

BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant: Range Resources-Pine Mountain, Inc.)
)
Relief Sought: Well Location Exception)
Well Number 900127)Docket Number
)VGOB-13-0115-4000
)
Legal Description: Big Sandy Fuel Corporation Tract)
2,613.58-Acre Tract)
Prater Quadrangle)
Prater District)
Buchanan County, Virginia)

REVISED
APPLICATION

1. Parties:

1.1 Applicant herein is Range Resources-Pine Mountain, Inc., whose address for the purposes hereof is 406 West Main Street, Abingdon, Virginia 24210, Telephone: (276) 628-9001. The attorney for Applicant is Timothy E. Scott, McKinnis & Scott, whose address is 135 West Main Street, Suite 200, Kingsport, Tennessee, 37660, Telephone: (423) 247-9376.

1.2 Applicant is the owner of the right to develop and produce oil and gas from all formations, from surface to total depth drilled in accordance with the permit submitted by applicant and located within the Prater District of Buchanan County, Virginia, and underlying the lands depicted at Exhibit "A" attached hereto and made a part hereof and to appropriate the oil and gas produced therefrom.

2. Allegation of Facts:

2.1 Applicant has proposed a plan of development and operation of the formations underlying the drilling unit involved herein and depicted at Exhibit "A" and has proposed to commence such plan of development and operation of such unit by a conventional gas well, designated as Well Number 900127, to be drilled upon the lands involved herein so as to produce oil and gas from such unit.

2.2 That the unit depicted at Exhibit "A" hereof is subject to statewide spacing as provided under Virginia Code Annotated Section 45.1-361.17 (A) (2). This section provides that "wells drilled in search of gas shall not be located closer than 2500 feet to any other well completed in the same pool." In consideration of all known conditions, it is the opinion of the Applicant that such distance limitation is not feasible for the unit described in Exhibit "A," because there is no legal location.

2.3 That to prevent waste, protect correlative rights, and provide for the maximum safe recovery of the mineral resources underlying the Commonwealth, the Board should allow for an exception to the distance limitation and statewide spacing.

2.4 That the proposed well, at the location requested by Applicant, is necessary to effectively and efficiently drain a portion of the common sources of supply (reservoir) underlying the unit described at Exhibit "A" which cannot be adequately and efficiently drained without an exception to the distance limitations and spacing rules.

2.5 The drilling unit involved herein is a circle having a radius of 1250 feet from the proposed well bore to be located 4,635 feet West of Longitude Line 82 degrees 12 minutes and 30 seconds and 1,340 feet South of the Latitude Line 37 degrees 15 minutes 00 seconds (Virginia State Plane South Zone Coordinates North 3,634,681.06 and East 10,399,199.84) in the Prater Quadrangle, Buchanan County, Virginia.

2.6 That Range Resources-Pine Mountain, Inc. Well No. 820467 lies 1,617 feet South 29 degrees 16 minutes West of proposed Well No. 900127; and Range Resources-Pine Mountain, Inc. proposed Well No. 900047 lies 1,657 feet North 19 degrees 26 minutes East of proposed Well No. 900127; **Range Resources-Pine Mountain, Inc. Well No. 820343 lies 2,390 feet North 79 degrees 15 minutes East of proposed Well No. 900127; Range Resources-Pine Mountain, Inc. Well No. 900084 lies 1,861 feet North 05 degrees 20 minutes East of Proposed Well no. 900127; Range Resources-Pine Mountain, Inc. Well No. 900085 lies 1,871 feet North 04 degrees 10 minutes East of proposed Well No. 900127; Range Resources-Pine Mountain, Inc. proposed Well No. 900098 lies 1,890 feet North 06 degrees 01 minutes East of proposed Well No. 900127; and, Range Resources-Pine Mountain, Inc. proposed Well No. 900099 lies 1,892 feet North 04 degrees 45 minutes East of proposed Well No. 900127.**

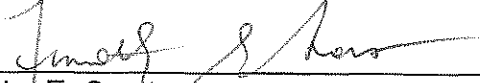
2.7 That proposed Well No. 900127 is located on the Big Sandy Fuel Corporation 2,613.58-acre Tract and Applicant anticipates producing all the Mississippian and Devonian Age formations including, but not limited to, Ravencliff, Maxton, Big Lime, Weir, Berea and Devonian Shale, from surface to total depth drilled, 4,887 feet.

