

VIRGINIA DEPARTMENT OF ENERGY

BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant:	EnerVest Operating, L.L.C.	)	
		)	
		)	
Relief Sought:	Pooling VC-600012 Nora Grid 89-BK	)	
	Nora Coalbed Gas Field	)	
Legal		)	
Description:		)	
	Jasper Cook T-504 Tract	)	Docket Number:
	318.26 acres, more or less	)	VGOB-23-0718-4266
	Hurricane District	)	
	Big A Mountain Quadrangle	)	
	Buchanan County, Virginia	)	
		)	
	(See Exhibit "A" For Specific	)	
	Description)	)	

APPLICATION

1. Parties: Applicant herein is EnerVest Operating, L.L.C., whose address for the purposes hereof is 408 West Main Street, Abingdon, Virginia 24212 Telephone: (276) 628-9001. The attorney for Applicant is Timothy E. Scott, whose address is 135 West Main Street, Suite 200, Kingsport, Tennessee 37660, Telephone: (423) 247-9376. The unleased entities or persons are listed on Exhibit B-3, attached hereto and made a party hereto. Set forth in Exhibit B is the name and last-known address of each owner of record identified by Applicant as having an interest in the oil, gas and coalbed methane underlying the unit described in Exhibit A, attached hereto and made part hereof. Each of the unleased individuals named in Exhibit B-3 is being made a party if living; if any such individual is deceased, then the unknown heirs, executors, administrators, devisees, trustees and assignees, both immediate and remote, of any such deceased individual are made parties herein. Each of the unleased entities listed in Exhibit B-3 that is a corporation is being made a party if such entity continues to have legal existence, and if any such corporation is dissolved, then the unknown successors, trustees, and assigns, both immediate and remote, of such dissolved corporation are made parties herein. Each of the unleased entities listed in Exhibit B-3 that is an unincorporated association is being made a party if such entity continues to have legal existence, and if any such unincorporated association is dissolved or otherwise not in existence, then the unknown successors, trustees and assigns, both immediate and remote, of such unincorporated association are made parties herein.

2. Allegation of Facts: Applicant is the owner of the right to develop and produce coalbed methane from all formations, from the surface to the total depth drilled within the Nora Coalbed Gas Field and underlying the lands described on Exhibit A attached hereto and made a part hereof and to appropriate the oil, gas and coalbed methane produced therefrom.

- (a) Applicant has proposed a plan of development and operation of the Formations underlying the drilling unit involved herein (described and depicted on Exhibit A attached hereto and made a part hereof) and has proposed to commence such plan of development and operation of such unit by a well, designated as well number VC-600012 Nora Grid 89-BK under such plan in the lands involved herein so as to produce oil, gas and coalbed methane from the proposed unit.

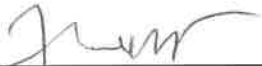
- (b) A Well work permit for well number VC-600012 Nora Grid 89-BK is currently or is anticipated to be pending before the Virginia Department of Energy.
- (c) Applicant has exercised due diligence to locate each of the oil, gas and coalbed methane interest owners named herein at Exhibit B-3 and has made or is making a bona fide effort to reach an agreement with all unleased parties as to pooling their interest for the development and operation of the well involved herein. Simultaneously with the filing of this application, Applicant has provided notice to each of the unleased parties set forth in Exhibit B-3 pursuant to the provisions of § 45.2-1618 of the Virginia Code Annotated. Applicant hereby notifies the Board that where the identity or location of any person is shown as "unknown" on Exhibit B-3, then Applicant is unable to provide such person with written notice of the application herein. The interest of all unleased persons in the Formations underlying the drilling unit for well number VC-600012 Nora 89-BK should be pooled for the development and operation thereof.
- (d) Applicant proposes to drill at the permitted location to an approximate depth of 3,100 feet on the Subject Lands to test for oil, gas and coalbed methane in the Subject Formations, including all Pennsylvanian age coals from the top of the Aily, including but not limited to Raven, Jawbone Rider, Jawbone, Tiller, Upper Seaboard, Greasy Creek, Upper Horsepen, Middle Horsepen, War Creek, Beckley, Lower Horsepen, Pocahontas #9, Pocahontas #3, Pocahontas #2, and Pocahontas #1 and any unnamed coal seams and other associated formations known as the Nora Coalbed Gas Field. Applicant estimates the cost for a well to said depth to be \$736,682.00 for a well completed for production. Exhibit C, attached hereto and made part hereof, is Applicant's signed Authorization for Expenditure ("AFE") which shows the estimated cost of drilling, completing and equipping said well.
- (e) The estimated production over the life of the proposed well is 990 mmcf. These figures concerning estimated production and the amount of reserves are, however, estimates only that are not based upon actual production and should not be relied upon for any purpose.

3. Legal Authority: The relief sought by this Application is authorized by Virginia Code Annotated § 45.2-1620 et seq. and § 4 VAC 25-160-70 et seq.

4. Relief Sought: Applicant requests the Virginia Gas and Oil Board to enter an order pooling all unleased interests or estates of all persons or entities owning oil, gas and coalbed methane interests in the Formations underlying the tracts encompassed by the drilling unit supporting well number VC-600012 Nora Grid 89-BK, and (I) authorizing the drilling and operation of a well for the production of oil, gas and coalbed methane from the pooled acreage; (II) designating Applicant as the party authorized to drill and operate such well; (III) prescribing the time, manner, and other conditions under which unleased parties owning an interest in the oil, gas and coalbed methane may elect to participate in the operation of such well, or to exercise their rights of election under the applicable statutes; (IV) providing that all reasonable costs and expenses of drilling, completing, equipping, operating, plugging and abandoning such well shall be borne, and all production therefrom, shared, by all participating parties in the proportion which the acreage in the pooled tracts owned or under lease to each such participating party bears to the total acreage in such unit; and (V) making provision for the payment of all reasonable costs of the operation, including a reasonable supervision fee, to the Applicant by all parties who elect to participate therein or who elect to be carried interest owners.

Dated this 18th day of August, 2023.

