

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	<u>Range Resources-Pine Mountain, Inc.</u>	)	VIRGINIA GAS
		)	AND OIL BOARD
RELIEF SOUGHT	<b>EXCEPTION TO STATEWIDE SPACING</b>	)	
	LIMITATIONS PRESCRIBED BY	)	DOCKET NO.
	VA. CODE § 45.1-361.17 (a) (2)	)	<u><b>VGOB-11-0614-2966</b></u>
	FOR <u><b>WELL NO. V-550512</b></u>	)	
		)	
		)	
LEGAL DESCRIPTION:		)	
	DRILLING UNIT SERVED BY WELL	)	
	NUMBERED <u><b>V-550512</b></u>	)	
	TO BE DRILLED IN THE LOCATION	)	
	DEPICTED ON <b>EXHIBIT A</b> HERETO,	)	
	<u><b>James A. Baker Tract</b></u>	)	
	58.30 Acres, more or less	)	
	<u><b>CLINTWOOD QUADRANGLE</b></u>	)	
	<u><b>WILLIS DISTRICT</b></u>	)	
	<u><b>DICKENSON COUNTY, VIRGINIA</b></u>	)	
	(the "Subject Lands" are more particularly described	)	
	on <b>Exhibit "A"</b> , 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 **June 14, 2011** at the Russell County Conference Center, Highland Drive, Lebanon, Virginia.
2. Appearances: **Timothy E. Scott of McKinnis & Scott**, appeared for the Applicant. **Terri Price and Dorothy Adkins** appeared pro se.
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; and (2) 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. Amendments: Revised Application and Revised Exhibit A.
5. Dismissals: None.
6. Relief Requested: Applicant requests an exception to the statewide spacing limitations set forth in Va. Code § 45.1-361.17 for **Well No. V-550512**.
5. Relief Granted: The requested relief in this cause shall be and hereby is granted. The Board hereby grants Applicant consent to permit and drill proposed **Well No. V-530512** which is **2,396.31 feet from Range Resources-Pine Mountain, Inc. Well No. V-550427; 2,279.17 feet from EQT Well No. P-428 and 2,147.71 feet from EQT Well No. P-550511** at the location depicted on the Plat attached hereto as Revised **Exhibit A**.
6. Special Findings: The Board specifically and specially finds:
  - 6.1 Applicant is **Range Resources-Pine Mountain, Inc.** Applicant 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-550512** as well as the right to participate and develop the reciprocal wells, being **Range Resources-Pine Mountain, Inc. Well No. V-550427 and EQT Well Nos. P-428 and P-550511**;
  - 6.4 The proposed Well No. **V-550512** is located on the **James A. Baker Tract containing 58.30 acres** and the surface, coal, gas and oil owners have consented to the proposed location for Well No. **V-550512** that is depicted on the Plat attached hereto as Revised **Exhibit A**;
  - 6.5 The Applicant testified it has the right to operate and participate in the development of the reciprocal **Range Resources-Pine Mountain, Inc. Well No. V-550427 and EQT Well Nos. P-428 and P-550511** 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 No. **V-550512** 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 **450** million cubic feet of Conventional Gas underlying the Subject Drilling Unit, and to generally effect the purposes of the Virginia and Oil Act;
  - 6.7 Applicant proposes the drilling of Well No. **V-550512** to a depth of **5,434** feet on the Subject Drilling Unit at the location depicted on Exhibit A to produce all the Mississippian and Devonian Age formations including, but not limited to, **Ravenclyff, Maxon, Big Lime, Weir, Berea and Devonian Shale**, from surface to total depth drilled, **5,434** feet ("Subject Formations");

- 6.8 Applicant proposes to drill Well No. V-550512 a distance of 103.19 feet closer to Range Resources-Pine Mountain, Inc. Well No. V-550427 and 220.83 feet closer to EQT Well No. P-428 and 352.29 feet closer to EQT Well No. P-550511 than the 2500 feet mandated by statewide spacing;
- 6.9 Applicant proposes to complete and operate Well No. V-550512 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: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DONE AND EXECUTED this 3 day of August, 2011, by a majority of the Virginia Gas and Oil Board.

*Bradley C. Lambert*  
 Chairman, Bradley C. Lambert

DONE AND PERFORMED this 3<sup>rd</sup> day of August, 2011, by Order of this Board.

*Rick Cooper*  
 David E. Asbury  
 Principal Executive to the Staff  
 Virginia Gas and Oil Board

STATE OF VIRGINIA )  
 COUNTY OF WASHINGTON )

*Russell*  
 Acknowledged on this 3<sup>rd</sup> day of August, 2011, 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*, 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 the same and were authorized to do so.

