

**VIRGINIA DEPARTMENT OF ENERGY:  
BEFORE THE VIRGINIA GAS AND OIL BOARD**

**APPLICANT: Keyrock Energy, LLC**

**DOCKET NUMBER: VGOB 22-1220-4255**

**RELIEF SOUGHT: Well Location Exception  
Pursuant to Virginia Code § 45.2-1616  
Well No. Keyrock #KY-1**

**LEGAL DESCRIPTION: "Exhibit A"**

**APPLICATION**

1. Parties:

- 1.1. Applicant herein is Keyrock Energy, LLC, whose address for the purposes hereof is 207 East Main Street, Suite 2-D, PO Box 2223, Johnson City, TN 37605, Telephone: (423) 726-2070. The attorney for Applicant is Freddie E. Mullins, whose address is P. O. Box 951, Clintwood, VA 24228, Telephone: (276) 926-8580.
- 1.2. Applicant is the owner of the right to develop and produce coalbed methane gas from the Mined Out Jawbone Coal Seam in the Contura Deep Mine 41 in Dickenson County, Virginia, from surface to total depth drilled in accordance with the proposed permit applied for by applicant and located within the Kenady District of Dickenson County, Virginia, and underlying the lands depicted at "Exhibit A" attached hereto and made a part hereof and to appropriate the coalbed methane gas produced therefrom.

2. Allegation of Facts:


- 2.1. Applicant has proposed a plan of development and operation of the Mined Out Jawbone Coal Seam in the Contura Deep Mine 41 in Dickenson County underlying the drilling unit involved herein and depicted at "Exhibit A" and has proposed to commence such plan of development and operation of such unit by a coalbed methane well designed to combust gas for establishing marketable carbon credits, designated as Well Number Keyrock #KY-1, to be drilled upon the lands involved herein so as to produce coalbed methane gas from such unit.
- 2.2. That the unit depicted at "Exhibit A" hereof is subject to statewide spacing as provided under Virginia Code § 45.2-1616. This section provides that "wells drilled in search of gas shall not be located closer than 1000 feet to any other well completed in the same pool." In consideration of all known conditions, it is the opinion of the Applicant that such distance limitation is not feasible for the unit described in "Exhibit A". Taking into consideration the topography, drainage ditches, distance to public road, and the removal of underground coal pillars, Applicant requests Board approval for the proposed well location.
- 2.3. It is estimated by applicant that the total amount of recoverable gas is 1,030 mmcf.
- 2.4. That to prevent waste, protect correlative rights, and provide for the maximum safe recovery of the mineral resources underlying the Commonwealth, the Board should allow for an exception to the distance limitation and statewide spacing.
- 2.5. That the proposed well, at the location requested by Applicant, is necessary to effectively and efficiently drain a portion of the common sources of supply (reservoir) underlying the unit described at "Exhibit A" which cannot be adequately and efficiently drained without an exception

to the distance limitations and spacing rules.

- 2.6. The drilling unit involved herein is a circle with a radius of 750 feet with the proposed well bore to be located at Well Coordinates: (NAD 83 Decimal Degrees) LAT: 37.068449° LON: 82.356928° in the Nora Quadrangle, Dickenson County, Virginia.
  - 2.7. That EnerVest Operating, LLC, Well No. VC-3753 lies N 37° 07" E 816 feet from proposed Well No. Keyrock #KY-1.
  - 2.8. That EnerVest Operating, LLC, Well No. P-332 lies N 13° 05' W 985 feet from proposed Well No. Keyrock #KY-1.
  - 2.9. That EnerVest Operating, LLC, Well No. VC-3619 lies N 07° 15' W 974 feet from proposed Well No. Keyrock #KY-1.
  - 2.10. That proposed Well No. Keyrock #KY-1 is located on the John Elklor 36.50 acre Tract and Applicant anticipates producing from the Mined Out Jawbone Coal Seam in the Contura Deep Mine 41 in Dickenson County, Virginia from surface to total depth drilled, 550 feet.
3. Legal Authority : The relief sought by this Application is authorized by Virginia Code § 45.2-1616.
  4. Relief Sought: Applicant requests the Virginia Gas and Oil Board to enter an order to enable Well No. Keyrock #KY-1 to be drilled as depicted on the plat attached as "Exhibit A" and that Applicant be granted the right to produce methane gas from Mined Out Jawbone Coal Seam in the Contura Deep Mine 41 which appear on the well work permit submitted to the Inspector.

Dated: November 18, 2022

**Keyrock Energy, LLC**  
Applicant

By:   
Morgan Pate, Geologist  
Keyrock Energy, LLC  
207 East Main St., Suite 2-D  
PO Box 2223  
Johnson City, TN 37605

#### VERIFICATION

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

**VIRGINIA GAS AND OIL BOARD  
VIRGINIA DEPARTMENT OF ENERGY  
BIG STONE GAP, VIRGINIA**

**DOCKET NUMBER:** VGOB 22-1220-4255

**APPLICANT:** Keyrock Energy, LLC

**RELIEF SOUGHT:** Well Location Exception  
Pursuant to Virginia Code § 45.2-1616

**Well No.:** KY-1

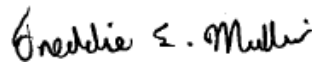
**LEGAL DESCRIPTION:** “Exhibit A”

**NOTICE OF HEARING**

TO: See Exhibit B

Notice is hereby given that the Applicant in this cause is requesting the Virginia Gas and Oil Board to authorize the drilling of the proposed well to produce formations from surface to total depth drilled as set forth in the attached application.

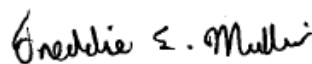
Notice is further given that this matter is set for hearing before the Virginia Gas and Oil Board on the 20th day of December, 2022, at 10:00 a.m. at 3405 Mountain Empire Road, Big Stone Gap, VA 24219 or telephonically, at which time and place all interested persons may appear and be heard. Any questions concerning said hearing may be directed to the Virginia Gas and Oil Board, State Gas and Oil Inspector, Virginia Department of Energy, 3405 Mountain Empire Rd, Big Stone Gap, VA 24219 (276) 523-8100.



\_\_\_\_\_  
Freddie E. Mullins  
Counsel for Applicant  
P. O. Box 951  
Clintwood, VA 24228  
(276) 926-8580

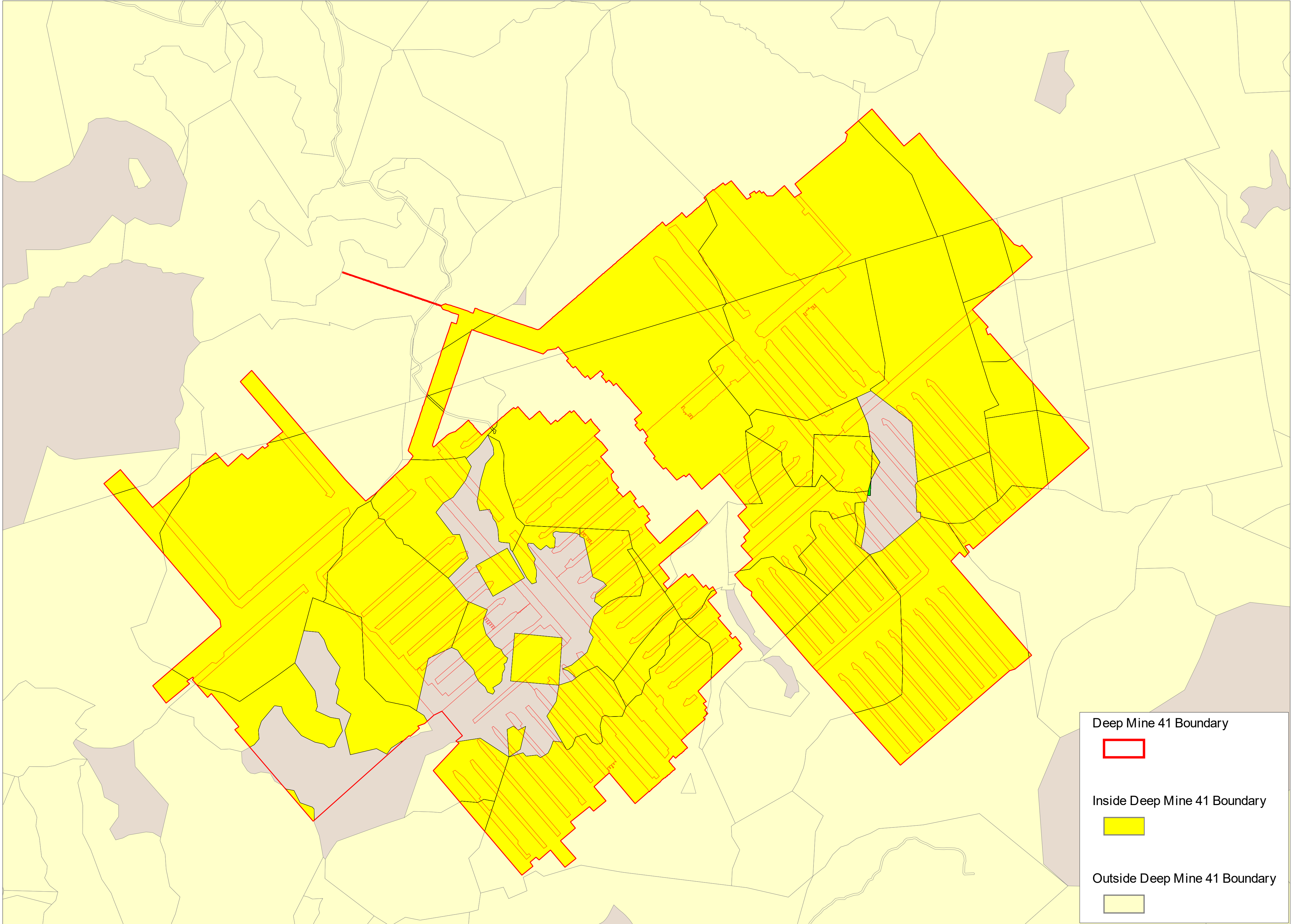
**CERTIFICATE OF SERVICE**

I, Freddie E. Mullins, counsel for Keyrock Energy, LLC, hereby certify that I have on this 18th day of November, 2022, caused the foregoing notice and application to be served upon the parties listed herein, at their address, by certified mail, return receipt requested.



\_\_\_\_\_  
Freddie E. Mullins

Docket Number: VGOB 22-1220-4255



Deep Mine 41 Boundary

Inside Deep Mine 41 Boundary

Outside Deep Mine 41 Boundary

1 0 mi

# EXHIBIT A

6,923'

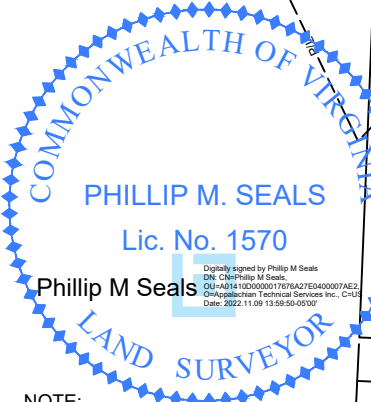
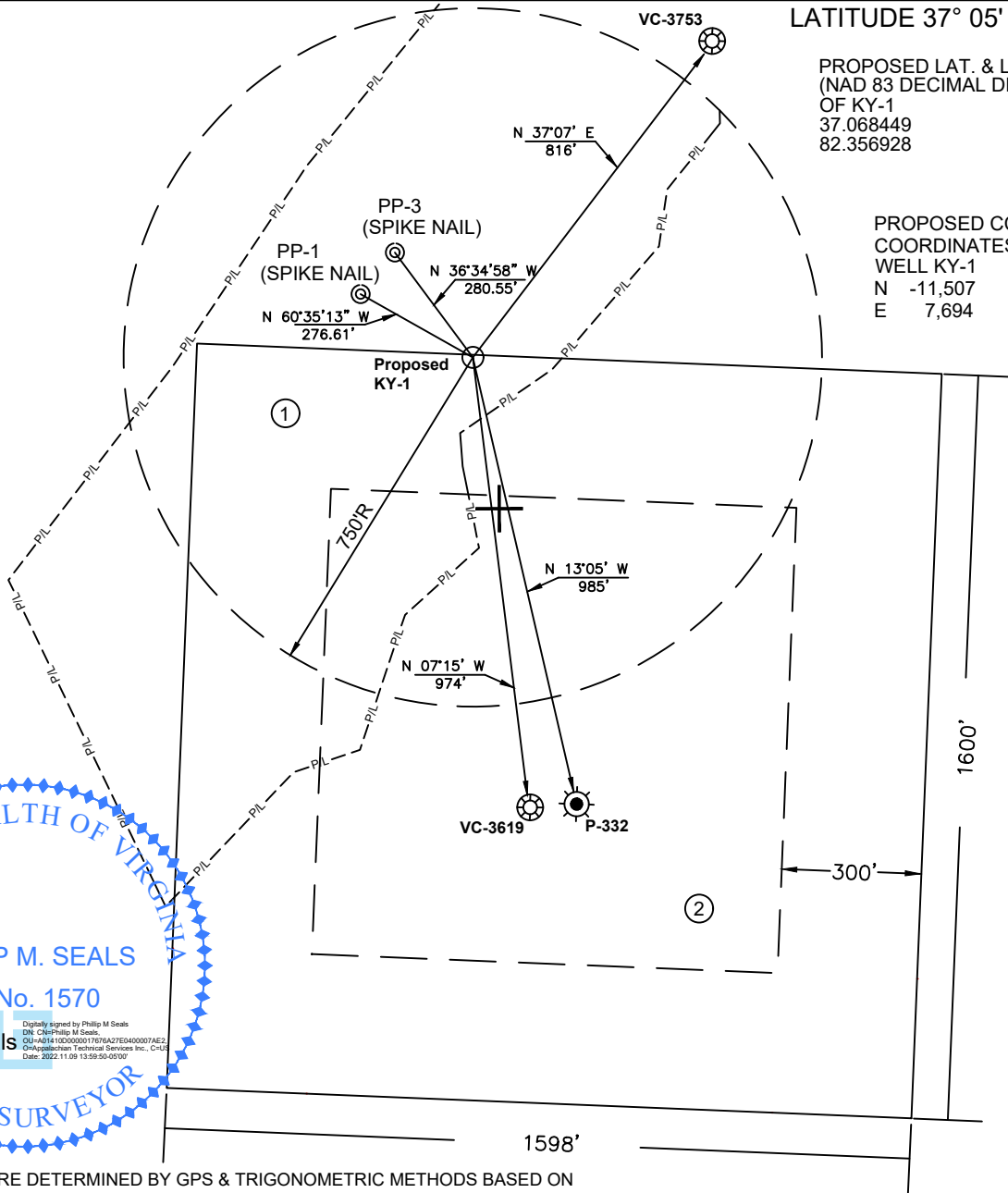
LATITUDE 37° 05' 00"

NOTE: THE BASIS OF THE BEARINGS SHOWN HEREON IS THE VIRGINIA STATE PLANE SOUTH ZONE, GRID MERIDIAN NAD 83

PROPOSED LAT. & LONG. (NAD 83 DECIMAL DEGREES) OF KY-1  
 37.068449  
 82.356928

PROPOSED CCC COORDINATES OF WELL KY-1  
 N -11,507  
 E 7,694

LONGITUDE 82° 20' 00"  
 5,460'



**NOTE:**

ELEVATIONS WERE DETERMINED BY GPS & TRIGONOMETRIC METHODS BASED ON CORS STATION VABG.  
 THE BOUNDARY LINES SHOWN HEREON ARE BASED ON DEEDS, PLATS, AND MAPS OF RECORD OR SURVEYS BY OTHERS, AND DO NOT DEPICT A CURRENT BOUNDARY SURVEY.  
 PROPERTY INFORMATION PROVIDED BY KEYROCK ENERGY LLC  
 THE WELL WILL BE DRILLED WITHIN 10 (TEN) FEET OF THE PERMITTED COORDINATES.  
 THE POSITIONS OF EXISTING OFFSET WELLS WERE TAKEN FROM PLATS IN DGO FILES.