ENERVEST OPERATING, L.L.C



Timothy E. Scott
135 West Main Street, Suite 200
Kingsport, Tennessee 37660
(423) 247-9376

VERIFICATION

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



Timothy E. Scott

VIRGINIA DEPARTMENT OF ENERGY
BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant:	EnerVest Operating, L.L.C.	)	
		)	
Relief Sought:	Pooling	)	
		)	
Location:	See Exhibit "A"	)	Docket No.
Well Number:	VC-600012 Nora Grid 89-BK	)	VGOB-23-0718-4266
	Nora Coalbed Gas Field	)	
		)	
Legal		)	
Description:	Jasper Cook T-504 Tract	)	
	318.26 acres, more or less	)	
	Hurricane District	)	
	Big A Mountain Quadrangle	)	
	Buchanan County, Virginia	)	

NOTICE OF HEARING

HEARING DATE: September 19, 2023
PLACE: 3405 Mountain Empire Rd, Big Stone Gap, VA
24219
TIME: 10:00 a.m.

COMMONWEALTH OF VIRGINIA: To all unleased persons owning an interest in the oil, gas and coalbed methane in and underlying the unit surrounding VC-600012 Nora Grid 89-BK described on Exhibit "A" to the Application, which is attached to this Notice, in Buchanan County, Virginia (hereinafter "Subject Lands") and adjacent lands, and in particular to the following persons, their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote:

See attached Exhibit B-3.

NOTICE IS HEREBY GIVEN that the Applicant is requesting that the Virginia Gas and Oil Board (hereinafter "Board") issue an order pooling all the rights, interests, and estates of the unleased persons pursuant to Virginia Code Ann. § 45.2-1600 et seq. in regard to the drilling, development and production of oil, gas and coalbed methane from drilling unit VC-600012 Nora Grid 89-BK containing approximately 58.80 acres, located on the above-referenced tracts situated approximately 6,000 feet southwest of Copperhead Gap and approximately 4,600 feet south of the Intersection Virginia State Route 602 and 672 in the Hurricane District, Big A Mountain Quadrangle of Buchanan County, Virginia.

Applicant requests that the Board issue an order providing as follows:

- a. Pooling all the interests and estates of the persons named herein and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, for the drilling, development and production of oil, gas and coalbed methane from the subject drilling unit for the Subject Formations underlying and comprised of the Subject Lands;

b. Establishing a procedure whereby each person named herein shall have the right to elect (1) to assign or lease his oil, gas and coalbed methane interest in the subject drilling unit to the designated operator; (2) to enter into a voluntary agreement with the designated operator to share in the operation (including the sharing in all reasonable costs of the drilling of the well and development of the unit) at a rate of payment mutually agreed to by the person making the election hereunder and the designated operator herein; or (3) to share in the operation of the well as a nonparticipating operator on a carried basis after the proceeds allocable to such person's share equal the following:

In the case of a leased tract, 300 percent of the share of the costs allocable to such person's interest; or

In the case of an unleased tract, 200 percent of the share of costs allocable to such person's interest;

c. Providing that any person named herein who does not make a timely written election under the terms of the Order to be entered herein shall be deemed to have leased his oil, gas and coalbed methane interest in the subject drilling unit to the operator designated herein at a rate to be established by the Board;

d. Designating Applicant, EnerVest Operating, L.L.C., as Operator; providing that the Operator shall have the right to drill, develop, produce, market and sell oil, gas and coalbed methane produced from the subject drilling unit; granting the Operator the right to market and sell oil, gas and coalbed methane produced from the subject drilling unit which is attributable to the conflicting claims and interest pooled herein; providing that the Operator shall have an operator's lien on the oil, gas and coalbed methane estate and rights owned or claimed by the unleased persons named herein in the subject drilling unit; and granting the Operator the right to drill at any legal or specially permitted location on the subject drilling unit;

e. Making any necessary provision for the escrow of funds pursuant to Va. Code Ann. § 45.2-1622;

f. Providing that the Order to be entered herein shall expire two (2) years from the date of its issuance if operations for the development of the subject drilling unit have not commenced by said date; but further providing that if operations have commenced during said two year period, then said order shall remain in effect for so long as operations continue on the subject drilling unit;

g. Providing that the conduct of operations on any tract in the subject drilling unit shall be deemed to be the conduct of operations on all tracts in the drilling unit; and providing that the production allocated to any tract in the pooled drilling unit shall be in the same proportion as the acreage of that tract bears to the total acreage in the drilling unit; and

h. Granting such other relief as is merited by the evidence and is just and equitable, whether or not such relief has been specifically requested herein.

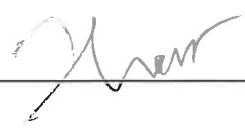
NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence before the Board at **10:00 a.m. on September 19, 2023** at 3405 Mountain Empire Rd, Big Stone Gap, VA 24219 and that notice will be published as required by the law and the rules of the Board.

NOTICE IS FURTHER GIVEN that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. The Board rules require that any written objections you wish to file must be filed with the Board at least 10 days before the hearing. For further information, contact the Virginia Gas and Oil Board, State Gas and Oil Inspector, Virginia

Department of Energy, Division of Gas and Oil, 3405 Mountain Empire Rd, Big Stone Gap, VA 24219, (276) 523-8100 or the Applicant at the address shown below.

DATED this 18th day of August, 2023.

EnerVest Operating, L.L.C.
408 West Main Street
Abingdon, Virginia 24212



Timothy E. Scott

Counsel for
EnerVest Operating, L.L.C.
135 West Main Street
Suite 200
Kingsport, Tennessee 37660
(423) 247-9376

