

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL  
DOCKET NO.: VGOB 08-0115-2122-01

RELIEF SOUGHT: RE-POOLING

LOCATION: SEE EXHIBITS "A" AND "A1"

HEARING DATE: November 18, 2014

UNIT NUMBER: AZ-143

IN THE MIDDLE RIDGE I COALBED METHANE GAS FIELD

TAZEWELL COUNTY, VIRGINIA

APPLICATION

1. **Applicant and its counsel:** Applicant is **CNX Gas Company LLC**, 2481 John Nash Blvd., Bluefield, West Virginia 24701, 304/323-6500. Applicant's counsel is Mark A. Swartz, Esquire, of the firm Swartz Law Offices, PLLC, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.
2. **Relief sought:** Re-Pooling under Middle Ridge I Coalbed Methane Gas Field.
3. **Legal Authority:** Va. Code Ann. §45.1-361.1 et seq. 4 VAC 25-160-10 et seq. and relevant Virginia Gas and Oil Board Orders heretofore promulgated pursuant to law including VGOB 00-10/17-0835.
4. **Type of well(s):** Coalbed methane, including increased density wells as required by mining plans.
5. **Permit numbers, if any:** CBM-AZ143, Permit #8761
6. **Plat:** Annexed hereto are Exhibit A and the Tract Identifications Schedule to Exhibit A. The Plat shows the size and shape of the unit and the boundaries of the tracts within the unit. The plat is certified by a licensed professional engineer and is attested by the undersigned on behalf of the applicant to be in conformity with existing orders issued by the Board.
7. **Status of interests to be pooled and Applicant's standing:** The respondents whose interests are sought to be pooled by the Applicant are:

*Southern Region Industrial Realty Corporation, Pocahontas Land Corporation, Pardee Royalty LLC and Pardee Minerals LLC, White Wolf Energy, Inc., CNX RCPC LLC, Richlands Coal Company, CNX Gas Company LLC, Fred A. Sayers, M.M. Strouth, et ux, Danny K. Clevinger, et ux*

Further, said respondents are listed in Exhibit B-3 hereto which describes their interests/claims. The respondents and others whose interests are subject to escrow under §45.1-361.21.D. are identified at Exhibit E. The annexed Exhibit A, page 2, sets forth the total interest(s) held by the Applicant in the unit.

8. **Formation(s) to be produced and estimates:** All coal seams and associated strata below the Jawbone 1 seam of coal all as more particularly described in the annexed proposed order. The estimated total production from subject unit is **125 to 550** MMCF. The estimated amount of reserves from the subject drilling unit is **125 to 550** MMCF. These figures concerning estimated production and the amount of reserves are, however, estimates only that are not based upon actual production and should not be relied upon for any purpose. It should not be assumed that final production before plugging and abandonment will equal estimated reserves.

9. **Estimate of allowable costs:** \$608,322.93 (CBM-AZ143-\$242,569.93 & CBM-AZ143A- \$365,753.00) See Exhibit C which estimates/reports the costs associated for frac production. However, in the event of gob production, the costs of any such additional wells, subject to Board approval, may be allocated to the subject unit by the Operator.

10. **Attestation:** The foregoing application, to the best of my knowledge, information, and belief, is true and correct.

**CNX Gas Company LLC**

Applicant

By: 

**Anita D. Duty**

**Pooling Supervisor**

CNX Land LLC

2481 John Nash Blvd.

Bluefield, WV 24701

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL  
DOCKET NO. VGOB 08-0115-2122-01

RELIEF SOUGHT: **RE-POOLING**

UNIT NUMBER: AZ-143

**NOTICE OF HEARING**

HEARING DATE: **November 18, 2014**  
PLACE: Russell County Conference Center  
135 Highlands Drive  
Lebanon, Virginia 24266  
TIME: 9:00 AM

**COMMONWEALTH OF VIRGINIA:**

**To:** *Southern Region Industrial Realty Corporation, Pocahontas Land Corporation, Pardee Royalty LLC and Pardee Minerals LLC, White Wolf Energy, Inc., CNX RCPC LLC, Richlands Coal Company, CNX Gas Company LLC, Fred A. Sayers, M.M. Strouth, et ux, Danny K. Clevinger, et ux*

