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9-7-2018

To: Virginia Division of Gas and Oil
P.O. Box 159
Lebanon, VA. 24266
Telephone: (276) 415-9700
Fax: (276) 415-9671
Rick Cooper, Director
Division of Gas and Oil
Sally Hetrow - Permit Specialist Division of Gas and Oil.

From: Arnold Bailey
7224 Lovers Gap Rd
Vansant, VA. 24656
(Objector) Surface, Mineral and/or Gas, Oil, Coal, Stone and
(615) 489-5784 Telephone

This is to notify the VA. Gas and Oil Board of an application
for appeal to be heard before the full Board. Arnold Bailey vs Evervest
Operating, L.L.C. permit application #31013. I Arnold Bailey object
to the decisions made by Director Rick Cooper!

Thanks
Arnold Bailey

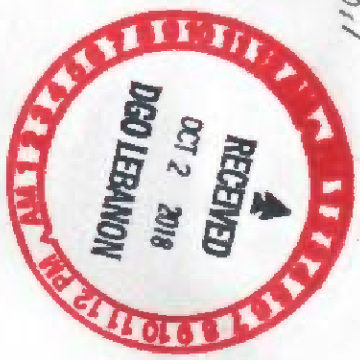
Arnold Bailey
7294 Lowers Gap Rd
Vandenberg, VA. 24156.

Virginia Division of Gas and Oil
P.O. Box 159
135 Highland Drive
Lebanon, VA. 24246
Attn: Rich Cooper, Director

24266-015953



ROSELVILLE TN 370
26 SEP 2018 PM 2 L



**VIRGINIA DIVISION OF GAS AND OIL
NOTICE OF INFORMAL FACT FINDING HEARING**

In regard to

Proposed Permit for Modification Coalbed/Pipeline

Application 31013 for Haysi 87 w/PL

Located in the Prater District of Buchanan County, Virginia

Docket Number IFFH 1007

In Accordance with §45.1-361.35.H. of the Code of Virginia, the Director of the Division of Gas and Oil has scheduled an Informal Fact Finding Hearing (IFFH) to consider objections received from Arnold Bailey, to be affected by the above-named operation(s). The objection by the Surface Owner was received at the office of the Division of Gas and Oil in a timely manner and in accordance with §45.1-361.35. This notice of hearing is being sent to the permit applicant and to all parties with standing to object as prescribed by §45.1-361.30. All parties are entitled to be represented by counsel at the hearing, if desired. Those receiving notice of this proceeding and who did not object to the application are not required to attend.

The objections have been filed by a Surface Owner against the permit applications for for operation Haysi 87 w/PL in accordance with:

§45.1-361.35. Objections to permits

B. The only objections to permits or permit modifications that may be raised by Surface Owners are:

1. The operations plan for soil erosion and sediment control is inadequate not effective.
2. There are not measures (in addition to the requirement for a well's water-protection string) necessary to protect fresh water-bearing strata.
4. The location of the coalbed methane well or coalbed methane well pipeline would unreasonably infringe on the surface owner's use of the surface. Note: This is only considered grounds to object, if a reasonable alternative site is available within the unit, and granting the objection will not materially impair any right contained in an agreement, valid at the time of the objection, between the surface owner and the operator or their predecessors or successors in interest.

All testimony in this conference must be relevant to objections allowed for and detailed in the Gas and Oil Act in this section.

Date and Location of Conference:

The hearing is scheduled for **Tuesday, July 31, 2018, beginning at 01:00 PM**. The hearing will be held at the Department of Mines, Minerals, and Energy Office, Russell County Government Center, 135 Highland Drive, Lebanon, Virginia 24266. Contact the Division of Gas and Oil at (276) 415-9700 with any questions.

Specific directions and other important information can be accessed from the Department of Mines, Minerals, and Energy website: <http://www.dmme.virginia.gov/divisiongasoil.shtml>

Informal Fact Finding Hearings are to be conducted according to provisions of the Administrative Processes Act of the Code of Virginia (§2.2-4019). In reaching a decision, the Director may rely upon any public data, field research, documents, and testimony given at the hearings.

This notice was prepared on Monday, October 29, 2018, and will be sent by certified mail, return receipt requested, to every person with standing to object as prescribed by §45.1-361.30.

Rick Cooper, Director

Virginia Division of Gas and Oil
P.O. Drawer 159
Lebanon, Virginia 24266

Page Number 5.

HAYSI-87 PLAT
TRACT OWNERSHIP INFORMATION SCHEDULE
3/26/2018

- 1 . J. E. Arrington
165.85 Acres
ACIN LLC - coal
Paramont Contura, LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Contura, LLC - coal lessee
EnerVest Energy Institutional Fund XIV-A, L.P., EnerVest Energy Institutional Fund XIV-A1, L.P., &
EnerVest Energy Institutional Fund XIV-WIC, L.P. - oil, gas & CBM
Gas 47.30 Ac. 80.57%
- 2 . N. B. Dotson
84.37 Acres
ACIN LLC - coal
Paramont Contura, LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Contura, LLC - coal lessee
EnerVest Energy Institutional Fund XIV-A, L.P., EnerVest Energy Institutional Fund XIV-A1, L.P., &
EnerVest Energy Institutional Fund XIV-WIC, L.P. - oil, gas & CBM
Gas 3.97 Ac. 6.76%
- 3 . N. H. Arrington
178.81 Acres
ACIN LLC - coal
Paramont Contura, LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Contura, LLC - coal lessee
EnerVest Energy Institutional Fund XIV-A, L.P., EnerVest Energy Institutional Fund XIV-A1, L.P., &
EnerVest Energy Institutional Fund XIV-WIC, L.P. - oil, gas & CBM
Gas 7.44 Ac. 12.67%

TOTAL PIPELINE LENGTH: 2,217 FT.

NOTE: IF SUFFICIENT RESIDUE MATERIALS ARE NOT GENERATED DURING CLEARING OPERATIONS, SILT FENCING OR STRAW BALE BARRIERS WILL BE PLACED AROUND THE PERIMETER OF THE DISTURBED AREA.

BEG. PROPOSED 4" PIPELINE
@ STA 0+00
@ PROPOSED WELL NO. HAYSI-87

END PROPOSED 4" PIPELINE
@ STA 22+17
@ EXISTING 6" BF-159PL

Haysi-87
Proposed Well Site
& Pit Location

Existing 4" VC-537056PL

Approx. Loc.
VC-537056

VC-537056 Existing
Well Access Road

Existing 6" BF-159PL

Old Logging Road
to be Upgraded

LEGEND

- DIVERSION DITCH
- ▤▤▤▤ STRAW BARRIER
- ▤▤▤▤ BRUSH BARRIER
- ***** SILT FENCE
- DRIP

NOTE: Compass Surveyed on 2014
Magnetic Meridian with Slope Distance
Along Proposed Pipeline

STA	GRADE
0+00 - 1+00	BURIED + 7%
1+00 - 4+00	BURIED - 6%
4+00 - 5+00	BURIED + 12%
5+00 - 7+00	BURIED + 4%
7+00 - 10+00	BURIED - 11%
10+00 - 10+86	BURIED + 5%
10+86 - 11+00	BURIED ± 0%
11+00 - 12+00	BURIED - 3%
12+00 - 13+00	BURIED + 6%
13+00 - 14+00	BURIED - 1%
14+00 - 16+00	BURIED - 10%
16+00 - 18+00	BURIED + 16%
18+00 - 20+00	BURIED + 3%
20+00 - 22+00	BURIED - 14%
22+00 - 22+17	BURIED - 1%

RANGE RESOURCES-PINE MOUNTAIN, INC.

