

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: Range Resources-Pine Mountain,

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 08-0620-2249-01

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

HEARING DATE: June 16, 2015

DRILLING UNIT: VC-537875

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 of disbursement to release funds in escrow for Well No. VC-537875, to all known owners in Tract 4. VGOB 08-0617-2249.

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

To Disburse funds from the escrow account for Well No. VC-537875 to all known owners in Tract 4. VGOB 08-0617-2249.

6. Attestation

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

2232'

TOTAL UNIT AREA = 58.77 ACRES

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

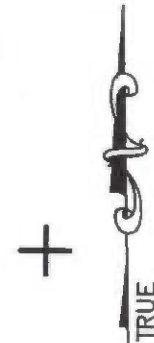
CCC COORDINATES OF WELL VC-537875
N 21237.71
E 36687.82

STATE PLANE NAD 27 COORDINATES OF WELL VC-537875
N 322136.99
E 905237.32
LAT 37.158280
LON -82.257651
NAD 83 COORDINATES
N 3603014.93
E 10388222.01

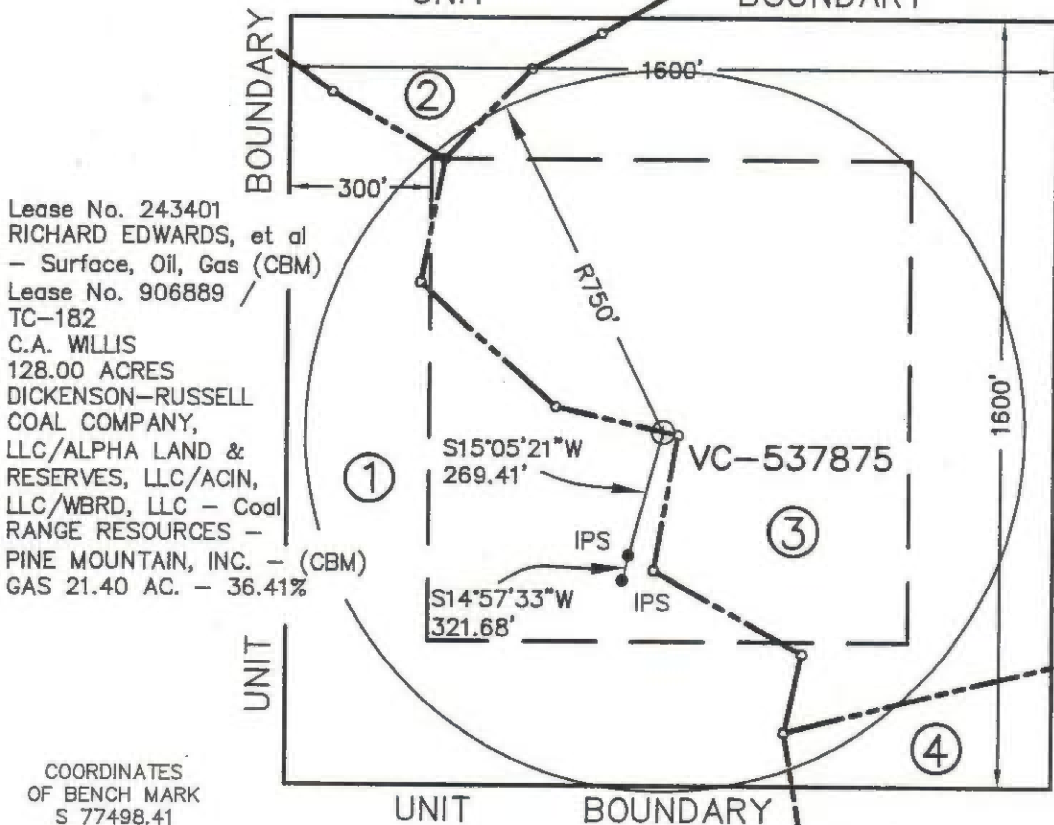
LATITUDE 37°10'00"

LONGITUDE 82°15'00"

Lease No. 906889 / T-230
JOHN ANDERSON
123.50 ACRES
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
RANGE RESOURCES - PINE MOUNTAIN, INC - Oil, Gas & CBM
GAS 2.63 AC. - 4.48%

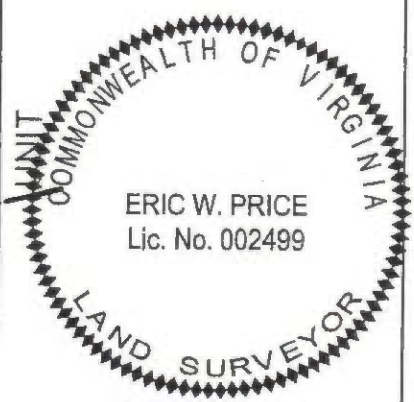


UNIT BOUNDARY



Lease No. 243401
RICHARD EDWARDS, et al
- Surface, Oil, Gas (CBM)
Lease No. 906889 / TC-182
C.A. WILLIS
128.00 ACRES
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
RANGE RESOURCES - PINE MOUNTAIN, INC. - (CBM)
GAS 21.40 AC. - 36.41%