1. **Applicant and its counsel:** Applicant is **CNX Gas Company LLC**, 2481 John Nash Blvd., Bluefield, West Virginia 24701, 304/323-6500. Applicant's counsel is Mark A. Swartz, Esquire, of the firm Swartz Law Offices, PLLC, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.
2. **Relief sought:** Re-Pooling
3. **Proposed provisions of order:** (a) **Re-Pooling** all the interests and estates of the persons named above in coalbed methane in the unit in question; (b) Establishing a procedure whereby each respondent shall have the right to make elections; (c) Providing that any respondent who does not make a timely election shall be deemed to have leased or assigned his coalbed methane gas interests to the applicant at a rate to be established by the Board; (d) Designating CNX Gas Company LLC as Unit Operator; (e) Making any necessary provisions for the escrow of funds; (f) Granting such other relief as is merited by the evidence and is just and equitable, whether or not such relief has been specifically requested herein.
4. **Legal Authority:** Va. Code Ann. §45.1-361.1 *et seq.* 4 VAC 25-160-10 *et seq.* and relevant Virginia Gas and Oil Board Orders heretofore promulgated pursuant to law including VGOB 00-10/17-0835.
5. **Type of well(s):** Coalbed methane.
6. **Plat:** Annexed hereto are Exhibit A, Exhibit A1 and the Tract Identifications Schedule to Exhibit A. The Plat shows the size and shape of the unit and the boundaries of the tracts within the unit. The Tract Identification Schedule to Exhibit A shows the percentage of acreage in each tract. The plat is certified by a licensed professional engineer and is attested by the undersigned on behalf of the applicant to be in conformity with existing orders issued by the Board.
7. **Your interest or claim sought to be re-pooled by this Application pertains to coalbed methane gas.**
8. **Formation(s) to be produced and estimates:** All coal seams and associated strata below the Jawbone 1 seam of coal all as more particularly described in the annexed proposed order. The estimated total production from subject unit is **125 to 550** MMCF. The estimated amount of reserves from the subject drilling unit is **125 to 550** MMCF. These figures concerning estimated production and the amount of reserves are, however, estimates only that are not based upon actual production and should not be relied upon for any purpose. It should not be assumed that final production before plugging and abandonment will equal estimated reserves.

9. **Estimate of allowable costs:** \$608,322.93 (AZ143- \$242,569.93 & AZ143A- \$365,753.00)

10. **Attestation:** The foregoing notice to the best of my knowledge, information, and belief is true and correct.

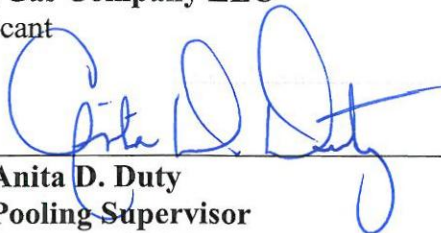
**NOTICE IS FURTHER GIVEN** that this cause has been set for hearing and the taking of evidence before the Board at 9:00 AM, on **November 18, 2014**, at the Russell County Conference Center, Lebanon, Virginia 24266, and that notice will be published as required by law and the rules of the Board.

**NOTICE IS FURTHER GIVEN** that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. For further information or a copy of the application and exhibits, either contact the Virginia Gas and Oil Board, State Oil and Gas Inspector, Department of Mines, Minerals and Energy, Division of Gas and Oil, P. O. Box 159, Lebanon, Virginia 24266, 276/415-9650 or the Applicant at the address shown below.