TOTAL UNIT AREA = 58.79 ACRES

## WELL LOCATION PLAT (Nora Grid BH-42)

COMPANY Keyrock Energy LLC WELL NAME OR NUMBER KY-1  
 TRACT NO. LEASE NO 243344L QUADRANGLE NORA  
 DISTRICT Kenady  
 WELL COORDINATES (VIRGINIA STATE PLANE 83) N 3,571,464.23 E 10,357,938.05  
 ELEVATION 2,199.65 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.  
 COUNTY Dickenson SCALE: 1" = 400' DATE 9-20-2022  
 THIS PLAT IS A NEW PLAT  ; 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.

1892.01  
 Form DGO-GO-7  
 Rev. 1-98

*Phillip M. Seals*  
 \_\_\_\_\_  
 LICENSED LAND SURVEYOR

(AFFIX SEAL)

EXHIBIT PL-1

Property Ownership Information for Well # KY 1  
9-20-2022

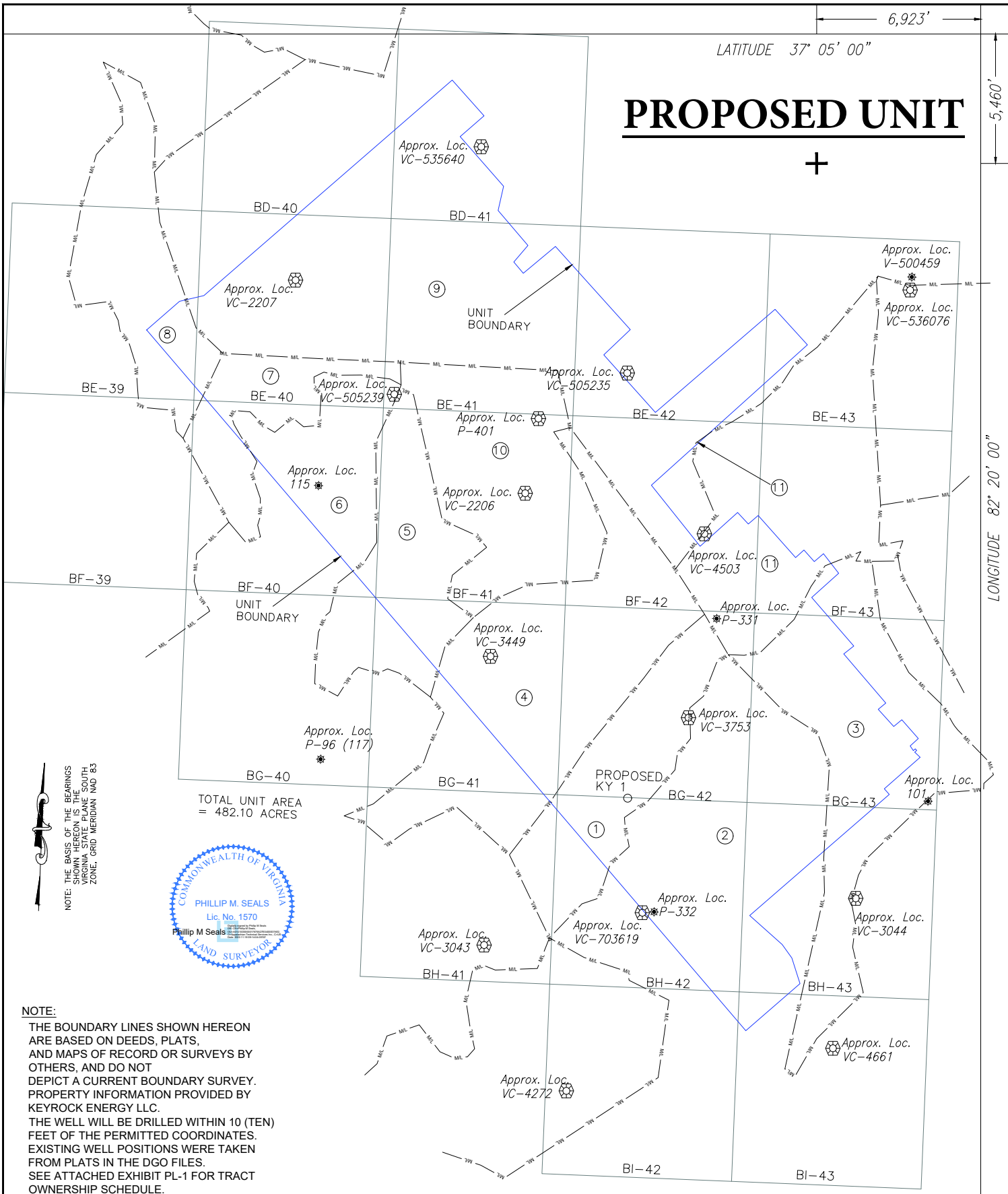
①

TRACT IDENTIFICATION

TRACT NO. T2-121  
John Elklor tr.  
36.50 ACRES  
CF HIGHLANDS LLC -Surface  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas (cbm)  
GAS 11.93 AC. 20.29 %

②

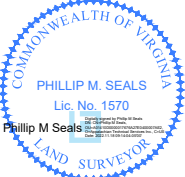
TRACT NO. T-47  
W. T. GOODLOE  
666.33 ACRES  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas (cbm)  
GAS 46.86 AC. 79.71 %



# PROPOSED UNIT

+

TOTAL UNIT AREA = 482.10 ACRES



NOTE: THE BASIS OF THE BEARINGS SHOWN HEREON IS THE VIRGINIA STATE PLANE SOUTH ZONE, GRID MERIDIAN NAD 83

NOTE: THE BOUNDARY LINES SHOWN HEREON ARE BASED ON DEEDS, PLATS, AND MAPS OF RECORD OR SURVEYS BY OTHERS, AND DO NOT DEPICT A CURRENT BOUNDARY SURVEY. PROPERTY INFORMATION PROVIDED BY KEYROCK ENERGY LLC. THE WELL WILL BE DRILLED WITHIN 10 (TEN) FEET OF THE PERMITTED COORDINATES. EXISTING WELL POSITIONS WERE TAKEN FROM PLATS IN THE DGO FILES. SEE ATTACHED EXHIBIT PL-1 FOR TRACT OWNERSHIP SCHEDULE.

**WELL LOCATION PLAT (Nora Grid N/A) DGO FILE NO.: Unknown At This Time**

COMPANY Keyrock Energy LLC WELL NAME OR NUMBER KY-1  
 TRACT NO. LEASE NO. 243344L QUADRANGLE Nora  
 DISTRICT Kenady  
 WELL COORDINATES (VIRGINIA STATE PLANE 83) N 3,571,464.23 E 10,357,938.05  
 ELEVATION 2,199.65 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.  
 COUNTY Dickenson SCALE: 1" = 500' DATE 11-17-2022  
 THIS PLAT IS A NEW PLAT ; 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.

EXHIBIT PL-1 (1 of 3)

Property Ownership Information for Keyrock 1  
11-17-2022

①

TRACT IDENTIFICATION

T2-121  
John Elklor tr.  
36.50 ACRES  
C. F. Highlands - Surface  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm  
  
KEYROCK ENERGY - cbm lessee  
  
GAS 27.76 AC. 5.76%

②

T-47  
W. T. GOODLOE  
666.33 ACRES  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm  
  
KEYROCK ENERGY - cbm lessee  
  
GAS 73.93 AC. 15.34%

③

T-181  
F. P. SMITH TR.  
83.45 ACRES  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm  
  
KEYROCK ENERGY- cbm lessee  
  
GAS 29.98 AC. 6.22%

④

T2-120  
ROLAND COUNTS  
87.86 ACRES  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm  
  
KEYROCK ENERGY - cbm lessee  
  
GAS 62.65 AC. 13.00%

EXHIBIT PL-1 (2 of 3)  
Property Ownership Information for Keyrock 1  
11-17-2022

⑤

HEIRS OF MILDRED J. PATTON & HARRY T. MULLINS  
surface, oil, & gas  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm lessee

GAS 27.49 AC. 5.70%

⑥

HEIRS OF ALBERT C. ADKINS & A.J. MCKINNEY -gas  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm lessee

GAS 26.53 AC. 5.50%

⑦

T2-231  
S. A. SMITH  
22.02 ACRES  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm

KEYROCK ENERGY - cbm lessee

GAS 13.61 AC. 2.82%

⑧

T-44  
D. L. FRENCH  
47.79 ACRES  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm

KEYROCK ENERGY - cbm lessee

GAS 5.38 AC. 1.12%

EXHIBIT PL-1 (3 of 3)

Property Ownership Information for Keyrock 1  
11-17-2022

⑨

T39  
SIMPSON DYER'S HEIRS  
1354.00 ACRES  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm  
  
KEYROCK ENERGY - cbm lessee  
  
GAS 140.59 AC. 29.16%

⑩

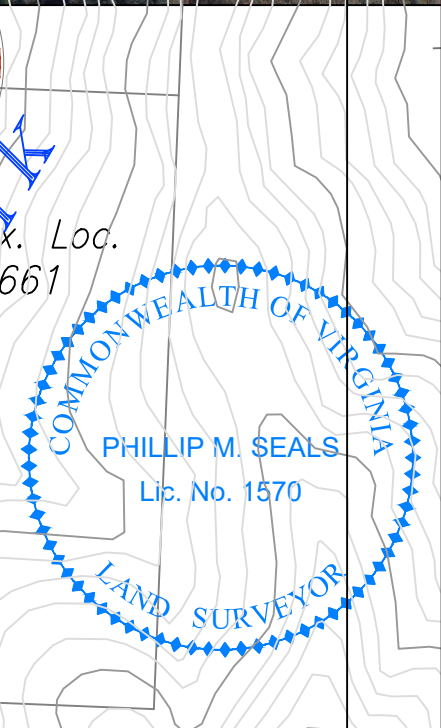
T-183  
D.W.V. SMITH  
53.19 ACRES  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm  
  
KEYROCK ENERGY - cbm lessee  
  
GAS 53.87 AC. 11.17%

⑪

T2-122  
J.C. RASNICK  
64.65 ACRES  
ACIN LLC - coal  
PARAMONT CONTURA, LLC - coal lessee  
WBRD LLC - coal  
DICKENSON-RUSSELL CONTURA, LLC- coal lessee  
ENERVEST XIV-A NORA LLC  
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &  
ENERVEST XIV-WIC NORA LLC  
oil, gas & cbm  
  
KEYROCK ENERGY - cbm lessee  
  
GAS 20.31 AC. 4.21%



NOTE  
 THE BOUNDARY LINES SHOWN HEREON  
 ARE BASED ON DEEDS, PLATS  
 AND MAPS OF RECORD OR SURVEYS BY  
 OTHERS, AND DO NOT  
 DEPICT A CURRENT BOUNDARY SURVEY.  
 PROPERTY INFORMATION PROVIDED BY  
 KEYROCK ENERGY LLC.  
 THE WELL WILL BE DRILLED WITHIN 10 (TEN)  
 FEET OF THE PERMITTED COORDINATES.  
 EXISTING WELL POSITIONS WERE TAKEN  
 FROM PLATS IN THE DGO FILES.  
 SEE ATTACHED EXHIBIT PL-1 FOR TRACT  
 OWNERSHIP SCHEDULE.



**WELL LOCATION PLAT (Nora Grid N/A) DGO FILE NO.: Unknown At This Time**

COMPANY Keyrock Energy LLC WELL NAME OR NUMBER KY-1  
 TRACT NO.                      LEASE NO. 243344L QUADRANGLE Nora  
 DISTRICT Kenady  
 WELL COORDINATES (VIRGINIA STATE PLANE 83) N 3,571,464.23 E 10,357,938.05  
 ELEVATION 2,199.65 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.  
 COUNTY Dickenson SCALE: 1" = 500' DATE 3-06-2023  
 THIS PLAT IS A NEW PLAT  ; AN UPDATED PLAT  ; OR A FINAL LOCATION PLAT   
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 LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY BORDER LINES AS SHOWN.

