

Instrument Control Number

20150399500100

Instrument 201503995
Recorded in the Clerk's Office of
Wise County and the City of Norton
On Aug 20, 2015 at 11:16 AM.
J. Jack Kennedy, Jr., Clerk
Recorded by: April Huff
(Box For Deed Stamp Only)

Commonwealth of Virginia

Land Record Instrument
Cover Sheet-Form A

[efileCX Coverhseet 1.0]

Instrument Type: [ODU]
Number of Parcels [1]
Number of Pages [5]
City County [Wise County/City of Norton, VA]

First and Second Grantors

Last Name	First Name	Middle Name	Suffix
[EQUITABLE PRODUCTION COMPANY]	[]	[]	[]

First and Second Grantees

Last Name	First Name	Middle Name	Suffix
[VIRGINIA GAS & OIL BOARD]	[]	[]	[]

Grantee Address (Name) [VIRGINIA GAS & OIL BOARD]
(Address 1) []
(Address 2) []
(City, State, Zip) [] [] []

Consideration[00.00] Assessed Value[00.00]

Prior Instr. Recorded at: City County Other

Book [0000] Page[00000] Instr. No.[]

Parcel Identification no. {PIN} [000000]

Short Property Description [ESTABLISHMENT OF A PROVISIONAL DRILLING UNIT; GLADEVILLE

Current Property Address (Address1) [MAGISTERIAL DISTRICT, WISE COUNTY, VIRGINIA.]

(Address2) [SEE DOCUMENT]

(City, State, Zip) []

[WISE] [VA] [24293]

Instrument Prepared by [DEPARTMENT OF MINES, MINERALS AND ENERGY]

Recording Paid for by [DEPARTMENT OF MINES, MINERALS AND ENERGY]

Return Recording to (Name) [DEPARTMENT OF MINES, MINERALS AND ENERGY]

(Address1) [135 HIGHLAND DRIVE]

(Address2) [P. O. DRAWER 159]

(City, State, Zip) [LEBANON] [VA] [24266]



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: 270,132.18; E: 759,406.83, thence East to Virginia State Plane Coordinate (NAD 1927, South Zone): N 269,970.74; E 763,136.86; thence South to Virginia State Plane Coordinate (NAD 1927, South Zone): N 266,240.71; E 762,975.42; thence West to Virginia State Plane Coordinate (NAD 1927, South Zone): N 266,402.15; E 759,245.39; thence North 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.
- (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



Exhibit

VGOB 10/10/19-2831

Penn Virginia Operating Co., LLC
Attn: John Keith
Seven Sheridan Square Suite 400
Kingsport, Tennessee 37660

NGAS Resources Inc.
Attn: Rick Bender
120 Prosperous Place Suite 201
Lexington, KY 40509

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