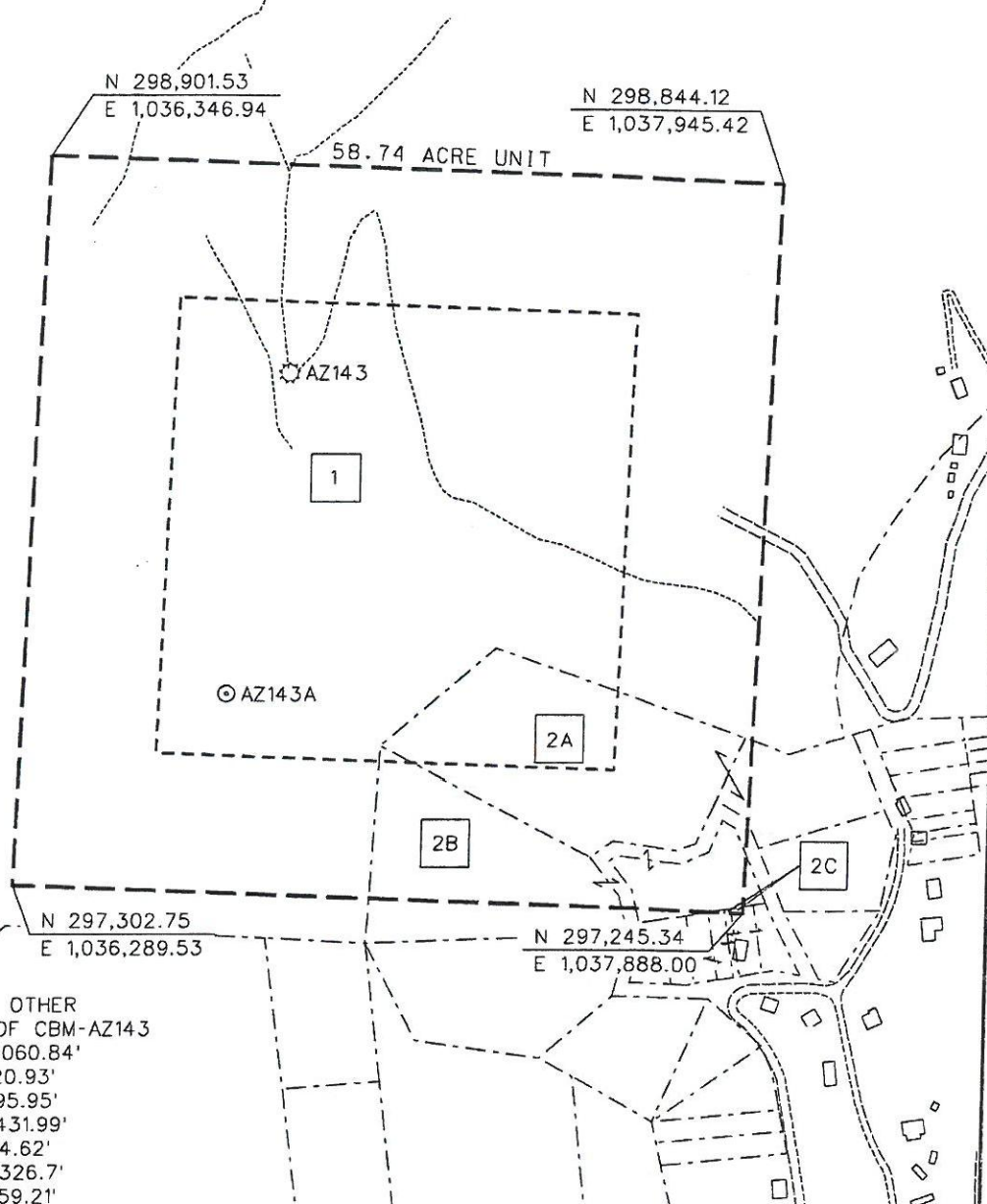
DATED: 10/17/14

**CNX Gas Company LLC**  
Applicant

By: \_\_\_\_\_

  
**Anita D. Duty**  
**Pooling Supervisor**  
CNX Land LLC  
2481 John Nash Blvd.  
Bluefield, WV 24701

Property lines shown on this plat were provided by CNX Gas Company LLC and were taken from deed descriptions and chains of title of record. This does not represent a current boundary survey. This certification is as to the size, shape and location of the proposed unit.



BEARINGS AND DISTANCES TO OTHER WELLS WITHIN 2,500' RADIUS OF CBM-AZ143  
 CBM-AY142 N 29° 50' 22" W 2060.84'  
 CBM-AY143 N 0° 15' 25" W 1420.93'  
 CBM-AY143A N 19° 14' 45" E 895.95'  
 CBM-AY144 N 47° 32' 57" E 2431.99'  
 CBM-AZ143A S 10° 6' 29" W 714.62'  
 CBM-AZ142A S 53° 51' 56" W 1326.7'  
 CBM-AZ142 S 89° 25' 57" W 959.21'

CBM WELL  
 PROPOSED CBM WELL



Digitally signed by Stephen E Maxfield  
 DN: c=US, o=IdenTrust ACES Business Representative, ou=D. R. PRICE ENGINEERING AND LAND SURVEYING INC PC, cn=Stephen E Maxfield, 0.9.2342.19200300.100.1.1=AO 109800000013B4DEE1AFB0000 57FD  
 Date: 2014.10.08 09:37:16 -04'00'

EXHIBIT A  
 MIDDLE RIDGE FIELD  
 UNIT AZ143  
 FORCE POOLING  
 VGOB-08-0115-2122-01

Company CNX Gas Company LLC Well Name and Number UNIT AZ143  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle RICHLANDS  
 County TAZEWELL District MAIDEN SPRINGS Scale: 1" = 400' Date \_\_\_\_\_  
 This plat is a new plat  ; an updated plat \_\_\_\_\_ ; or a final plat \_\_\_\_\_

Form DGD-GD-7 \_\_\_\_\_ (Affix Seal)  
 Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor

**CNX Gas Company LLC**  
**Unit AZ 143**  
**Tract Identifications**  
**(58.74 Acre Unit)**

1. Southern Region Industrial Realty Corporation, Tr. 1 (4430 Acre Tract) - All Coal Except P-3 Seam  
CNX RCPC LLC – Coal in P-3 Seam  
CNX Gas Company LLC – CBM in P-3 Seam  
White Wolf Energy, Inc. - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
Pardee Royalty LLC (50%) and Pardee Minerals LLC (50%) – Oil, Gas and CBM except CBM in P-3 Seam  
CNX Gas Company LLC – CBM - Deemed Leased via JOA  
Southern Region Industrial Realty Corporation – Surface  
Appalachian Forests A., LLC – Timber  
(Tax Map 105 Parcel 30)  
50.09 Acres                      85.2741%
  
- 2A. Richlands Coal Corporation (40.00 Acre Tract) – All coal  
CNX RCPC LLC – All Coal except “edge Seams” Leased  
CNX Gas Company, LLC – CBM Leased  
Fred A. Sayers – Surface, Oil and Gas  
CNX Gas Company, LLC – Oil, Gas and CBM Leased  
(Tax Map 105A 501 Parcel 01 Tr 8)  
4.94 Acres                      8.4100%
  
- 2B. Richlands Coal Corporation (40.00 Acre Tract) – All coal  
CNX RCPC LLC – All Coal except “edge Seams” Leased  
CNX Gas Company, LLC – CBM Leased  
M.M. Strouth, et ux – Surface, Oil and Gas  
(Tax Map 105A 501 Parcel 01 Tr 23)  
3.69 Acres                      6.2819%
  
- 2C. Richlands Coal Corporation (40.00 Acre Tract) – All coal  
CNX RCPC LLC – All Coal except “edge Seams” Leased  
CNX Gas Company, LLC – CBM Leased  
Danny K. Clevinger, et ux – Surface, Oil and Gas  
(Tax Map 105A 501 Parcel 01 Tr 38)  
0.02 Acres                      0.0340%

"This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coal bed methane ownership and should not be relied upon for such purpose."

Exhibit B  
Unit AZ-143  
Docket #VGOB 08-0115-2122-01  
List of All Owners/Claimants  
**(58.74 Acre Unit)**

	Net Acres in Unit	Interest in Unit
<b>I. COAL OWNERSHIP</b>		
<b><u>Tract #1 - 50.09 acres</u></b>		
(1) Southern Region Industrial Realty Corp. <i>(Coal except P3 Sea Tr. 1 (4430 acre tract))</i> Pocahontas Land Corporation, Agent P. O. Box 1517 Bluefield, WV 24701	50.09 acres	85.2741%
<b><u>CBM Royalty Owner:</u></b>		
Pardee Royalty LLC and Pardee Minerals LLC* P. O. Box 102904 Atlanta, GA 30368-2904		
White Wolf Energy, Inc. * 300 Corporate Centre Drive Scott Depot, WV 25660 <i>(previously Anker Virginia Mining Company, Inc.)</i>		
<b>* According to a prior agreement, the CBM royalties will be split 50/50.</b>		
(2) CNX RCPC LLC <i>(Coal in P3 Seam only) **</i> 10545 Riverside Drive Oakwood, VA 24631	50.09 acres	
<b>** Note: There is no Issue - Does not receive royalty for P3 Seam ownership.</b>		
<b><u>Tract #2A - 4.94 acres</u></b>		
(1) Richlands Coal Company <i>(40.00 Acre Tract)</i> PO Box 704 Richlands, VA 24641	4.94 acres	8.4100%
<b><u>Tract #2B - 3.69 acres</u></b>		
(1) Richlands Coal Company <i>(40.00 Acre Tract)</i> PO Box 704 Richlands, VA 24641	3.69 acres	6.2819%
<b><u>Tract #2C - 0.02 acres</u></b>		
(1) Richlands Coal Company <i>(40.00 Acre Tract)</i> PO Box 704 Richlands, VA 24641	0.02 acres	0.0340%
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<b><u>Tract #1 - 50.09 acres</u></b>		
(1) Pardee Royalty LLC and Pardee Minerals LLC*	50.09 acres	85.2741%
(a) Pardee Royalty LLC * <i>(Oil, Gas &amp; CBM Owner except CBM in P3 Seam)</i> P. O. Box 102904 Atlanta, GA 30368-2904	25.05 acres 1/2 of 50.09 acres	42.6370%
(b) Pardee Minerals LLC* <i>(Oil, Gas &amp; CBM Owner except CBM in P3 Seam)</i> P. O. Box 102904 Atlanta, GA 30368-2904	25.05 acres 1/2 of 50.09 acres	42.6370%