**Exhibit B  
Unit # 1  
VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract One - #T2-121; John Elklor tr. (36.50 Acres)</u></b>		
(1) CF Highlands LLC – Surface C T Corporation System 4701 Cox Rd. Ste 285 Glen Allen, VA 23060		
(2) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(3) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(4) WBRD LLC - Coal Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(5) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(6) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>27.76 acres</b>	<b>5.76%</b>
(7) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 - 5320		

**Exhibit B  
Unit # 1  
VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract Two - #T-47; W. T. Goodloe (666.33 Acres)</u></b>		
(1) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(2) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(3) WBRD LLC - Coal Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(4) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		
(5) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>73.93 acres</b>	<b>15.34%</b>
(6) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 - 5320		

**Exhibit B  
Unit # 1  
VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract Three - #T-181; F. P. Smith TR. (83.45 Acres)</u></b>		
(1) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(2) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(3) WBRD LLC - Coal Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(4) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		
(5) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>29.98 acres</b>	<b>6.22%</b>
(6) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 – 5320		

**Exhibit B  
Unit # 1  
VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract Four - #T2-120; Roland Counts (87.86 Acres)</u></b>		
(1) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(2) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(3) WBRD LLC - Coal Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(4) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		
(5) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>62.65 acres</b>	<b>13.00%</b>
(6) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 – 5320		

**Exhibit B  
Unit # 1  
VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract Five</u></b>		
Heirs of Mildred J. Patton & Harry T. Mullins - Surface, Oil & Gas: <b>27.49 acres</b>		
(1) Pamela Mullins 65 Viers Court Lebanon, VA 24266		<b>1.425%</b>
Myrna Lynn Taylor 1551 Big Moccasin Rd Nickelsville, VA 24271		<b>1.425%</b>
Lucien James Patton 119 Burns Ave Apt 2 Lebanon, VA 24266		<b>1.425%</b>
Caleb Andrew Patton 119 Burns Ave Apt 2 Lebanon, VA 24266		<b>1.425%</b>
(2) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(3) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(4) WBRD LLC - Coal Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(5) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		

**Exhibit B  
Unit # 1  
VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
(6) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM Lessee Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>27.49 acres</b>	<b>5.70%</b>

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VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract Six</u></b>		
Heirs of Albert C. Adkins & A.J. McKinney - Gas:	<b>26.53 acres</b>	
(1) Rachel Mae Adkins 377 Crooked Branch Rd Castlewood, VA 24224		<b>1.375%</b>
Melissa Ann Adkins PO Box 2 Clintwood, VA 24228		<b>0.275%</b>
Sarah Elizabeth Adkins 190 Wheeler Avenue Collinsville, VA 24078		<b>0.275%</b>
Nicholas Allen Adkins 803 Highland Avenue NW Norton, VA 24273		<b>0.275%</b>
Eva Faith Adkins 190 Wheeler Avenue Collinsville, VA 24078		<b>0.275%</b>
Cassondra E. Bolling 12262 Gary Powers Road Pound, VA 24279		<b>0.1375%</b>
Yates Chapel Church Bolling 5313 D C Caney Ridge Road Coeburn, VA 24230		<b>0.1375%</b>
Alma McKinney 3700 SE Jennings Rd # 240W Port Saint Lucie, FL 34952		<b>2.75%</b>
(2) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(3) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(4) WBRD LLC - Coal		

**Exhibit B  
Unit # 1  
VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(5) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		
(6) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM Lessee- Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>26.53 acres</b>	<b>5.50%</b>

**Exhibit B  
Unit # 1  
VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract Seven - #T-231; S. A. Smith (22.02 Acres)</u></b>		
(1) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(2) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(3) WBRD LLC - Coal Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(4) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		
(5) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>13.61 acres</b>	<b>2.82%</b>
(6) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 - 5320		

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Unit # 1  
VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract Eight - #T-44; D. L. French (47.79 Acres)</u></b>		
(1) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(2) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(3) WBRD LLC - Coal Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(4) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		
(5) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>5.38 acres</b>	<b>1.12%</b>
(6) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 - 5320		

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Unit # 1  
VGOB Docket # 22-1220-4255  
List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract Nine - #T-39; Simpson Dyer's Heirs (1354.00 Acres)</u></b>		
(1) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(2) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(3) WBRD LLC - Coal Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(4) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		
(5) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>140.59 acres</b>	<b>29.16%</b>
(6) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 - 5320		

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List of Owners in a Sealed Gob  
(482.10 Acre Unit)**

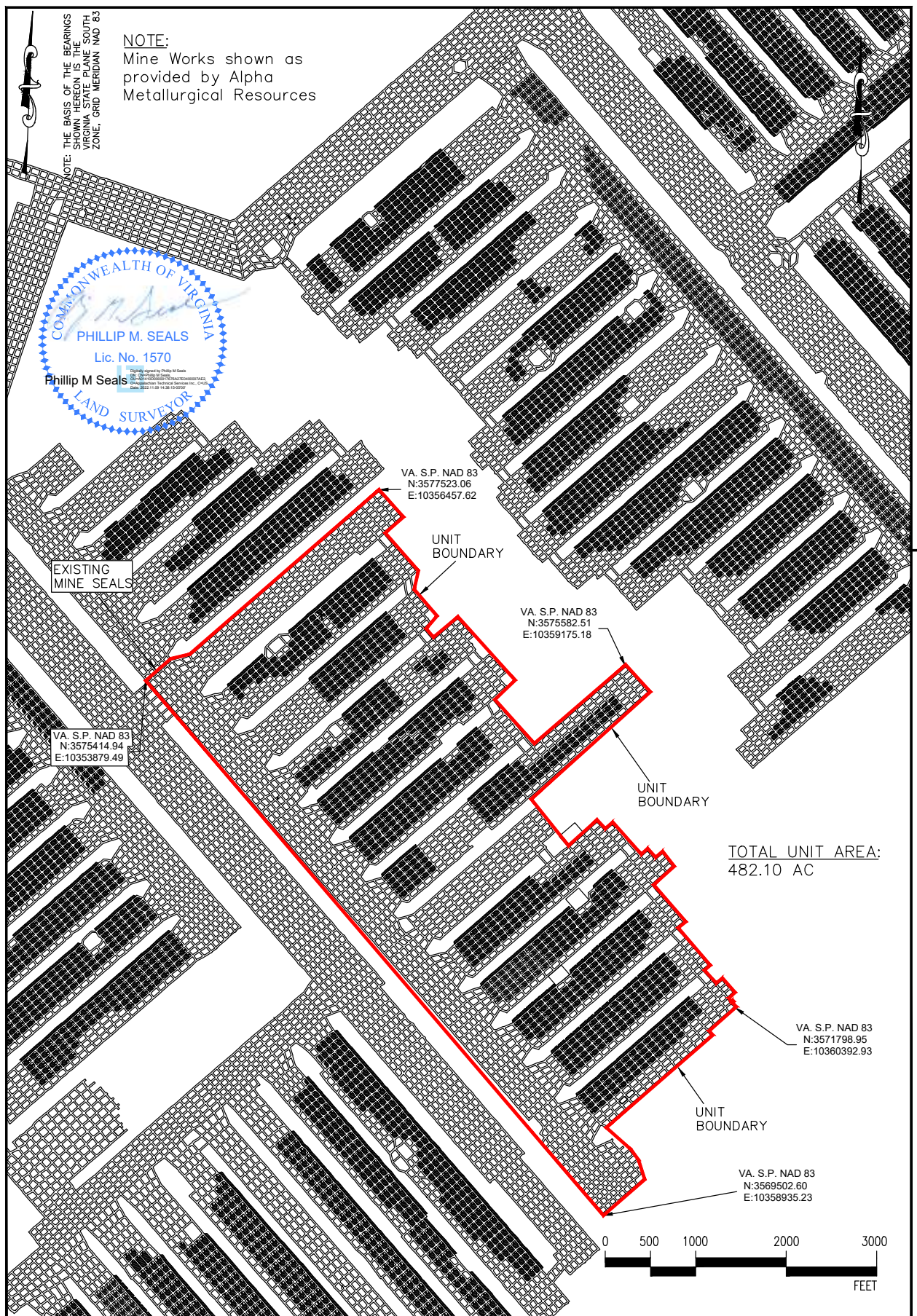
	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract Ten - #T-183; D.W.V. Smith (53.19 Acres)</u></b>		
(1) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(2) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(3) WBRD LLC - Coal Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(4) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		
(5) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>53.87 acres</b>	<b>11.17%</b>
(6) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 - 5320		

**Exhibit B  
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(482.10 Acre Unit)**

	<b>Acres in Unit</b>	<b>Interest in Unit</b>
<b><u>Tract Eleven - #T-122; J.C. Rasnick (64.65 Acres)</u></b>		
(1) ACIN LLC – Coal Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA 24011		
(2) Paramount Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA, 23219-4100		
(3) WBRD LLC - Coal Capitol Corporate Services, Inc. 10 South Jefferson St Ste. 1400 Roanoke, VA 24011		
(4) Dickenson-Russell Contura, LLC - Coal Lessee Corporation Service Company 100 Shockoe Slip FL 2 Richmond, VA 23219-4100		
(5) ENERVEST XIV-A NORA LLC ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. ENERVEST XIV-WIC NORA LLC - Oil, Gas & CBM - Capitol Corporate Services, Inc. 10 South Jefferson St. Ste 1400 Roanoke, VA, 24011	<b>20.31 acres</b>	<b>4.21%</b>
(6) Keyrock Energy - CBM Lessee Corporate Creations Network Inc. 425 W Washington St. Ste 4 Suffolk, VA, 23434 - 5320		

NOTE: THE BASIS OF THE BEARINGS SHOWN HEREON IS THE SOUTH ZONE, GRID MERIDIAN NAD 83

NOTE:  
Mine Works shown as provided by Alpha Metallurgical Resources



**Appalachian Technical Services, Inc.**  
Engineering, Architecture, Surveying, Ecology & Environmental Science  
Kingston Office: P.O. Box 1897, 475 West Main Street, Abingdon, VA 26012 (276) 678-4282  
Wise Office: P.O. Box 3537, 6741 Indian Creek Road, Wise, VA 24293 (276) 328-4200

**KEYROCK ENERGY LLC**

**DEEP MINE 41 UNDERGROUND  
UNDERGROUND MINE MAP KY1  
EXHIBIT L**

Designed By: JMC	Drawn By: JMC	Checked By: PMS	Date: 10/12/22
Project Number: 1892.01	Scale: 1" = 1000'	Quadrangle: NORA VA NAD 83 South Zone	
Drawing Name: Mineworks Only 24x36 With Well Units 10-12-22			<b>01</b>
Sheet/Layout: KY1 EXHIBIT L 11X17			<b>01</b>

# OIL AND GAS LEASE

FROM

Albert C. Adkins and Eva Mae Adkins, husband and wife

HCO 5 Box 662, Coeburn, Virginia 24230

TO

Equitable Resources Exploration  
a division of  
Equitable Resources Energy Company  
Two Executive Park Place  
1989 East Stone Drive  
Kingsport, TN 37660

DATE May 19, 1992

TERM Five (5) Years

NO. ACRES 58.0

MAP LOCATION Nora Quad

STATE Virginia

COUNTY Dickenson

RECEIVED FOR RECORD \_\_\_\_\_, 19 \_\_\_\_\_

RECORDED \_\_\_\_\_, 19 \_\_\_\_\_

IN BOOK \_\_\_\_\_, PAGE \_\_\_\_\_

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a \_\_\_\_\_  
in and for said county, in the state aforesaid, certify that \_\_\_\_\_

\_\_\_\_\_ personally known to me to be the same person  
whose name \_\_\_\_\_ subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be \_\_\_\_\_ act  
and deed for uses and purposes therein set forth.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 19 \_\_\_\_\_  
My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a \_\_\_\_\_  
in and for said county, in the state aforesaid, certify that \_\_\_\_\_

\_\_\_\_\_ personally known to me to be the same person  
whose name \_\_\_\_\_ subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be \_\_\_\_\_ act  
and deed for uses and purposes therein set forth.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 19 \_\_\_\_\_  
My commission expires \_\_\_\_\_

Notary Public

## OIL AND GAS LEASE

**This Agreement**, made the 19th day of May, 19 92  
 between Albert C. Adkins and Eva Mae Adkins, husband and wife  
HCO 5 Box 662  
Coeburn, Virginia 24230

hereinafter called Lessor,  
 Equitable Resources Exploration, a division of Equitable Resources Energy Company, a corporation, of  
 Kingsport, TN 37660, hereinafter called Lessee.

**WITNESSETH:** That the Lessor, in consideration of One Dollar (\$1.00), in hand paid by the Lessee, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained, hereby grants, demises, leases and lets unto the Lessee, its successors and assigns, all that certain tract of land hereinafter described, for the sole and only purpose, and with the exclusive right of operating for, producing and marketing oil and gas, coalbed methane gas, and all associated hydrocarbons and all products produced therewith or which may be derived therefrom; storing gas of any kind, regardless of the source thereof, in the oil and gas strata including the injecting of gas therein and removing the same therefrom; protecting stored gas; conducting geological and geophysical surveys and explorations; pooling or unitizing the leased premises or part thereof with other lands to form operating units for any or all of the purposes of this agreement; together with the right-of-way and servitudes for pipe lines; telephone and telegraph lines, structures; houses and buildings, and all other rights and privileges necessary, or deemed necessary, incident to or convenient for the economic operation of this land, and any other lands, the oil or gas rights in which, or the control thereof, Lessee now has or owns, or which may be hereafter acquired by Lessee, successor, or assigns, by any manner of conveyance or contract, for oil or gas or coalbed methane gas and associated hydrocarbons with the right to use, for such purposes, free of charge, oil, gas and water, produced from or on the premises, and with the right, but without obligation, either during or after or after the term hereof, to remove all and any property and improvements which Lessee, successors or assigns, may place or erect on the premises, and to plug any well or wells drilled thereon, together with the right to transport through the property hereby leased any and all oil, gas, coalbed methane gas, and other hydrocarbons produced by Lessee, its successors and assigns, from the property including the right-of-way and easement to lay, construct, use, maintain, operate, change, replace and remove pipe line or pipe lines for such transportation.

Said land is situate in Ervinton District Dickenson County, State of Virginia  
 bounded and described as follows:  
 On the North by the lands of Clinchfield Coal Co.  
 On the East by the lands of Mildred Patton  
 On the South by the lands of Marvin Rowlett  
 On the West by the lands of Arlin French  
 On the waters of Big Spraddle containing  
Fifty-eight and 00/100 (58.0) acres, more or less,  
 including premises conveyed to Lessor by Beulah Phipps, single

recorded in Deed Book 262, Page 570, Dickenson County/  
 Circuit Court Clerk's Office.