3. Legal Authority: The relief sought by this Application is authorized by Virginia Code Annotated § 45.1-361.17.

4. Relief Sought: Applicant requests the Virginia Gas and Oil Board to enter an order to enable Well No. 900127 to be drilled as depicted on the plat attached as Exhibit "A" and that Applicant be granted the right to produce these formations which appear on the well work permit submitted to the Inspector.

DATED this the 4th day of January, 2013.

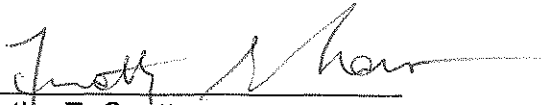
RANGE RESOURCES-PINE MOUNTAIN, INC.



Timothy E. Scott
McKinnis & Scott

VERIFICATION

The foregoing Application to the best of my knowledge, information and belief is true and correct.



Timothy E. Scott
McKinnis & Scott

VIRGINIA

VIRGINIA GAS AND OIL BOARD
DEPARTMENT OF MINES, MINERALS, AND ENERGY
LEBANON, VIRGINIA

DOCKET NUMBER: VGOB-13-0115-4000

APPLICANT: Range Resources-Pine Mountain, Inc.

RELIEF SOUGHT: WELL LOCATION EXCEPTION
Va. Code Ann. § 45.1-361.17

WELL NO.: 900127

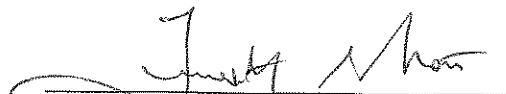
LEGAL DESCRIPTION: Big Sandy Fuel Corporation Tract)
2,613.58-Acre Tract)
Prater Quadrangle)
Prater District)
Buchanan County, Virginia)

NOTICE OF HEARING

TO: See Exhibit B

Notice is hereby given that the Applicant in this cause is requesting the Virginia Gas and Oil Board to authorize the drilling of the proposed well to produce formations from surface to total depth drilled as set forth in the attached application.

Notice is further given that this matter is set for hearing before the Virginia Gas and Oil Board on the 15th day of January 2013, at 9:00 a.m. at the Russell County Office Building, Highland Drive, Lebanon, Virginia, at which time and place all interested persons may appear and be heard. Any questions concerning said hearing may be directed to the Virginia Gas and Oil Board, State Gas and Oil Inspector, Department of Mines, Minerals and Energy, 135 Highland Drive, Lebanon, Virginia 24266 (276) 415-9650.




Timothy E. Scott
McKinnis & Scott
135 West Main Street, Suite 200
Kingsport, Tennessee 37660
(423) 247-9376

CERTIFICATE OF SERVICE

I, Timothy E. Scott, counsel for Range Resources-Pine Mountain, Inc., hereby certify that I have this day caused the foregoing notice and application to be served upon the parties listed herein, at their address, by certified mail, return receipt requested.

Dated this the 14th day of December, 2012.



Timothy E. Scott
McKinnis & Scott

[c:\msword\pmog\well.location.exception.notice.900127]

