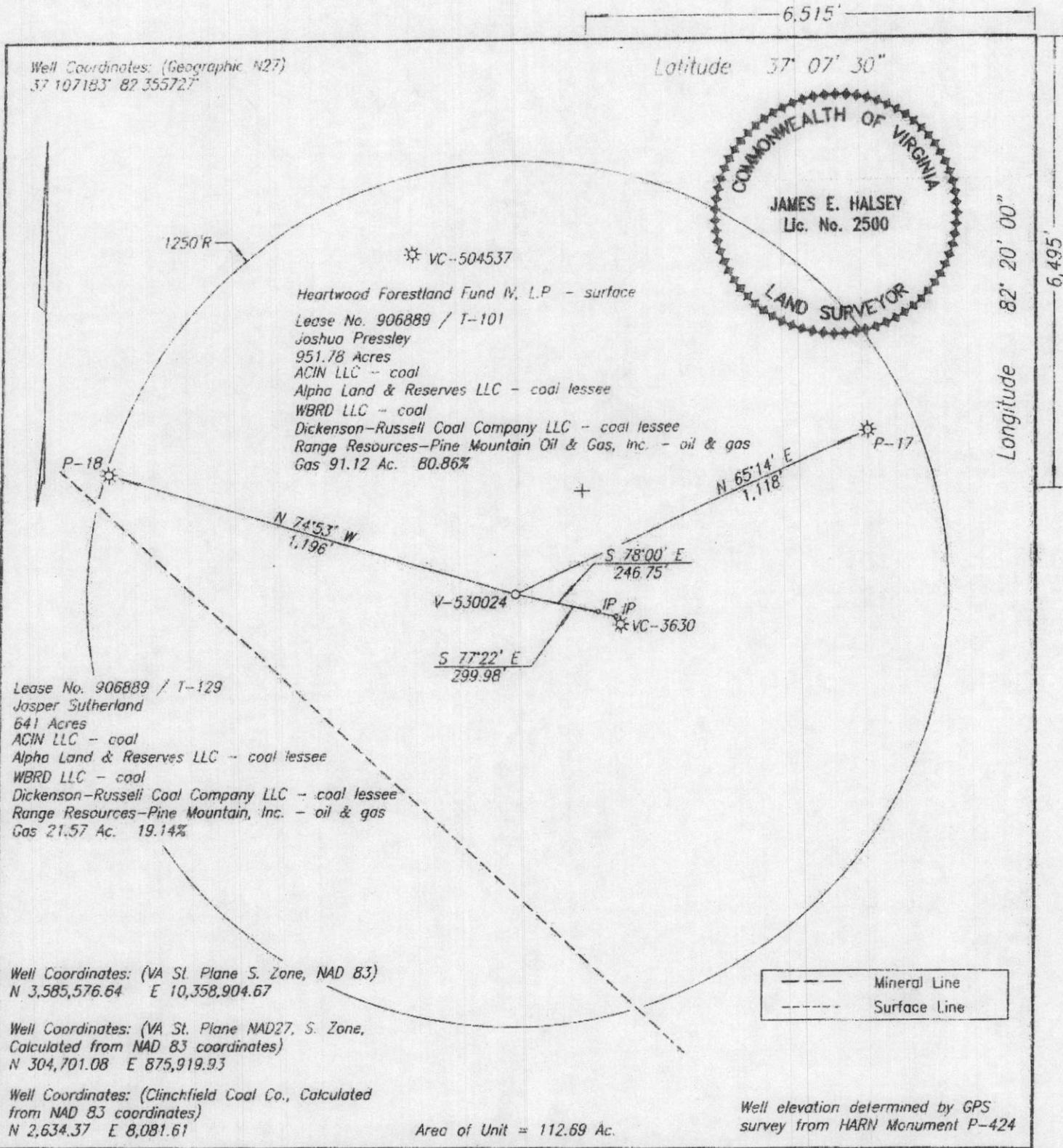
Acknowledged on this 24<sup>th</sup> day of November, 2009, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and appeared David E. Asbury, Jr., being duly 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 9/30/13





WELL LOCATION PLAT

COMPANY Range Resources-Pine Mountain, Inc. WELL NAME AND NUMBER V-530024  
 TRACT NO. LS. No. 906889/T-101 ELEVATION 2,259.73' QUADRANGLE Nora  
 COUNTY Dickenson DISTRICT Ervinton SCALE 1" = 400' DATE 12-10-2008

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.

James E. Halsey  
 Licensed Professional Engineer or Licensed Land Surveyor

Exhibit A

EXHIBIT B  
RANGE RESOURCES – PINE MOUNTAIN, INC.  
WELL NO. V-530024

Mr. Steve Smith  
Alpha Land and Reserves, LLC  
5703 Crutchfield Drive  
Norton, Virginia 24273

Mr. John Mooney  
Vice President & Regional Manager  
ACIN LLC  
P. O. Box 2827  
Huntington, West Virginia 25727

Mr. John Mooney  
WBRD, LLC  
P. O. Box 2827  
Huntington, West Virginia 25727

Mr. Steve Smith  
Chief Engineer  
Dickenson-Russell Coal Company, LLC  
and  
Maxxim Shared Services, LLC  
5703 Crutchfield Drive  
Norton, Virginia 24273

Equitable Production Company  
Cloverleaf Square Building B  
Big Stone Gap, Virginia 24219  
George B. Heflin, Director of Affairs

[c:\msword\pinemountain\well.location.exception.v-530024.exhibitb]