TO HAVE AND TO HOLD said lands and privileges for the said purposes for and during the period of Five  
 (5) years from May 19, 19 92 and for as long thereafter as the leased premises or other lands with  
 which the leased premises or part thereof is pooled or unitized are operated in the search for or production of oil or gas, or as long as the  
 same is used for underground storage of gas and the removal thereof, either through the operation of a well or wells on the above described  
 tract of land or on tracts in the same storage field; or as long as said land is used for the protection of stored gas, alone or in conjunction  
 with other lands, and in the event oil or gas is found in paying quantities and later becomes exhausted, this lease shall continue in force for  
 one (1) year after all wells on the leased premises, or on the part or parts thereof pooled with other land or leases in the vicinity thereof, have  
 been plugged in compliance with State and/or Federal Regulations, all with an extended term by payment of rentals as hereinafter set forth.  
 It is expressly understood and agreed that the Lessee shall be the sole judge as to whether gas is being stored in said land, held in storage  
 therein, or whether said land is being used for the protection of stored gas, and Lessee's determination thereof shall be final and conclusive.

Lessee agrees to commence a well on said premises on or before the 19th day of May, 19 93  
 or thereafter to pay the Lessor a delay rental at the rate of Three and 00/100 (\$ 3.00) per acre per annum  
 payable annually in advance, beginning May 19, 19 93; until, but not after, a well yielding royalty to the  
 Lessor is drilled and oil and/or gas is marketed therefrom or a storage well is completed under the terms hereof, or this lease surrendered.  
 Any rental paid for time beyond the date oil, gas or associated hydrocarbons is first marketed or the date a storage well is completed shall be  
 credited upon the first royalty for oil and/or gas or the first payment for such storage well.

When said land is used for the storage of gas (but there is no well on said land), or for the protection of gas storage on lands in the  
 general vicinity, the Lessee covenants and agrees to pay to the Lessor, quarterly in advance, an annual storage rent of Two Dollars (\$2.00) per  
 acre per annum until a well is completed or this lease is surrendered.

Any rent paid for time beyond the date of completion of a well shall be credited upon the first royalty due upon the same.

The Lessee is hereby given the right to convert any gas well heretofore or hereafter drilled upon the leased premises to a gas storage  
 well and at the time of conversion to storage, if gas is still being produced therefrom, Lessee shall pay Lessor for the estimated recoverable  
 gas remaining in the well. In arriving at the volume of said recoverable gas, the Lessee shall use such methods of calculating gas reserves as  
 are generally accepted by the natural gas industry, and the Lessor shall be paid therefor at the rate prescribed hereinafter.

Lessee is hereby given the right at its option, at any time from the date hereof while this agreement shall be in effect and from time to  
 time within such period, to pool all or any part or parts of the leased premises or rights therein with any other land in the vicinity thereof, or  
 with any leasehold, operating or other rights or interests in such other land to create units of such size and surface acreage as Lessee may  
 desire, but containing not more than 640 acres plus 10% acreage tolerance. If at any time larger units are required under any then applicable  
 law, rule, regulation or order of any governmental authority for the drilling, completion, or operation of a well, any such unit may be established  
 or enlarged to conform to the size specified. Each unit may be created by governmental authority or by a written declaration-notice executed  
 by Lessee and delivered to Lessor containing a description of the unit so created, specifying the mineral stratum or horizon so pooled, if so  
 limited. Any well which is commenced, or is drilled or is producing on any part of any lands theretofore or thereafter so pooled shall, except  
 for the payment of royalties, be considered a well commenced, drilled, and producing on the lands hereby leased. There shall be allocated to  
 the portion of the leased premises included in any pooling such proportion of the actual production from all lands so pooled as such portion  
 of the leased premises, computed on an acreage basis, bears to the entire acreage of the lands so pooled. The production so allocated shall  
 be considered for the purpose of payment or delivery of royalty to be the entire production from the portion of the leased premises included  
 in such pooling in the same manner as though produced from such portion under the terms of this lease. Each of said options may be  
 exercised by Lessee from time to time, and a unit may be formed either before or after a well has been drilled or production has been established  
 on the leased premises or on a portion of the leased premises which is included in the pool or on other lands which are pooled therewith.

It is agreed that said Lessee may drill or not drill on the leased premises as it may elect, and the consideration and rentals paid and to  
 be paid constitute adequate compensation for such privilege.

As a royalty, Lessee agrees to deliver to the credit of Lessor, heirs or assigns, free of cost, into the tanks or pipe lines to which it may connect its well or wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises; and the Lessee agrees to pay a royalty for all gas except stored gas and gas produced from the storage horizon or horizons produced, saved and marketed from the leased premises at the rate of one-eighth (1/8) of the proceeds received by the Lessee at the well. Royalty payments shall constitute the entire consideration to Lessor for such gas including the gasoline and other content thereof. Lessor shall pay a proportionate part of all excise, depletion, privilege and production taxes now or hereafter levied, assessed or charged on oil or gas produced from said premises. It is agreed, however, that gas produced from any well or wells may be taken by Lessee for fuel in its operation on said premises, free of charge, but if other use be made of the gas from any oil well or gasoline extracted therefrom, then Lessee shall pay at the rate of Twenty-five Dollars (\$25.00) annually for the gas from each oil well while so utilized.

Lessee shall pay Three Hundred Dollars (\$300.00) per year in quarterly installments payable in advance for each well utilized or classified by the Lessee as a gas storage well, except that in the event said storage well payment is less than the Lessor would receive as rental, then the Lessee shall pay to the Lessor in addition, the difference between the storage well payment and the said rental payment. Lessee shall have the right to install and maintain on said premises all necessary equipment and appliances to do any and all other things as may be reasonably necessary for the purpose of utilizing said premises for the production and storage of gas, as well as the injection of gas therein and the removal of same therefrom.

When all wells, except gas storage wells, on said land are shut in by Lessee for a continuous period of thirty (30) days or longer, the Lessee shall pay to the Lessor a royalty, equal to and in lieu of the delay rental amount, annually, prorated on a monthly basis, payable monthly, quarterly, annually, or at the end of such shut in period; provided that a carrying rental is not being paid at that time.

All monies payable to Lessor hereunder may be paid by checks payable as follows:

Albert C. Adkins and Eva Mae Adkins  
HCO 5 Box 662

Coeburn, Virginia 24230

delivered in person or mailed to payee at the above address

and the delivery of said checks or their deposit in the mail, properly stamped and addressed as above provided, shall constitute full payment of the amounts shown thereon.

If the Lessor does not have title to all the oil and gas under the above premises, Lessor agrees on demand made to refund rental and royalty paid, and release Lessee from the payment of future rental and royalty, in the proportion that the outstanding interest or title bears to the whole tract. If the acreage or area herein recited is in excess of the true quantity of land in said premises, Lessor agrees upon demand made to refund rental paid and to release Lessee from the payment of future rental in the proportion that the excess of recited acreage over the true acreage in the leased premises bears to the recited acreage. If the recited acreage or area be found to be less than the true quantity of land in said premises, Lessee, on demand made, shall pay up the arrears or deficiency in rental payments on the basis of the excess of the true over the said recited acreage and thereafter pay the rental under this lease on the basis of the true acreage.

In the event of the death of any person entitled or authorized, or who may hereafter be authorized or entitled hereunder to receive rental or royalty, the Lessor for himself, his heirs, personal representatives and assigns, covenants that notice in writing, executed by all of such heirs, representatives or assigns, shall be delivered to the Lessee, its successors or assigns, stating (1) the date of such death and the name or names of the person or persons succeeding to the right to receive such money, (2) the proportions in which said money is to be divided between said persons, and (3) the post office address of each of such persons; and until the receipt of such notice strictly conforming to the provisions hereof, the Lessee may withhold the payment of such rental or royalty without incurring any liability or prejudicing its rights under this lease; and in case a dispute arises at any time as to the amount of payments or the proper payee thereof, Lessee may withhold the same, without liability or interest on the money withheld, until the right thereto is determined either by written agreement between the disputing parties or by final order of a court of competent and final jurisdiction, in a suit to be filed and prosecuted to judgment by and between the disputing parties, or, in an action of interpleader, instituted by Lessee or its assigns and until such agreement or certified copy thereof, or certified copy of such judgment be filed with Lessee, its successors or assigns.

In the event this lease or any part thereof or any rights thereunder shall be transferred by Lessor, heirs, personal representatives or assigns, Lessor, for himself, his heirs, personal representatives or assigns, covenants with Lessee, its successors and assigns, to furnish a certified copy of the recorded instrument by which said transfer shall be effected, together with a memorandum of the post office address of such transferee; and until such covenant shall be strictly complied with all rental or royalty then or thereafter falling due may be withheld without rendering liable or prejudicing the rights hereunder of Lessee, its successors or assigns.

If the leased premises are hereafter owned in severally or in separate tracts the premises, nevertheless, shall be developed and operated as an entirety, and royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears to the entire leased acreage.

And it is hereby agreed that in the event this lease shall be assigned by Lessee as to a part or parts of the above described lands, and the privilege of assigning in whole or in part is expressly granted, and the assignee or assignees of such part or parts shall make default in the payment of the proportionate part of the rental due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said Lessee or any assigns thereof shall make due payment of said rental; and in case this lease is assigned, in whole or in parts, all of Lessee's liabilities and obligations hereunder shall thereupon cease and terminate entirely, or as to the parts assigned, as the case may be, except as to such rental and royalty as is due and payable at the time of such assignment.

The term gas as used herein includes coalbed methane gas and all associated hydrocarbons. Lessor hereby excepts and reserves unto itself, its successors, heirs and assigns all coal and associated mining rights.

In the event default shall be made by the Lessor in the prompt payment of any refund for rental or royalty which may become due and payable to the Lessee as hereinbefore provided then the Lessee shall have the right and privilege to deduct said amount or amounts from the rental or royalty thereafter accruing hereunder.

It is further agreed that no wells shall be drilled within two hundred (200) feet of the principal buildings upon said land except by mutual consent; that all pipe lines laid, except those used to conduct gas and water to drilling wells, shall be buried; and that the Lessee shall pay for all injury done to growing crops and fences in its operations hereunder.

It is further agreed that the Lessee, its successors or assigns, shall have the right to surrender this lease at any time upon the payment of One Dollar (\$1.00) and all amounts accrued hereunder to the date of said surrender, and upon such surrender the Lessee shall be relieved from further payment of rental or royalty and the performance of any other of the covenants contained herein. If this lease is placed upon record, the Lessee shall, when requested by Lessor upon Lessee's abandonment or surrender thereof, give to the Lessor a proper release duly acknowledged, and the Lessor agrees that the recordation of a deed of surrender, in general terms to the Lessor, his heirs, personal representatives, or assigns, in the proper county and deposit in the post office of a check payable as above provided for said last mentioned sum and all amounts then accrued hereunder, shall be and shall be accepted as full and legal surrender of the Lessee's rights under this lease.

It is expressly agreed between the parties that this instrument embraces the entire understanding and contract between the parties; and any agreements or representations, verbal or written, made by any person on behalf of either the Lessor or the Lessee not contained in this lease are unauthorized and do not bind the parties.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IN TESTIMONY WHEREOF, the parties hereto have signed their respective names as of the day and date first herein written.

WITNESSES:

LESSORS:

*Albert C. Adkins*  
Albert C. Adkins SS#227-36-5378  
*Eva Mae Adkins*  
Eva Mae Adkins SS#226-40-3148

*THOMAS J. O'NEILL*  
by: *Thomas J. O'Neill*  
**THOMAS J. O'NEILL**  
VICE PRESIDENT

This instrument prepared by:  
*Bob Powell*  
Bob Powell P.O. Box 617, Norton, VA 24230

STATE OF Virginia  
COUNTY OF Dickenson

I, the undersigned a notary public  
in and for said county, in the state aforesaid, certify that Albert C. Adkins and Eva Mae Adkins, husband and wife

Albert C. Adkins and Eva Mae Adkins personally known to me to be the same person<sup>s</sup>  
whose name<sup>s</sup> are Albert C. Adkins and Eva Mae Adkins subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be their act  
and deed for uses and purposes therein set forth.

Given under my hand this 19th day of May, A.D., 19 92  
My commission expires 1-31-94  
*Joseph E. Krohn*  
Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_  
in and for said county,  
whose name \_\_\_\_\_  
in the State and County aforesaid,  
and deed for uses and purposes therein set forth.  
Given under my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 19\_\_\_\_  
My commission expires \_\_\_\_\_

Recorded: Deed Book _____ P _____ M _____
039 State Tax \$ <u>1.35</u>
213 County Tax \$ <u>.45</u>
212 Transfer \$ _____
301 Recording \$ <u>1.00</u>
145 VSLF \$ <u>1.00</u>
038 State Tax \$ _____
\$ 58-54(b) \$ _____
220 Local Tax \$ _____
\$ 58-54(b) \$ _____
222 Local Tax \$ <u>14.80</u>
\$ 58-54(b) \$ _____

Teste: *William J. ...* Clerk  
Clerk's Office, Circuit Court, Dickenson County, Virginia  
Filed and admitted to record, at \_\_\_\_\_ on this 13 day of August, 1992  
870 00

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_ in and for said county, in the state aforesaid, certify that \_\_\_\_\_

VIRGINIA. In the Clerk's Office of the Circuit Court of Dickenson County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 13 day of August, 1992 2:02p M.  
Deed Book No. 285 and Page No. 9

TESTE: *William J. ...* Clerk

## PAID UP COALBED METHANE LEASE

**THIS PAID UP COALBED METHANE LEASE** ("Lease"), made this \_\_\_\_\_ day of January, 2022, between ENERVEST XIV-A NORA LLC (50.10494%), ENERVEST ENERGY INSTITUTIONAL FUND XIV-A1, L.P. (15.00000%) and ENERVEST XIV-WIC NORA LLC (34.89506%), each a Delaware limited partnership (collectively referred to as "Lessor") c/o EnerVest Operating, L.L.C. whose address is 408 W Main Street, Abingdon, VA 24210, and Keyrock Energy, L.L.C., a Delaware limited liability corporation, whose address is 207 E. Main Street, Suite 2-D, P.O. Box 2223, Johnson City, TN 37605 ("Lessee").

1. **Grant.** Lessor, in consideration of the sum of One and no/100 dollars (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and of the covenants and agreements herein contained, does hereby grant unto Lessee all of the coalbed methane ("CBM"), in and under the lands hereinafter described together with the exclusive right to explore, drill and operate for, produce, flare, and market CBM, the right to lay pipeline to transport CBM from the lands leased hereunder and other lands, the right to build and install such tanks, equipment and structures ancillary thereto to carry on operations for CBM, together with the right to enter thereon at all times and to occupy, possess and use so much of said premises as is necessary and convenient for all purposes described herein. Lessee shall have the right to stimulate or fracture the coal seam to facilitate the production of CBM, subject to the depth restrictions in the Addendum attached hereto, and the appropriate regulatory and mineral estate approvals required.

