

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: Range Resources-Pine Mountain,

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 02-1119-1098-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM  
ESCROW REGARDING TRACT(S) 5  
(2) AND AUTHORIZATION FOR DIRECT  
PAYMENT OF ROYALTIES

HEARING DATE: June 16, 2015

DRILLING UNIT: VC-551127

DICKENSON COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

**1. Petitioner and its counsel**

Petitioner is Range Resources-Pine Mountain,, P. O. Box 2136, Abingdon, VA 24212, (276)628-9001. Petitioner's counsel is James Kaiser, Wilhoit and Kaiser Law Firm, 220 Broad Street, Suite 210, Kingsport, TN 37660 .

**2. Relief Sought**

Disbursement of funds in the escrow account for Well No. VC-551127, to all known owners in Tract 5. VGOB 02-1119-1098-01.

**3. Legal Authority**

Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

**4. Type of Well(s)**

Coalbed Methane

**5. Factual basis for relief requested**

Disburse funds from the escrow account for Well No. PC-551127, to all known owners in Tract 5. VGOB 02-1119-1098.

**6. Attestation**

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

BM 100PG 295  
11,720'

Latitude 37° 05' 00"

Longitude 82° 12' 30"

4,110'

Lease No. 241640L / T2-201  
S.D. Sutherland  
21.23 Acres  
Clinchfield Coal Company /  
Pyxis Resources Company - coal & surface  
Pine Mountain Oil & Gas, Inc. - oil & gas  
Gas 11.39 Ac. 19.38%

DMLR Permit  
No. 1101538

Lease No. 241640L / T2-146  
George Johnson  
103 Acres  
Clinchfield Coal Company /  
Pyxis Resources Company - coal  
Pine Mountain Oil & Gas, Inc. - oil & gas  
Gas 8.35 Ac. 14.21%

DMLR Permit  
No. 1101538

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No. 1101538

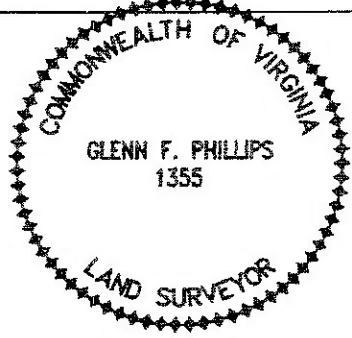
DMLR Permit  
No. 1101445

DMLR Permit  
No. 1101445

Lease No. 241490L / T-193  
Jesse Warrapler  
3215.0 Acres  
Clinchfield Coal Company /  
Pyxis Resources Company - coal  
Pine Mountain Oil & Gas, Inc. - oil & gas  
Gas 0.95 Ac. 1.62%

Lease No. 241640L / T2-147  
George Johnson  
87.0 Acres  
Clinchfield Coal Company /  
Pyxis Resources Company - coal & surface  
Pine Mountain Oil & Gas, Inc. - oil & gas  
Gas 35.46 Ac. 60.33%

Lease No. 241490L / T-317  
I.B. McReynolds  
30.3 Acres  
Clinchfield Coal Company /  
Pyxis Resources Company - coal  
Unknown Heirs of  
I.B. McReynolds - oil & gas  
Gas 2.62 Ac. 4.46%



IP Bearing & Distance  
1. S 32°39' E, 83.16'  
2. S 5°33' E, 102.10'

Well Coordinates: (VA St. Plane S. Zone,  
Calculated from GCC coordinates)  
N 290,669 E 906,631

Well Coordinates: (Clinchfield Coal Co.)  
S 10,151.02 E 39,332.20

Well elevation determined by  
GPS survey from BM Y 108

Area of Unit = 58.77 Ac.