CERTIFICATE OF SERVICE

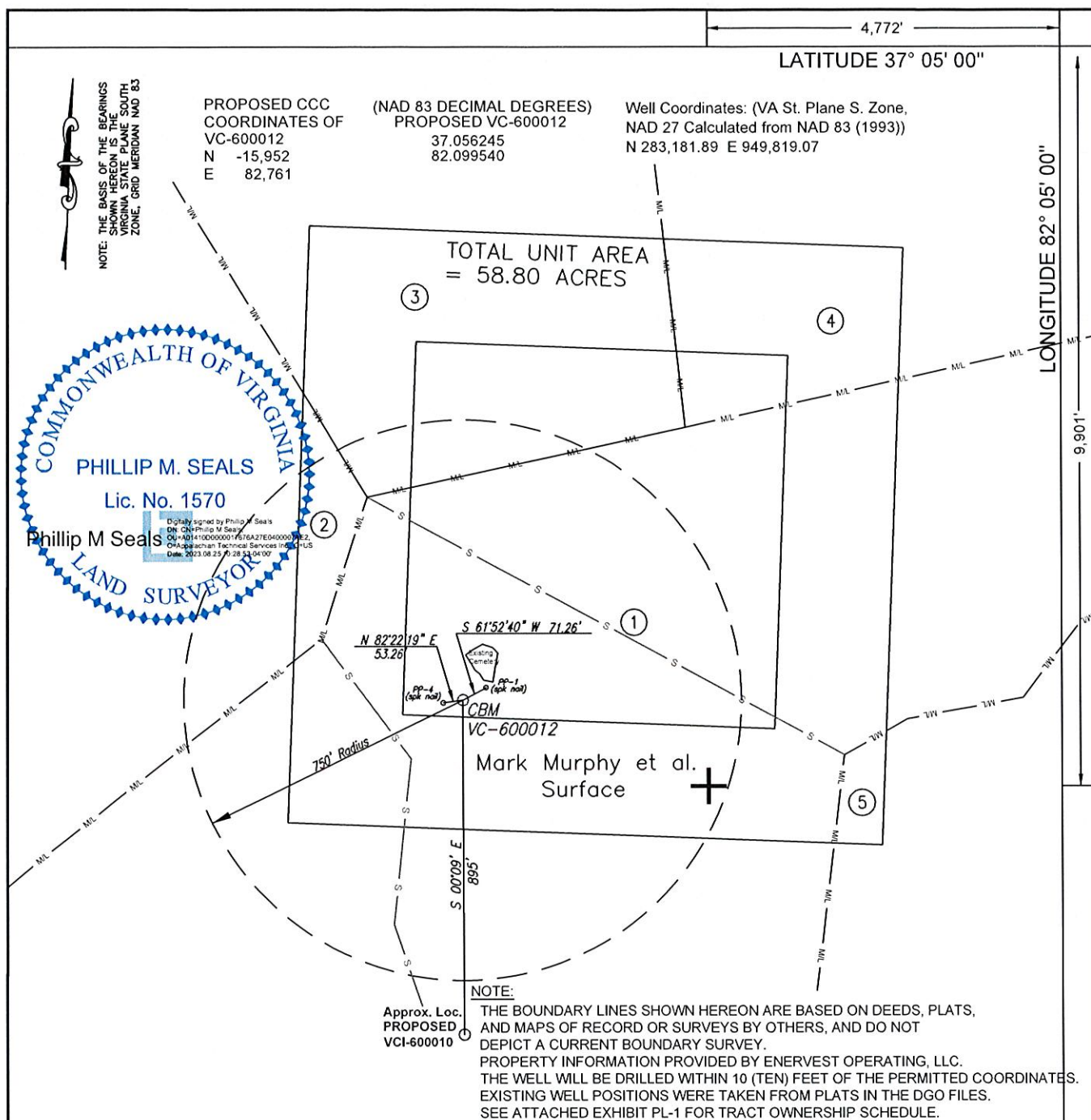
I, Timothy E. Scott, counsel for EnerVest Operating, L.L.C., hereby certify that I have on this, the 18th day of August, 2023, caused the foregoing notice and application to be served upon parties listed herein, at their address, by certified mail, return receipt requested.

Dated this 18th day of August, 2023.



Timothy E. Scott

Exhibit "A"
VC-600012
23-0718-4266



WELL LOCATION PLAT (Nora Grid BK-89)

COMPANY EnerVest Operating, LLC WELL NAME OR NUMBER VC-600012

TRACT NO. T-504 QUADRANGLE Big A Mountain

DISTRICT Hurricane

WELL COORDINATES (VIRGINIA STATE PLANE 83) N 3,564,059.14 E 10,432,805.29

ELEVATION 2,435.49 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.

COUNTY Buchanan SCALE: 1" = 400' DATE 8-25-2023

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

Property Ownership Information for VC-600012
8-25-2023

①

T-504
JASPER COOK
318.26 ACRES
ACIN LLC - coal
PARAMONT CONTURA, LLC - coal lessee
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 36.34 AC. 61.80%

②

T2-183
FIELDEN COMBS
139.20 ACRES
ACIN LLC - coal
PARAMONT CONTURA, LLC - coal lessee
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 1.74 AC. 2.96%

③

T-576
FIELDEN COMBS
223 ACRES
ACIN LLC - coal
PARAMONT CONTURA, LLC - coal lessee
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 13.94 AC. 23.71%

EXHIBIT PL-1

Property Ownership Information for VC-600012
8-25-2023

④

T-580
FIELDEN COMBS
87.61 ACRES
ACIN LLC - coal
PARAMONT CONTURA, LLC - coal lessee
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 6.04 AC. 10.28%

⑤

TC-236
CORNELIUS BALL
220 ACRES
ACIN LLC - coal
PARAMONT CONTURA, LLC - coal lessee
DICKENSON-RUSSELL CONTURA, LLC- coal lessee
ENERVEST XIV-A NORA LLC
ENERVEST ENERGY INSTITUTIONAL FUND XIV-1A, L.P. &
ENERVEST XIV-WIC NORA LLC
(CBM)
PARTIALLY LEASED
LEASE # 967220
ANNA BALL HEIRS - oil & gas (CBM)
60 ACRES
GAS 0.74 AC. 1.25%

Exhibit "B"
VC-600012
23-0718-4266
8/11/2023

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
Gas Estate Only				
1	EnerVest XIV-A Nora LLC, EnerVest XIV-WIC Nora LLC, & EnerVest Energy Institutional Fund XIV-1A, L.P. Attn: Kevin Miller 408 West Main Street Abingdon, VA 24210 <i>Tax ID - Minerals Only</i>	Owner	61.80000000	36.34000000
2	EnerVest XIV-A Nora LLC, EnerVest XIV-WIC Nora LLC, & EnerVest Energy Institutional Fund XIV-1A, L.P. Attn: Kevin Miller 408 West Main Street Abingdon, VA 24210 <i>Tax ID - Minerals Only</i>	Owner	2.96000000	1.74000000
3	EnerVest XIV-A Nora LLC, EnerVest XIV-WIC Nora LLC, & EnerVest Energy Institutional Fund XIV-1A, L.P. Attn: Kevin Miller 408 West Main Street Abingdon, VA 24210 <i>Tax ID - Minerals Only</i>	Owner	23.71000000	13.94000000
4	EnerVest XIV-A Nora LLC, EnerVest XIV-WIC Nora LLC, & EnerVest Energy Institutional Fund XIV-1A, L.P. Attn: Kevin Miller 408 West Main Street Abingdon, VA 24210 <i>Tax ID - Minerals Only</i>	Owner	10.28000000	6.04000000
5	<i>Tax ID - Minerals Only</i> Norma L.Harris 24 Biscayne Pl. Sterling, VA 20164	Leased	0.02551020	0.01510204
	Terry Skeens 3640 Applewood Rd. Richmond, VA 23234	Leased	0.02551020	0.01510204
	Ellen Parks 143 Farm View Rd. Front Royal, VA 22630	Leased	0.02551020	0.01510204

