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BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant:	Southeast Land & Mineral, LLC)
)
Relief Sought:	Establishment of a Provisional Drilling Unit)
)
Location:	See Exhibit A) Docket No.
) VGOB-11-0315-2918
)
Description:	160 Acres in Wolf Run Gas Field, C-7)
	Washington County, Virginia)
)
	(See Exhibit A for Specific Description))

APPLICATION TO ESTABLISH A PROVISIONAL DRILLING UNIT

1. Parties:

1.1. Applicant herein is Southeast Land & Mineral, LLC. 254 Bradley Street Abingdon, VA 24210. The attorney for the Applicant is Jonathan W. Yarborough, 22 Lee Street Bristol, VA 24201, Telephone (276) 669-8000.

2. Allegation of Facts:

2.1. Applicant, is the owner of the right to develop and produce conventional gas underlying the subject lands more particularly described herein and depicted in Exhibit A attached hereto and made a part hereof.

2.2. Exhibit A is a map showing the size and shape of the drilling unit. The undersigned certifies that the matters set forth in this application to the best of his knowledge information and belief, are true and correct.

2.3. Applicant seeks by the Application the establishment of a provisional unit for the exploration, development and production of conventional natural gas from the pool defined as the Mississippian and Devonian Age formations, including, but not limited to: Pennington Formation, Cove Creek Limestone, Fido Sandstone, Gasper Limestone, Ste. Genevieve Limestone, St. Louis Limestone, Little Valley Formation, Price Formation, Brallier, and all zones in communication therewith and all productive extensions thereof (hereinafter the "Pool"), underlying the area, as described on the attached Exhibit A.

2.4. The names and last known addresses of each owner identified by Applicant as having an interest in the conventional natural gas are set forth in Exhibit B attached hereto and made a part hereof.

- 2.5. Applicant owns and/or has a lease on 95.88% of the oil and gas interest in the entire 160 acres making up the proposed provisional drilling unit.
- 2.6. Applicant has exercised diligence to locate each person owning or claiming an interest in the conventional gas in the proposed provisional drilling unit underlying the Subject Lands.
- 2.7. Simultaneously with filing of this application pursuant to Va. Code Ann Section 45.1-361.19A., Applicant is providing notice by certified mail, return receipt requested to each person named as a Respondent in the Notice of Hearing.

3. **Legal Authority:**

- 3.1. The relief sought by this application is authorized by Virginia Code Annotated Section 45.1-361.1 *et seq.*, and VAC 25-160-50.

4. **Relief Sought:** Applicant requests the Board issue an order providing as follows:

- 4.1. To provide for the establishment of a provisional drilling unit consisting of 160 acres for the drilling of conventional gas wells, which provisional drilling unit is depicted at Exhibit A and described as follows:

A provisional drilling unit being described as having a corner at coordinates N: 3435049.433, E: 10392972.617 thence easterly to its northeast corner at N: 3435111.876, E: 10395611.879 thence southerly to its southeast corner at N: 3432472.634, E: 10395674.331 thence westerly to its corner at N: 3432410.191, E: 10393035.070 hence northerly to the beginning, with all coordinates being in the Virginia State Plane Coordinate System, NAD 1983, South Zone, and totaling 160 acres more or less, is created for the purposes of drilling for the producing conventional gas.

- 4.2. With respect to separately owned tracts and separately owned interests in the provisional drilling unit, joining all the interests within the provisional drilling unit for the production of conventional gas so that each owner in the provisional drilling unit will share in all production regarding the provisional drilling unit in the proportion that the acreage owned by each owner bears to the entire acreage in the unit.
- 4.3. 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 tracts therein, shall be deemed for all purposes to have been actually produced from such provisional drilling unit and

tract, and development, exploration or production operations 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 tract.