Lease No. 906889 / T-290
JACOB FULLER
67.69 ACRES
HEARTWOOD FORESTLAND FUND IV, LLC - Surface
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
RANGE RESOURCES - PINE MOUNTAIN, INC - Oil, Gas & CBM
GAS 32.44 AC. - 55.20%



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

Lease No. THEO MCFALL, et al - oil, gas (CBM)
52.72 ACRES
Lease No. 906889 / TC-183
H.H.FULLER
176.30 ACRES
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
RANGE RESOURCES - PINE MOUNTAIN, INC. - (CBM)
GAS 2.30 AC. - 3.91%

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.

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-537875 (AN-60)

TRACT No. LEASE NO. 243401 ELEVATION 1985.41 (GPS) QUADRANGLE HAYSI

COUNTY DICKENSON DISTRICT SANDLICK SCALE: 1" = 400' DATE April 29, 2008

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.

Eric W. Price 4-29-08

(AFFIX SEAL)

T&L LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

EXHIBIT "B"
VC-537875
VGOB 08/06/17-2249
REVISED as of 04/27/2015

| <u>TRACT</u> | <u>LESSOR</u> | <u>LEASE STATUS</u> | <u>INTEREST WITHIN UNIT</u> | <u>GROSS ACREAGE IN UNIT</u> |
|-------------------------------|---|---|-----------------------------|------------------------------|
| <u>Gas Estate Only</u> | | | | |
| 1 | Richard Wade Edwards & Rita Owens Edwards P.O. Box 127 Birchleaf, VA 24220 | Leased-Range Resources-Pine Mountain, Inc. 243401 | 18.2050% | 10.7000 |
| TAX ID 6988 | Rebecca Gaylon & Edward Gaylon 12113 South Piney Point Bishopville, MD 21813 | Leased-Range Resources-Pine Mountain, Inc. 243401 | 18.2050% | 10.7000 |
| Tract 1 Totals | | | 36.4100% | 21.4000 |
| 2 | Range Resources-Pine Mountain INC. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24210 | Leased-Range Resources-Pine Mountain, Inc. 906889 T-230 | 4.4800% | 2.6300 |
| TAX ID 20410 | | | | |
| Tract 2 Totals | | | 4.4800% | 2.6300 |
| 3 | Range Resources-Pine Mountain INC. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24210 | Leased-Range Resources-Pine Mountain, Inc. 906889 T-290 | 55.2000% | 32.44 |
| TAX ID 20470 | | | | |
| Tract 3 Totals | | | 55.2000% | 32.4400 |
| 4 | Theo F. McFall, widow P. O. Box 581 Abingdon, VA 24212 | Unleased Leased To Appalachian Energy , Inc. | 1.9550% | 1.1500 |
| TAX ID 8048 | Carma Fleming, widow 5812 Wainwright Ave. Rockville, MD 20851 | Unleased Leased To Appalachian Energy , Inc. | 1.9550% | 1.1500 |
| | Appalachian Energy, Inc ATTN: Frank Henderson, President P. O. Box 2406 Abingdon, VA 24212 | | | |
| Tract 4 Totals | | | 3.9100% | 2.30 |
| TOTAL GAS ESTATE | | | 100.00% | 58.77 |
| Percentage of Unit Leased | | | 96.0900% | |
| Percentage of Unit Unleased | | | 3.9100% | |
| Acreage in Unit Leased | | | | 56.47 |
| Acreage in Unit Unleased | | | | 2.30 |