Exhibit "B"
VC-600012
23-0718-4266
8/11/2023

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
	Nancy Virginia Skeens, Widow 709 Kilarney Dr. Fredricksburg, VA 22407	Leased	0.02551020	0.01510204
5	Shelby Skeens, Widow 153 Old Park Rd. Montross, VA 22520-2002	Leased	0.02551020	0.01510204
	Lacy Breeding, Jr. and Demmie Breeding, h/w 7851 Carrollton Pike Galax, VA 24333-5956	Leased	0.00510204	0.00302041
	Gary D. Breeding 3833 River Rd. Hopewell, VA 23860-1644	Leased	0.00510204	0.00302041
	Tommy J. Breeding 1433 River Mountain Rd. Lebanon, VA 24266	Leased	0.00510204	0.00302041
	Ronald Breeding 1829 Spring City Rd. Cleveland, VA 24225	Leased	0.00510204	0.00302041
	Peggy A. Leonard 1215 Tremont Ave. Bristol, VA 37620	Leased	0.00510204	0.00302041
	Betty A. Mathis and Ronald K. Mathis, w/h 562 Fulla Lane Heath, OH 43056-9239	Leased	0.00425170	0.00251701
	Ada E. Wilson, Widow 1080 S. 30 St. - Apt.204 Mitchell Retirement Village Heath, OH 43056	Leased	0.00425170	0.00251701
	Leonard Parrott and Pauline Parrott, h/w 244 Browntown Rd. Max Meadows, VA 24360	Leased	0.00425170	0.00251701
5	Donald Mabe 244 Browntown Rd. Max Meadows, VA 24360	Leased	0.00425170	0.00251701
	David Mabe 723 Copper Rd. Cleveland, VA 24225	Leased	0.00425170	0.00251701
	James Parrott and Kay Parrott, h/w 572 Myrtle Ave Newark, OH 43055-3193	Leased	0.00425170	0.00251701

Exhibit "B"
VC-600012
23-0718-4266
8/11/2023

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
5	Terry W. McGlothlin Linda L. Griffith 512 Shannon St. Tazewell, VA 24651	Leased	0.04464286	0.02642857
	Mike A. Ball and Emily A. Ball, h/w 3808 Combs Ridge Rd. Honaker, VA 24260	Leased	0.04464286	0.02642857
	Betty J. Peyton Linda L. Griffith 512 Shannon St. Tazewell, VA 24651	Leased	0.04464286	0.02642857
	Mike A. Ball and Emily A. Ball, h/w 3808 Combs Ridge Rd. Honaker, VA 24260	Leased	0.04464286	0.02642857
	Sharlene Compton Sheets David A. Albaugh 9628 Park Avenue Laurel, MD 20723	Leased	0.02976190	0.01761905
	Pamela D. Albaugh 9881 Wilson Ave Seminole, FL 33776	Leased	0.02976190	0.01761905
	Laura J. Stitely 22472 Willington Square Ashburn, VA 20148	Leased	0.02976190	0.01761905
	Anna Compton Pauley 140 Carib St. Martinsburg, WV 25405	Leased	0.08928571	0.05285714
	Katherine Ball c/o Linda L. Griffith 512 Shannon St. Tazewell, VA 24651	Leased	0.17857143	0.10571429
	Heirs of Lovis Ball Brown Unknown/Unlocateable	Unleased	0.17857143	0.10571429
5	Linda L. Griffith 512 Shannon St. Tazewell, VA 24651	Leased	0.08928571	0.05285714
	Mike A. Ball and Emily A. Ball, h/w 3808 Combs Ridge Rd. Honaker, VA 24260	Leased	0.08928571	0.05285714

Exhibit "B"
VC-600012
23-0718-4266
8/11/2023

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
	Moses A. Ball, Jr. and Patricia M. Ball, h/w 1262 SW Maplewood Dr. Port Saint Lucie, FL 34986	Leased	0.08928571	0.05285714
5	Todd J. Pioch 12098 83rd Ave Seminole, FL 33772	Leased	0.04464286	0.02642857
	Tammy K. Pioch 1574 Trestle Glen Rd Oakland, CA 94610	Leased	0.04464286	0.02642857
Tract 5 Totals			1.25000000	0.74000000
TOTAL GAS ESTATE			100.00000000	58.80000000
Percentage of Unit Leased		99.82142857		
Percentage of Unit Unleased		0.17857143		
Acreage in Unit Leased		58.69428571		
Acreage in Unit Unleased		0.10571429		

Exhibit "B-3"**VC-600012****23-0718-4266****8/11/2023**

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
Gas Estate Only				
5	<i>Tax ID# Minerals Only</i> Heirs of Lovis Ball Brown Unknown/Unlocateable	Unleased	0.17857143	0.10571429
TOTAL GAS ESTATE			0.17857143	0.10571429

Company: EnerVest Operating, L.L.C.

Virginia Gas And Oil Template -- Estimate Authorization For Expenditure (AFE)

AFE #

VC-600012

Location: Buchanan County, VA

Expected Pay Zones: PENNSYLVANIAN COALS

Proposed Work: DRILL, COMPLETE AND PLACE INTO PRODUCTION

Property #

Version # 1

Field: NORA FIELD

Completed By: TEAM

Operator: EnerVest Operating, L.L.C.

8/10/2023

Estimated Total Depth: 3,100 FT

AAPG Class: DEVELOPMENT

Participant(s): EnerVest Operating, L.L.C.