SITE PLAN FOR PROPOSED GAS PIPELINE

PIPELINE NO. HAYSI-87PL

PRATER QUADRANGLE

BUCHANAN COUNTY

PRATER DISTRICT

SCALE: 1" = 400'

DATE: 11-20-2014



Operations Name: Haysi 87 w/PL
Application Number: 31013

NOTICE OF APPLICATION FOR A PERMIT OR PERMIT MODIFICATION

Take Notice of EnerVest Operating, LLC, pursuant to Code of Virginia, Section 45.1-361.29, is filing this Notice and Application of a permit with the Virginia Division of Gas and Oil with respect to an operation on the Prater District, BUCHANAN City/County, Virginia.

Attached to this Notice of Application is a copy of the required plat or map, operations plan and other information required by the Director. The operations plan describes the work to be done and meets the requirements of Regulation 4 VAC 25-150-100.

You may have the right to file an objection to the proposed operations within fifteen (15) days from the receipt of this notice pursuant to the Code of Virginia, Section 45.1-361.35. A copy of this Code section is attached for your review. You must describe the specific practices you are objecting to and reference the appropriate part of Section 45.1-361.35 when submitting any objection.

If you wish to object to this permit application, then you may file your objections with the Director of the Division of Gas and Oil, electronically in the Client Services Section of the DGO Data Information System at the following address: <https://www.dmme.virginia.gov/DgoInquiry>. You may also file objections at the address listed below.

Section 45.1-361.35.A "Objections to new or modification permits may be filed with the Director by those having standing as set out in Section 45.1-361.30. Such objections shall be filed within fifteen days of the objecting party's receipt of the notice required by Section 45.1-361.30. Persons objecting to a permit must state the reasons for their objections."

After receipt of a valid objection, an informal conference will be scheduled pursuant to the Code of Virginia Section 45.1-361.35.H.

Section 45.1-361.35.H "The Director shall fix a time and place for an informal fact finding hearing concerning such objections. The hearing shall not be scheduled for less than twenty nor more than thirty days after an objection is filed."

City/County: BUCHANAN District: Prater Quadrangle: PRATER
Waterway: Pawpaw Creek Farm Name: J. E. Arrington

State Plane NAD 83 East / X	State Plane NAD 83 North / Y	Surface Elevation
10409447.4300	3607125.2400	2109.99

OBJECTIONS MUST BE FILED WITH

DEPARTMENT OF MINES, MINERALS AND ENERGY
DIVISION OF GAS AND OIL
P.O. Drawer 159
Lebanon, VA 24266
276-415-9700

SECTION 45.1-361.35 - OBJECTIONS TO PERMITS; HEARINGS

A. Objections to new or modification permits may be filed with the Director by those having standing as set out in Section 45.1-361.30. Such objections shall be filed within fifteen days of the objecting party's receipt of the notice required by Section 45.1-361.30. Persons objecting to a permit must state the reasons for their objections.

B. The only objections to permits or permit modifications which may be raised by surface owners are:

1. The operations plan for soil erosion and sediment control is not adequate or effective;
2. Measures in addition to the requirement for a well's water-protection string are necessary to protect fresh water-bearing strata; and
3. The permitted work will constitute a hazard to the safety of any person.
4. Location of the coalbed methane well or coalbed methane well pipeline will unreasonably infringe on the surface owner's use of the surface, provided; however, that a reasonable alternative site is available within the unit, and granting the objection will not materially impair any right contained in an agreement, valid at the time of the objection, between the surface owner and the operator or their predecessors or successors in interest.

C. The only objections to permits or permit modifications which may be raised by royalty owners are whether the proposed well work:

1. Directly impinges upon the royalty owner's gas and oil interests; or
2. Threatens to violate the objecting royalty owner's property or statutory rights aside from his contractual rights; and
3. Would not adequately prevent the escape of the Commonwealth's gas and oil resources or provide for the accurate measurement of gas and oil production and delivery to the first point of sale.

D. Objections to permits or permit modifications may be raised by coal owners or operators pursuant to the provisions of Sections 45.1-361.11 and 45.1-361.12.

E. The only objections to permits or permit modifications which may be raised by mineral owners are those which could be raised by a coal owner under Section 45.1-361.11 provided the mineral owner makes the objection and affirmatively proves that it does in fact apply with equal force to the mineral in question.

F. The only objections to permits or permit modifications which may be raised by gas storage field operators are those in which the gas storage operator affirmatively proves that the proposed well work will adversely affect the operation of his State Corporation Commission certificated gas storage field; however, nothing in this subsection shall be construed to preclude the owner of nonstorage strata from the drilling of wells for the purpose of producing oil or gas from any stratum above or below the storage stratum.

G. The Director shall have no jurisdiction to hear objections with respect to any matter subject to the jurisdiction of the Board as set out in Article 2 (Section 45.1-361.13 et seq.) of this chapter. Such objections shall be referred to the Board in a manner prescribed by the Director.

H. The Director shall fix a time and place for an informal fact finding hearing concerning such objections. The hearing shall not be scheduled for less than twenty nor more than thirty days after the objection is filed. The Director shall prepare a notice of the hearing, stating all objections and by whom made, and send a copy of such notice by certified mail, return receipt requested, at least ten days prior to the hearing date, to the permit applicant and to every person with standing to object as prescribed by Section 45.1-361.30.

I. At the hearing, should the parties fail to come to an agreement, the Director shall proceed to decide the objection pursuant to those provisions of the Administrative Process Act (Section 9-6.14.1 et seq.) relating to informal fact finding hearings.



Commonwealth of Virginia
Department of Mines, Minerals, and Energy
Division of Gas and Oil
P.O. Drawer 159, Lebanon, VA 24266
Telephone: (276) 415-9700

Operations Name: Haysi 87 w/PL

Application Number: 31013

TECHNICAL DATA SHEET FOR PERMIT APPLICATIONS UNDER SECTION 45.1-361.29

☐ the information is related to the conversion of a VVH to a CBM under 4 VAC 25-150-580.

Geological Target Formation:

Estimated Depth of Completed Well : 0.0

GEOLOGICAL DATA (ESTIMATE)

Predict:

Description	FileName
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Proposed Casing and Tubing Program

	Size	Depth	Cement Details
Conductor	9 5/8"	40'	Back fill with drill cuttings
Surface/Water Prot. Casing	7"	300'	Cement to surface
Coal Protection Casing			
Other Casing			
Other Casing			
Other Casing			
Production Casing	4 1/2"	2629'	Cement to surface
Tubing	2 3/8"	2579'	

Centralizer Plan:

Description	FileName
-------------	----------

Request a variance to the Cement Bond Log requirement for the water protection casing string:

☐ Yes ☒ No

Operations Name: Haysi 87 w/PL
Application Number: 31013

PERSONS RECEIVING OFFICIAL NOTICE OF PERMIT APPLICATION OR PERMIT MODIFICATION

For the purposes of an application for a new permit or permit modification, list such persons by name and address on additional sheets as needed with the title, "Supplemental Sheet for Persons Receiving Official Notice of Permit Application" and indicate the category for each person or group affected.

