

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: Range Resources-Pine Mountain,

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 06-0718-1679-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM   
ESCROW REGARDING TRACT(S) 3, 4, 5   
(2) AND AUTHORIZATION FOR DIRECT   
PAYMENT OF ROYALTIES

HEARING DATE: June 16, 2015

DRILLING UNIT: VC-536260

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**

Petition to disburse funds from the escrow account for Well No. VC-536260, to all known owners in Tracts 3, 4 & 5. VGOB 06-0718-1679-01.

**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**

Disbursement of funds from the escrow account for Well No. VC-536260 to all known owners in Tracts 3, 4 and 5. VGOB 06-0718-1679-01.

**6. Attestation**

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

BK 432PG 368

2133'  
LATITUDE 37°10'00"  
LONGITUDE 82°20'00"  
TRUE

TOTAL UNIT AREA  
= 58.77 ACRES

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

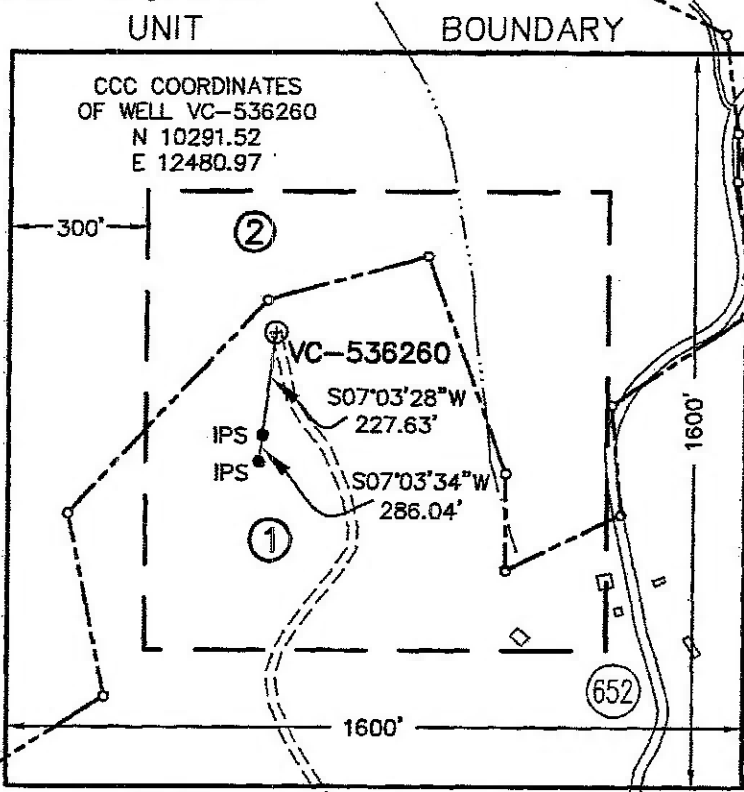
LEASE No. 241490 / T-1  
AYERS & ASTON  
204.14 ACRES  
HEARTWOOD FORESTLAND FUND IV, LP - surface  
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA  
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal (LESS PARTIAL UPPER BANNER)  
MUSICK ENTERPRISES, INC. - coal (UPPER BANNER)  
PINE MOUNTAIN OIL & GAS, INC. - oil, gas & CBM  
GAS 29.04 AC. 49.41%

19.29 ACRES  
DONNA LYNN STEVENS 1/2 INT. - surface, oil & gas  
EDISON STEVENS 1/2 INT. - surface, oil & gas  
ADALEE STEPHENS - life estate  
LEASE No. 244792 / TC-184  
W.L. COUNTS  
154.71 ACRES  
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA  
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal  
PINE MOUNTAIN OIL & GAS, INC. - CBM  
GAS 0.12 AC. 0.20%