*Diane J. Davis*  
 Diane J. Davis, Notary  
 174394

My commission expires: September 30, 2013

m sword2000\pmog\well.location.exception.v-550512 order June 27, 2011]



2304'

LATITUDE 37°12'30"

LONGITUDE 82°25'00"

14407'

TOTAL UNIT AREA  
= 12.69 ACRES

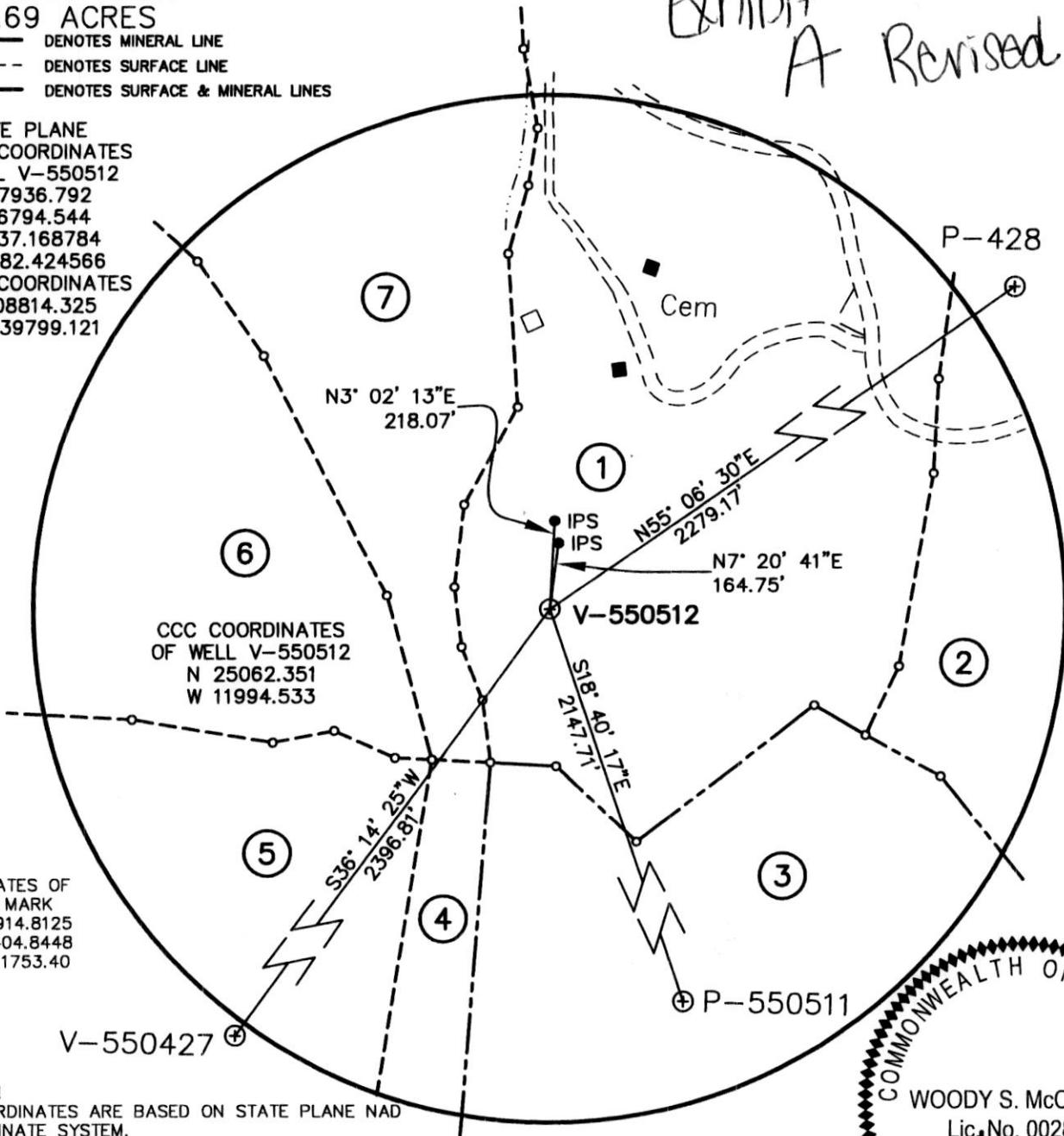
- DENOTES MINERAL LINE
- - - DENOTES SURFACE LINE
- DENOTES SURFACE & MINERAL LINES