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER PC-551127  
TRACT NO. T2-147 ELEVATION 1934.95' QUADRANGLE Duty  
COUNTY Dickenson DISTRICT Fvinton SCALE 1" = 400' DATE 10-9-2002

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 or Licensed Land Surveyor



**EXHIBIT "B"**  
**PC-551127**  
**VGOB 02/11/19-1098**  
 REVISED as of 05/07/2015

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<b><u>Gas Estate Only</u></b>				
1	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham	Leased-Range Resources-Pine Mountain, Inc.	60.3300%	35.4600
TAX ID 21007	PO Box 2136 Abingdon, VA 24212	906889 T2-147		
<b>Tract 1 Totals</b>			<b>60.3300%</b>	<b>35.4600</b>
2	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham	Leased-Range Resources-Pine Mountain, Inc.	1.6200%	0.9500
TAX ID 20789	PO Box 2136 Abingdon, VA 24212	906889 T-193		
<b>Tract 2 Totals</b>			<b>1.6200%</b>	<b>0.9500</b>
3	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham	Leased-Range Resources-Pine Mountain, Inc.	19.3800%	11.39
TAX ID 20552	PO Box 2136 Abingdon, VA 24212	906889 T2-201		
<b>Tract 3 Totals</b>			<b>19.3800%</b>	<b>11.3900</b>
4	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham	Leased-Range Resources-Pine Mountain, Inc.	14.2100%	8.35
TAX ID 21006	PO Box 2136 Abingdon, VA 24212	906889 T2-146		
<b>Tract 4 Totals</b>			<b>14.2100%</b>	<b>8.3500</b>
5	I. B. McReynolds Heirs	Unleased	4.4600%	2.62
TAX ID 22467	C & R Associates Inc. c/o Lowell Counts 1634 Echo Court Kingsport, TN 37685			
<b>Tract 5 Totals</b>			<b>4.4600%</b>	<b>2.6200</b>
<b>TOTAL GAS ESTATE</b>			<b>100.00%</b>	<b>58.77</b>
Percentage of Unit Leased			98.0200%	
Percentage of Unit Unleased			1.9800%	
Acreage in Unit Leased				57.51
Acreage in Unit Unleased				1.16

COAL ESTATE ONLY

<b>1</b>	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham	Leased 906889	60.3300%	35.4600
<b>TAX ID</b>	PO Box 2136	T2-147		
<b>Minerals</b>	Abingdon, VA 24212			
<b>Tract 1 Totals</b>			<b>60.3300%</b>	<b>35.4600</b>
<hr/>				
<b>2</b>	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham	Leased 906889	1.6200%	0.9500
<b>TAX ID</b>	PO Box 2136	T-193		
<b>Minerals</b>	Abingdon, VA 24212			
<b>Tract 2 Totals</b>			<b>1.6200%</b>	<b>0.9500</b>
<hr/>				
<b>3</b>	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham	Leased 906889	19.3800%	11.3900
<b>TAX ID</b>	PO Box 2136	T2-201		
<b>Minerals</b>	Abingdon, VA 24212			
<b>Tract 3 Totals</b>			<b>19.3800%</b>	<b>11.3900</b>
<hr/>				
<b>4</b>	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham	Leased 906889	14.2100%	8.3500
<b>TAX ID</b>	PO Box 2136	T2-146		
<b>Minerals</b>	Abingdon, VA 24212			
<b>Tract 4 Totals</b>			<b>14.2100%</b>	<b>8.3500</b>
<hr/>				
<b>5</b>	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham	Leased 906889	4.4600%	2.6200
<b>TAX ID</b>	PO Box 2136	T-317		
<b>Minerals</b>	Abingdon, VA 24212			
<b>Tract 5 Totals</b>			<b>4.4600%</b>	<b>2.6200</b>
<hr/>				
<b>TOTAL COAL ESTATE</b>			<b>100.00%</b>	<b>58.77</b>

\*Formerly:  
Pine Mountain Oil & Gas, Inc.  
Attn: Richard Brillhart  
PO Box 2136  
Abingdon, VA 24212

NOTE: Pursuant to that certain Purchase and Sales Agreement, effective January 1, 2014, Range Resources-Pine Mountain, Inc. obtained ownership in this well, and the above noted Leases, from EQT Production Company.