2. **Description.** This Lease covers the premises situated between the waters of the Buffalo Creek and Caney Creek of Dickenson County, Virginia, containing See Exhibit 'A' acres, more or less, being the same lands depicted on Exhibit "A" hereto attached commonly known as Deep Mine 41 (the "Leased Premises").

3. **Term of Lease.** This Lease shall remain in force for a primary term of THREE (3) years and as long thereafter as CBM is being produced or Drilling operations have commenced on the Leased Premises.

4. **Royalty:** Lessee shall pay to Lessor a royalty equal to Twelve and One-Half Percent (12.5 %) of the net amount realized by Lessee from the sale and delivery of all CBM produced and sold from the Leased Premises. Such royalty shall be calculated at the mouth of the well after deducting from such royalties Lessor's pro-rata share of reasonable post-production costs, including without limitation (i) all costs of metering, gathering, marketing, compressing, dehydrating, and transporting the produced volumes; (ii) all costs associated with the processing and removal of natural gas liquids and other liquids or gaseous substances or impurities from the produced volumes; and (iii) all costs of any other treatment or processing such deductions shall not exceed sixty cents (\$0.60) per mmbtu of gas produced. Lessee may also deduct from royalties a pro-rata share of any severance or other tax, fee, or assessment imposed by any governmental agency that is levied upon the value of reserves, production or the severance of CBM produced from the Leased Premises. Royalties shall be paid on the volumes of CBM sold by Lessee, and Lessor shall not be entitled to royalties for any line loss or fuel for compression. Payment of royalties for sales made during any calendar month shall be on or about the 30th day after receipt by Lessee of payment for such sales. At the point that monthly royalty payments average less than \$50.00 per month over a 3-month period, Lessee shall have the right, but not the obligation, to make any or all future royalty payments on an annual basis.

5. **Paid-Up Lease.** This is a "Paid-Up Lease." The initial payment as agreed to in the "Order of Payment" (executed contemporaneously herewith) shall operate as a rental and cover the privilege of deferring the commencement of operations for the full term of this Lease. This and all other payments due under this Lease shall be made by cash or check and shall be deemed tendered when either delivered or mailed to Lessor at the above address. There shall be no requirement to pay additional delay rentals under the Lease. If Lessor owns a lesser interest in the Leased Premises than the entire undivided fee simple estate therein, then the royalties and rentals provided for herein shall be paid to the Lessor only in the proportion that its interest bears to the whole and undivided fee.

6. **Ownership Changes.** Lessee reserves the right to mortgage its interest in whole or part without prior notice to the Lessor.

7. **Regulation and Delay.** This Lease shall be subject to all laws and governmental rules and regulations. This Lease shall not terminate, in whole or in part, nor shall Lessee be held liable for failure to comply herewith, if compliance is prevented would result in the breach of any such law or governmental rule or regulation. Lessor grants Lessee the authority to compromise or settle any disputes with government agencies relating to this Lease or production therefrom. In the event the Lessee is unable

to perform any of the acts to be performed by the Lessee by reason of force majeure including but not limited to acts of God, strikes, riots, and governmental restrictions, this Lease shall nevertheless remain in full force and effect until the Lessee can perform said act or acts.

8. **Pooling:** Lessee is hereby granted the right at any time to unitize or pool the Leased Premises or any portion thereof, subject to the depth restrictions contained herein, with any other lands for the production of CBM. Operations upon and production from the unit shall be treated as if such operations were upon or such production were from the Leased Premises whether or not the well or wells are located thereon, provided, however, that Lessee shall pay Lessor, in lieu of other royalties thereon, only such proportion of the royalties stipulated in Paragraph 4 as the amount of Lessor's acreage placed in the unit, or Lessor's royalty interest therein on an acreage basis, bears to the total acreage in the unit. Lessee shall have the right to amend, alter or correct any such drilling unit or consolidation at any time in the same manner as herein provided.

9. **Entireties.** If the Leased Premises is owned by two or more parties, or the ownership of any interest therein should hereafter be transferred by sale, devise or operation of law, said land, nevertheless, may be held, developed and operated as an entirety, and the rentals and royalties shall be divided among and paid to such several owners in the proportion that the acreage owned by each such owner bears to the entire Leased Premises.

10. **Surface Use.** Following completion of any producing well, Lessee shall (a) fill all the pits used during drilling which are not required either for production purposes or by any government regulations; (b) remove all concrete bases, drilling supplies and drilling equipment; and (c) grade, plant, and seed the area disturbed by drilling that is not required in production of the well, where necessary to bind the soil and prevent substantial erosion and sedimentation.

11. **Access Roads.** Lessee shall have the right, but not the obligation, to use existing access roads currently owned and maintained by Lessor. If Lessee elects to use an access road, Lessee will provide to Lessor a map of the road and the anticipated dates of usage, and Lessor and Lessee will enter into a joint maintenance agreement that is equitable for use of the road. Lessee may upgrade any of Lessor's access roads they may use with prior written consent from the Lessor, and all upgrades and repairs will be performed in accordance with Virginia Department of Energy standards. Under no circumstances will Lessee cause damage or loss to any access road, and will immediately repair any such damage at Lessee's sole expense.

12. **Electricity.** Lessor agrees, to the extent it has an existing source of electricity with excess electricity available in any area where Lessee is engaged in the exploration or production of Methane from the Lands, and to the extent permitted by applicable law or regulation, Lessee shall be permitted to access Lessor's source of electricity to obtain electricity for use in connection with Lessee's methane exploration and production operations. Lessee shall pay any expenses associated with accessing Lessor's electrical grid and with Lessee's use of electricity.

13. **Release of Lease.** Lessee may at any time surrender all or any part of this Lease by recording a release of lease in Dickenson County, Virginia and delivering or mailing a copy of said release with recording reference to Lessor.

14. **Breach or Default.** In the event Lessor believes that the Lessee has not complied with any of its obligations hereunder, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this Lease. Lessee shall then have thirty (30) days after receipt of said notice within which to resolve or commence to resolve all or any part of the breaches alleged by Lessor. Lessor shall not bring any cause of action against Lessee for breach of the Lease sooner than thirty (30) days after service of such notice on Lessee, and only if Lessee has failed to resolve or failed to commence to resolve all or any part of the breaches alleged by Lessor. Neither the service of said notice nor the doing of acts by the Lessee aimed to resolve any or all of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder.

15. **Agreement.** This Lease and all its terms, conditions, and stipulations shall extend to and be binding on all heirs, successors and assigns of Lessor or Lessee. This Lease contains all of the agreements and understandings of the Lessor and the Lessee respecting the subject matter hereof and no implied covenants or obligations, or verbal representations or promises, have been made or relied upon by Lessor or Lessee supplementing or modifying this Lease or as an inducement thereto. All implied covenants are hereby disclaimed by the Lessor and Lessee, including, but not limited to, any implied duty to market and implied duty to develop the CBM.



**Lessee:**

**Keyrock Energy LLC**

By: *Morgan Pate*  
Name: Morgan Pate  
Title: Authorized Agent

**ACKNOWLEDGEMENT**

STATE OF TENNESSEE                    )  
  ) §  
COUNTY OF WASHINGTON            )

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of January, 2022 by Morgan Pate, as Authorized Agent of KEYROCK ENERGY, LLC, on behalf of the limited liability company.

My Commission Expires: 6-27-23



*Dina Y. Shirley*  
Notary Public

## Lease Addendum

1. **Indemnification.** Lessee agrees to indemnify, protect, save harmless and defend Lessor from and against any loss, injury, damage, claim, reclamation requirement of the Virginia Department of Mines, and Minerals (DMME), environmental damage or expense occurring as a result of the Lessee's use of the Leased Premises or which would not have occurred but for the Lessee's use of the Leased Premises, except to the extent any such loss, injury, damage, claim or expense is caused by the Lessor's negligence.

2. **Assignment.** This Lease shall not be assigned in part or whole without the expressed written consent of the Lessor.

3. **Existing Coal Agreement.** Lessor acknowledges that the Leased Premises are subject to an unrecorded Letter Agreement dated 9-12-2018 by and between Contura, ACIN, & etc. for the purpose of laying out guidelines for the co-development of the Coal, Oil, Gas, and Coal Bed Methane on jointly owned properties located in Dickenson and Buchanan Counties, Virginia. Lessor further acknowledges that they are subject to said agreement.

4. **Depth Restriction.** The terms of this Lease are confined to the mined interval of Deep Mine No. 41, otherwise defined as the Jawbone Seam. This Lease does not include and there is hereby excepted and reserved unto the Lessor any and all oil, gas, and other mineral bearing strata, as well as all coals and coalbed methane both shallower and deeper than targeted Deep Mine No. 41. contained within the Jawbone Coal Seam.

5. **Royalty on Sale of Electricity or Sale of Carbon Credits.** Lessor shall receive a royalty of Twelve and One-Half Percent (12.5%) of the gross proceeds actually received by Lessee or any of Lessee's affiliates from the sale of electricity generated from combustion of the CBM and/or the sale of Carbon Credits (as defined herein) from the CBM, minus this same percentage share of all Post-Production Costs and minus this same percentage share of all production, severance and ad valorem taxes.

(a) Carbon Credit, as used herein, means a product representing the removal, limitation, reduction, avoidance, sequestration, or migration of greenhouse gas emissions generated or issued under any governmental or non-governmental program. By way of example, this includes California Carbon Offsets ("CCO"), which are credits issued by the California Air Resources Board.

6. **Shut-in Payments.** Lessee may, at its option, cease production from any part or all of the wells located on the Leased Premises, or any wells located on another tract pooled with the Leased Premises for the necessary maintenance or repair of Lessee's equipment, an event of force majeure, or when production from the specific mine as shown in Exhibit "A" has reached its annual production limit as defined by the equations set forth in the Compliance Offset Protocol Mine Methane Capture Projects, California Environmental Protection Agency, Air Resources Board, upon five (5) days written notice to Lessor, without such cessation of production operating to terminate the Lease.

(a) Lessee shall tender to Lessor on the first day of the month following the initial cessation of production a shut-in payment of One Thousand Dollars (\$1,000.00). Lessee shall continue to tender to Lessor shut-in payments of One Thousand Dollars (\$1,000.00) on the first of each month until the well or wells have been returned to production.

(b) After twelve (12) continuous months of no production, the shut-in payment shall be increased to One Thousand Five Hundred Dollars (\$1,500.00) per month, paid in quarterly installments.

(c) The shut-in payments may be suspended at any time by Lessee upon Lessee's written notice to Lessor, accompanied by Lessee's executed release of Lease.

(d) The Lease shall terminate automatically, and Lessee shall record a release of lease in Dickenson County, Virginia, after twenty-four (24) continuous months of no production.

7. **Commingling.** Lessee may commingle the production from the Leased Premises ("Produced CBM") with coal bed or coal mine methane produced from properties other than the Leased Premises ("Other Methane") prior to its sale. In the event the Produced CBM is commingled, Lessee shall install meters capable of measuring all Produced CBM from the Leased Premises, and all Other

Methane commingled with the Produced CBM. Lessor's royalties shall be determined by prorating total sales from Lessee's system according to the ratio of Produced CBM and Other Methane introduced into Lessee's system.

8. **Lessor's Title Information.** Lessor agrees to make available to Lessee for inspection and copying all existing title information in Lessor's possession concerning the Leased Premises. Lessor makes no warranties concerning the completeness or accuracy of any such information and shall have no obligation to extend, update, or supplement any title information for Lessee's use. For purposes of this paragraph, "title information" includes but is not limited to abstracts, title insurance policies and commitments and title opinions.

9. **Leasehold Limitation.**

(a) Lessee has familiarized itself with the deeds and title papers under which Lessor owns the rights granted hereunder, and the parties hereto understand that this Lease only grants such rights as are owned by Lessor as of the effective date and which it has the right to grant.

(b) It is the duty of Lessee to familiarize itself with the exact location of the Leased Premises and to ensure that all development activities are confined to the Leased Premises.

(c) The parties hereto agree that, if mining operations heretofore have been conducted on or under the Leased Premises, Lessor has not made and does not now make any representations concerning the condition of any seam of coal on the Leased Premises, previous mining thereon, or the condition of the surface, structures, or works therein or thereon.

(d) Lessee acknowledges that, prior to the execution of this Lease, it (a) has made an independent examination of data concerning the Leased Premises, (b) has inspected the Leased Premises and is familiar with the physical condition thereof, and (c) has fully informed itself as to all existing conditions and limitations applicable to the Leased Premises. Lessee acknowledges that it has independently analyzed any information provided by Lessor with regard to the Leased Premises and agrees that the furnishing of any information to the Lessee shall not constitute a representation that such information is accurate or complete or a warranty that the Leased Premises confirms thereto. Lessee accepts the CBM and Produced CBM as is and without any warranty, expressed or implied, with regard to the quality of the gas or gas volumes realized by Lessee.