Application for Well Work Permit:

- ☒ Surface, coal and mineral owners on the tract to be drilled
- ☒ Surface owners of record on tracts where the surface is to be disturbed
- ☒ Gas, oil and royalty owners within
 - ☐ (1) one-half the distance specified in Section 45.1-361.17
 - ☐ (2) one-half the distance to the nearest well completed in the same pool or
 - ☒ (3) within the drilling unit established by the Virginia Gas and Oil Board
- ☐ Coal operators who have a registered operation plan with the Department for activities located on the tract to be drilled
- ☐ All coal operators who have applied for or obtained a mining or prospecting permit with respect to tracts within 500' of the proposed well location
- ☒ All coal or mineral owners on tracts located within 500' of the proposed well location
- ☐ All Storage Field Operators Within 1250'
- ☒ Local Government pursuant to Section 45.1-361.30.E
- ☒ Public notice pursuant to Section 45.1-361.30.E, such as an affidavit of publication from the newspaper

Coalbed Methane Well Applications (In Addition to Above)

- ☒ All coal operators, coal owners or mineral owners within 750 feet of the proposed well location
- ☐ All coal operators who have applied for or obtained a mining or prospecting permit with respect to tracts within 750 feet of the proposed well location

Applications for Pipelines and Facilities

- ☒ All surface owners affected by the proposed operations

Applications for Ground Disturbing Geophysical Operations

- ☐ Surface owners on tracts where the surface is to be disturbed
- ☐ Coal owners, coal operators, and mineral owners on the tract(s) to be drilled
- ☐ Coal operators who have registered operations plans with the Department for activities located on the tract to be drilled

**SUPPLEMENTAL SHEET(S) FOR PERSONS RECEIVING OFFICIAL NOTICE OF PERMIT
APPLICATION PURSUANT TO SECTION 45.1-361.30**

APPLICATIONS FOR WELL WORK PERMIT

A. Surface, coal and mineral owners on the tract to be drilled

Angela Ratley, 2897 Combs Ridge Road, , Honaker, VA 24260
Arnold Bailey, 7294 Lovers Gap Road, , Vansant, VA 24656
DeVonna Colley, 1888 Pioneer Drive, , Lebanon, VA 24266
Everett Bailey, 2548 Sunset Hollow Road, , Grundy, VA 24614
Highland Properties, LLC, 140 Hilltop Avenue, , Lebanon, VA 24266
Mr. Chad Mooney, ACIN, LLC, 5260 Irwin Rd, Huntington, WV 25705-3247
Mr. Chad Mooney, WBRD, LLC, 5260 Irwin Rd, Huntington, WV 25705-3247
Mr. Jim McKinney, EnerVest Operating, LLC, 408 West Main Street, Abingdon, VA 24210
Mr. Steve Smith, Dickenson-Russell Contura, LLC, 5703 Crutchfield Drive, Norton, VA 24273
Mr. Steve Smith, Paramount Contura, LLC, 5703 Crutchfield Drive, Norton, VA 24273
Peggy C Matney, 15481 Windbreak Lane, , Abingdon, VA 24201
Rhonda Lester, 1724 Turner Road, , Lexington, NC 24292
Sandy Sahyouni, 685 Forest Hills Drive, , Pounding Mill, VA 24637

B. Surface owners of record on tracts where the surface is to be disturbed

Angela Ratley, 2897 Combs Ridge Road, , Honaker, VA 24260
Arnold Bailey, 7294 Lovers Gap Road, , Vansant, VA 24656
DeVonna Colley, 1888 Pioneer Drive, , Lebanon, VA 24266
Everett Bailey, 2548 Sunset Hollow Road, , Grundy, VA 24614
Highland Properties, LLC, 140 Hilltop Avenue, , Lebanon, VA 24266
Peggy C Matney, 15481 Windbreak Lane, , Abingdon, VA 24201
Rhonda Lester, 1724 Turner Road, , Lexington, NC 24292
Sandy Sahyouni, 685 Forest Hills Drive, , Pounding Mill, VA 24637

C. Gas, oil and royalty owners within

1. one-half the distance specified in Section 45.1-361.17

N/A

2. one-half the distance to the nearest well completed in the same pool

N/A

3. within the drilling unit established by the Virginia Gas and Oil Board

Mr. Jim McKinney, EnerVest Operating, LLC, 408 West Main Street, Abingdon, VA 24210

D. Coal operators who have a registered operation plan with the Department for activities located on the tract to be drilled

N/A

E. All coal operators who have applied for or obtained a mining or prospecting permit with respect to tracts within 500' of the proposed well location

N/A

F. All coal or mineral owners on tracts located within 500' of the proposed well location

Mr. Chad Mooney, ACIN, LLC, 5260 Irwin Rd, Huntington, WV 25705-3247

Mr. Chad Mooney, WBRD, LLC, 5260 Irwin Rd, Huntington, WV 25705-3247

Mr. Jim McKinney, EnerVest Operating, LLC, 408 West Main Street, Abingdon, VA 24210

Mr. Steve Smith, Dickenson-Russell Contura, LLC, 5703 Crutchfield Drive, Norton, VA 24273

Mr. Steve Smith, Paramount Contura, LLC, 5703 Crutchfield Drive, Norton, VA 24273

G. All Storage Field Operators Within 1250'

N/A

H. Local Government pursuant to Section 45.1-361.30.E

Buchanan County Administrator, P.O. Box 950, , Grundy, VA 24614

I. Public notice pursuant to Section 45.1-361.30.E, such as an affidavit of publication from the newspaper

The Virginia Mountaineer, PO Box 7040, , Grundy, VA 24614

COALBED METHANE WELL APPLICATION IN ADDITION TO ABOVE

J. All coal operators, coal owners or mineral owners within 750 feet of the proposed well location

Mr. Chad Mooney, ACIN, LLC, 5260 Irwin Rd, Huntington, WV 25705-3247

Mr. Chad Mooney, WBRD, LLC, 5260 Irwin Rd, Huntington, WV 25705-3247

Mr. Jim McKinney, EnerVest Operating, LLC, 408 West Main Street, Abingdon, VA 24210

Mr. Steve Smith, Dickenson-Russell Contura, LLC, 5703 Crutchfield Drive, Norton, VA 24273

Mr. Steve Smith, Paramount Contura, LLC, 5703 Crutchfield Drive, Norton, VA 24273

K. All coal operators who have applied for or obtained a mining or prospecting permit with respect to tracts within 750 feet of the proposed well location

N/A

APPLICATIONS FOR PIPELINES AND FACILITIES

L. All surface owners affected by the proposed operations

Angela Ratley, 2897 Combs Ridge Road, , Honaker, VA 24260

Arnold Bailey, 7294 Lovers Gap Road, , Vansant, VA 24656

DeVonna Colley, 1888 Pioneer Drive, , Lebanon, VA 24266

Everett Bailey, 2548 Sunset Hollow Road, , Grundy, VA 24614

Highland Properties, LLC, 140 Hilltop Avenue, , Lebanon, VA 24266

Peggy C Matney, 15481 Windbreak Lane, , Abingdon, VA 24201

Rhonda Lester, 1724 Turner Road, , Lexington, NC 24292

Sandy Sahyouni, 685 Forest Hills Drive, , Pounding Mill, VA 24637

APPLICATIONS FOR GROUND DISTURBING GEOPHYSICAL OPERATIONS

M. Surface owners on tracts where the surface is to be disturbed

N/A

N. Coal owners, coal operators, and mineral owners on the tract(s) to be drilled

N/A

O. Coal operators who have registered operations plans with the Department for activities located on the tract to be drilled

N/A

Virginia Division of Gas and Oil

P.O. Drawer 159
135 Highland Drive
Lebanon, VA 24266

Telephone: (276) 415-9700
Fax: (276) 415-9671

Rick Cooper, Director
Division of Gas and Oil



By Decision of the Director in

Informal Fact Finding Conference 1007

Arnold Bailey

vs.