LEASE No.  
CLARENCE L. WALDEN  
surface, oil & gas  
0.17 ACRES  
LEASE No. 244792 / TC-184  
W.L. COUNTS  
154.71 ACRES  
DICKENSON-RUSSELL COAL  
COMPANY, LLC/ALPHA  
LAND & RESERVES, LLC/  
ACIN, LLC/WBRD, LLC - coal  
PINE MOUNTAIN OIL  
& GAS, INC. - CBM  
GAS 0.05 AC. 0.09%

LEASE No.  
CLARENCE L. WALDEN -  
surface, oil & gas  
0.59 ACRES  
LEASE No. 244792 / TC-184  
W.L. COUNTS  
154.71 ACRES  
DICKENSON-RUSSELL COAL  
COMPANY, LLC/ALPHA  
LAND & RESERVES, LLC/  
ACIN, LLC/WBRD, LLC - coal  
PINE MOUNTAIN OIL  
& GAS, INC. - CBM  
GAS 0.06 AC. 0.10%

STATE PLANE  
NAD 27 COORDINATES  
OF WELL VC-536260  
N 10291.52  
E 12480.97  
N 312173.41  
E 880624.95  
LAT 37.128216°  
LON -82.340648°

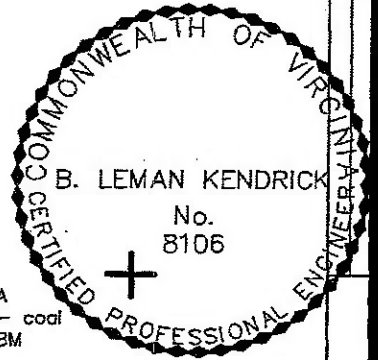


COORDINATES  
OF BENCH MARK  
S 77498.41  
E 22826.48  
ELEV. = 1754.09

NOTE !!!

WELL COORDINATES ARE BASED ON CLINCHFIELD  
COAL COMPANY'S COORDINATE SYSTEM  
CLINCHFIELD COAL COMPANY COORDINATES ARE  
CALCULATED FROM STATE PLANE WELL COORDINATES.  
PROPERTY INFORMATION PROVIDED BY EQUITABLE  
PRODUCTION COMPANY.  
ELEVATIONS ARE BASED ON NGS CONTROL ST. PAUL 2

LEASE No. 241490 / T-16  
W.L. COUNTS  
427.66 ACRES  
DONNIE COUNTS & CONNIE COUNTS - surface  
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA  
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal  
PINE MOUNTAIN OIL & GAS, INC. - oil, gas & CBM  
GAS 29.50 AC. 50.20%



WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-536260  
TRACT No. LEASE NO. 241490L/T-16 ELEVATION 2233.86 (GPS) QUADRANGLE HAYS1  
COUNTY DICKENSON DISTRICT ERVINTON SCALE: 1" = 400' DATE JUNE 6, 2006  
THIS PLAT IS A NEW PLAT x; AN UPDATED PLAT    ; 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.

*B. L. Kendrick* 6/6/06

(AFFIX SEAL)

LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

X:\2006 PROJECT DESIGN\8322-11 VC-536260.dwg @ 8322 PLAT.dwg



**EXHIBIT "B"**  
**VGOB - 06/07/18-1679**  
**VC-536260**  
 REVISED as of 5/4/2015

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<b>Gas Estate Only</b>				
<b>1</b>	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-Range Resources-Pine Mountain, Inc. 906889 T-16	50.200000%	29.5000
<b>TAX ID 20265</b>				
<b>Tract 1 Totals</b>			<b>50.200000%</b>	<b>29.5000</b>
<b>2</b>	Range Resources-Pine Mountain, Inc ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	Leased-Range Resources-Pine Mountain, Inc. 906889 T-1	49.410000%	29.0400
<b>TAX ID 20610</b>				
<b>Tract 2 Totals</b>			<b>49.410000%</b>	<b>29.0400</b>
<b>3</b>	Adalee Stevens, Widow 167 Stevens Ridge Clinchco, Virginia 24226	Life Estate		
<b>TAX ID 3841</b>				
	Ricky Edison Stevens and Melanie Stevens, H/W 6391 Carter Stanley Highway Coeburn, Virginia 24230	Unleased	0.100000%	0.0600
	Donna Lynn Stevens Willis and Gary Willis, H/W 209 Stevens Ridge Clinchco, Virginia 24226	Unleased	0.100000%	0.0600
<b>Tract 3 Totals</b>			<b>0.200000%</b>	<b>0.1200</b>
<b>4</b>	Clarence L. Walden and Cathy Walden, H/W 1816 Nealy Ridge Road Clinchco, Virginia 24226	Unleased	0.090000%	0.0500
<b>Tax ID 18203</b>				
<b>Tract 4 Totals</b>			<b>0.090000%</b>	<b>0.0500</b>
<b>5</b>	Clarence L. Walden and Cathy Walden, H/W 1816 Nealy Ridge Road Clinchco, Virginia 24226	Unleased	0.100000%	0.0600
<b>Tax ID 18174</b>				
<b>Tract 5 Totals</b>			<b>0.100000%</b>	<b>0.0600</b>
<b>TOTAL GAS ESTATE</b>			<b>100.000000%</b>	<b>58.7700</b>
Percentage of Unit Leased			99.6100%	
Percentage of Unit Unleased			0.3900%	
Acreage in Unit Leased				58.5400
Acreage in Unit Unleased				0.2300

**EXHIBIT "B"**  
**VGOB - 06/07/18-1679**  
**VC-536260**  
 REVISED as of 5/4/2015

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>COAL ESTATE ONLY</u>				
1	Range Resources-Pine Mountain, Inc* ATTN: Jerry Grantham	Leased	50.200000%	29.5000
TAX ID 20265	P.O. Box 2136 Abingdon, VA 24212	906889 T-216		
<b>Tract 1 Totals</b>			<b>50.200000%</b>	<b>29.5000</b>
2	Range Resources-Pine Mountain, Inc* ATTN: Jerry Grantham	Leased	49.410000%	29.0400
TAX ID 20610	P.O. Box 2136 Abingdon, VA 24212	906889 T-1		
<b>Tract 2 Totals</b>			<b>49.410000%</b>	<b>29.0400</b>
3	Range Resources-Pine Mountain, Inc* ATTN: Jerry Grantham	Leased	0.200000%	0.1200
TAX ID 3841	P.O. Box 2136 Abingdon, VA 24212	906889 TC-184		
<b>Tract 3 Totals</b>			<b>0.200000%</b>	<b>0.1200</b>
4	Range Resources-Pine Mountain, Inc* ATTN: Jerry Grantham	Leased	0.090000%	0.0500
TAX ID 18203	P.O. Box 2136 Abingdon, VA 24212	906889 TC-184		
<b>Tract 4 Totals</b>			<b>0.090000%</b>	<b>0.0500</b>
5	Range Resources-Pine Mountain, Inc* ATTN: Jerry Grantham	Leased	0.100000%	0.0600
TAX ID 18174	P.O. Box 2136 Abingdon, VA 24212	906889 TC-184		
<b>Tract 5 Totals</b>			<b>0.100000%</b>	<b>0.0600</b>
<b>TOTAL COAL ESTATE</b>			<b>100.000000%</b>	<b>58.7700</b>
Percentage of Unit Leased			100.000000%	
Percentage of Unit Unleased			0.000000%	
Acreage in Unit Leased				58.7700
Acreage in Unit Unleased				0.0000

\*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"**  
**VGOB - 06/07/18-1679**  
**VC-536260**  
REVISED as of 5/4/2015

<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"**  
**VGOB - 06/07/18-1679**  
**VC-536260**  
 REVISED as of 5/4/2015