- 4.4. That the provisional unit consists of 160 acres as previously described, that the dimensions of the unit be 2640' by 2640'.
- 4.5. That the provisional unit be established with a 300' interior window, with a 2500' standoff from the wellbores in adjacent units;
- 4.6. That the Applicant be allowed to drill surface locations (top-hole) outside of the unit so long as all production comes from within the interior window of unit;
- 4.7. That there be a minimum of 2500' between any vertical well producing from that horizon;
- 4.8. That the Order provide for multiple wells for maximum drainage, and for
- 4.9. Granting such other and further relief as is merited by the evidence and is just and equitable, whether or not such relief has been specifically requested herein.

DATED this 9th day of February, 2011.

SOUTHEAST LAND & MINERAL, LLC
254 Bradley Street
Abingdon, Virginia 24210



By: Jonathan W. Yarborough
Counsel for Southeast Land & Mineral, LLC
YARBOROUGH LAW FIRM, PLC
22 Lee Street, Suite 100
Bristol, Virginia 24201
Telephone 276-669-8000
Facsimile 276-669-0200

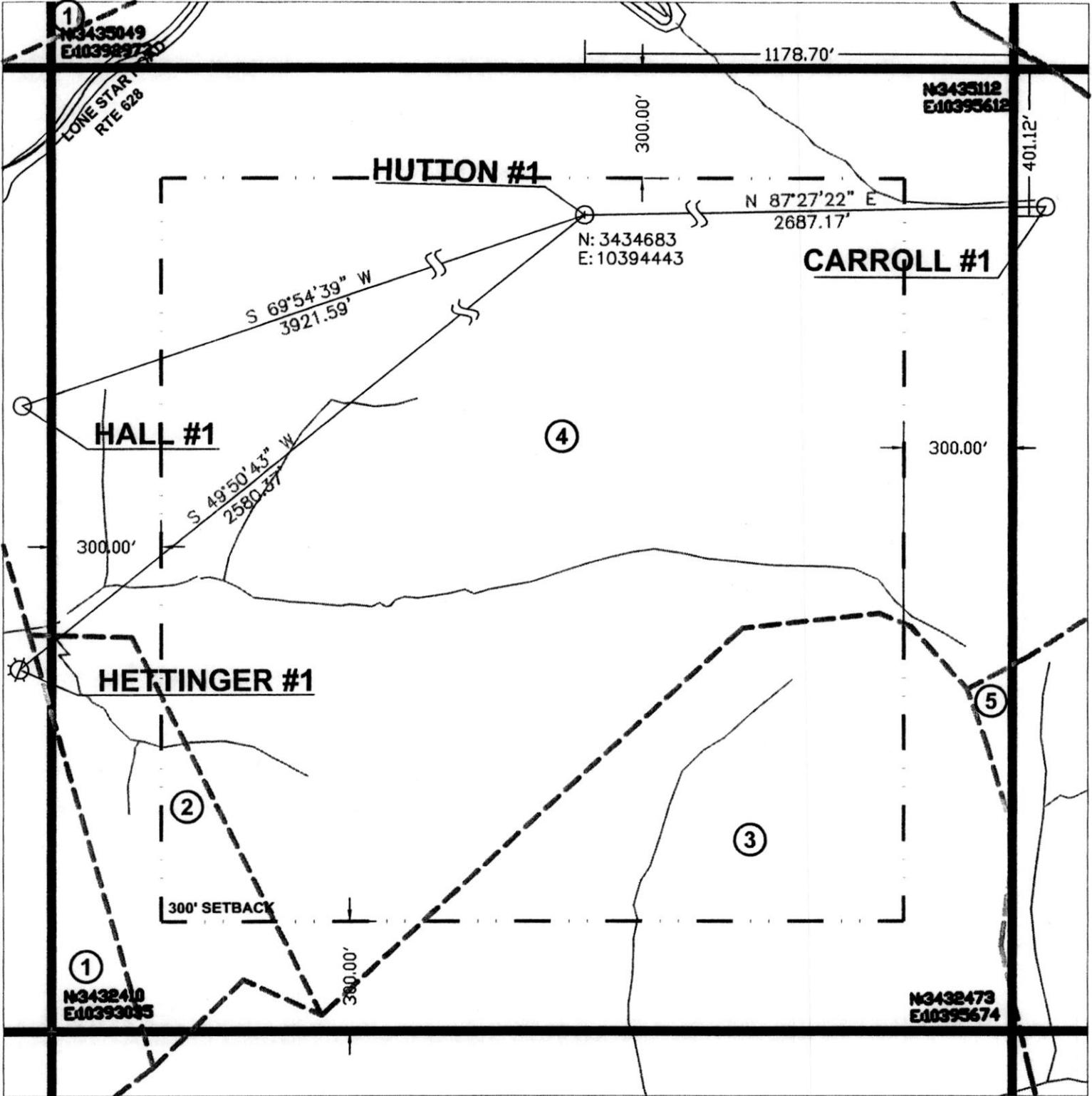
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**FIELD UNIT C-7
EXHIBIT "B"
8-16-2010**