EnerVest Operating, LLC

Permit Application for Gas and Oil operations:

Coalbed/Pipeline Operations Haysi 87 w/PL, Application 31013

Background

Coalbed/Pipeline operations Haysi 87 w/PL, Application 31013, EnerVest Operating, LLC was received at the Virginia Division of Gas and Oil (DGO) on 5/10/2018. The evidence regarding the application and objections filed support the fact that the objections were timely and appropriate under Virginia statute.

The objections filed by **Arnold Bailey** against the permit application **#31013** were in accordance with objections provided by law under §45.1-361.35.

§45.1-361.35. Objections to permits; hearing

B. The only objections to permits or permit modifications that may be raised by Surface Owners are:

1. The operations plan for soil erosion and sediment control is inadequate not effective.
2. There are not measures (in addition to the requirement for a well's water-protection string) necessary to protect fresh water-bearing strata.

Hearing Date and Place

IFFH 1007 was convened on Tuesday, July 31, 2018 at 1:00 PM, at the Department of Mines, Minerals, and Energy Office, Russell County Government Center, 135 Highland Drive, Lebanon, Virginia 24266. All parties with standing to object to Permit Application #31013 were notified of the time and place by United States Postal Service, certified mail, return receipt requested.

Informal Fact Finding hearings are proceedings conducted under guidelines of the Administrative Process Act: *The hearing was recessed to allow the involved parties to negotiate off the record. The hearing was re-convened and the parties were unable to agree on a solution.*

I. TESTIMONY BY THE SURFACE OWNER

- * Mr. Bailey stated that approving this permit would violate his constitutional rights as a citizen of the Commonwealth.
- * Mr. Bailey voiced opposition to the permit due to potential runoff from the well on his property.
- * Mr. Church stated that the fracturing of the well would destroy the water and fracture the roof in the coalseam(s) whereas, the coal would not be minable.
- * Mr. Bailey stated that unnecessary trees would be cut on his property.
- * Mr. Bailey objected to potential noise that would come from the well to be installed by Enervest.
- * Mr. Bailey stated that he did not think the property lines were correct. They have not been surveyed.
- * Mr. Bailey stated allowing the well to be permitted was an infringement on their property.

* Mr. Arnold Bailey stated that he was a likely Coal/Mineral owner.

II. TESTIMONY BY THE APPLICANTS

* Mr. Scott stated that Enervest was complying with their jurisdictional requirements for the permit.

* Mr. Charles Akers stated that the law and regulation would require the operator to install proper sediment and erosion controls.

* Mr. Akers stated Enervest did not see any conditions that would create a hazard to the safety of any persons.

* Mr. Akers stated that when the well was drilled a 7-inch steel casing would be set at 300 feet for water protection and the casing would be cemented to the surface. Also, 2,500 feet of 4 ½ inch casing would be installed in the well and would be cemented back to the surface.

* Mr. Scott stated a minimum amount of the land would be disturbed because the road and pipeline were in the same right of way.

* Mr. Scott stated that the well location on the plat was certified by certified land surveyor and only a very small portion of the well site affects the surface owner (See Exhibit 1).

* Mr. Scott stated that the title work conducted by Enervest did not grant coal and mineral ownership to Arnold Bailey.

Decision of the Director: In the matter before IFFH 1007.

The operator's application states that adequate sediment controls will be installed around the construction location to protect the environment. The Director is satisfied that the erosion and sediment control plans in the proposed application meet best practice standards for the construction activities for this site under current laws and regulations.

The surface owner stated that the noise and dust from the drilling and the fracturing is a hindrance. The surface owner should contact the Division of Gas and Oil when this occurs. An assigned inspector will conduct an investigation on the site.

The Division of Gas and Oil (DGO) has no documented cases where hydraulic fracturing has damaged water sources and coal mines. The Director **does not** see any deficiency in the permit application that would materially affect the ground water due to hydraulic fracturing.

The permit detail includes ground water protection strings, planned to protect both ground water sources within 1,320 feet of the site and below drainage coal seams that may be encountered during the drilling and resource extraction process. The Director **does not** see any deficiency in the permit application that would materially affect the ground water.

The Virginia Gas and Oil Regulations 4 VAC 25-150-340, requires the operator to conduct an analysis of

groundwater within 1,320 feet of the drilling location prior to drilling. When the water analysis is submitted to the DGO the results are reviewed to assure the quality of water is adequate prior to allowing the drilling of the well. The Director **does not** see any just cause to deny the application on these grounds.

The Director does not see any items or conditions that would create an unsafe condition to any workers or public safety. The removal of trees on a property is handled through lease agreements. The DGO has no authority over leases.

The location of the well is certified by a land surveyor to be within 10 feet of the proposed location. The operator is required by 4 VAC 25-150-360 to re-survey the well location once drilled and submit the final location plat of the well to the DGO. The Director **does not** see any just cause to deny the application on these grounds.

The Virginia Gas and Oil Regulations 4 VAC 25-150-420 requires the permit applicant to adhere to standards prior to ground dispersing any drilling fluids. The Virginia Gas and Oil Regulations require the applicant to identify the final location of the disposal of any produced fluids. The applicant has provided these locations in the application. The Director **does not** see any just cause to deny the application on these grounds.

The permit applicant apparently has rights to use the surface owner's property to access their mineral estate. If this is in dispute, it must be contested in a court of proper jurisdiction. While it can be argued that any adverse use of the property is an infringement, § 45.1-361.35 only allows consideration of *unreasonable infringement*. **Interpretation and adjudication of leases and other contractual agreements is not within the purview of the Division of Gas and Oil or the Virginia Gas and Oil Board.** The issue must be handled by a proper court.

Based on testimony and the permit application, it is, therefore, the decision of the Director to deny the surface owner's objections to permit application 31013 for Coalbed Methane Gas Operation Haysi 87 W/Pipeline. The permit application for operation Haysi 87 W/Pipeline will be assessed and issued under standard Division of Gas and Oil permit procedures.

Right of Appeal

Any person with standing under §45.1-361.30 who is aggrieved by this decision of the Director may appeal the decision to the Virginia Gas and Oil Board by filing a petition with the Board within ten days following the decision (§45.1-361.36). No petition or appeal may raise any matter other than matters raised by the Director or which the petitioner put in issue either by application or by objections, proposals, or claims made and specified in writing at the informal fact finding conference.