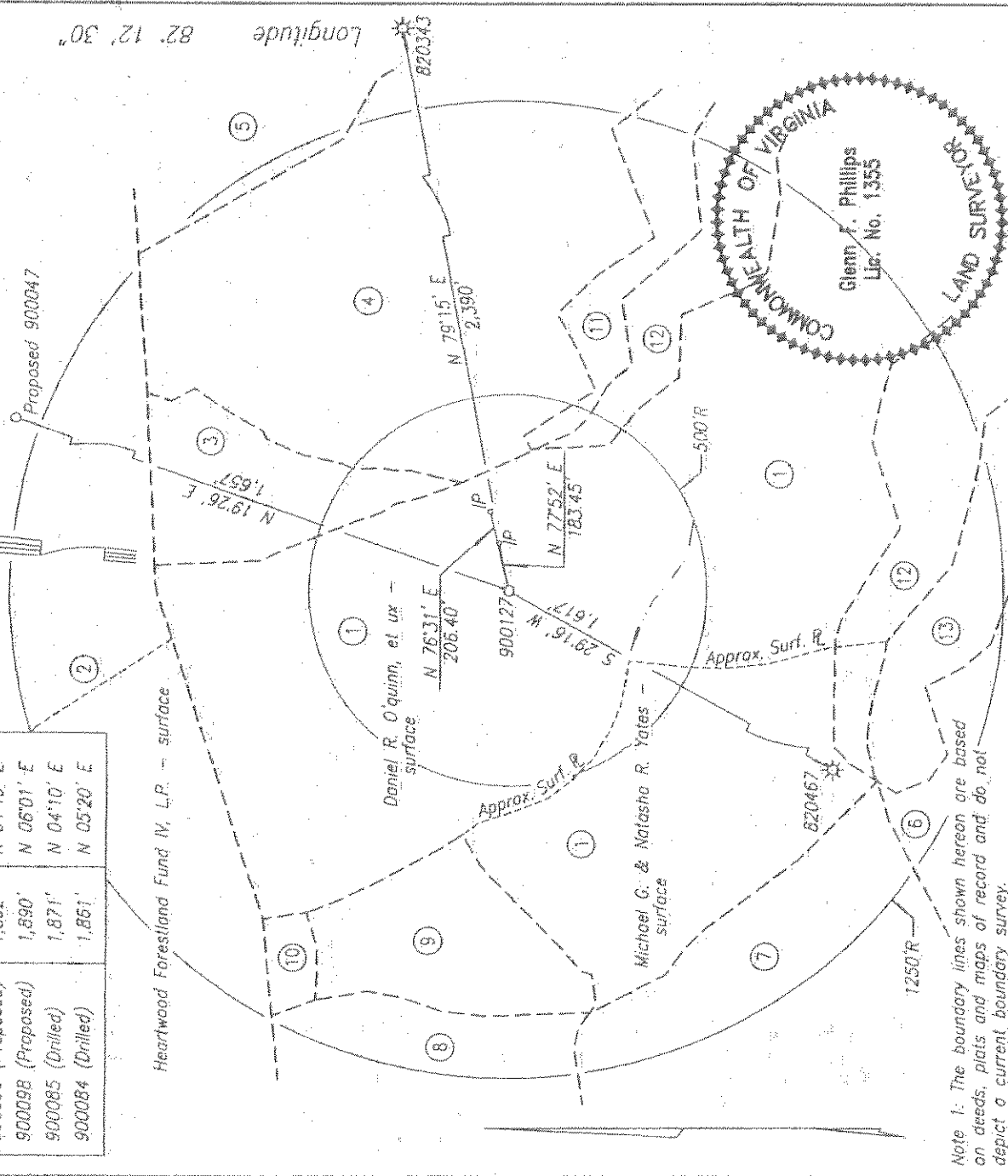
4,635' 1,340'

Area of Unit = 112.69 Ac. Latitude 37° 15' 00"

900099 (Proposed)
900085 (Drilled) + 900084 (Drilled)

Mineral Line
Surface Line

| Offset Well Bearing and Distance (to surf. loc.) | Distance | Bearing |
|--|----------|------------|
| 900099 (Proposed) | 1,892' | N 04°46' E |
| 900098 (Proposed) | 1,890' | N 06°01' E |
| 900085 (Drilled) | 1,871' | N 04°10' E |
| 900084 (Drilled) | 1,861' | N 05°20' E |



Note 1: The boundary lines shown hereon are based on deeds, plats and maps of record and do not depict a current boundary survey.

Note 2: The well will be drilled within 10' of the permitted coordinates.

Well elevation determined by GPS survey from HARN Monument P-424

Well Coordinates: (Geographic N27)
37,246,379 - 82,224,299

Well Coordinates: (VA St. Plane S. Zone, NAD 83)
N 3,634,681.06 E 10,399,199.84

Well Coordinates: (VA St. Plane S. Zone, NAD 27 Calculated from NAD 83)
N 353,802.60 E 916,214.57

Well Coordinates: (Clinchfield Coal Co.)
N 53,317.26 E 46,415.70

WELL LOCATION PLAT NORA GRID T-66

COMPANY Range Resources-Pine Mountain, Inc. WELL NAME AND NUMBER 900127
TRACT NO. Big Sandy Fuel Corp. ELEVATION 1,922.83' QUADRANGLE Prater
COUNTY Buchanan DISTRICT Prater SCALE 1" = 400' DATE 12-12-2012

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.

Glenn F. Phillips

Licensed Professional Engineer of Licensed Land Surveyor

900127 PLAT
TRACT OWNERSHIP INFORMATION SCHEDULE
12/12/2012

- 1 . Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Lease No. 450270641 (1-174747-000)
P/O 50 Acres
Daniel R. O'Quinn, et ux - oil & gas
Gas 47.59 Ac. 42.23%
- 2 . Big Sandy Fuel Corporation
12,627.34 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - oil & gas
Gas 13.36 Ac. 11.86%
- 3 . Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Lease No. 450270639 (1-174745-000)
4.6 Acres
Carlos O'Quinn - oil & gas
Gas 4.22 Ac. 3.74%
- 4 . Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Lease No. 450270637 (1-174743-000)
P/O 10 Acres
Mary Ruby Yates, et al - oil & gas
Gas 20.23 Ac. 17.95%
- 5 . Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Lease No. 450270637 (1-174743-000)
35 Acres
Mary Ruby Yates, et al - oil & gas
Gas 0.37 Ac. 0.33%
- 6 . Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Lease No. (1063786) 450270534
P/O 4 Acres
Eddie & Angela Conaway - oil & gas
Gas 1.47 Ac. 1.31%

7. Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Lease No. (1063806) 450270543
7.11 Acres
Gary & Bernice Yates - oil & gas
Gas 5.03 Ac. 4.46%

8. Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Lease No. (1170466) 450271100
10 Acres
Starlin Deel - oil & gas
Gas 2.56 Ac. 2.27%

9. Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Lease No. (1170467) 450271101
3 Acres
Jeffery Lynn Deel - surface, oil & gas
Gas 4.69 Ac. 4.16%

10. Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Lease No. (1170467) 450271101
2 Acres
Starlin Brandon Deel - surface, oil & gas
Gas 0.66 Ac. 0.59%

11. Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal (except Clintwood seam)
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal (except Clintwood seam)
Dickenson-Russell Coal Company LLC - coal lessee
Penn Virginia Operating Company, LLC - coal (Clintwood seam only)
Wellmore Coal Company - coal lessee
Lease No. 450270637 (1-174743-000)
P/O 10 Acres
Mary Ruby Yates, et al - oil & gas
Gas 2.41 Ac. 2.14%

12. Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal (except Clintwood seam)
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal (except Clintwood seam)
Dickenson-Russell Coal Company LLC - coal lessee
Penn Virginia Operating Company, LLC - coal (Clintwood seam only)
Wellmore Coal Company - coal lessee
Lease No. 450270641 (1-174747-000)
P/O 50 Acres
Daniel R. O'Quinn, et ux - oil & gas
Gas 7.20 Ac. 6.39% (Total)

13 . Big Sandy Fuel Corporation
2,613.58 Acres
ACIN LLC - coal (except Clintwood seam)
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal (except Clintwood seam)
Dickenson-Russell Coal Company LLC - coal lessee
Penn Virginia Operating Company, LLC - coal (Clintwood seam only)
Wellmore Coal Company - coal lessee
Lease No. (1063786) 450270534
P/O 4 Acres
Eddie & Angela Conaway - oil & gas
Gas 2.90 Ac. 2.57%

Exhibit "B"
Well Location Exception
Well No. 900127
4,887'

DEPTH -

Dickenson-Russell Coal Company
Maxxim Shared Services, LLC
Attn: Steve Smith
5703 Crutchfield Drive
Norton, VA 24273

ALPHA Land & Reserves, LLC
Attn: Steve Smith
5703 Crutchfield Drive
Norton, VA 24273

WBRD LLC
John Mooney
5260 Irwin Road
Huntington, WV 25705-3247

ACIN LLC
John Mooney
5260 Irwin Road
Huntington, WV 25705-3247

Penn Virginia Operating Company, LLC
Mr. John Keith
Seven Sheridan Square, Suite 400
Kingsport, TN 37660

Wellmore Coal Company, LLC
Attn: Robert Brendlinger
P.O. Box 458
Big Rock, VA 24603

Daniel R Oquinn
3837 Greenbrier Rd
Haysi, VA 24256

Carlos W Oquinn
1352 Bunker Mountain Rd
Haysi, VA 24256-5459

Mary Ruby Yates
1385 Bunker Mountain Rd
Haysi, VA 24256-5459

Sidney Deel
28157 Rich Valley Rd
Abingdon, VA 24210

Manis Deel
1482 Bunker Mountain Rd

Haysi, VA 24256-5459

James A Deel
2691 CID Rd
Lexington, NC 27292

Janice Deel
3876 Wilcalme Ln
Haysi, VA 24256

Betty Jean Mitchell
1404 Bunker Mountain Rd
Haysi, VA 24256-5459

Polly Lester
1418 Boyds Ridge Rd
Vansant, VA 24656

Della Mae Fuller
1611 Steamboat Rd
Vansant, VA 24656

Eddie Conaway
PO Box 1087
Vansant, VA 24656

Gary Yates
1167 Garry Yates Rd
Haysi, VA 24256

Starlin Deel
3790 Greenbriar Rd
Haysi, VA 24256

Jeffery Lynn Deel
PO Box 172
Haysi, VA 24256

Starlin Brandon Deel
3790 Greenbriar Rd
Haysi, VA 24256

Alcie Jane Oquinn
1423 Oquinn Hollow
Vansant, VA 24656