COAL ESTATE ONLY

| | | | | |
|--------------------------|-------------------------------------|--------|-----------------|----------------|
| 1 | Range Resources-Pine Mountain, Inc* | Leased | 36.4100% | 21.4000 |
| | Attn: Jerry Grantham | 906889 | | |
| TAX ID | PO Box 2136 | TC-182 | | |
| Minerals | Abingdon, VA 24212 | | | |
| Tract 1 Totals | | | 36.4100% | 21.4000 |
| <hr/> | | | | |
| 2 | Range Resources-Pine Mountain, Inc* | Leased | 4.4800% | 2.6300 |
| | Attn: Jerry Grantham | 906889 | | |
| TAX ID | PO Box 2136 | T-230 | | |
| 20410 | Abingdon, VA 24212 | | | |
| Tract 2 Totals | | | 4.4800% | 2.6300 |
| <hr/> | | | | |
| 3 | Range Resources-Pine Mountain, Inc* | Leased | 55.2000% | 32.4400 |
| | Attn: Jerry Grantham | 906889 | | |
| TAX ID | PO Box 2136 | T-290 | | |
| 28470 | Abingdon, VA 24212 | | | |
| Tract 3 Totals | | | 55.2000% | 32.4400 |
| <hr/> | | | | |
| 4 | Range Resources-Pine Mountain, Inc* | Leased | 3.9100% | 2.3000 |
| | Attn: Jerry Grantham | 906889 | | |
| TAX ID | PO Box 2136 | TC-183 | | |
| Minerals | Abingdon, VA 24212 | | | |
| Tract 4 Totals | | | 3.9100% | 2.3000 |
| <hr/> | | | | |
| TOTAL COAL ESTATE | | | 100.00% | 58.77 |

*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"
VC-537875
VGOB 08/06/17-2249
REVISED as of 04/27/2015

| <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"
VC-537875
VGOB 08/06/17-2249
REVISED as of 04/27/2015

| <u>TRACT</u> | <u>LESSOR</u> | <u>LEASE STATUS</u> | <u>INTEREST WITHIN UNIT</u> | <u>GROSS ACREAGE IN UNIT</u> | |
|------------------------------|--|--|-----------------------------|------------------------------|------|
| 1 | Richard Wade Edwards & Rita Owens Ed P.O. Box 127 Birchleaf, VA 24220 | Leased-Range Resources-Pine Mountain, Inc. 243401 | 18.205000% | 10.7000 | 100% |
| TAX ID 6988 | Rebecca Gaylon & Edward Gaylon 12113 South Piney Point Bishopville, MD 21813 | Leased-Range Resources-Pine Mountain, Inc. 243401 | 18.205000% | 10.7000 | 100% |
| Tract 1 Totals | | | 36.410000% | 21.4000 | |

Range is paying royalties direct on tract 1

Disbursement -01

| | | | | | |
|--|---|--|------------------|---------------|------|
| 4 | Theo F. McFall, widow P.O. Box 581 Abingdon, VA 24212 | Unleased Leased to Appalachian Energy, Inc. | 1.9550% | 1.1500 | 100% |
| TAX ID 8048 | Carma Fleming, widow 5812 Wainwright Avenue Rockville, MD 20851 | Unleased Leased to Appalachian Energy, Inc. | 1.9550% | 1.1500 | 100% |
| Appalachian Energy, Inc. Attn: Frank Henderson, President P.O.Box 2406 Abingdon, VA 24212 | | | | | |
| Tract 4 Totals | | | 3.910000% | 2.3000 | |

| | | |
|------------------------------|------------------|---------------|
| TOTAL Disbursement-01 | 3.910000% | 2.3000 |
|------------------------------|------------------|---------------|

BEFORE THE VIRGINIA GAS AND OIL BOARD


Applicant: Range Resources-Pine Mountain Inc.)
))
Relief Sought: Well No. VC-537875) Docket No.
Supplemental Order for Disbursement of Escrowed Funds) VGOB-08-0620-2249-01
on behalf of all known owners in tract: 4)
)

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:

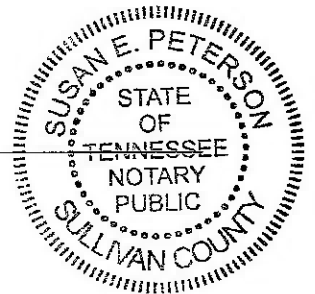
- (1) He is a partner with WILHOIT & KAISER, Agent for Range Resources-Pine Mountain Inc. ("RR") and makes this affidavit on behalf of RR.
- (2) Based upon information and belief, the names and last-known addresses, where such addresses are known, of the parties owning an interest in the oil and gas 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:

Carma Fleming
5812 Wainwright Avenue
Rockville, MD 20851

COMPLETE THIS SECTION ON DELIVERY

- A. Signature
 Agent
 Addressee
X Carma Fleming
- B. Received by (Printed Name) C. Date of Delivery
Carma F. Fleming 5/18/15
- D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

2249-01

3. Service Type
 Certified Mail® Priority Mail Express™
 Registered Return Receipt for Merchandise
 Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number 7013 3020 0001 8823 7463
(Transfer from service label)

PS Form 3811, July 2013 Domestic Return Receipt

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:

Theo F. McFall
P.O. Box 581
Abingdon, VA 24212

COMPLETE THIS SECTION ON DELIVERY

- A. Signature
 Agent
 Addressee
X Theo F. McFall
- B. Received by (Printed Name) C. Date of Delivery
Theo F. McFall 5/18/15
- D. Is delivery address different from item 1? Yes
 If 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