W.I.: 100%

Amount: \$736,682

	Description	Casing Point	Completion	Total Cost
I N T A N G I B L E S	Leasehold Costs	\$0	\$0	\$0
	Permit / Title Opinion / Survey / Insurance	\$14,000	\$0	\$14,000
	Building Location/Materials	\$45,902	\$6,020	\$51,922
	Roads / Stone / Culverts	\$11,000	\$3,000	\$14,000
	Surface Damages	\$15,000	\$0	\$15,000
	Drilling - Footage	\$80,399	\$0	\$80,399
	Drilling - Mobilization	\$0	\$0	\$0
	Drilling - Dayrate	\$0	\$0	\$0
	Mud & Chemicals (Drilling)	\$0	\$0	\$0
	Fuel	\$0	\$0	\$0
	Cement Services	\$6,600	\$14,000	\$20,600
	Open Hole Logging & Testing	\$4,055	\$0	\$4,055
	Trucking / Dozer (Drilling)	\$0	\$0	\$0
	Rental Tools & Equipment (Drilling)	\$0	\$0	\$0
	Drilling - Bits	\$0	\$0	\$0
	Technical Supervision (Drilling)	\$0	\$0	\$0
	Fresh Water Hauling (Drilling)	\$0	\$0	\$0
	Overhead Rate	\$7,000	\$3,000	\$10,000
	Misc. & Contingencies (Insurance)	\$500	\$0	\$500
	Location Rds/Stone/Culverts	\$0	\$0	\$0
	Trucking / Dozer (Completion)	\$0	\$6,522	\$6,522
	Technical Supervision (Completion)	\$0	\$2,400	\$2,400
	Cased Hole Logging / Perforating	\$0	\$40,000	\$40,000
	Stimulation / Fracturing	\$0	\$170,000	\$170,000
	Completion Rig	\$0	\$13,025	\$13,025
	Reclamation & Damages	\$12,000	\$0	\$12,000
	Haul Pit Water / Disposal	\$0	\$2,000	\$2,000
T A N G I B L E S	Cement Production Casing	\$0	\$0	\$0
	Rental Tools & Equipment (Completion)	\$0	\$11,491	\$11,491
	Fresh Water Hauling (Completion)	\$0	\$4,250	\$4,250
	Roustabout Labor	\$2,750	\$8,601	\$11,351
	Environmental & Safety	\$1,000	\$1,000	\$2,000
	TOTAL INTANGIBLES	\$200,205	\$285,309	\$485,514
		Casing Point	Completion	Total Cost
	" Conductor	\$1,120	\$0	\$1,120
	" 26 lb/ft LS Surface Csg	\$4,050	\$0	\$4,050
	" 19 lb/ft LS Intermediate Csg	\$0	\$0	\$0
	4 1/2" 9.5 lb/ft M-65 Production Csg	\$0	\$0	\$0
	4 1/2" 10.5 lb/ft M-65 Production Csg	\$0	\$40,385	\$40,385
	2-3/8" 4.7 lb/ft J55 8rd Production Tubing	\$0	\$26,424	\$26,424
	Wellhead Equipment / Fittings	\$3,990	\$1,083	\$5,074
	Tank Battery	\$0	\$16,762	\$16,762
	Separator / Heater / Treater	\$0	\$9,578	\$9,578
	Gas Lift Equipment	\$0	\$0	\$0
	Rods / Stuffing Box	\$0	\$9,031	\$9,031
	Downhole Pump	\$0	\$2,000	\$2,000
	Pumping Unit / Motor	\$0	\$19,505	\$19,505
	Electric Service & Equipment	\$0	\$46,000	\$46,000
	Valves & Fittings	\$0	\$4,459	\$4,459
	Flow Line labor/material	\$0	\$11,650	\$11,650
	Sales line labor/mat/row	\$0	\$55,130	\$55,130
	TOTAL TANGIBLES	\$9,160	\$242,007	\$251,168
	GRAND TOTAL WELL COST	\$209,365	\$527,317	\$736,682
	Plugging & Abandonment	\$35,000		
	Production Costs :	\$736,682	Dry Hole Costs :	\$244,365