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>GAS ESTATE ONLY</u>				
1.	ELIZABETH HETTINGER 1621 DOMINQUES RANCH RD. COROAN, CA. 92882 TAX ID 097-A-60	UNLEASED	1.0500% 2/3 INTEREST IN TRACT 1 TOTAL AREA 2.5	1.68
—	BARKER FAMILY REVOCABLE TRUST, A.F. BARKER IV TRUSTEE KIBMERLY BARKER SORENSON, TRUSTEE 508 GLENWAY BRISTOL, VA 24201	LEASED	0.5125% 1/3 INTEREST IN TRACT 3 TOTAL AREA 2.5	0.82
2	FRAN PATTERSON 1320 AUSTIN HWY #10102 SAN ANTONIO, TX 78209 TAX ID 098-A-16	UNLEASED	3.1750%	5.08
3	LISA HALE P.O. BOX 1389 BRISTOL, VA 24021 TAX ID 098-4-5	LEASED	21.1000%	33.76
4	HOWARD HUTTON 8691 REEDY CREEK RD. BRISTOL, VA. 24202 TAX ID 098-A-15	LEASED	73.7500%	118
5	ARLEN DENTON 17427 ORCHID RD. BRISTOL, VA. 24202 TAX ID 098-A-17	UNLEASED	0.4125%	0.66
		TOTAL	100.00%	160
	TOTAL LEASED %	95.36%		
	TOTAL LEASED AREA (ACRES)	152.58		

THE BOUNDARY LINES SHOWN HEREBY WERE BASED ON DEEDS, PLATS AND THE MAPPING AND DO NOT DEPICT A CURRENT SURVEY

IV



UNIT: C-7 (EXHIBIT "A")

LEGEND

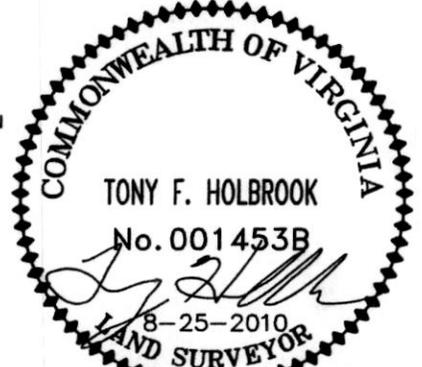
SYMBOLS THAT MAY BE USED IN THIS DRAWING:

- | | | | |
|-------|--------------------------------------|-------|---------------------------------------|
| ○ | NEW DRILLING LOCATION | ⊗ GS | UNDERGROUND GAS STORAGE WELL |
| ○ CNC | CANCELED APPLICATION ON PERMIT | ⊗ LI | ABANDONED WELL |
| ● | OIL WELL | ⊗ WD | NEW COALBED METHANE DRILLING LOCATION |
| ⊗ | GAS WELL OTHER THAN CBM | ⊗ CBM | COALBED METHANE GAS WELL |
| ⊗ | DRY HOLE | ⊗ CBM | ABANDONED COALBED METHANE GAS WELL |
| ⊗ LI | ENHANCED OIL RECOVERY INJECTION WELL | --- | FROM DEED, MAPS & PLATS |
| ⊗ WD | WASTE DISPOSAL WELL | == | FROM GPS, PC. FIELD SURVEY |
| | | ==== | STATE ROADWAY |