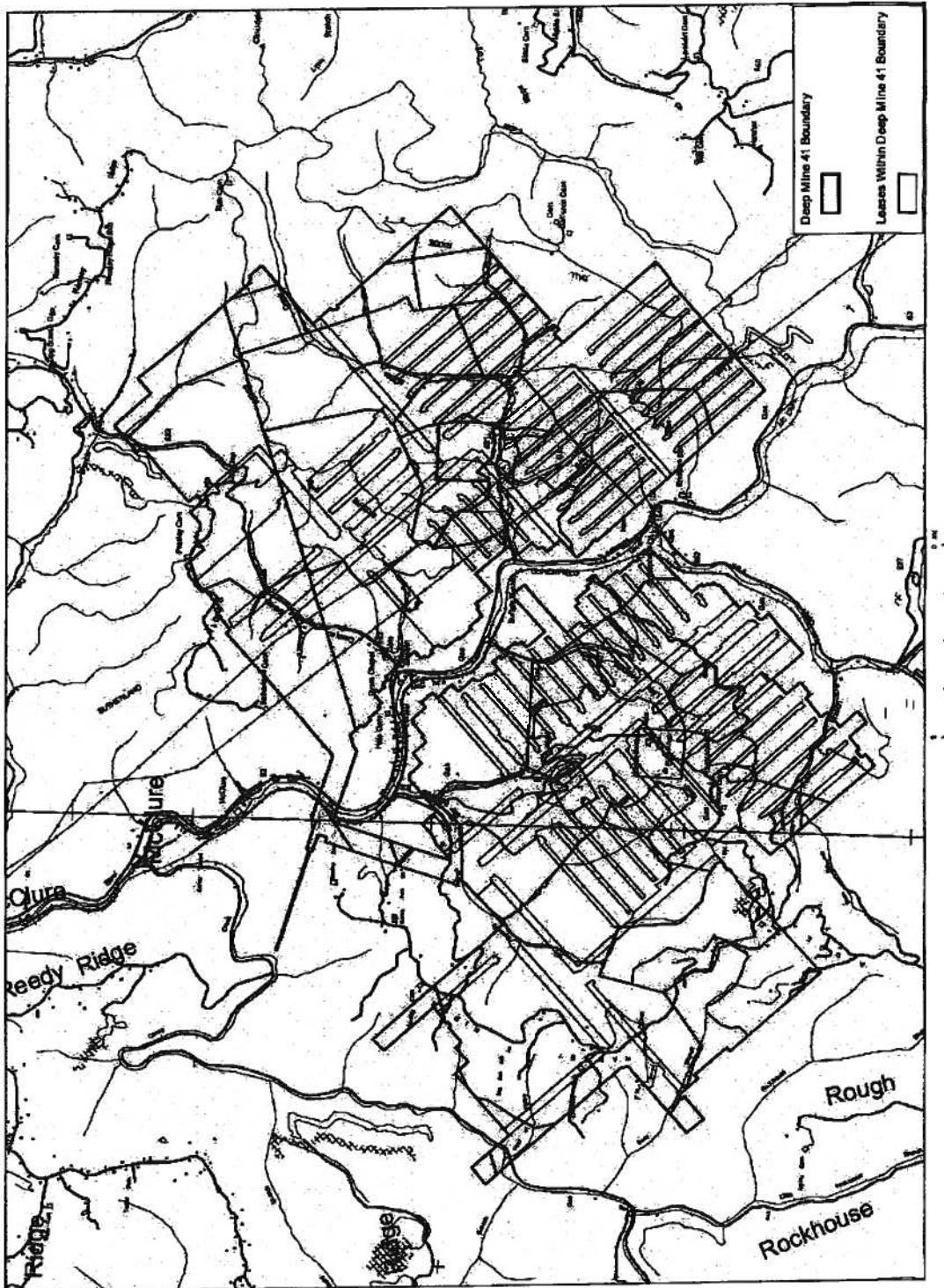
(e) Nothing herein contained shall be deemed or construed to be a covenant for quiet enjoyment or a warranty of title on the part of the Lessor, either express or implied, but Lessee must respect and observe all limitations or defects in the title of Lessor in and to the Leased Premises, said land, coal rights, and all other rights appurtenant thereto. It is likewise understood by Lessee that Lessor gives no warrant as to the quality or quantity of the gas contained in the abandoned mines and assumes no liability due to any deficiency that may exist or develop therein.

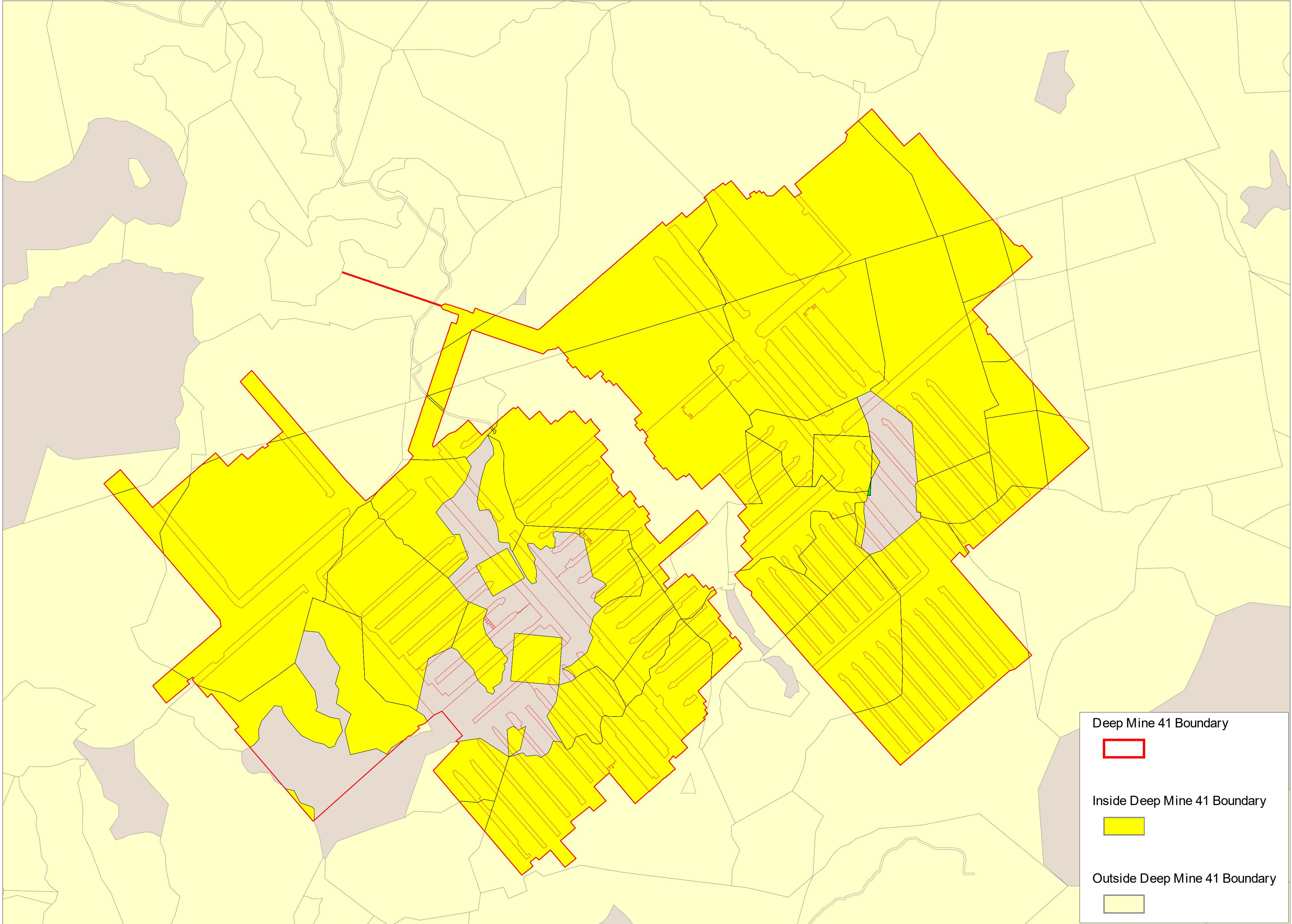
(f) To the best of Lessor's knowledge, there are no conflicts between this Lease and any other lease or license issued by Lessor. However, if a conflict arises as to the extent of the boundaries or an overlapping with Lessor's other leases or licenses, then the lease or license that first became effective shall prevail and Lessor shall have no liability or obligation to Lessee as a result thereof.

(g) Lessor does not claim ownership of or any rights to the surface of the Leased Premises other than those surface rights conveyed to Lessor in its deeds.

10. **Insurance.** At all times while operations are conducted upon the Leased Premises, Lessee shall comply with the workers compensation law of the state in which its operations are being conducted. Lessee shall require all contractors engaged by it with respect to any of the operations to comply with the workers compensation law of the state where the applicable operations are being conducted.

Exhibit "A"





Deep Mine 41 Boundary

Inside Deep Mine 41 Boundary

Outside Deep Mine 41 Boundary

1 0 mi

# OIL AND GAS LEASE

FROM

A.J. McKinney and Alma L. McKinney, husband and wife

#3 Rio Verde Way, Port St. Lucie, Florida 34952

TO

Equitable Resources Exploration  
a division of  
Equitable Resources Energy Company  
Two Executive Park Place  
1989 East Stone Drive  
Kingsport, TN 37660

DATE May 26, 1992

TERM Five (5) Years

NO. ACRES 38.0

MAP LOCATION Nora Quad

STATE Virginia

COUNTY Dickenson

RECEIVED FOR RECORD \_\_\_\_\_, 19 \_\_\_\_\_

RECORDED \_\_\_\_\_, 19 \_\_\_\_\_

IN BOOK \_\_\_\_\_, PAGE \_\_\_\_\_

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a \_\_\_\_\_  
in and for said county, in the state aforesaid, certify that \_\_\_\_\_

\_\_\_\_\_ personally known to me to be the same person \_\_\_\_\_  
whose name \_\_\_\_\_ subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be \_\_\_\_\_ act  
and deed for uses and purposes therein set forth.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 19 \_\_\_\_\_  
My commission expires \_\_\_\_\_  
Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a \_\_\_\_\_  
in and for said county, in the state aforesaid, certify that \_\_\_\_\_

\_\_\_\_\_ personally known to me to be the same person \_\_\_\_\_  
whose name \_\_\_\_\_ subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be \_\_\_\_\_ act  
and deed for uses and purposes therein set forth.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 19 \_\_\_\_\_  
My commission expires \_\_\_\_\_  
Notary Public

## OIL AND GAS LEASE

**This Agreement**, made the 26th day of May, 19 92

between A.J. McKinney and Alma I. McKinney, husband and wife  
#3 Rio St. Lucie

Port St. Lucie, Florida 34952

hereinafter called Lessor,

Equitable Resources Exploration, a division of Equitable Resources Energy Company, a corporation, of  
Kingsport, TN 37660, hereinafter called Lessee.

**WITNESSETH:** That the Lessor, in consideration of One Dollar (\$1.00), in hand paid by the Lessee, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained, hereby grants, demises, leases and lets unto the Lessee, its successors and assigns, all that certain tract of land hereinafter described, for the sole and only purpose, and with the exclusive right of operating for, producing and marketing oil and gas, coalbed methane gas, and all associated hydrocarbons and all products produced therewith or which may be derived therefrom; storing gas of any kind, regardless of the source thereof, in the oil and gas strata including the injecting of gas therein and removing the same therefrom; protecting stored gas; conducting geological and geophysical surveys and explorations; pooling or unitizing the leased premises or part thereof with other lands to form operating units for any or all of the purposes of this agreement; together with the right-of-way and servitudes for pipe lines, telephone and telegraph lines, structures, houses and buildings, and all other rights and privileges necessary, or deemed necessary, incident to or convenient for the economic operation of this land, and any other lands, the oil or gas rights in which, or the control thereof, Lessee now has or owns, or which may be hereafter acquired by Lessee, successor, or assigns, by any manner of conveyance or contract, for oil or gas or coalbed methane gas and associated hydrocarbons with the right to use, for such purposes, free of charge, oil, gas and water, produced from or on the premises; and with the right, but without obligation, either during or after or after the term hereof, to remove all and any property and improvements which Lessee, successors or assigns, may place or erect on the premises, and to plug any well or wells drilled thereon, together with the right to transport through the property hereby leased any and all oil, gas, coalbed methane gas, and other hydrocarbons produced by Lessee, its successors and assigns, from the property including the right-of-way and easement to lay, construct, use, maintain, operate, change, replace and remove pipe line or pipe lines for such transportation.

Said land is situate in Ervinton District Dickenson County, State of Virginia  
bounded and described as follows:

On the North by the lands of Clinchfield Coal Co.  
On the East by the lands of Mildred Patton  
On the South by the lands of Marvin Rowlett  
On the West by the lands of Arlin French  
On the waters of Big Spraddle, containing  
Thirty-Eight and 00/100 (38.0) acres, more or less,  
including premises conveyed to Lessor by Amie Rose; Unrecorded Affidavits of Descent of  
Eura McKinney and Jasper McKinney

by deed  
recorded in Deed Book 110, Page 316, Dickenson County/  
Circuit Court Clerk's Office.

**TO HAVE AND TO HOLD** said lands and privileges for the said purposes for and during the period of Five  
( 5 ) years from May 26, 19 92, and for as long thereafter as the leased premises or other lands with  
which the leased premises or part thereof is pooled or unitized are operated in the search for or production of oil or gas, or as long as the  
same is used for underground storage of gas and the removal thereof, either through the operation of a well or wells on the above described  
tract of land or on tracts in the same storage field, or as long as said land is used for the protection of stored gas, alone or in conjunction  
with other lands, and in the event oil or gas is found in paying quantities and later becomes exhausted, this lease shall continue in force for  
one (1) year after all wells on the leased premises, or on the part or parts thereof pooled with other land or leases in the vicinity thereof, have  
been plugged in compliance with State and/or Federal Regulations, all with an extended term by payment of rentals as hereinafter set forth.  
It is expressly understood and agreed that the Lessee shall be the sole judge as to whether gas is being stored in said land, held in storage  
therein, or whether said land is being used for the protection of stored gas, and Lessee's determination thereof shall be final and conclusive.

Lessee agrees to commence a well on said premises on or before the 26th day of May, 19 93,  
or thereafter to pay the Lessor a delay rental at the rate of Three and 00/100 (\$ 3.00 ) per acre per annum  
payable annually in advance, beginning May 26, 19 93, until, but not after, a well yielding royalty to the  
Lessor is drilled and oil and/or gas is marketed therefrom or a storage well is completed under the terms hereof, or this lease surrendered.  
Any rental paid for time beyond the date oil, gas or associated hydrocarbons is first marketed or the date a storage well is completed shall be  
credited upon the first royalty for oil and/or gas or the first payment for such storage well.

When said land is used for the storage of gas (but there is no well on said land), or for the protection of gas storage on lands in the  
general vicinity, the Lessee covenants and agrees to pay to the Lessor, quarterly in advance, an annual storage rent of Two Dollars (\$2.00) per  
acre per annum until a well is completed or this lease is surrendered.

Any rent paid for time beyond the date of completion of a well shall be credited upon the first royalty due upon the same.

The Lessee is hereby given the right to convert any gas well heretofore or hereafter drilled upon the leased premises to a gas storage  
well and at the time of conversion to storage, if gas is still being produced therefrom, Lessee shall pay Lessor for the estimated recoverable  
gas remaining in the well. In arriving at the volume of said recoverable gas, the Lessee shall use such methods of calculating gas reserves as  
are generally accepted by the natural gas industry, and the Lessor shall be paid therefor at the rate prescribed hereinafter.