Exhibit B  
Unit AZ-143  
Docket #VGOB 08-0115-2122-01  
List of All Owners/Claimants  
(58.74 Acre Unit)

	Net Acres in Unit	Interest in Unit
White Wolf Energy, Inc. * 300 Corporate Centre Drive Scott Depot, WV 25660 <i>(previously Anker Virginia Mining Company, Inc.)</i>		
* According to a prior agreement, the CBM royalties will be split 50/50.		
(2) CNX Gas Company, LLC <i>(CBM in P3 Seam only)</i> ** 1000 Consol Energy Drive Canonsburg, PA 15317	50.09 acres	
** Note: There is no Issue - Does not receive royalty for P3 Seam ownership.		
<u>Tract #2A - 4.94 acres</u>		
(1) Fred A. Sayers PO Box 355 Doran, VA 24612	4.94 acres	8.4100%
<u>Tract #2B - 3.69 acres</u>		
(1) M.M. Strouth, et ux 2101 Cain Street Seagoville, TX 75159	3.69 acres	6.2819%
<u>Tract #2C - 0.02 acres</u>		
(1) Danny K. Clevinger, et ux PO Box 498 Oakwood, VA 24631	0.02 acres	0.0340%

Exhibit B-3  
Unit AZ-143  
Docket #VGOB 08-0115-2122-01  
List of All Unleased Owners/Claimants  
(58.74 Acre Unit)

	Net Acres in Unit	Interest in Unit
<b>I. COAL OWNERSHIP</b>		
<u>Tract #2A - 4.94 acres</u>		
(1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641	4.94 acres	8.4100%
<u>Tract #2B - 3.69 acres</u>		
(1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641	3.69 acres	6.2819%
<u>Tract #2C - 0.02 acres</u>		
(1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641	0.02 acres	0.0340%
<u>TOTAL COAL UNLEASED:</u>		
	Acreage in Unit	8.65
	Percentage of Unit	14.7260%
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<u>Tract #2B - 3.69 acres</u>		
(1) M.M. Strouth, et ux 2101 Cain Street Seagoville, TX 75159	3.69 acres	6.2819%
<u>Tract #2C - 0.02 acres</u>		
(1) Danny K. Clevinger, et ux PO Box 498 Oakwood, VA 24631	0.02 acres	0.0340%
<u>TOTAL OIL &amp; GAS UNLEASED:</u>		
	Acreage in Unit	3.71
	Percentage of Unit	6.3160%

EXHIBIT C  
UNIT: AZ-143  
VGOB: 08-0115-2122  
ESTIMATED / ACTUAL COST

CODE	ITEM	AMOUNT / FT.	UNIT PRICE \$ / FT.	LABOR / MISC.	SUBTOTAL	TOTAL
101	Site Preparation				\$35,000.00	\$35,000.00
102	Survey & Permits				\$9,500.00	\$9,500.00
104	Gravel for Location				\$0.00	\$0.00
108	Row Clearing				\$0.00	\$0.00
111	Logging/Perf				\$0.00	\$0.00
	A: Electric Logging - Top Hole	250	\$1.00	\$350.00	\$600.00	\$600.00
111	C: Electric Logging - Bottom Hole	2049	\$1.00	\$350.00	\$2,399.00	\$2,399.00
	D: Bond Logging				\$1,000.00	\$1,000.00
112	Rental Tools					\$0.00
114	Cement & Cement Svcs.				\$15,100.00	\$15,100.00
116	Drilling :					
116	A : DRILLING					
	MOBILIZATION	1	\$1,500.00		\$1,500.00	\$1,500.00
	15" DRILLING	25	\$15.50		\$387.50	\$387.50
	CASING RUN	25	\$1.00		\$25.00	\$25.00
	12 1/4" DRILLING	225	\$15.50		\$3,487.50	\$3,487.50
	CASING RUN	225	\$0.75		\$168.75	\$168.75
	8 3/4" DRILLING	0	\$15.50		\$0.00	\$0.00
	CASING RUN	0	\$0.60		\$0.00	\$0.00
	6 1/2 DRILLING	2049	\$15.50		\$31,759.50	\$31,759.50
	CASING RUN	0	\$0.50		\$0.00	\$0.00
	STANDBY	0	\$225.00		\$0.00	\$0.00
	DOZER	5	\$70.00		\$350.00	\$350.00
116A	B : CASING					
116B	1:13 3/8"	0	\$36.80		\$0.00	\$0.00
116C	2: 9 5/8"	0	\$13.15		\$0.00	\$0.00
116D	3: 7"	0	\$8.10		\$0.00	\$0.00
120	Trucking				\$5,000.00	\$5,000.00
124	Packer w/ Fittings,Baffles				\$0.00	\$0.00
126	Pit Liner & Reclamation				\$5,300.00	\$5,300.00
130	Completion				\$71,000.00	\$71,000.00
132	Treatment (Frac)				\$0.00	\$0.00
134	Frac Water				\$0.00	\$0.00
138	Electrical Installation				\$21,500.00	\$21,500.00
178	Right of Way & Damages				\$0.00	\$0.00
186	Miscellaneous Labor				\$286.00	\$286.00
201	Production Casing	1897	\$6.40		\$12,140.80	\$12,140.80
203	Casing Other					\$0.00
205	Casing Head - 7" x 4 1/2"				\$416.85	\$416.85
205	Casing Head - 4 1/2" x 2 3/8"				\$193.29	\$193.29
207	Pumping Unit				\$10,000.00	\$10,000.00
209	Controllable Material				\$0.00	\$0.00
211	Tubing/Rods	1887	\$5.02		\$9,472.74	\$9,472.74
213	Pumping Unit Base				\$0.00	\$0.00
215	Pumping Unit Base				\$994.00	\$994.00
217	Downhole Pump				\$1,100.00	\$1,100.00
221	Brine Tank				\$0.00	\$0.00
223	Misc. Valves & Fittings				\$0.00	\$0.00
224	Well Pkges/Downhole Pump				\$3,089.00	\$3,089.00
225	Misc. Noncontrol Mat				\$0.00	\$0.00
228	Electrical Installation				\$0.00	\$0.00
264	Separator				\$0.00	\$0.00
266	Brine Tanks				\$0.00	\$0.00
268	Valves & Fittings				\$800.00	\$800.00
272	Installation of Pipe / Coll				\$0.00	\$0.00
	<b>Total Project Cost - SSI</b>				<b>\$242,569.93</b>	<b>\$242,569.93</b>