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<b><u>Disbursement-01</u></b>				
<b><u>3</u></b>	Adalee Stevens, Widow 167 Stevens Ridge Clinchco, Virginia 24226	Life Estate		
<b>TAX ID 3841</b>				
	Ricky Edison Stevens and Melanie Stevens, H/W 6391 Carter Stanley Highway Coeburn, Virginia 24230	Unleased	0.100000%	0.0600 100%
	Donna Lynn Stevens Willis and Gary Willis, H/W 209 Stevens Ridge Clinchco, Virginia 24226	Unleased	0.100000%	0.0600 100%
<b>Tract 3 Totals</b>			<b>0.200000%</b>	<b>0.1200</b>
<b><u>4</u></b>	Clarence L. Walden and Cathy Walden, H/W 1816 Nealy Ridge Road Clinchco, Virginia 24226	Unleased	0.090000%	0.0500 100%
<b>Tax ID 18203</b>				
<b>Tract 4 Totals</b>			<b>0.090000%</b>	<b>0.0500</b>
<b><u>5</u></b>	Clarence L. Walden and Cathy Walden, H/W 1816 Nealy Ridge Road Clinchco, Virginia 24226	Unleased	0.100000%	0.0600 100%
<b>Tax ID 18174</b>				
<b>Tract 5 Totals</b>			<b>0.100000%</b>	<b>0.0600</b>
<b>TOTAL DISBURSEMENT-01</b>			<b>0.390000%</b>	<b>0.2300</b>

BEFORE THE VIRGINIA GAS AND OIL BOARD

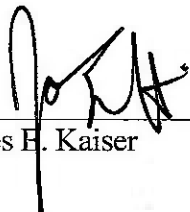
Applicant: Range Resources-Pine Mountain Inc. )  
) )  
Relief Sought: Well No. VC-536260 ) Docket No.  
Supplemental Order for Disbursement of Escrowed Funds ) VGOB-06-0718-1679-01  
on behalf of all known owners in tracts: 3, 4, 5 )  
) )

AFFIDAVIT OF MAILING  
(CERTIFICATE OF SERVICE)

STATE OF TENNESSEE )  
) )  
COUNTY OF SULLIVAN )

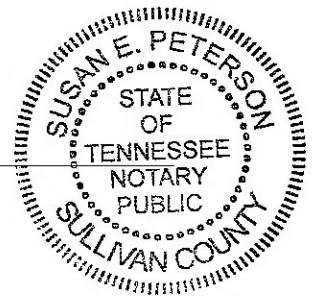
James E. Kaiser, of lawful age, being duly sworn, upon oath, deposes and says:

- (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.

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Adalee Stevens  
167 Stevens Ridge  
Clinchco, Virginia 24226

2. Article Number

(Transfer from service label)

7013 3020 0001 8823 7388

PS Form 3811, July 2013

Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X. Gary Willis

 Agent Addressee

B. Received by (Printed Name)

GARY L WILLIS

C. Date of Delivery

5-18-15

D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

 Certified Mail® Priority Mail Express™ Registered Return Receipt for Merchandise Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee)

 Yes

1679-01

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Donna Lynn Stevens Willis and  
Gary Willis  
209 Stevens Ridge  
Clinchco, Virginia 24226

2. Article Number

(Transfer from service label)

7013 3020 0001 8823 7364

PS Form 3811, July 2013

Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X. Gary Willis

 Agent Addressee

B. Received by (Printed Name)

GARY L WILLIS

C. Date of Delivery

5-18-15

D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

 Certified Mail® Priority Mail Express™ Registered Return Receipt for Merchandise Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Clarence L. Walden and  
Cathy Walden  
1816 Nealy Ridge Road  
Clinchco, Virginia 24226

2. Article Number

(Transfer from service label)

7013 3020 0001 8823 7357

PS Form 3811, July 2013

Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X. Clarence L Walden

 Agent Addressee

B. Received by (Printed Name)

CLARENCE L WALDEN

C. Date of Delivery

5-20-15

D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

 Certified Mail® Priority Mail Express™ Registered Return Receipt for Merchandise Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee)