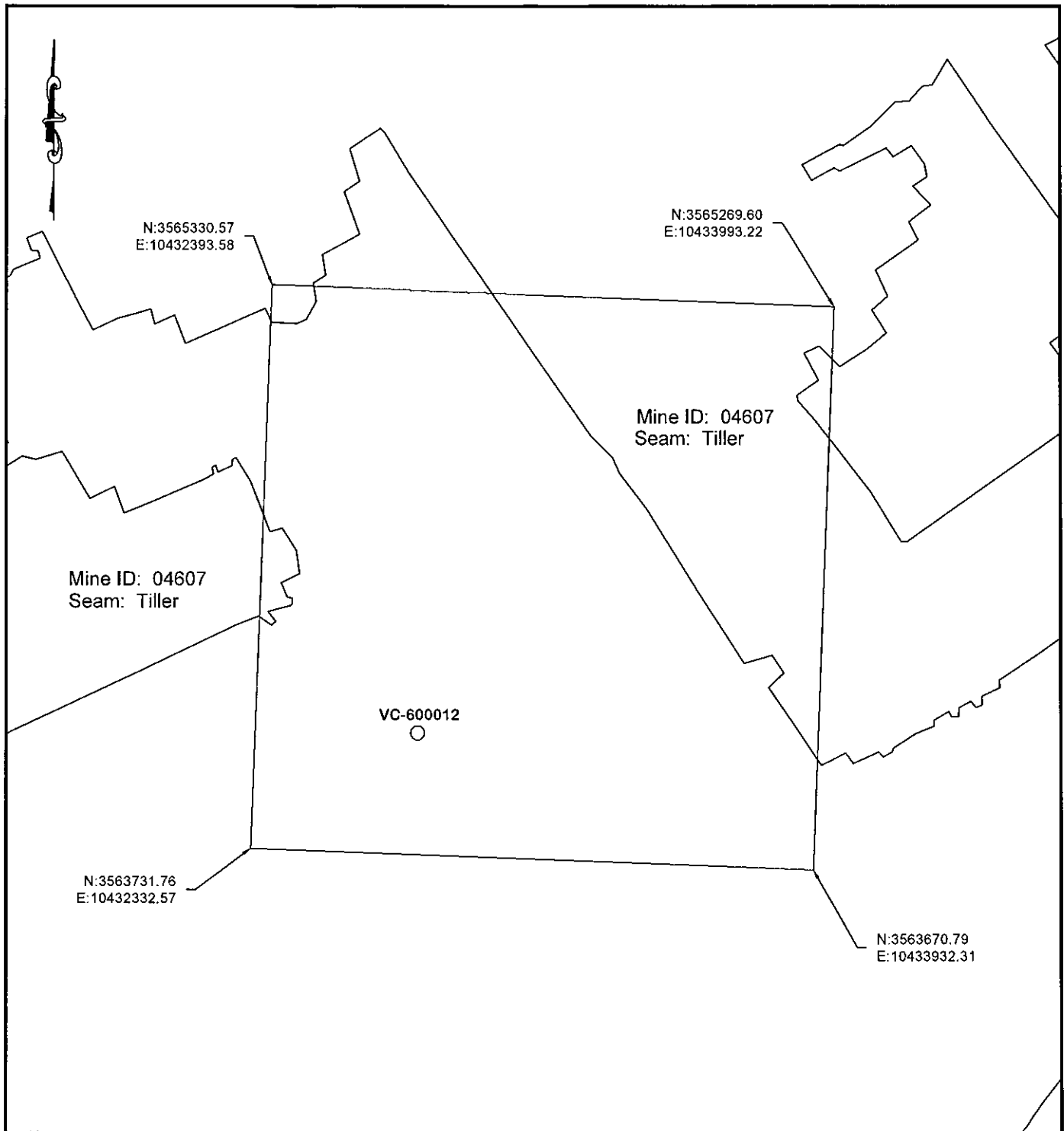
Operations Tan Landon Date 8/10/2023

Engineering Tan Landon Date 8/10/2023

Geology Glenn Lee Date 8/10/23

Land Heather Miller Date 8/10/2023

THIS IS AN ESTIMATE OF PROJECTED WELL DRILLING, COMPLETION, EQUIPMENT AND PIPELINE COSTS. THESE ESTIMATES ARE PROJECTIONS ONLY AND ACTUAL BILLED COSTS MAY VARY FROM WELL TO WELL DEPENDING UPON ACTUAL FINAL DEPTH AND OTHER FACTORS INCLUDING, BUT NOT LIMITED TO, SEASONAL MATERIAL COSTS, WEATHER CONDITIONS, AND UNFORESEEN RIGHT-OF-WAY PROBLEMS.



WELL & MINE LOCATION MAP

NORA GRID BL-89

COMPANY EnerVest Operating, LLC WELL NAME AND NUMBER VC-600012
QUADRANGLE Big A Mountain PERMIT NO. _____ SCALE 1" = 400' DATE 07-10-23

NOTE: The mine locations are approximate locations taken from downloaded DMME data.
The maps are to be used for anticipated drilling conditions only.

VIRGINIA:

BEFORE THE VIRGINIA DEPARTMENT OF ENERGY

APPLICANT:	EnerVest Operating, LLC	)	VIRGINIA GAS
		)	AND OIL BOARD
RELIEF SOUGHT	POOLING OF INTERESTS IN A 58.80	)	
	ACRE SQUARE DRILLING UNIT	)	
	DESCRIBED IN EXHIBIT A HERETO	)	DOCKET NO.
	LOCATED IN THE NORA COALBED	)	VGOB-23-0718-4266
	GAS FIELD AND SERVED BY WELL	)	
	No. VC-600012-CBM Unit 89-BK	)	
	(herein "Subject Drilling Unit")	)	
	PURSUANT TO VA CODE §§	)	
	45.2.1620 AND 45.2-1622, FOR	)	
	THE PRODUCTION OF OCCLUDED	)	
	NATURAL GAS PRODUCED FROM	)	
	COALBEDS AND ROCK STRATA	)	
	ASSOCIATED THEREWITH (herein	)	
	"Coalbed Methane Gas" or "Gas")	)	
		)	
		)	
LEGAL DESCRIPTION:		)	
		)	
	SUBJECT DRILLING UNIT SERVED BY WELL	)	
	NUMBERED VC-600012-CBM Unit 89-BK	)	
	("Well") TO BE DRILLED IN THE LOCATION	)	
	DEPICTED ON EXHIBIT A HERETO,	)	
	Jasper Cook T-504 Tract	)	
	318.26 acres, more or less	)	
	BIG A MOUNTAIN QUADRANGLE	)	
	HURRICANE DISTRICT	)	
	BUCHANAN COUNTY, VIRGINIA	)	
	(the "Subject Lands" are more particularly described	)	
	on Exhibit A , attached hereto and made a part	)	
	hereof)	)	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at **10:00 a.m. on September 19, 2023** at the 3405 Mountain Empire Road, Big Stone Gap, Virginia.
2. Appearances: **Timothy E. Scott** appeared for the Applicant.
3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.2.1600 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in

conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner and/or potential owner, i.e., person identified by Applicant as having ("Owner") or claiming ("Claimant") the rights to Coalbed Methane Gas including all Pennsylvanian age coals from the top of the Aily, including but not limited to Raven, Jawbone Rider, Jawbone, Tiller, Upper Seaboard, Greasy Creek, Upper Horsepen, Middle Horsepen, War Creek, Beckley, Lower Horsepen, Pocahontas #9, Pocahontas #3, Pocahontas #2, Pocahontas #1 and any unnamed coal seams and other associated formations known as the Nora Coalbed Gas Field (hereafter "Subject Formations") in the Subject Drilling Unit underlying and comprised of Subject Lands; (2) represented it has given notice to those parties so identified (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code §§ 45.2-1618 and 45.2-1622, to notice of the application filed herein; and (3) that the persons set forth in **Exhibit B-3** hereto have been identified by Applicant as persons who may be Owners or Claimants of Coalbed Methane Gas interests in Subject Formations in the Subject Drilling Unit who have not heretofore agreed to lease or sell to the Applicant and/or voluntarily pool their Gas interests. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.2.1618. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements, and the minimum standards of state due process.

4. Amendments: None.

5. Dismissals: None.

6. Relief Requested: Applicant requests (1) that pursuant to Va. Code § 45.2-1622, including the applicable portions of § 45.2-1620, the Board pool the rights, interests and estates in and to the Gas in the Subject Drilling Unit, including those of the Applicant and of the known and unknown persons named in **Exhibit B-3** hereto and that of their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, for the drilling and operation, including production, of Coalbed Methane Gas produced from the Subject Drilling Unit established for the Subject Formations underlying and comprised of the Subject Lands, (hereafter sometimes collectively identified and referred to as "well development and/or operation in the Subject Drilling Unit"); and, (2) that the Board designate **EnerVest Operating, LLC** as the Unit Operator.