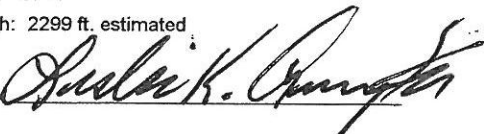
Well: AZ143

Note: The costs in bold are "actual" costs.

Permit No.: 8761

Total Depth: 2299 ft. estimated

Prepared By:



Date:

12/13/07

Company: \_\_\_ CNX Gas Company LLC

Virginia Gas And Oil Template -- Estimated Authorization For Expenditure (AFE)

AFE #	N/A	Property #	N/A	Version #	
Well Name:	AZ143A	Field:	Oakwood	Completed By:	R.E. Staton
Location:	Buchanan County	Operator:	CNX Gas Company LLC	Date:	9/25/14
Expected Pay Zones:	coal seams below Tiller incl. Poca 3 and Squire	Estimated Total Depth:	2440 DTD ft	AAPG Class:	
Proposed Work:	To drill, complete and produce	Participant(s):	N/A	W.I.	

Gen	Sub	Description	Casing Point	Completion	Total Cost
		Leasehold Costs	\$1,000	\$0	\$1,000
		Permit / Title Opinion / Survey / Insurance	\$4,700	\$0	\$4,700
		Building Location	\$20,000	\$0	\$20,000
		Roads / Stone / Culverts	\$32,000	\$0	\$32,000
		Surface Damages	\$500	\$0	\$500
		Drilling - Footage	\$68,000	\$0	\$68,000
		Drilling - Mobilization	\$0	\$0	\$0
		Drilling - Dayrate	\$0	\$0	\$0
		Mud & Chemicals (Drilling)	\$0	\$0	\$0
		Fuel	\$0	\$0	\$0
		Cement Surface casing	\$11,000	\$0	\$11,000
		Cement Intermediate casing	\$16,500	\$0	\$16,500
		Open Hole Logging & Testing	\$4,000	\$0	\$4,000
		Trucking / Dozer (Drilling)	\$0	\$0	\$0
		Rental Tools & Equipment (Drilling)	\$0	\$0	\$0
		Drilling - Bits	\$0	\$0	\$0
		Technical Supervision (Drilling)	\$0	\$0	\$0
		Fresh Water Hauling (Drilling)	\$0	\$0	\$0
		Overhead Rate	\$0	\$0	\$0
		Misc. & Contingencies	\$0	\$3,000	\$3,000
		Location Rds/Stone/Culverts	\$0	\$0	\$0
		Trucking / Dozer (Completion)	\$0	\$0	\$0
		Technical Supervision (Completion)	\$0	\$0	\$0
		Cased Hole Logging / Perforating	\$0	\$0	\$0
		Stimulation / Fracturing	\$0	\$91,000	\$91,000
		Completion Rig	\$0	\$0	\$0
		Reclamation & Damages	\$0	\$0	\$0
		Haul Pit Water / Disposal	\$0	\$0	\$0
		Cement Production Casing	\$0	\$10,000	\$10,000
		Rental Tools & Equipment (Completion)	\$0	\$0	\$0
		Fresh Water Hauling (Completion)	\$0	\$0	\$0
		Roustabout Labor	\$0	\$1,800	\$1,800
		<b>TOTAL INTANGIBLES</b>	<b>\$157,700</b>	<b>\$0</b>	<b>\$263,500</b>