**EXHIBIT "E"**  
**PC-551127**  
**VGOB 02/11/19-1098**  
REVISED as of 05/07/2015

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
N/A		N/A		

**EXHIBIT "EE"**  
**PC-551127**  
**VGOB 02/11/19-1098**  
**REVISED as of 05/07/2015**

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	
<u>Disbursement-01</u>					
<u>5</u>	I. B. McReynolds Heirs	Unleased	4.4600%	2.62	100%
<b>TAX ID</b> <b>22467</b>	C & R Associates Inc. c/o Lowell Counts 1634 Echo Court Kingsport, TN 37665				
<b>Tract 5 Totals</b>			<b>4.4600%</b>	<b>2.6200</b>	
<b>TOTAL DISBURSEMENT-01</b>			<b>4.4600%</b>	<b>2.6200</b>	

BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant: Range Resources-Pine Mountain Inc. )  
Relief Sought: Well No. VC-551127 ) Docket No.  
Supplemental Order for Disbursement of Escrowed Funds ) VGOB-02-1119-1098-01  
on behalf of all known owners in tract: 5 )

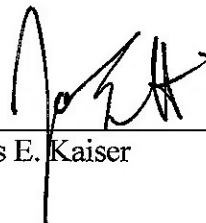
AFFIDAVIT OF MAILING  
(CERTIFICATE OF SERVICE)

STATE OF TENNESSEE )

COUNTY OF SULLIVAN )

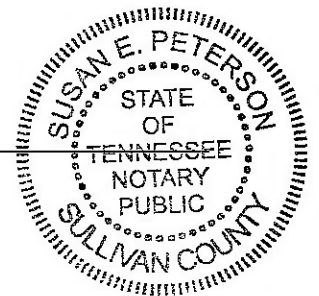
James E. Kaiser, of lawful age, being duly sworn, upon oath, deposes and says:

- (1) He is a partner with WILHOIT & KAISER, Agent for Range Resources-Pine Mountain Inc. ("RR") and makes this affidavit on behalf of RR.
- (2) Based upon information and belief, the names and last-known addresses, where such addresses are known, of the parties owning an interest in the oil and gas in this cause are set forth and attached hereto.
- (3) On the 15th day of May, 2015, true and correct copies of the Application and the Notice of Hearing in this matter were placed in the United States mail in Kingsport, TN, certified mail, return receipt requested, postage prepaid, duly addressed to the parties at their respective addresses as set forth in the attached Exhibit B which is hereby made a part of this Affidavit.
- (4) Notice of this cause has therefore been served by mail pursuant to the applicable statutes and rules of the Board.

  
James E. Kaiser

SUBSCRIBED AND SWORN TO before me this 9th day of June, 2015.

  
Susan Peterson, Notary



My commission expires: August 24, 2016.

**Exhibit J**  
**PC-551127**  
**VGOB 02/11/19-1098**

<u>Payment Date</u>	<u>Amount</u>
12/20/2005	\$172.77
12/20/2005	\$310.61
12/20/2005	\$374.31
12/20/2005	\$418.97
12/20/2005	\$385.12
12/20/2005	\$310.45
12/20/2005	\$319.39
12/20/2005	\$302.20
12/20/2005	\$279.42
12/20/2005	\$300.25
12/20/2005	\$358.27
12/20/2005	\$304.45
12/20/2005	\$298.56
12/20/2005	\$300.37
12/20/2005	\$289.38
12/20/2005	\$360.30
12/20/2005	\$330.14
12/20/2005	\$274.28
12/20/2005	\$210.97
12/20/2005	\$265.56
12/20/2005	\$328.32
12/20/2005	\$268.39
12/20/2005	\$229.29
12/20/2005	\$232.47
12/20/2005	\$243.01
12/20/2005	\$267.93
12/20/2005	\$249.20
12/20/2005	\$202.61
12/20/2005	\$234.95
12/20/2005	\$249.30
12/20/2005	\$351.32
12/20/2005	\$475.00
1/6/2006	\$441.63
2/6/2006	\$353.46
3/8/2006	\$365.00
4/7/2006	\$222.58
5/10/2006	\$215.47
6/6/2006	\$206.60
7/11/2006	\$190.51
8/7/2006	\$151.56
9/8/2006	\$140.85
10/9/2006	\$187.72
11/9/2006	\$185.18
12/7/2006	\$104.54
1/8/2007	\$178.96
2/8/2007	\$210.33
3/8/2007	\$151.07
4/6/2007	\$138.92
5/9/2007	\$177.28
6/8/2007	\$160.77