SOUTHEAST LAND & COMPANY: MINERAL LLC
 TRACT NUMBER: 01
 DISTRICT: TYLER
 COUNTY: WASHINGTON

WELL NAME OR NUMBER: HUTTON #1
 QUADRANGLE: WALLACE

SCALE = 1" = 400' DATE: 8-25-2010

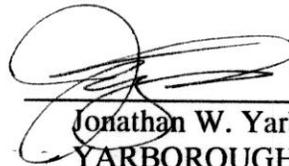


VII

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Notice and Application have been served upon the parties listed herein, at their address, by Certified Mail, Return Receipt Requested.

DATED this 7 day of February, 2011.



Jonathan W. Yarborough
YARBOROUGH LAW FIRM, PLC

**NOTICE OF HEARING BEFORE THE DEPARTMENT OF MINES, MINERALS &
ENERGY, DIVISION OF GAS AND OIL
Docket Number VGOB-11-0315-2918
Establishment of a Provisional Drilling Unit, C-7 Wolf Run Gas Field**

To: All persons, their known and unknown heirs, executors, administrators, devisees, assigns and successors, owning an interest in the gas, oil, coal, or minerals underlying the proposed Wolf Run gas field in Washington County, Virginia, whose legal description is as follows:

A provisional drilling unit being described as having a corner at coordinates
N: 3435049.433, E: 10392972.617 thence easterly to its northeast corner at
N: 3435111.876, E: 10395611.879 thence southerly to its southeast corner at
N: 3432472.634, E: 10395674.331 thence westerly to its corner at
N: 3432410.191, E: 10393035.070 hence northerly to the beginning, with all
coordinates being in the Virginia State Plane Coordinate System, NAD 1983, South Zone, and
totaling 160 acres more or less, is created for the purposes of drilling for the producing
conventional gas.

NOTICE IS HEREBY GIVEN that Southeast Land and Minerals, LLC, 254 Bradley Street, Abingdon, Virginia 24201, is requesting that the Virginia Gas and Oil Board (the Board) issue an Order in regard to the establishment, development and production of oil and gas from a provisional drilling unit for drilling of conventional gas wells containing approximately 160 acres, located on the above referenced tracts.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence before the Board at 9:00 a.m. on March 15, 2011 at the Conference Center at the Russell County Office Facility, Lebanon, Virginia.

All interested persons may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. The Board rules require that any written objections you wish to file must be filed with the Board at least 10 days before the hearing. For further information, contact the Virginia Gas and Oil Board, State Gas and Oil Inspector, Department of Mines, Minerals and Energy, Division of Gas and Oil, PO Box 159, Lebanon, Virginia, 24266 (276) 415-9700 or the Applicant at the address shown above.

April 17, 2011

David Asbery
Dept. of Mines, Minerals & Energy
P.O. Box 159
Lebanon, VA. 24266

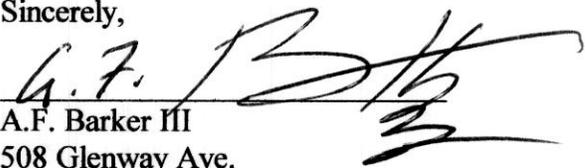
RE: Gas well application on 160 acres in Wolf Run Gas Field, C-7, Washington
County, Virginia.

Dear Mr. Asbery

Attached are copies of documents I received concerning mineral exploration and drilling on or near property which I have mineral rights interest, which is located in Washington county, Virginia. The document titled, Field Unit C-7, "Exhibit B", indicates that my mineral rights, owned by Barker Family Revocable Trust, have been leased. This lease status is incorrect. This letter is to inform you that I have not leased, nor am I planning to lease any of my mineral rights interest in this property in the future. I contacted the Yarborough Law Firm, which is handling this application, to correct this mistake, but they have not returned my calls. I just wanted to make sure my interests were represented correctly.

If you have any questions I can be reached at 423-914-2545.

Sincerely,


A.F. Barker III
508 Glenway Ave.
Bristol, VA 24201