Code	Code	Description	Casing Point	Completion	Total Cost	
		13 3/8" Conductor	75 Ft	\$7,500	\$0	\$7,500
		9 5/8" 26 lb/ft LS Surface Csg	0 Ft	\$0	\$0	\$0
		7" 19 lb/ft LS Intermediate Csg	300 Ft	\$3,549	\$0	\$3,549
		4 1/2" 9.5 lb/ft M-65 Production Csg	2,140 Ft	\$0	\$16,050	\$16,050
		4 1/2" 10.5 lb/ft M-65 Production Csg	20 Ft	\$0	\$1,200	\$1,200
		2-3/8" 4.7 lb/ft J55 Brd Production Tubing	2,180 Ft	\$0	\$15,849	\$15,849
		Wellhead Equipment / Fittings		\$0	\$9,000	\$9,000
		Tank Battery		\$0	\$0	\$0
		Separator / Heater / Treater		\$0	\$15,000	\$15,000
		Gas Lift Equipment		\$0	\$0	\$0
		Rods / Stuffing Box		\$0	\$14,700	\$14,700
		Downhole Pump		\$0	\$0	\$0
		Pumping Unit / Motor		\$0	\$9,405	\$9,405
		SS EQT-Packer, PF, FC, Nip		\$0	\$0	\$0
		Valves & Fittings		\$0	\$0	\$0
		Flow Line labor/material		\$0	\$5,000	\$5,000
		Sales line labor/mat/row		\$0	\$5,000	\$5,000
		<b>TOTAL TANGIBLES</b>				<b>\$102,253</b>