7. Relief Granted: The requested relief in this cause shall be and hereby is granted and: (1) pursuant to Va. Code § 45.2-1620, **EnerVest Operating, LLC** (hereafter "Unit Operator" or "Operator") is designated as the Unit Operator authorized to drill and operate the Well in Subject Drilling Unit at the location depicted on the plat attached hereto as **Exhibit A**, subject to the permit provisions contained in Va. Code § 45.2.1629, et seq., to §§ 4 VAC 25-150 et seq., Gas and Oil Regulations; to § 4 VAC 25-160 et seq., Virginia Gas and Oil Board Regulations and to the Nora Coalbed Gas Field Rules established by the Oil and Gas Conservation Board's Order entered March 26, 1989; all as amended from time to time; and (2) all the interests and estates in and to the Gas in Subject Drilling Unit, including that of the Applicant, the Unit Operator and of the known and unknown persons listed on **Exhibit B-3**, attached hereto and made a part hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, be and hereby are pooled in the Subject Formations in the Subject Drilling Unit underlying and comprised of the Subject Lands.

Pursuant to the Nora Coal Field Rules promulgated under the authority of Va. Code § 45.2-1619, the Board has adopted the following method for the calculation of production and revenue and allocation of allowable costs for the production of Coalbed Methane Gas.

For Frac Well Gas. - Gas shall be produced from and allocated to only the **58.80**-acre drilling unit in which the well is located according to the undivided interests of each Owner/Claimant within the unit, which undivided interest shall be the ratio (expressed as a percentage) that the amount of mineral acreage within each separate tract that is within the Subject Drilling Unit, when platted on the surface, bears to the total mineral acreage, when platted on the surface, contained within the entire **58.80**-acre drilling unit in the manner set forth in the Nora Field Rules.

8. Election and Election Period: In the event any Owner or Claimant named in **Exhibit B-3** hereto does not reach a voluntary agreement to share in the operation of the well located in the Subject Drilling Unit, at a rate of payment mutually agreed to by said Gas Owner or Claimant and the Unit Operator, then such person named may elect one of the options set forth in Paragraph 9 below and must give written notice of his election of the option selected under Paragraph 9 to the designated Unit Operator at the address shown below within thirty (30) days from the date of receipt of a copy of this Order. A timely election shall be deemed to have been made if, on or before the last day of said 30-day period, such electing person has delivered his written election to the designated Unit Operator at the address shown below or has duly postmarked and placed its written election in first class United States mail, postage prepaid, addressed to the Unit Operator at the address shown below.

9. Election Options:

- 9.1 Option 1 - To Participate In the Well Development and Operation of the Drilling Unit: Any Gas Owner or Claimant named in **Exhibit B-3** who does not reach a voluntary agreement with the Unit Operator may elect to participate in the Well Development and Operation in the Subject Drilling Unit (hereafter "Participating Operator") by agreeing to pay the estimate of such Participating Operator's proportionate part of the actual and reasonable costs of the well Development contemplated by this Order for Gas produced pursuant to the Nora Field Rules, including a reasonable supervision fee, as more particularly set forth in Virginia Gas and Oil Board Regulation 4 VAC 25-160-100 (herein "Completed-for-Production Costs"). Further, a Participating Operator agrees to pay the estimate of such Participating Operator's proportionate part of the Completed-for-Production Cost as set forth below to the Unit Operator within forty-five (45) days from the later of the date of mailing or the date of recording of this Order. The Completed-for-Production Cost for the Subject Drilling Unit is as follows:

Completed-for-Production Costs:	\$736,682.00
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A Participating Operator's proportionate cost hereunder shall be the result obtained by multiplying the Participating Operator's "Interest in Unit" times the Completed-for-Production Cost set forth above. Provided, however, that in the event a Participating Operator elects to participate and fails or refuses to pay the estimate of his proportionate part of the Completed-for-Production Cost as set forth above, all within the time set forth herein and in the manner prescribed in Paragraph 8 of this Order, then such Participating Operator shall be deemed to

have elected not to participate and to have elected compensation in lieu of participation pursuant to Paragraph 9.2 herein.

- 9.2 Option 2 - To Receive A Cash Bonus Consideration: In lieu of participating in the Well development and operation in the Subject Drilling Unit under Paragraph 9.1 above, any Gas Owner or Claimant named In **Exhibit B-3** hereto who has not reached a voluntary agreement with the Unit Operator may elect to accept a cash bonus consideration of **\$5.00** per net mineral acre owned by such person, commencing upon entry of this Order and continuing annually until commencement of production from Subject Drilling Unit, and thereafter a royalty of 1/8th of 8/8ths [twelve and one-half percent (12.5%)] of the net proceeds received by the Unit Operator for the sale of the Gas produced from any Well development and operation covered by this Order multiplied by that person's Interest Within Unit as set forth in **Exhibit B-3** [for purposes of this Order, net proceeds shall be actual proceeds received less post-production costs incurred downstream of the wellhead, including, but not limited to, gathering, compression, treating, transportation and marketing costs, whether performed by Unit Operator or a third person] as fair, reasonable and equitable compensation to be paid to said Gas Owner or Claimant. The initial cash bonus shall become due and owing when so elected and shall be tendered, paid or escrowed within one hundred twenty (120) days of recording of this Order. Thereafter, annual cash bonuses, if any, shall become due and owing on each anniversary of the date of recording of this Order in the event production from Subject Drilling Unit has not theretofore commenced, and once due, shall be tendered, paid or escrowed within sixty (60) days of said anniversary date. Once the initial cash bonus and the annual cash bonuses, if any, are so paid or escrowed, said payment(s) shall be satisfaction in full for the right, interests, and claims of such electing person in and to the Gas produced from Subject Formation in the Subject Lands, except, however, for the 1/8th royalties due hereunder.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.2, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any well development and operation covered hereby and such electing person shall be deemed to have and hereby does assign its right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant.