Signed Tuesday, August 21, 2018

Rick Cooper, Director
Virginia Division of Gas and Oil

Exhibit I

TOTAL PIPELINE LENGTH: 2,217 FT.

NOTE: IF SUFFICIENT RESIDUE MATERIALS ARE NOT GENERATED DURING CLEARING OPERATIONS, SILT FENCING OR STRAW BALE BARRIERS WILL BE PLACED AROUND THE PERIMETER OF THE DISTURBED AREA.

Highland Properties Surface

BEG. PROPOSED 4" PIPELINE
@ STA 0+00
@ PROPOSED WELL NO. HAYSI-87

END PROPOSED 4" PIPELINE
@ STA 22+17
@ EXISTING 6" BF-159PL

Haysi-87
Proposed Well Site
& Pit Location

Arnold Bailey
Etal Surface

Old Logging Road
to be Upgraded

Existing 4" VC-537056PL

Approx. Loc.
VC-537056

VC-537056 Existing
Well Access Road

Existing 6" BF-159PL

STA	GRADE
0+00 - 1+00	BURIED + 7%
1+00 - 4+00	BURIED - 6%
4+00 - 5+00	BURIED + 12%
5+00 - 7+00	BURIED + 4%
7+00 - 10+00	BURIED - 11%
10+00 - 10+86	BURIED + 5%
10+86 - 11+00	BURIED ± 0%
11+00 - 12+00	BURIED - 3%
12+00 - 13+00	BURIED + 6%
13+00 - 14+00	BURIED - 1%
14+00 - 16+00	BURIED - 10%
16+00 - 18+00	BURIED + 16%
18+00 - 20+00	BURIED + 3%
20+00 - 22+00	BURIED - 14%
22+00 - 22+17	BURIED - 1%

NOTE: Compass Surveyed on 2014
Magnetic Meridian with Slope Distance
Along Proposed Pipeline

LEGEND

- DIVERSION DITCH
- STRAW BARRIER
- BRUSH BARRIER
- ***** SILT FENCE
- DRIP

RANGE RESOURCES-PINE MOUNTAIN, INC.

SITE PLAN FOR PROPOSED GAS PIPELINE

PIPELINE NO. HAYSI-87PL

PRATER QUADRANGLE

BUCHANAN COUNTY

PRATER DISTRICT

SCALE: 1" = 400'

DATE: 11-20-2014

INFORMAL FACT FINDING HEARING 1007

July 31, 2018

Department of Mines, Minerals and Energy

Division of Gas and Oil Office

Lebanon, Virginia

APPEARANCES:

Rick Cooper – Director of the Division of Gas and Oil

Sally Ketron – Permit Specialist – Division of Gas and Oil

Tim Scott – Attorney for EnerVest Operating, LLC

Charles Akers – Land Manager for EnerVest Operating, LLC

Larry Reeves – Land Agent for EnerVest Operating, LLC

Arnold Bailey – Surface Owner (Objector)

David Church – Friend of Objector

1 **Rick Cooper:** Today is July 31, 2018. 1:00 p.m. The case docket number for this informal fact
2 finding hearing is 1007. This hearing is convened under Virginia Gas and Oil Act Section 45.1-
3 361.35 which allows objections to permit applications to be filed by those with standing under
4 Section 45.1-361.30. Objections under this statute have been filed against the permit for EnerVest
5 Operating, LLC, Coalbed methane well with pipeline: Haysi 87 application number 31013.
6 Objections were filed by Arnold Bailey as a surface owner. The objections were filed in a timely
7 manner as required by Section 45.1-361.35. Notice to parties regarding gas operations and the
8 protection of the environment, are important elements of Virginia law. Today's hearing is a part
9 of that process. Sally, was notification sent to all parties to appear before this conference as
10 required by Section 45.1-361.35H?

11 **Sally Ketron:** Yes.

12 **Rick Cooper:** And did that notice include the date, time and place of the conference?

13 **Sally Ketron:** Yes.

14 **Rick Cooper:** So, we have all introduced everyone. So Section 45.1-361.35 of the Virginia Gas
15 and Oil Act allows objection to permits by Surface Owners who are entitled to notification of the
16 proposed operations. According to the permit Arnold Bailey is a surface owner in the subject
17 drilling unit. As such, has standing to object to the permit modification. The objections filed by a
18 Surface Owner against the permit applications for EnerVest Operating, LLC., are in accordance
19 with...and so, Mr. Bailey, these are in accordance with your objection. The only objections to
20 permits that may be raised by surface owners are: The operations plan for soil erosion and
21 sediment control is not adequate, measures in addition to the requirement for a well's water-
22 protection string are not adequate, location of the coalbed methane well or coalbed methane well

1 pipeline will unreasonably infringe on the surface owner's use of the surface. And again, this is
2 an Informal Fact Finding Hearing, under the Administrative Process Act. We can recess at any
3 time you all think you can mutually agree on anything. So is there any reason, right up front, that
4 you all would like to negotiate before we move forward? We can recess for five minutes and let
5 you all talk, or move forward. It's your all's call, if you think you can work things out. Mr.
6 Bailey? Do you want to proceed?

7 **Arnold Bailey:** Yeah.

8 **Rick Cooper:** Okay, what I'm saying is if you want to talk to them off-record, we can turn it off,
9 and Sally and I will leave. And you all can maybe discuss a resolution. If not, we will just
10 proceed. You say proceed?

11 **Arnold Bailey:** Yep.

12 **Rick Cooper:** EnerVest? Proceed?

13 **Tim Scott:** Let's proceed.

14 **Rick Cooper:** Okay.

15 **Arnold Bailey:** Not unless they want to talk to me about something.

16 **Rick Cooper:** That was the opportunity right there, if you all wanted to do that. It's your call.

17 **Charles Akers:** I'll leave that up to Mr. Bailey. If there is some resolution that he would like to
18 propose. We are open, but...

19 **Rick Cooper:** So, you are leaving it up to Mr. Bailey. So you say, proceed?

20 **Arnold Bailey:** I've got one to offer.

21 **Rick Cooper:** So, you want us to break for five minutes and you all talk?

1 **Arnold Bailey:** That's fine.

2 **Rick Cooper:** Okay. We will adjourn and we will be back at 1:15.

3 --Break--

4 **Rick Cooper:** Okay after the break, we have no resolution, so we will proceed. We will proceed

5 by allowing the objecting party, Mr. Bailey, to provide any testimony, any exhibits, and ask any

6 questions regarding the objection to the permit. Then, the permit applicant will have the

7 opportunity to provide any testimony, any exhibits and ask questions related to the permit

8 modification on record. This is an Informal Fact Finding Hearing. Remember that.

9 **Arnold Bailey:** I have a prepared statement I want to read into the record.

10 **Rick Cooper:** Okay.

11 **Arnold Bailey:** I am here out of respect for this Board today. I represent the objection that is in

12 question here. This process violates my Constitutional Rights as a landowner in the United States

13 of America. Should this permit be granted, who will save me harmless against liabilities, the gas

14 company, or the Board under this permit. In the State of Virginia, according to a reputable

15 attorney, it's a felony to disturb property corners, intentionally or unintentionally. The gas

16 companies are trespassing, without doing the proper and moral process with the surface owners.