 Yes

**Exhibit J**  
**VC-536260**  
**VGOB - 06/07/18-1679**

<u>Payment Date</u>	<u>Amount</u>
11/11/2010	\$0.03
11/11/2010	\$3.55
11/11/2010	\$4.73
11/11/2010	\$3.94
11/11/2010	\$4.63
11/11/2010	\$4.94
11/11/2010	\$5.07
11/11/2010	\$5.12
11/11/2010	\$4.84
11/11/2010	\$6.20
11/11/2010	\$6.41
11/11/2010	\$8.86
11/11/2010	\$9.66
11/11/2010	\$11.94
11/11/2010	\$8.27
11/11/2010	\$7.54
11/11/2010	\$7.42
11/11/2010	\$6.61
11/11/2010	\$8.64
11/11/2010	\$7.77
11/11/2010	\$4.85
11/11/2010	\$4.69
11/11/2010	\$3.29
11/11/2010	\$3.28
11/11/2010	\$3.34
11/11/2010	\$3.75
11/11/2010	\$2.87
11/11/2010	\$2.11
11/11/2010	\$3.40
11/11/2010	\$3.97
11/11/2010	\$3.46
11/11/2010	\$5.72
11/11/2010	\$4.58
11/11/2010	\$4.63
11/11/2010	\$3.29
11/11/2010	\$3.87
11/11/2010	\$3.39
11/11/2010	\$3.98
11/11/2010	\$4.00
11/11/2010	\$2.69
12/9/2010	\$2.90
1/13/2011	\$2.23
2/11/2011	\$3.37
3/11/2011	\$3.04
4/12/2011	\$3.06
5/11/2011	\$3.05

6/11/2011	\$3.36
7/13/2011	\$3.56
8/10/2011	\$3.50
9/12/2011	\$3.52
10/12/2011	\$3.59
11/10/2011	\$2.52
12/9/2011	\$2.65
1/17/2012	\$2.89
2/10/2012	\$2.70
3/12/2012	\$2.32
4/13/2012	\$1.83
5/11/2012	\$1.75
6/12/2012	\$1.23
7/11/2012	\$1.23
8/10/2012	\$1.52
9/12/2012	\$1.93
10/10/2012	\$2.06
11/9/2012	\$1.64
12/12/2012	\$2.07
1/10/2013	\$2.35
2/11/2013	\$2.79
3/13/2013	\$2.27
4/10/2013	\$2.01
5/10/2013	\$2.33
6/10/2013	\$2.69
7/8/2013	\$3.07
8/12/2013	\$2.93
9/13/2013	\$2.54
10/10/2013	\$2.31
11/13/2013	\$2.32
12/11/2013	\$2.33
1/10/2014	\$2.48
2/11/2014	\$2.55
3/12/2014	\$4.38
4/10/2014	\$4.24
5/14/2014	\$3.77
6/13/2014	\$3.46
7/9/2014	\$3.90

8/14/2014	\$3.74
9/30/2014	\$4.09
10/31/2014	\$3.43
11/28/2014	\$3.46
12/31/2014	\$3.62
1/30/2015	\$3.18
2/27/2015	\$3.74
3/31/2015	\$2.94
<b>TOTAL PAYMENTS</b>	<b>\$347.77</b>

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**Escrow Agent Summary March 2015**

<u>Unit Name</u>	<u>Docket #</u>	<u>Operator</u>	<u>Beginning</u> <u>Market</u> <u>Value</u>	<u>Deposits</u>	<u>Money</u> <u>Mkt</u> <u>Interest</u>	<u>Fees for</u> <u>2/28</u>	<u>Ending</u> <u>Market</u> <u>Value</u>
VC536260	1679	Range	\$411.51	\$3.74	\$0.07	\$0.03	\$415.29

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**TOTAL PAYMENTS** \$347.77

**Escrow Agent Summary March 2015** \$415.29

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**Difference** \$67.52