Lessee is hereby given the right at its option, at any time from the date hereof while this agreement shall be in effect and from time to  
time within such period, to pool all or any part or parts of the leased premises or rights therein with any other land in the vicinity thereof, or  
with any leasehold, operating or other rights or interests in such other land to create units of such size and surface acreage as Lessee may  
desire, but containing not more than 640 acres plus 10% acreage tolerance. If at any time larger units are required under any then applicable  
law, rule, regulation or order of any governmental authority for the drilling, completion, or operation of a well, any such unit may be established  
or enlarged to conform to the size specified. Each unit may be created by governmental authority or by a written declaration-notice executed  
by Lessee and delivered to Lessor containing a description of the unit so created, specifying the mineral stratum or horizon so pooled, if so  
limited. Any well which is commenced, or is drilled or is producing on any part of any lands theretofore or thereafter so pooled shall, except  
for the payment of royalties, be considered a well commenced, drilled, and producing on the lands hereby leased. There shall be allocated to  
the portion of the leased premises included in any pooling such proportion of the actual production from all lands so pooled as such portion  
of the leased premises, computed on an acreage basis, bears to the entire acreage of the lands so pooled. The production so allocated shall  
be considered for the purpose of payment or delivery of royalty to be the entire production from the portion of the leased premises included  
in such pooling in the same manner as though produced from such portion under the terms of this lease. Each of said options may be  
exercised by Lessee from time to time, and a unit may be formed either before or after a well has been drilled or production has been established  
on the leased premises or on a portion of the leased premises which is included in the pool or on other lands which are pooled therewith.

It is agreed that said Lessee may drill or not drill on the leased premises as it may elect, and the consideration and rentals paid and to  
be paid constitute adequate compensation for such privilege.

As a royalty, Lessee agrees to deliver to the credit of Lessor, heirs or assigns, free of cost, into the tanks or pipe lines to which it may connect its well or wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises; and the Lessee agrees to pay a royalty for all gas except stored gas and gas produced from the storage horizon or horizons produced, saved and marketed from the leased premises at the rate of one-eighth (1/8) of the proceeds received by the Lessee at the well. Royalty payments shall constitute the entire consideration to Lessor for such gas including the gasoline and other content thereof. Lessor shall pay a proportionate part of all excise, depletion, privilege and production taxes now or hereafter levied, assessed or charged on oil or gas produced from said premises. It is agreed, however, that gas produced from any well or wells may be taken by Lessee for fuel in its operation on said premises, free of charge, but if other use be made of the gas from any oil well or gasoline extracted therefrom, then Lessee shall pay at the rate of Twenty-five Dollars (\$25.00) annually for the gas from each oil well while so utilized.

Lessee shall pay Three Hundred Dollars (\$300.00) per year in quarterly installments payable in advance for each well utilized or classified by the Lessee as a gas storage well, except that in the event said storage well payment is less than the Lessor would receive as rental, then the Lessee shall pay to the Lessor in addition, the difference between the storage well payment and the said rental payment. Lessee shall have the right to install and maintain on said premises all necessary equipment and appliances to do any and all other things as may be reasonably necessary for the purpose of utilizing said premises for the production and storage of gas, as well as the injection of gas therein and the removal of same therefrom.

When all wells, except gas storage wells, on said land are shut in by Lessee for a continuous period of thirty (30) days or longer, the Lessee shall pay to the Lessor a royalty, equal to and in lieu of the delay rental amount, annually, prorated on a monthly basis, payable monthly, quarterly, annually, or at the end of such shut in period; provided that a carrying rental is not being paid at that time.

All monies payable to Lessor hereunder may be paid by checks payable as follows:

A.J. McKinney and Alma L. McKinney

#3 Rio Verde Way

Port St. Lucie, Florida 34952

delivered in person or mailed to payee at the above address

and the delivery of said checks or their deposit, in the mail, properly stamped and addressed as above provided, shall constitute full payment of the amounts shown thereon.

If the Lessor does not have title to all the oil and gas under the above premises, Lessor agrees on demand made to refund rental and royalty paid, and release Lessee from the payment of future rental and royalty, in the proportion that the outstanding interest or title bears to the whole tract. If the acreage or area herein recited is in excess of the true quantity of land in said premises, Lessor agrees upon demand made to refund rental paid and to release Lessee from the payment of future rental in the proportion that the excess of recited acreage over the true acreage in the leased premises bears to the recited acreage. If the recited acreage or area be found to be less than the true quantity of land in said premises, Lessee, on demand made, shall pay up the arrears or deficiency in rental payments on the basis of the excess of the true over the said recited acreage and thereafter pay the rental under this lease on the basis of the true acreage.

In the event of the death of any person entitled or authorized, or who may hereafter be authorized or entitled hereunder to receive rental or royalty, the Lessor for himself, his heirs, personal representatives and assigns, covenants that notice in writing, executed by all of such heirs, representatives or assigns, shall be delivered to the Lessee, its successors or assigns, stating (1) the date of such death and the name or names of the person or persons succeeding to the right to receive such money, (2) the proportions in which said money is to be divided between said persons, and (3) the post office address of each of such persons; and until the receipt of such notice strictly conforming to the provisions hereof, the Lessee may withhold the payment of such rental or royalty without incurring any liability or prejudicing its rights under this lease; and in case a dispute arises at any time as to the amount of payments or the proper payee thereof; Lessee may withhold the same, without liability or interest on the money withheld, until the right thereto is determined either by written agreement between the disputing parties or by final order of a court of competent and final jurisdiction, in a suit to be filed and prosecuted to judgment by and between the disputing parties, or, in an action of interpleader, instituted by Lessee or its assigns and until such agreement or certified copy thereof, or certified copy of such judgment be filed with Lessee, its successors or assigns.

In the event this lease or any part thereof or any rights thereunder shall be transferred by Lessor, heirs, personal representatives or assigns, Lessor, for himself, his heirs, personal representatives or assigns, covenants with Lessee, its successors and assigns, to furnish a certified copy of the recorded instrument by which said transfer shall be effected, together with a memorandum of the post office address of such transferee; and until such covenant shall be strictly complied with all rental or royalty then or thereafter falling due may be withheld without rendering liable or prejudicing the rights hereunder of Lessee, its successors or assigns.

If the leased premises are hereafter owned in severalty or in separate tracts the premises, nevertheless, shall be developed and operated as an entirety, and royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears to the entire leased acreage.

And it is hereby agreed that in the event this lease shall be assigned by Lessee as to a part or parts of the above described lands, and the privilege of assigning in whole or in part is expressly granted, and the assignee or assignees of such part or parts shall make default in the payment of the proportionate part of the rental due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said Lessee or any assigns thereof shall make due payment of said rental; and in case this lease is assigned, in whole or in parts, all of Lessee's liabilities and obligations hereunder shall thereupon cease and terminate entirely, or as to the parts assigned, as the case may be, except as to such rental and royalty as is due and payable at the time of such assignment.

The term gas as used herein includes coalbed methane gas and all associated hydrocarbons. Lessor hereby excepts and reserves unto itself, its successors, heirs and assigns all coal and associated mining rights.

In the event default shall be made by the Lessor in the prompt payment of any refund for rental or royalty which may become due and payable to the Lessee as hereinbefore provided then the Lessee shall have the right and privilege to deduct said amount or amounts from the rental or royalty thereafter accruing hereunder.

It is further agreed that no wells shall be drilled within two hundred (200) feet of the principal buildings upon said land except by mutual consent; that all pipe lines laid, except those used to conduct gas and water to drilling wells, shall be buried; and that the Lessee shall pay for all injury done to growing crops and fences in its operations hereunder.

It is further agreed that the Lessee, its successors or assigns, shall have the right to surrender this lease at any time upon the payment of One Dollar (\$1.00) and all amounts accrued hereunder to the date of said surrender, and upon such surrender the Lessee shall be relieved from further payment of rental or royalty and the performance of any other of the covenants contained herein. If this lease is placed upon record, the Lessee shall, when requested by Lessor upon Lessee's abandonment or surrender thereof, give to the Lessor a proper release duly acknowledged, and the Lessor agrees that the recordination of a deed of surrender, in general terms to the Lessor, his heirs, personal representatives, or assigns, in the proper county and deposit in the post office of a check payable as above provided for said last mentioned sum and all amounts then accrued hereunder, shall be and shall be accepted as full and legal surrender of the Lessee's rights under this lease.

It is expressly agreed between the parties that this instrument embraces the entire understanding and contract between the parties; and any agreements or representations, verbal or written, made by any person on behalf of either the Lessor or the Lessee not contained in this lease are unauthorized and do not bind the parties.

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IN TESTIMONY WHEREOF, the parties hereto have signed their respective names as of the day and date first herein written.

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

LESSORS:

A.J. McKinney 578-38-2213  
A.J. McKinney SS# FDL#M25001025092  
Alma L. McKinney 577-34-6391  
Alma L. McKinney SS#  
FDL#M25000523601

*[Handwritten mark]*

by: Thomas J. O'Neill  
THOMAS J. O'NEILL  
VICE PRESIDENT

This instrument prepared by:  
Bob Powell  
Bob Powell P.O. Box 617, Norton, VA 24230  
FDL#M25001025092

STATE OF Florida  
COUNTY OF St Lucie

I, \_\_\_\_\_ the undersigned \_\_\_\_\_ a \_\_\_\_\_ notary public  
in and for said county, in the state aforesaid, certify that A.J. McKinney and Alma L. McKinney, husband and wife

\_\_\_\_\_ personally known to me to be the same persons  
whose name S are \_\_\_\_\_ subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be \_\_\_\_\_ their \_\_\_\_\_ act  
and deed for uses and purposes therein set forth.

Given under my hand this 4 day of May, A.D., 1992  
My commission expires \_\_\_\_\_



Ina Joyce Kyker  
Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_ a \_\_\_\_\_  
in and for said county, in the state aforesaid, certify that \_\_\_\_\_

\_\_\_\_\_ personally known to me to be the same person \_\_\_\_\_  
whose name \_\_\_\_\_ subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be \_\_\_\_\_ act  
and deed for uses and purposes therein set forth.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_ A.D., 19 \_\_\_\_\_  
My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_ a \_\_\_\_\_  
in and for said county, in the state aforesaid, certify that \_\_\_\_\_

VIRGINIA. In the Clerk's Office of the Circuit Court of Dickenson County. The foregoing instrument was this  
day presented in the office aforesaid and is together with the certificate of acknowledgment annexed, admitted to  
record this 29 day of July, 1992 1:17p M.  
Deed Book No. 284 and Page No. 378

TESTE: [Signature] Clerk

NO. 24387/101

9/90

BOOK 286 PAGE 550

# OIL AND GAS LEASE

FROM

Mildred J. Patton and Bill Patton, her husband  
Harry T. Mullins and Pamela Mullins, husband and wife

Rt. 1 Box 800, Clinchco, Virginia 24226

TO

Equitable Resources Exploration  
a division of  
Equitable Resources Energy Company  
Two Executive Park Place  
1989 East Stone Drive  
Kingsport, TN 37660

DATE July 15, 1992

TERM Three (3) Years

NO. ACRES 39.56

MAP LOCATION Nora Quad

STATE Virginia

COUNTY Dickenson

RECEIVED FOR RECORD \_\_\_\_\_, 19 \_\_\_\_\_

RECORDED \_\_\_\_\_, 19 \_\_\_\_\_

IN BOOK \_\_\_\_\_, PAGE \_\_\_\_\_

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a \_\_\_\_\_  
in and for said county, in the state aforesaid, certify that \_\_\_\_\_

\_\_\_\_\_ personally known to me to be the same person \_\_\_\_\_  
whose name \_\_\_\_\_ subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be \_\_\_\_\_ act  
and deed for uses and purposes therein set forth.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 19 \_\_\_\_\_  
My commission expires \_\_\_\_\_  
Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a \_\_\_\_\_  
in and for said county, in the state aforesaid, certify that \_\_\_\_\_

\_\_\_\_\_ personally known to me to be the same person \_\_\_\_\_  
whose name \_\_\_\_\_ subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be \_\_\_\_\_ act  
and deed for uses and purposes therein set forth.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 19 \_\_\_\_\_  
My commission expires \_\_\_\_\_  
Notary Public

# OIL AND GAS LEASE

**This Agreement**, made the 15th day of July, 19 92

between Mildred J. Patton and Bill Patton, her husband  
Harry T. Mullins and Pamela Mullins, husband and wife

Rt. 1 Box 800  
Clinchco, Virginia 24226 hereinafter called Lessor,

Equitable Resources Exploration, a division of Equitable Resources Energy Company, a corporation, of  
Kingsport, TN 37660, hereinafter called Lessee.

**WITNESSETH:** That the Lessor, in consideration of One Dollar (\$1.00), in hand paid by the Lessee, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained, hereby grants, demises, leases and lets unto the Lessee, its successors and assigns, all that certain tract of land hereinafter described, for the sole and only purpose, and with the exclusive right of operating for, producing and marketing oil and gas, coalbed methane gas, and all associated hydrocarbons and all products produced therewith or which may be derived therefrom; storing gas of any kind, regardless of the source thereof, in the oil and gas strata including the injecting of gas therein and removing the same therefrom; protecting stored gas; conducting geological and geophysical surveys and explorations; pooling or unitizing the leased premises or part thereof with other lands to form operating units for any or all of the purposes of this agreement; together with the right-of-way and servitudes for pipe lines, telephone and telegraph lines, structures, houses and buildings, and all other rights and privileges necessary, or deemed necessary, incident to or convenient for the economic operation of this land, and any other lands, the oil or gas rights in which, or the control thereof, Lessee now has or owns, or which may be hereafter acquired by Lessee, successor, or assigns, by any manner of conveyance or contract, for oil or gas or coalbed methane gas and associated hydrocarbons with the right to use, for such purposes, free of charge, oil, gas and water, produced from or on the premises, and with the right, but without obligation, either during or after or after the term hereof, to remove all and any property and improvements which Lessee, successors or assigns, may place or erect on the premises, and to plug any well or wells drilled thereon, together with the right to transport through the property hereby leased any and all oil, gas, coalbed methane gas, and other hydrocarbons produced by Lessee, its successors and assigns, from the property including the right-of-way and easement to lay, construct, use, maintain, operate, change, replace and remove pipe line or pipe lines for such transportation.