17 In this process, property owners are made to participate under duress. The gas companies maps

18 or paperwork is not accurate, field-current, field-certified, true or correct. The gas company's

19 advertisement in the newspaper on this particular permit was not clearly identified, so as to hide the

20 identity of what they represent to be the surface owner. They destroy valuable water sources, of

21 which there is no replacement. [Inaudible] There's no public water, or whatever. They destroy

1 valuable timber without respect to land owners. And I would like to have a certified true copy of
2 this hearing. In hard copy. Thank you for your time.

3 **Rick Cooper:** Okay. Thank you. So, what have you all got to your all's defense of the
4 application? I guess he objected on the sediment and erosion control is not adequate? The water
5 protection string is not adequate?

6 **Tim Scott:** Well I think either one of these gentlemen can testify to...the permit is on file. And
7 they have provided for soil erosion and sediment control, which has been approved by the
8 Director in the past. And Mr. Akers will explain how water protection is accomplished, for Mr.
9 Bailey's education, please.

10 **Charles Akers:** Yes, we have 300 feet of casing that protects the water bearing zones that is
11 cemented to surface. Our geologist on staff, reviews all the offset wells, and from our experience
12 of other strata in the area, we set the water protection strings accordingly.

13 **Tim Scott:** And that's standard procedure in the industry?

14 **Charles Akers:** Standard procedure.

15 **Rick Cooper:** So, to help you, Mr. Bailey, once they get through, then you can ask them
16 questions. They get to finish their testimony, and then you can ask questions. Either make a note,
17 or remember it, if you can.

18 **Arnold Bailey:** Okay.

19 **Tim Scott:** And what is the erosion control and sediment control plan?

20 **Charles Akers:** It's a plan that will show the anticipated disturbance of the permitted area that
21 we are allowed to stay in. Any sediment controls, as far as the pit that we use during drilling

1 [Inaudible] and the drainage controls that are in place. Capturing any rain or any water that
2 would be on-site.

3 **Tim Scott:** And again, that's standard industry, is that correct?

4 **Charles Akers:** Yes, sir.

5 **Tim Scott:** And those same plans, similar plans, are provided with other permit applications in
6 this area?

7 **Charles Akers:** That's correct.

8 **Tim Scott:** That's all I have for Mr. Akers.

9 **Rick Cooper:** Is this well on Mr. Bailey? Is the well itself on Mr. Bailey?

10 **Larry Reeves:** Part of the disturbance will be on Mr. Bailey.

11 **Rick Cooper:** Right. Okay.

12 **Larry Reeves:** So, yes. Essentially, yes. The well is on the property line between Mr. Bailey and
13 what is now Highlands Properties.

14 **Rick Cooper:** Okay. And I guess the other objection was that it would unreasonably infringe on
15 the surface owner's use of the surface. Mr. Bailey, I guess that's one of your objections? Can you
16 talk about that? How it would infringe on the use of your property?

17 **Arnold Bailey:** First of all, I'd like to say, I don't have a copy of their permit package. I objected
18 on the advertisement in the paper. Advertised it that it was as big as a thousand Akers and it
19 didn't clearly identify my property, and I happened to notice the general area and whatever, and
20 that's why I filed an objection on that. and then also, on your thing to the water, you know, what
21 about the surface water? What about water below 400 foot? I mean below 300 foot? If I drill a

1 well to get potable water, which there's no public water back there to replace it with. And a lot of
2 wells have to go...it's nothing to go 4 or 500 foot to get water and get the proper storage. So
3 your casing plan would be inadequate to protect the water on that property. And in my opinion...
4 I've had a lot of wells drilled...paid for them. Still your property would be potable water, which
5 is what is called something you can use, drink, whatever, would still be in danger, according to
6 what you just testified. Also, the being able to use my property... being able to plant a garden or
7 anything. You go up there, you take up my property, you disturb the soil, and there's no way you
8 can put soil back as good as what's up there. Over a period of years and time... in it's natural
9 state, there is no way you could replenish it with soil that would raise... you know, I like ginseng
10 and I think I've got some back there. And I've got to go back there and check, but I think, and I
11 know you thought that was just a bunch of junk. But in an area where it looks like a little hand
12 map... you see this? That's not... where you don't have a field survey, to really depict the lines
13 and where you are going to be and where you are going to drill the well, and where you are
14 going to put the road and pipelines and stuff... these getting from these old deeds are not correct.
15 And you can find when you get into surveying, a lot of times these old deeds can be off...
16 anywhere from 50 to 150 foot variance in the lines and in essence your well could be;... your
17 wells and pipelines could be over on our property. So, for that reason, I object to it. And then to
18 not be able to... and the timber would be cut down. And the length of time for timber to grow
19 and mature, no doubt you would cut down marketable timber and pitch it to the side. And should
20 you grant this permit, and unless we take the price you offer, well we'll get nothing. It will lay
21 there and rot from now on. So you will be destroying valuable timber. And not only that, when
22 you go on other properties, you will be running junk over onto our properties. No matter how
23 many bales of hay you put up, or how many silt fences. Unless you went 20 to 30 foot deep,

1 there I no way you could protect, or attempt to protect the rest of the property from [Inaudible]
2 when you drill, the different things you drill; the oils and the greases. And you go in to do the
3 fracking, you totally destroy all the water. And not only that, the property is tied up from now on,
4 there's no conversation of any kind...the use of it for just the land itself... so, I guess that's
5 about it.

6 **Tim Scott:** Have you ever had your property surveyed?

7 **Arnold Bailey:** Yeah.

8 **Tim Scott:** Do you have the present survey of the property?

9 **Arnold Bailey:** Yeah. Have you ever had it surveyed?

10 **Tim Scott:** Yes, sir. We have.

11 **Arnold Bailey:** I want a copy of it, then.

12 **Tim Scott:** It's in part of the permit package that was sent to you.

13 **Arnold Bailey:** But, it's not a field survey.

14 **Tim Scott:** It's certified by a surveyor.

15 **Arnold Bailey:** But it's not a current field survey.

16 **Tim Scott:** Let's see...3.26.2018. Yes it is.

17 **Arnold Bailey:** Current field survey?

18 **Tim Scott:** Yes, sir. Right here.

19 **Arnold Bailey:** Does it say that? Or does it say 'from maps and other stuff'?

20 **Tim Scott:** It's a certified survey.

21 **Arnold Bailey:** Can I see that?

1 **Tim Scott:** Yes, sir. It's part of your permit package that you received.

2 **Arnold Bailey:** I never received no permit package.

3 **Rick Cooper:** SO, I guess, for clarity here. Did we receive notice that Mr. Bailey had received

4 notice of the modification, Sally?

5 **Sally Ketron:** I can check. Do you want me to run and check on that?

6 **Rick Cooper:** Yes, while we are talking. Make sure he received notice.

7 **Arnold Bailey:** How much do you survey of it? I don't see but one of those sites here for the

8 well. I don't see a property survey.

9 **Tim Scott:** There are lines [Inaudible] where it shows the property lines.

10 **Arnold Bailey:** Well it just shows the area where you are drilling the wells, is all I see.

11 **Tim Scott:** Here.

12 **Arnold Bailey:** Okay.

13 **Tim Scott:** Along here.

14 **Arnold Bailey:** Alright. Is that the whole piece of property?

15 **Tim Scott:** That's within this unit.