STATE PLANE  
NAD 27 COORDINATES  
OF WELL V-550512  
N 327936.792  
E 856794.544  
LAT 37.168784  
LON -82.424566  
NAD 83 COORDINATES  
N 3608814.325  
E 10339799.121

CCC COORDINATES  
OF WELL V-550512  
N 25062.351  
W 11994.533

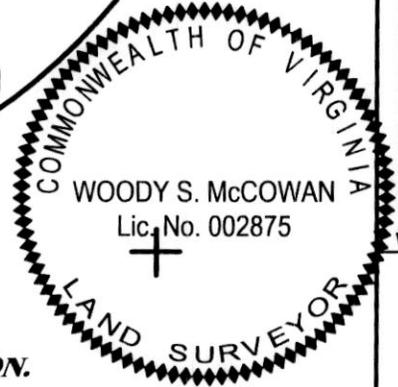
COORDINATES OF  
BENCH MARK  
N 3504914.8125  
E 10370404.8448  
ELEV. = 1753.40

Exhibit A Revised



NOTE !!!  
WELL COORDINATES ARE BASED ON STATE PLANE NAD 83 COORDINATE SYSTEM.  
ELEVATIONS ARE BASED ON NGS CONTROL ST. PAUL 2.  
PROPERTY INFORMATION PROVIDED BY EQT PRODUCTION COMPANY. THE BOUNDARY LINES SHOWN HEREON ARE BASED ON DEEDS, PLATS AND MAPS OF RECORD AND DO NOT DEPICT A CURRENT BOUNDARY SURVEY.  
THE WELL WILL BE DRILLED WITHIN 10' (TEN FEET) OF THE PERMITTED COORDINATES.

**NOTE !!**  
**SEE WELL PLAT SUPPLEMENT SHEET 2 FOR TRACT INFORMATION.**



WELL LOCATION PLAT

COMPANY Range Resources WELL NAME AND NUMBER V-550512  
 TRACT No. LEASE NO. 241520L ELEVATION 1901.04 QUADRANGLE CLINTWOOD  
 COUNTY DICKENSON DISTRICT WILLIS SCALE: 1" = 400' DATE MAY 10, 2011  
 THIS PLAT IS A NEW PLAT   ; AN UPDATED PLAT x; OR A FINAL LOCATION PLAT     
 PROPOSED TOTAL DEPTH OF WELL =                     

+ 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.

*Woody S. McCowan* 5-10-11

(AFFIX SEAL)

T&L LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

①

Lease No.  
JAMES A. BAKER  
58.30 ACRES  
RICKY MULLINS - surface  
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA  
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal  
JAMES A. BAKER. - oil & gas  
GAS 36.311 AC. 32.22%

②

Lease No. 241519L  
MARIE FITZPATRICK / JAMES A. BAKER  
85.00 ACRES  
RANDY & MARGARET MULLINS - surface  
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA  
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal  
MARIE FITZPATRICK & JAMES A. BAKER - oil & gas  
GAS 8.43 AC. 7.48%

③

Lease No. 904767L  
JAMES A. BAKER  
100.00 ACRES  
JAMES A. BAKER - surface  
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA  
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal  
FREDDIE MULLINS, et al - oil & gas  
GAS 20.10 AC. 17.84%

④

Lease No. 904767L  
SOLOMON FLEMING  
9.8 ACRES P/O 104 ACRES  
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA  
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal  
FREDDIE MULLINS, et al - oil & gas  
GAS 3.42 AC. 3.03%

⑤

Lease No. 244402L  
SOLOMON FLEMING  
89.00 ACRES  
LARRY MULLINS - surface, oil & gas  
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA  
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal  
GAS 12.17 AC. 10.8%

⑥

Lease No.  
COLUMBUS Phipps FOUNDATION, et al  
49.21 ACRES  
COLUMBUS Phipps FOUNDATION, et al - oil & gas  
GAS 16.79 AC. 14.9%

⑦

Lease No.  
EDNA ADKINS HEIRS  
68 ACRES  
EDNA ADKINS HEIRS - coal, oil & gas  
GAS 15.47 AC. 13.73%



THOMPSON & LITTON

312 Clintwood Main Street  
Suite 201  
P.O. Box 1869  
Clintwood, Virginia 24228

**RANGE RESOURCES**  
**WELL No. V-550512**  
**WELL PLAT SUPPLEMENT**  
**SHEET 2**

PROJECT No.:  
10995 PLAT

SCALE: 1" = 400'

DATE: MAY 10, 2011