2. Article Number 7013 3020 0001 8823 7470
(Transfer from service label)

PS Form 3811, July 2013 Domestic Return Receipt

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:

Appalachian Energy, Inc.
P.O. Box 2406
Abingdon, VA 24212

COMPLETE THIS SECTION ON DELIVERY

- A. Signature
 Agent
 Addressee
X Kim Wickner
- B. Received by (Printed Name) C. Date of Delivery
Kim Wickner 5/18/15
- D. Is delivery address different from item 1? Yes
 If 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

2. Article Number 7013 3020 0001 8823 7456
(Transfer from service label)

PS Form 3811, July 2013 Domestic Return Receipt

Exhibit J
VC-537875
VGOB 08/06/17-2249

| <u>Payment Date</u> | <u>Amount</u> |
|---------------------|---------------|
| 10/12/2011 | \$0.13 |
| 10/12/2011 | \$12.14 |
| 10/12/2011 | \$20.66 |
| 10/12/2011 | \$33.46 |
| 10/12/2011 | \$22.03 |
| 10/12/2011 | \$11.86 |
| 10/12/2011 | \$13.25 |
| 10/12/2011 | \$8.17 |
| 10/12/2011 | \$7.93 |
| 10/12/2011 | \$8.11 |
| 10/12/2011 | \$9.25 |
| 10/12/2011 | \$7.38 |
| 10/12/2011 | \$5.46 |
| 10/12/2011 | \$8.11 |
| 10/12/2011 | \$9.81 |
| 10/12/2011 | \$8.38 |
| 10/12/2011 | \$9.38 |
| 10/12/2011 | \$14.86 |
| 10/12/2011 | \$14.35 |
| 10/12/2011 | \$10.72 |
| 10/12/2011 | \$13.38 |
| 10/12/2011 | \$13.54 |
| 10/12/2011 | \$12.61 |
| 10/12/2011 | \$16.09 |
| 10/12/2011 | \$10.92 |
| 10/12/2011 | \$10.52 |
| 10/12/2011 | \$8.98 |
| 10/12/2011 | \$14.51 |
| 10/12/2011 | \$4.58 |
| 10/12/2011 | \$7.74 |
| 10/12/2011 | \$8.53 |
| 10/12/2011 | \$12.04 |
| 10/12/2011 | \$11.63 |
| 10/12/2011 | \$13.72 |
| 10/12/2011 | \$14.40 |
| 10/12/2011 | \$15.72 |
| 12/9/2011 | \$13.30 |
| 12/9/2011 | \$13.65 |
| 1/17/2012 | \$12.96 |
| 2/10/2012 | \$9.55 |
| 3/12/2012 | \$11.73 |
| 4/13/2012 | \$8.52 |
| 5/11/2012 | \$8.70 |
| 6/12/2012 | \$6.17 |
| 7/11/2012 | \$6.26 |
| 8/10/2012 | \$4.46 |
| 9/12/2012 | \$9.99 |
| 10/10/2012 | \$10.61 |

| | |
|------------|---------|
| 11/9/2012 | \$8.35 |
| 12/12/2012 | \$10.08 |
| 1/10/2013 | \$12.54 |
| 2/11/2013 | \$13.75 |
| 3/13/2013 | \$10.86 |
| 4/10/2013 | \$9.90 |
| 5/10/2013 | \$7.38 |
| 6/10/2013 | \$10.98 |
| 7/8/2013 | \$13.94 |
| 8/12/2013 | \$7.78 |
| 9/13/2013 | \$0.56 |
| 10/10/2013 | \$0.02 |
| 11/13/2013 | \$3.02 |
| 12/11/2013 | \$4.89 |
| 1/10/2014 | \$0.02 |
| 2/11/2014 | \$2.87 |
| 3/12/2014 | \$6.56 |
| 4/10/2014 | \$5.81 |
| 5/14/2014 | \$6.59 |
| 6/13/2014 | \$8.18 |
| 7/9/2014 | \$9.05 |
| 8/14/2014 | \$8.94 |
| 9/30/2014 | \$9.71 |
| 10/31/2014 | \$8.23 |
| 11/28/2014 | \$8.73 |
| 12/31/2014 | \$9.24 |
| 1/30/2015 | \$8.51 |
| 2/27/2015 | \$9.80 |
| 3/31/2015 | \$7.78 |

TOTAL PAYMENTS \$764.32

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> |
|------------------|-----------------|-----------------|---------------------------------------|-----------------|-----------------------------------|---------------------------|------------------------------------|
| VC537875 | 2249 | Range | \$729.84 | \$9.24 | \$0.17 | \$0.06 | \$739.19 |

TOTAL PAYMENTS \$764.32

Escrow Agent Summary January 2015 \$739.19

Difference \$25.13