16 **Arnold Bailey:** It doesn't show the division of lines, or nothing else, sir. That's what I'm talking

17 about.

18 **Tim Scott:** Right here. Your surface tract is right here.

19 **Rick:** So I guess what he's trying to say, is they don't show your entire surface property. They

20 only show what is within this unit.

1 **Arnold Bailey:** They don't have a current field survey, of the divisional lines of the property,
2 between us and the other property owners. On that side, and the other side, you don't have. I
3 object to it. You don't have it.

4 **Tim Scott:** Mr. Bailey has no proof that these lines are incorrect. There is nothing..

5 **Arnold Bailey:** I'm not saying... sir, I'm not saying...

6 **Tim Scott:** Let me finish Mr. Bailey.

7 **Arnold Bailey:** You're a lawyer, but I don't have to keel down to you, bub.

8 **Tim Scott:** I didn't say you did. But I'd like to finish.

9 **Rick Cooper:** Listen, gentlemen. It's one at a time here. That's the way it operates. So, go ahead
10 and finish Mr. Scott.

11 **Tim Scott:** We don't have any proof that this is not correct. This was done with a field survey,
12 prepared for the permit application. So, it's presumed to be correct.

13 **Arnold Bailey:** I object to it.

14 **Rick Cooper:** Okay

15 **Arnold Bailey:** It only shows the well site you are on. That's all.

16 **Rick Cooper:** I understand. I guess the question is: Do you all know how much surface
17 disturbance would be on Mr. Bailey's property?

18 **Tim Scott:** It's actually shown here...

19 **Arnold Bailey:** The road goes in and out and it's not a current field survey.

20 **Rick Cooper:** So to help me understand, if you don't mind... I'm not sure I understand what a
21 field... help me so I can understand what you are talking about.

1 **Arnold Bailey:** A field survey is where they go out and actually...onsite... by an engineer, goes
2 out and actually surveys the lines. So as to know where the roads and pipelines.... I'm sure
3 they're little survey there is set up... ain't no doubt. But a current field survey [Inaudible] Right
4 here. See they are going to try to use part of...

5 **Rick Cooper:** I'm going to need to make a copy of that, if you are going to put it on record.

6 **Arnold Bailey:** Yeah, they are going to try to use part of our property for a road to get in and out
7 and this pipeline is supposedly on the other property, but they do not have a current certified
8 field survey.

9 **Rick Cooper:** I understand. This will be Exhibit 1.

10 **Charles Akers:** We are required by the state, to survey all the pipelines.

11 **Arnold Bailey:** Any permitted areas, I'm assuming, is supposed to be field survey. Even in gas.

12 **Rick Cooper:** So, I think in Virginia, the well location and the pipelines are the surveyed route.
13 Is the pipeline following this route?

14 **Arnold Bailey:** It doesn't show a survey of the divisional lines.

15 **Larry Reeves:** The pipelines are not on Mr. Bailey's property.

16 **Arnold Bailey:** No, but the road is in and out on me. And the closer that it is...

17 **Larry Reeves:** The road and the well site do impact his property

18 **Rick Cooper:** So the next question, and let's make sure I'm sure. Forgive me, but I think you
19 talked about a 7-inch pipe being run, cemented to surface. Do you all run any additional casing
20 in the well, other than the 400 feet? I'm not sure if I caught that.

1 **Charles Akers:** I didn't. I just talked about the water protection string, but there a production
2 string, which is a 4-inch casing string that is run to T.D. and then also cemented to surface.

3 **Tim Scott:** And what is the projected depth of this well?

4 [Inaudible]

5 **Tim Scott:** It's more than 2,000 feet, though isn't it?

6 **Arnold Bailey:** They have not done the divisional lines....

7 **Rick Cooper:** I follow exactly what you are saying.

8 **Arnold Bailey:** The variations and the way they have projected, could be over on us, or back and
9 forth. And it's not a true current field survey.

10 **Rick Cooper:** I understand what you are saying.

11 **Arnold Bailey:** The division lines are not showing...

12 **Tim Scott:** The division lines are shown on the plat.

13 **Arnold Bailey:** It's not a current field survey.

14 **Tim Scott:** It's shown on the plat.

15 **Arnold Bailey:** It's shown on the plat, but it's not a current field survey.

16 **Rick Cooper:** I guess the question is: how do you all survey that line in?

17 **Arnold Bailey:** They draw it in pencil.

18 **Tim Scott:** The pipelines are surveyed in by a surveyor, with equipment with accuracy within
19 centimeters. The line and the well are surveyed in.

20 **Arnold Bailey:** But without a current field survey of the divisional lines of the property, those
21 lines could be off. I've seen many a times where they go in and out. And you go by those old

1 maps... I mean old deeds and things. From the hickory stump, to the hollow tree, to the chestnut
2 or pine or whatever you call it. You are in and out. They don't have true division lines. A current
3 field survey.

4 **Rick Cooper:** Your testimony is understood.

5 **Tim Scott:** The depth of this well is 2579 feet. So that's where the casing is running.

6 **Arnold Bailey:** I have one more question, Mr. Cooper. What is the projected life of this well?
7 How long is it going to be in there? How long is it going to be before it's finished? And
8 everything put back to A.O.C.?

9 **Rick Cooper:** So, are you asking me... a general coalbed methane? Or are you asking them?

10 **Arnold Bailey:** I'm asking you.

11 **Charles Akers:** Umm I mean, the end of a life of a well can run anywhere between 20 to 30 to
12 40 years. Some wells last 20 years, some last 40 years.

13 **Arnold Bailey:** After you are done, what is your estimated time of reclaiming and all that stuff?
14 How many years are you going to be tied up?

15 **Charles Akers:** Once it gets to the point that it's not producing anymore, we would submit a
16 plugging plan, a plugging permit. And generally that site...

17 **Arnold Bailey:** When's that? After 20-30 years, how much time after that?

18 **Charles Akers:** It would be brought back to... then there's plan that we work with an D.G.O. on
19 to then reclaim the surface and the property... and generally once that's done, it's generally 6
20 months. From a general...

21 **Arnold Bailey:** Before the permit's released?

1 **Rick Cooper:** If you are asking, once they have done the reclamation that's required of them,
2 they have to wait two growing seasons, before they can request a permit release.

3 **Arnold Bailey:** Alright. What about dust and noise?

4 **Charles Akers:** While drilling?

5 **Arnold Bailey:** No. Period. Trucks running in and out. Dozers running. Equipment making dust
6 and noise. What about dust and noise control? I've never seen anything in your package
7 concerning that. There is dust. There is noise. There is surface water that will run off. You know,
8 when you stick a blade in the ground and it comes a rain before you can get a catch pond made,
9 what's going to happen? It's going to turn down, over other unpermitted areas.

10 **Charles Akers:** We submit an erosion and sediment control plan...

11 **Arnold Bailey:** Doesn't address dust and noise....

12 **Charles Akers:** You asked a question about water and I was trying to address them one at a
13 time.

14 **Arnold Bailey:** Okay I'm sorry... go ahead.

15 **Charles Akers:** And as operations commence... I guess we don't anticipate any noise issues, or
16 dust issues at that time. And as operations commence, we would address those as they come up
17 with the inspector or with the state.