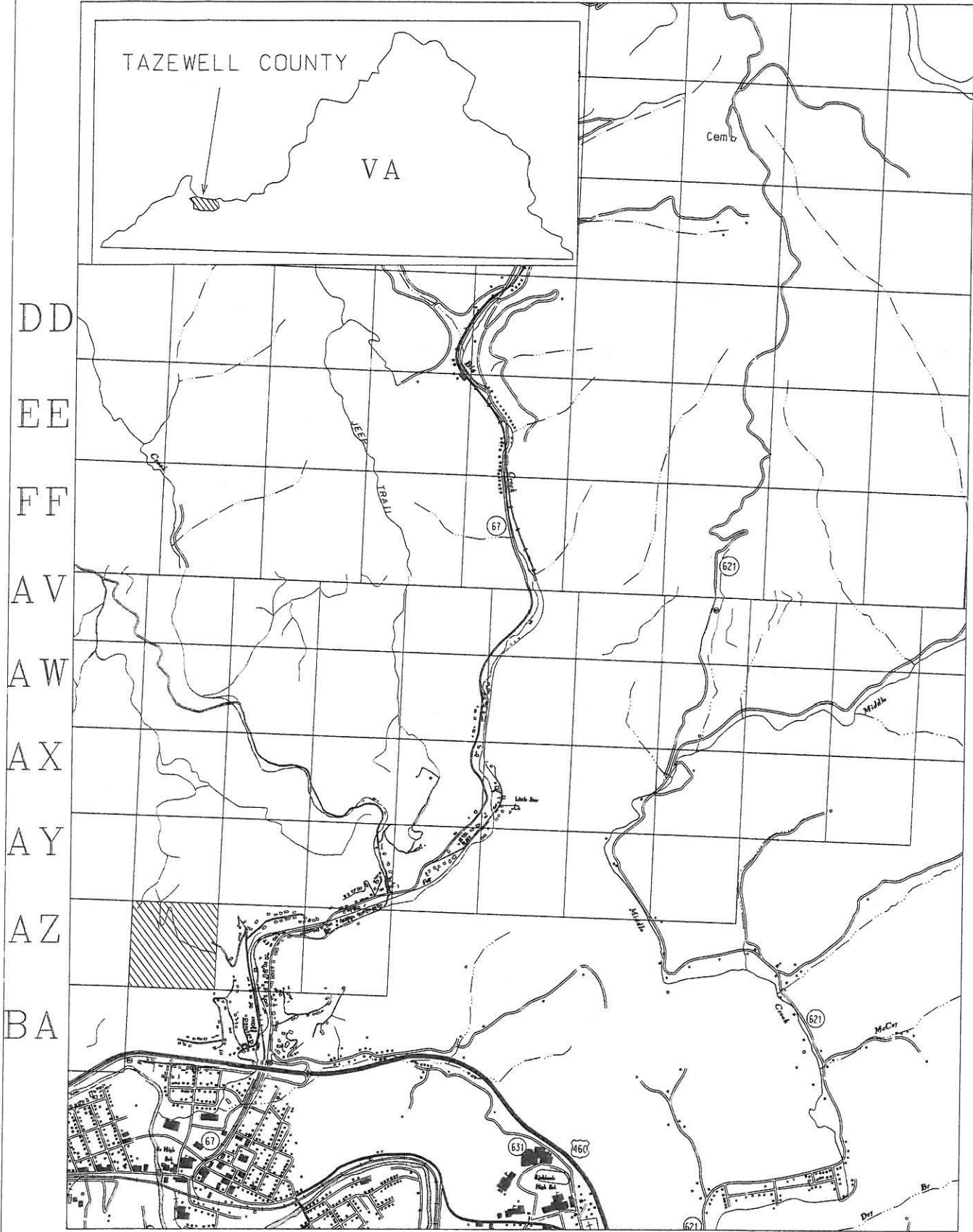
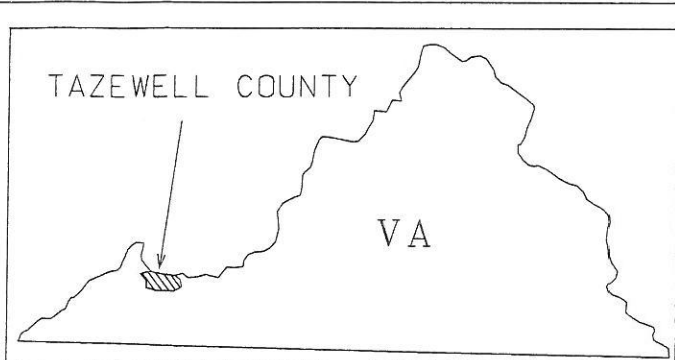
<b>GRAND TOTAL WELL COST</b>			<b>\$157,700</b>	<b>\$0</b>	<b>\$365,753</b>
153	115	Plugging & Abandonment	\$25,000		
			<b>Production Costs :</b>	<b>\$365,753</b>	<b>Dry Hole Costs :</b>
					<b>\$182,700</b>

Prepared by: Bob Staton Title Permitting Agent Date 10/2/14

THIS IS AN ESTIMATE OF PROJECTED WELL DRILLING, COMPLETION, EQUIPMENT AND PIPELINE COSTS. THESE ESTIMATES ARE PROJECTIONS ONLY AND ACTUAL BILLED COSTS MAY VARY FROM WELL TO WELL DEPENDING UPON ACTUAL FINAL DEPTH AND OTHER FACTORS INCLUDING, BUT NOT LIMITED TO, SEASONAL MATERIAL COSTS, WEATHER CONDITIONS, AND UNFORESEEN RIGHT-OF-WAY PROBLEMS.

Exhibit E  
Unit AZ-143  
Docket #VGOB 08-0115-2122  
List of Conflicting Owners/Claimants that require escrow  
(58.74 Acre Unit)

	Net Acres in Unit	Interest in Unit
<b><u>Tract #2A - 4.94 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641	4.94 acres	8.4100%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Fred A. Sayers PO Box 355 Doran, VA 24612	4.94 acres	8.4100%
<b><u>Tract #2B - 3.69 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641	3.69 acres	6.2819%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) M.M. Strouth, et ux 2101 Cain Street Seagoville, TX 75159	3.69 acres	6.2819%
<b><u>Tract #2C - 0.02 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641	0.02 acres	0.0340%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Danny K. Clevinger, et ux PO Box 498 Oakwood, VA 24631	0.02 acres	0.0340%
<b><u>TOTAL CONFLICTS:</u></b>		
	Acreage in Unit	8.65
	Percentage of Unit	6.3160%



AA  
BB  
CC

DD  
EE  
FF  
AV  
AW  
AX  
AY  
AZ  
BA

142 143 144 145 146 147 148 149 150 151

EXHIBIT A1  
UNIT AZ-143  
VGOB 08-0115-2122-01