7/10/2007	\$168.47
8/7/2007	\$150.09
9/10/2007	\$135.94
10/12/2007	\$127.66
11/8/2007	\$109.01
12/10/2007	\$128.00
1/9/2008	\$145.77
2/8/2008	\$152.55
3/10/2008	\$148.41
4/8/2008	\$153.96
5/7/2008	\$171.22
6/9/2008	\$175.92
7/14/2008	\$215.35
8/7/2008	\$214.00
9/5/2008	\$241.89
10/10/2008	\$166.62
11/7/2008	\$146.04
12/9/2008	\$143.35
1/12/2009	\$114.87
2/11/2009	\$133.62
3/10/2009	\$112.23
4/9/2009	\$74.97
5/12/2009	\$70.86
6/8/2009	\$50.35
7/10/2009	\$50.67
8/12/2009	\$52.23
9/10/2009	\$61.81
11/9/2009	\$45.00
11/9/2009	\$36.62
12/9/2009	\$54.20
1/13/2010	\$57.14
2/10/2010	\$67.84
3/9/2010	\$103.01
4/14/2010	\$77.12
5/10/2010	\$73.11
6/8/2010	\$52.00
7/13/2010	\$61.99
8/10/2010	\$57.78
9/10/2010	\$66.57
10/11/2010	\$78.66
11/11/2010	\$51.71
12/9/2010	\$52.99
1/13/2011	\$41.75
2/11/2011	\$63.22
3/11/2011	\$67.72
4/12/2011	\$54.86
5/11/2011	\$52.24
6/11/2011	\$55.30
7/13/2011	\$56.76
8/10/2011	\$59.25
9/12/2011	\$61.06
10/12/2011	\$60.88
11/10/2011	\$49.96
12/9/2011	\$49.61
1/17/2012	\$45.61
2/10/2012	\$43.99
3/12/2012	\$38.18
4/13/2012	\$28.70

5/11/2012	\$26.93
6/12/2012	\$19.10
7/11/2012	\$19.21
8/10/2012	\$24.27
9/12/2012	\$28.74
10/10/2012	\$33.50
11/9/2012	\$26.28
12/12/2012	\$33.08
1/10/2013	\$39.24
2/11/2013	\$43.82
3/13/2013	\$38.57
4/10/2013	\$32.80
5/10/2013	\$40.04
6/10/2013	\$43.78
7/8/2013	\$49.27
8/12/2013	\$48.11
9/13/2013	\$42.98
10/10/2013	\$38.50
11/13/2013	\$37.37
12/11/2013	\$37.06
1/10/2014	\$38.54
2/11/2014	\$45.77
3/12/2014	\$77.78
4/10/2014	\$35.31
5/14/2014	\$26.19
6/13/2014	\$26.21
7/9/2014	\$30.12
8/14/2014	\$38.77
9/30/2014	\$44.22
10/31/2014	\$39.88
11/28/2014	\$42.26
12/31/2014	\$44.40
1/30/2015	\$38.17
2/27/2015	\$31.65
3/31/2015	\$21.89

**TOTAL PAYMENTS** \$19,944.49

**Escrow Agent Summary January 2015**

<u>Unit Name</u>	<u>Docket #</u>	<u>Operator</u>	<u>Beginning Market Value</u>	<u>Deposits</u>	<u>Money Mkt Interest</u>	<u>Fees for 12/31</u>	<u>Ending Market Value</u>
PC551127	1098	Range	\$21,184.46	\$44.40	\$1.55	\$1.77	\$21,231.41

**TOTAL PAYMENTS** \$19,944.49

**Escrow Agent Summary January 2015** \$21,231.41

**Difference** \$1,286.92