18 **Arnold Bailey:** Well there will be dust and noise when the first dozer hits the ground, there will
19 be dust and noise. If you've ever been around a dozer. The dust and noise you can't hardly hear.
20 There will be dirt come off the tracks.... shake. And there will be dust generated. If it's not
21 raining, why then there will be pollutants come off of that. I'm going back to the general thing of
22 dust and noise. And that you will have. And plenty of it. All during your drilling. When you

1 trucks go in and out. Hauling out your... whatever it is. Whatever they haul off to put in the
2 wells and things. You know, you've got dust and noise. Trucks makes noise.

3 **Charles Akers:** Do you live on this surface?

4 **Arnold Bailey:** Huh?

5 **Tim Scott:** DO you have a residence on this surface?

6 **Arnold Bailey:** That's immaterial. Should I sell it to someone else.. should I decide to go up
7 there and stay all night for 2 or 3 nights...or go up there and stay a month or two... that's still a
8 problem.

9 **Rick Cooper:** And I agree. But for my own working knowledge... I don't' really know that area
10 very well... and I apologize, but do people live very close to this well? Or do you have any idea
11 how close a resident would be?

12 **Larry Reeves:** It's quite a ways. It's down a hollow.

13 **Rick Cooper:** You will have to put that into feet.

14 **Larry Reeves:** A guess?

15 **Rick Cooper:** A guess.

16 **Larry Reeves:** 2,000 feet? 2,500 feet?

17 **Arnold Bailey:** You sure?

18 **Rick Cooper:** Mr. Bailey, where is this well exactly?

19 **Arnold Bailey:** Are you acquainted with the Russ Fork area in Buchanan County?

20 **Rick Cooper:** Yes.

21 **Arnold Bailey:** Okay you are acquainted with what they call the Big Fox ?

1 **Rick Cooper:** Yes, Big Fox and... on the other side of Leemaster?

2 **Arnold Bailey:** Yes. you know... you go up Leemaster and down the other side. You go about
3 the 2/3 of the way down from that. I forget the exact mileage. And then you turn right ?

4 **Rick Cooper:** You turn right-handed up the mountain there?

5 **Arnold Bailey:** Yes. You know where anyone lives in there?

6 **Rick Cooper:** Doesn't Leon Boyd live over there somewhere?

7 **Arnold Bailey:** No, he lives on Little Fox.

8 **Rick Cooper:** Little Fox, yeah.

9 **Arnold Bailey:** There is a Dale's Family that lives down under the hill.

10 **Rick Cooper:** Okay, I know the general area.

11 **Arnold Bailey:** Yes, there are other people that live in there. [Inaudible] I anticipate that...if,
12 you know... If I can't sell it... I anticipate doing something up there. Besides, if I sell it to
13 someone, that's going to be a factor whereby, I won't be able to sell it, you got that gas and oil
14 well there... you got all that noise, people won't be able to live by it.

15 **Rick Cooper:** Understood. So, Mr. Scott, you got anything else?

16 **Tim Scott:** I was just going to ask Mr. Akers... once the well is completed, what is the average
17 that a well tender would come out there? Is it monthly? Weekly? It's not a daily thing is it?

18 **Charles Akers:** It's not daily. But I would say weekly. There is weekly traffic into the well.

19 **Tim Scott:** Okay, but it's not in the nature of heavy equipment. It would be basically pickup
20 trucks right?

1 **Charles Akers:** Pickup truck traffic. When the well is first drilled, there would be more traffic.
2 It would probably be on a daily basis. And then a month after completion, the well is turned on
3 line, it would slow down to a week at a time, according to how much water the well produces.

4 **Arnold Bailey:** Would there not be big trucks hauling that waste out of there, or whatever? To
5 the injection wells?

6 **Charles Akers:** It would just depend on how much water the well-made, on average.

7 **Rick Cooper:** So, let's make sure... did you verify that Mr. Bailey was notified on this?

8 **Sally Ketron:** I am unable to verify that, because EnerVest has not uploaded the notice.

9 **Rick Cooper:** They have not entered the green cards...

10 **Arnold Bailey:** Nope.

11 **Larry Reeves:** You never have received notice to go pick a certified package up?

12 **Arnold Bailey:** I won't say I never received notice. I received one. From them and I didn't see
13 no use picking it up. Because they said...they called...I called Mrs. Fields...what is your name?

14 **Sally Ketron:** Ketron.

15 **Arnold Bailey:** I'm sorry. I called her and she said they just wanted to make sure I knew there
16 was a hearing. So, I didn't' bother picking that other thing up no way. Besides it costs money to
17 run after these things and you don't' get nothing out of it. It's a constant expense dealing with
18 these oil companies.

19 **Rick Cooper:** So, I would say, do you all have any verification that notice was sent?

1 **Tim Scott:** The only thing I Have is, that I sent Mr. Bailey a letter in response to his letter to
2 EnerVest. I have sent it by regular and certified and I got the certified back. And he's right, you
3 have to use gas to go get the certified letter.

4 **Rick Cooper:** So it was returned without being picked up?

5 **Tim Scott:** Yes.

6 **Arnold Bailey:** I can't spend time running after... if they want to get up with me, they can put
7 out the time out if they are the ones that are going to make the money.

8 **Rick Cooper:** I guess the only question I was asking is 'did they mail notice'

9 **Tim Scott:** Just received a notice to address Mr. Bailey's objections.

10 **Rick Cooper:** Gotcha. So, anything else you would like to put on record, Mr. Bailey?

11 **Arnold Bailey:** The dust and the noise was the big...besides that... and disturbance of the
12 land...

13 **Rick Cooper:** I understand.

14 **Arnold Bailey:** And the constant... holding it up...

15 **Rick Cooper:** You all have anything else to add in closing?

16 **Tim Scott:** No sir. I think we've met our jurisdictional requirements.

17 **Rick Cooper:** So, one last thing that I need to make sure that we clear the air on. In his original
18 objection, I think Mr. Bailey said he was a mineral owner.

19 **Arnold Bailey:** I ascertain that, yet.

20 **Rick Cooper:** Pardon me?

21 **Arnold Bailey:** I ascertain that, yet. That I am.

1 **Rick Cooper:** Right. Do you all have anything in response to that?

2 **Tim Scott:** No. It belongs to EnerVest and its affiliates.

3 **Rick Cooper:** Okay and so...right. I'm going to say now... I'm going to be very honest with
4 both of you. I really don't know. But when it comes to who owns what, that is a civil matter that
5 you would have to handle in civil court. On title interpretation.

6 **Arnold Bailey:** Mr. Cooper, with all due respect to you. When you all grant them a permit, then
7 you are taking part in saying that they own it. I hate to say that. But..

8 **Rick Cooper:** I understand.

9 **Arnold Bailey:** The Gas and Oil Board, as I said in that statement... forces land on even coal
10 mineral owners... to negotiate with these people. Either negotiate with them, or their unfair
11 practices. Or the Board gives it to them. That's all I've got to say.

12 **Rick Cooper:** Okay. So, with that, I thank all of you for being here. And I will render a decision
13 as soon as I can. And I will mail it out to you all. And just remember: on either party, if you
14 disagree with anything I say, you have a right to appeal my decision to the Virginia Gas and Oil
15 Board. Just remember you have to be timely on that. And I thank you all.