Said land is situate in Ervington District Dickenson County, State of Virginia bounded and described as follows:

On the North by the lands of D.W.V. Smith

On the East by the lands of D.W.V. Smith

On the South by the lands of Mae Smith Rowlett

On the West by the lands of Curt Adkins

On the waters of Little Spraddle Creek containing thirty-nine and 56/100 (39.56) acres, more or less,

including premises conveyed to Lessor by Nancy Smith, a widow; Jeffrey W. Yates et ux

recorded in Deed Book 203; 233 Page 553; 581 Dickenson County/Circuit Court Clerk's Office.

TO HAVE AND TO HOLD said lands and privileges for the said purposes for and during the period of three (3) years from July 15, 19 92 and for as long thereafter as the leased premises or other lands with which the leased premises or part thereof is pooled or unitized are operated in the search for or production of oil or gas, or as long as the same is used for underground storage of gas and the removal thereof, either through the operation of a well or wells on the above described tract of land or on tracts in the same storage field, or as long as said land is used for the protection of stored gas, alone or in conjunction with other lands, and in the event oil or gas is found in paying quantities and later becomes exhausted, this lease shall continue in force for one (1) year after all wells on the leased premises, or on the part or parts thereof pooled with other land or leases in the vicinity thereof, have been plugged in compliance with State and/or Federal Regulations, all with an extended term by payment of rentals as hereinafter set forth. It is expressly understood and agreed that the Lessee shall be the sole judge as to whether gas is being stored in said land, held in storage therein, or whether said land is being used for the protection of stored gas, and Lessee's determination thereof shall be final and conclusive.

Lessee agrees to commence a well on said premises on or before the 15th day of July, 19 93 or thereafter to pay the Lessor a delay rental at the rate of Three and 00/100 (\$ 3.00) per acre per annum payable annually in advance, beginning July 15, 19 93, until, but not after, a well yielding royalty to the Lessor is drilled and oil and/or gas is marketed therefrom or a storage well is completed under the terms hereof, or this lease surrendered. Any rental paid for time beyond the date oil, gas or associated hydrocarbons is first marketed or the date a storage well is completed shall be credited upon the first royalty for oil and/or gas or the first payment for such storage well.

When said land is used for the storage of gas (but there is no well on said land), or for the protection of gas storage on lands in the general vicinity, the Lessee covenants and agrees to pay to the Lessor, quarterly in advance, an annual storage rent of Two Dollars (\$2.00) per acre per annum until a well is completed or this lease is surrendered.

Any rent paid for time beyond the date of completion of a well shall be credited upon the first royalty due upon the same.

The Lessee is hereby given the right to convert any gas well heretofore or hereafter drilled upon the leased premises to a gas storage well and at the time of conversion to storage, if gas is still being produced therefrom, Lessee shall pay Lessor for the estimated recoverable gas remaining in the well. In arriving at the volume of said recoverable gas, the Lessee shall use such methods of calculating gas reserves as are generally accepted by the natural gas industry, and the Lessor shall be paid therefor at the rate prescribed hereinafter.

Lessee is hereby given the right at its option, at any time from the date hereof while this agreement shall be in effect and from time to time within such period, to pool all or any part or parts of the leased premises or rights therein with any other land in the vicinity thereof, or with any leasehold, operating or other rights or interests in such other land to create units of such size and surface acreage as Lessee may desire, but containing not more than 640 acres plus 10% acreage tolerance. If at any time larger units are required under any then applicable law, rule, regulation or order of any governmental authority for the drilling, completion, or operation of a well, any such unit may be established or enlarged to conform to the size specified. Each unit may be created by governmental authority or by a written declaration-notice executed by Lessee and delivered to Lessor containing a description of the unit so created, specifying the mineral stratum or horizon so pooled, if so limited. Any well which is commenced, or is drilled or is producing on any part of any lands, theretofore or thereafter so pooled shall, except for the payment of royalties, be considered a well commenced, drilled, and producing on the lands hereby leased. There shall be allocated to the portion of the leased premises included in any pooling such proportion of the actual production from all lands so pooled as such portion of the leased premises, computed on an acreage basis, bears to the entire acreage of the lands so pooled. The production so allocated shall be considered for the purpose of payment or delivery of royalty to be the entire production from the portion of the leased premises included in such pooling in the same manner as though produced from such portion under the terms of this lease. Each of said options may be exercised by Lessee from time to time, and a unit may be formed either before or after a well has been drilled or production has been established on the leased premises or on a portion of the leased premises which is included in the pool or on other lands which are pooled therewith.

It is agreed that said Lessee may drill or not drill on the leased premises as it may elect, and the consideration and rentals paid and to be paid constitute adequate compensation for such privilege.

As a royalty, Lessee agrees to deliver to the credit of Lessor, heirs or assigns, free of cost, into the tanks or pipe lines to which it may connect its well or wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises; and the Lessee agrees to pay a royalty for all gas except stored gas and gas produced from the storage horizon or horizons produced, saved and marketed from the leased premises at the rate of one-eighth (1/8) of the proceeds received by the Lessee at the well. Royalty payments shall constitute the entire consideration to Lessor for such gas including the gasoline and other content thereof. Lessor shall pay a proportionate part of all excise, depletion, privilege and production taxes now or hereafter levied, assessed or charged on oil or gas produced from said premises. It is agreed, however, that gas produced from any well or wells may be taken by Lessee for fuel in its operation on said premises, free of charge, but if other use be made of the gas from any oil well or gasoline extracted therefrom, then Lessee shall pay at the rate of Twenty-five Dollars (\$25.00) annually for the gas from each oil well while so utilized.

Lessee shall pay Three Hundred Dollars (\$300.00) per year in quarterly installments payable in advance for each well utilized or classified by the Lessee as a gas storage well, except that in the event said storage well payment is less than the Lessor would receive as rental, then the Lessee shall pay to the Lessor in addition, the difference between the storage well payment and the said rental payment. Lessee shall have the right to install and maintain on said premises all necessary equipment and appliances to do any and all other things as may be reasonably necessary for the purpose of utilizing said premises for the production and storage of gas, as well as the injection of gas therein and the removal of same therefrom.

When all wells, except gas storage wells, on said land are shut in by Lessee for a continuous period of thirty (30) days or longer, the Lessee shall pay to the Lessor a royalty, equal to and in lieu of the delay rental amount, annually, prorated on a monthly basis, payable monthly, quarterly, annually, or at the end of such shut in period; provided that a carrying rental is not being paid at that time.

All monies payable to Lessor hereunder may be paid by checks payable as follows:

<u>Mildred J. Patton and Bill Patton</u>	<u>Harry T. Mullins and Pamela Mullins</u>
<u>Rt 1 Box 800</u>	<u>Rt 1 Box 390</u>
<u>Clinchco, Virginia 24226</u>	<u>Clintwood, Virginia 24228</u>

delivered in person or mailed to payee at the above address

and the delivery of said checks or their deposit in the mail, properly stamped and addressed as above provided, shall constitute full payment of the amounts shown thereon.

If the Lessor does not have title to all the oil and gas under the above premises, Lessor agrees on demand made to refund rental and royalty paid, and release Lessee from the payment of future rental and royalty, in the proportion that the outstanding interest or title bears to the whole tract. If the acreage or area herein recited is in excess of the true quantity of land in said premises, Lessor agrees upon demand made to refund rental paid and to release Lessee from the payment of future rental in the proportion that the excess of recited acreage over the true acreage in the leased premises bears to the recited acreage. If the recited acreage or area be found to be less than the true quantity of land in said premises, Lessee, on demand made, shall pay up the arrears or deficiency in rental payments on the basis of the excess of the true over the said recited acreage and thereafter pay the rental under this lease on the basis of the true acreage.

In the event of the death of any person entitled or authorized, or who may hereafter be authorized or entitled hereunder to receive rental or royalty, the Lessor for himself, his heirs, personal representatives and assigns, covenants that notice in writing, executed by all of such heirs, representatives or assigns, shall be delivered to the Lessee, its successors or assigns, stating (1) the date of such death and the name or names of the person or persons succeeding to the right to receive such money, (2) the proportions in which said money is to be divided between said persons, and (3) the post office address of each of such persons; and until the receipt of such notice strictly conforming to the provisions hereof, the Lessee may withhold the payment of such rental or royalty without incurring any liability or prejudicing its rights under this lease; and in case a dispute arises at any time as to the amount of payments or the proper payee thereof, Lessee may withhold the same, without liability or interest on the money withheld, until the right thereto is determined either by written agreement between the disputing parties or by final order of a court of competent and final jurisdiction, in a suit to be filed and prosecuted to judgment by and between the disputing parties, or, in an action of interpleader, instituted by Lessee or its assigns and until such agreement or certified copy thereof, or certified copy of such judgment be filed with Lessee, its successors or assigns.

In the event this lease or any part thereof or any rights thereunder shall be transferred by Lessor, heirs, personal representatives or assigns, Lessor, for himself, his heirs, personal representatives or assigns, covenants with Lessee, its successors and assigns, to furnish a certified copy of the recorded instrument by which said transfer shall be effected, together with a memorandum of the post office address of such transferee; and until such covenant shall be strictly complied with all rental or royalty then or thereafter falling due may be withheld without rendering liable or prejudicing the rights hereunder of Lessee, its successors or assigns.

If the leased premises are hereafter owned in severalty or in separate tracts the premises, nevertheless, shall be developed and operated as an entirety, and royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears to the entire leased acreage.

And it is hereby agreed that in the event this lease shall be assigned by Lessee as to a part or parts of the above described lands, and the privilege of assigning in whole or in part is expressly granted, and the assignee or assignees of such part or parts shall make default in the payment of the proportionate part of the rental due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said Lessee or any assigns thereof shall make due payment of said rental; and in case this lease is assigned, in whole or in parts, all of Lessee's liabilities and obligations hereunder shall thereupon cease and terminate entirely, or as to the parts assigned, as the case may be, except as to such rental and royalty as is due and payable at the time of such assignment.

The term gas as used herein includes coalbed methane gas and all associated hydrocarbons. Lessor hereby excepts and reserves unto itself, its successors, heirs and assigns all coal and associated mining rights.

In the event default shall be made by the Lessor in the prompt payment of any refund for rental or royalty which may become due and payable to the Lessee as hereinbefore provided then the Lessee shall have the right and privilege to deduct said amount or amounts from the rental or royalty thereafter accruing hereunder.

It is further agreed that no wells shall be drilled within two hundred (200) feet of the principal buildings upon said land except by mutual consent; that all pipe lines laid, except those used to conduct gas and water to drilling wells, shall be buried; and that the Lessee shall pay for all injury done to growing crops and fences in its operations hereunder.

It is further agreed that the Lessee, its successors or assigns, shall have the right to surrender this lease at any time upon the payment of One Dollar (\$1.00) and all amounts accrued hereunder to the date of said surrender; and upon such surrender the Lessee shall be relieved from further payment of rental or royalty and the performance of any other of the covenants contained herein. If this lease is placed upon record, the Lessee shall, when requested by Lessor upon Lessee's abandonment or surrender thereof, give to the Lessor a proper release duly acknowledged, and the Lessor agrees that the recordation of a deed of surrender to the Lessor, his heirs, personal representatives, or assigns, in the proper county and deposit in the post office of a check payable as above provided for said last mentioned sum and all amounts then accrued hereunder, shall be and shall be accepted as full and legal surrender of the Lessee's rights under this lease.

It is expressly agreed between the parties that this instrument embraces the entire understanding and contract between the parties; and any agreements or representations, verbal or written, made by any person on behalf of either the Lessor or the Lessee not contained in this lease are unauthorized and do not bind the parties.

Anything contained herein to the contrary notwithstanding, it is understood and agreed and expressly provided that Lessee shall not, with out the written consent of Lessor, have the right to use the surface of the land covered hereby and Lessor does hereby release Lessee from any obligation contained herein either expressed or implied ever to drill or otherwise use the surface of said land for any such purpose; it being contemplated that the development of said land can be accomplished by pooling the same with other land, lease or leases in the immediate vicinity thereof as herein provided or by directional well or wells drilled from the surface location or locations in the vicinity of the leased premises.

IN TESTIMONY WHEREOF, the parties hereto have signed their respective names as of the day and date first herein written.

WITNESSES:

LESSORS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Mildred J. Patton  
Mildred J. Patton SS# 232-46-0675  
Bill Patton  
Bill Patton SS# 227-28-3859  
Harry T. Mullins  
Harry T. Mullins SS# 229-72-1583  
Pamela Mullins  
Pamela Mullins SS# 231-72-8815

Thomas J. O'Neill  
by: THOMAS J. O'NEILL  
VICE PRESIDENT

This instrument prepared by:

Bob Powell  
Bob Powell P.O. Box 617, Norton, VA 24273

STATE OF Virginia

COUNTY OF Dickenson

I, the undersigned authority, a notary public

in and for said county, in the state aforesaid, certify that Mildred J. Patton and Bill Patton, her husband

\_\_\_\_\_ personally known to me to be the same person S  
whose name S are \_\_\_\_\_ subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be their act  
and deed for uses and purposes therein set forth.

Given under my hand this 15th day of July, A.D., 19 92  
My commission expires My Commission Expires January 31, 1996

Robert J. Powell  
Notary Public

STATE OF Virginia

COUNTY OF Dickenson

I, the undersigned authority, a notary public

in and for said county, in the state aforesaid, certify that Harry T. Mullins and Pamela Mullins, husband and wife

\_\_\_\_\_ personally known to me to be the same person S  
whose name S are \_\_\_\_\_ subscribed to the foregoing instrument, appeared before me this day in person  
in the State and County aforesaid, and acknowledged and delivered the said instrument to be their act  
and deed for uses and purposes therein set forth.

Given under my hand this 15th day of July, A.D., 19 92  
My commission expires My Commission Expires January 31, 1996

Robert J. Powell  
Notary Public

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a \_\_\_\_\_

in and for said county, in the state aforesaid, certify that \_\_\_\_\_

VIRGINIA. In the Clerk's Office of the Circuit Court of Dickenson County. The foregoing instrument was this  
day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to  
record this 20 day of October, 1992 12:46pm.  
Deed Book No. 286 and Page No. 550

TESTE: [Signature] Clerk