- 9.3 Option 3 - To Share In The Development And Operation As A Non-Participating Person On A Carried Basis And To Receive Consideration In Lieu Of Cash: In lieu of participating in the Well development and operation of Subject Drilling Unit under Paragraph 9.1 above and in lieu of receiving a cash bonus consideration under Paragraph 9.2 above, any Gas Owner or Claimant named in **Exhibit B-3** who has not reached a voluntary agreement with the Unit Operator may elect to share in the well development and operation in Subject Drilling Unit on a carried basis (as a "Carried Well Operator") so that the proportionate part of the Completed-for-Production Costs hereby allocable to such Carried Well Operator's interest is charged against such Carried Well Operator's share of production from Subject Drilling Unit. Such Carried Well Operator's rights, interests, and claims in and to the Gas in Subject Drilling Unit shall be deemed and hereby are assigned to the Unit Operator until the proceeds from the sale of

such Carried Well Operator's share of production from Subject Drilling Unit (exclusive of any royalty, excess or burden reserved in any lease, assignment thereof or agreement relating thereto covering such interest) equals three hundred percent (300%) for a leased interest or two hundred percent (200%) for an unleased interest (whichever is applicable) of such Carried Well Operator's share of the Completed-for-Production Costs allocable to the interest of such Carried Well Operator. When the Unit Operator recoups and recovers from such Carried Well Operator's assigned interest the amounts provided for above, then, the assigned interest of such Carried Well Operator shall automatically revert back to such Carried Well Operator, and from and after such reversion, such Carried Well Operator shall be treated as if it had participated initially under Paragraph 9.1 above; and thereafter, such participating person shall be charged with and shall pay his proportionate part of all further costs of such well development and operation.

Subject to final legal determination or ownership, the election made under this Paragraph 9.3, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any Well development and operation covered hereby and such electing person shall be deemed to have an hereby does assign his right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant for the period of time during which its interest is carried as above provided prior to its reversion back to such electing person.

10. Failure to Properly Elect: In the event a person named in **Exhibit B-3** hereto has not reached a voluntary agreement with the Applicant or Unit Operator and fails to elect within the time, in the manner, and in accordance with the terms of this Order, one of the alternatives set forth in Paragraph 9 above for which his interest qualifies, then such person shall be deemed to have elected not to participate in the proposed Well development and operation in Subject Drilling Unit and shall be deemed, subject to any final legal determination of ownership, to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which its interest qualifies, and shall be deemed to have leased and/or assigned his right interests, and claims in and to said Gas produced from Subject Formation in Subject Drilling Unit to the Unit Operator. Persons who fail to properly elect shall be deemed to have accepted the compensation and terms set forth herein at Paragraph 9.2 in satisfaction in full for the right, interests, and claims of such person in and to the Gas produced from Subject Formation underlying Subject Lands.

11. Default By Participating Person: In the event a person named in **Exhibit B-3** elects to participate under Paragraph 9.1, but fails or refuses to pay, to secure the payment or to make an arrangement with the Unit Operator for the payment of such person's proportionate part of the estimated Completed-for-Production Costs as set forth herein, all within the time and in the manner as prescribed in this Order, then such person shall be deemed to have withdrawn his election to participate and shall be deemed to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which his interest qualifies depending on the excess burdens attached to such interest. Whereupon, any cash bonus consideration due as a result of such deemed election shall be tendered, paid or escrowed by Unit Operator within one hundred twenty (120) days after the last day on which such defaulting person under this Order should have paid his proportionate part of such cost or should have made satisfactory arrangements for the payment

thereof. When such cash bonus consideration is paid or escrowed, it shall be satisfaction in full for the right, interests, and claims of such person in and to the Gas underlying Subject Drilling Unit in the Subject Lands covered hereby, except, however, for any 1/8th royalties which would become due pursuant to Paragraph 9.2 hereof.

12. Assignment of Interest: In the event a person named in **Exhibit B-3** is unable to reach a voluntary agreement to share in the Well development and operation in Subject Drilling Unit at a rate of payment agreed to mutually by said Gas Owner or Claimant and the Unit Operator, and said person elects or fails to elect to do other than participate under Paragraph 9.1 above in the Well development and operation in Subject Drilling Unit, then such person shall be deemed to have and shall have assigned unto Unit Operator such person's right, interests, and claims in and to said Well, in Subject Formations in Subject Drilling Unit, and other share in and to Gas production to which such person may be entitled by reason of any election or deemed election hereunder in accordance with the provisions of this Order governing said elections.

13. Unit Operator (or Operator): **EnerVest Operating, LLC** shall be and hereby is designated as Unit Operator authorized to drill and operate the Well(s) in Subject Formations in Subject Drilling Unit, all subject to the permit provisions contained in Va. Code §§ 45.2-1629 et seq.; §§ 4 VAC 25-150 et seq., Gas and Oil Regulations; §§ 4 VAC 25-160 et seq., Virginia Gas and Oil Board Regulations; Oil and Gas Conservation Board ("OGCB") Order establishing the Nora Coalbed Gas Field Rules entered March 26, 1989; all as amended from time to time, and all elections required by this Order shall be communicated to Unit Operator in writing at the address shown below:

**EnerVest Operating, LLC
408 West Main Street
Abingdon, VA 24212
Phone: (276) 628-9001
Fax: (276) 628-7246
Attn: Vice President Land**

14. Commencement of Operations: Unit Operator shall commence or cause to commence operations for the drilling of the Well within Subject Drilling Unit within seven hundred thirty (730) days from the date of this Order and shall prosecute the same with due diligence. If the Unit Operator has not so commenced and/or prosecuted, then this order shall terminate, except for any cash sums then payable hereunder; otherwise, unless sooner terminated by Order of the Board, this Order shall expire at 12:00 p.m. on the date on which the well covered by this Order is permanently abandoned and plugged. However, in the event an appeal is taken from this Order, then the time between the filing of the Petition for Appeal and the Final Order of the Circuit Court shall be excluded in calculating the two-year period reference herein.

15. Operator's Lien: Unit Operator, in addition to the other rights afforded hereunder, shall have a lien and a right of set off on the Gas estates, rights, and interests owned by any person subject hereto who elects to participate under Paragraph 9.1 in the Subject Drilling Unit to the extent that costs incurred in the drilling or operation on the Subject Drilling Unit are a charge against such person's interest. Such lien and right of set off shall be separable as to each separate person and shall remain liens until the Unit Operator drilling or operating the Well(s) has been paid the full amounts due under the terms of this Order.

16. Escrow Provisions: The Applicant represented to the Board that there are unknown or unlocatable and there are no conflicting claimants in the Subject Drilling Unit whose payments are subject to the provisions of Paragraph 16.1; and, the Unit Operator has represented to the Board that there are unlocatable claimants in Tract 5 constituting 0.17857143% of the Subject Drilling Unit whose payments are subject to the provisions of Paragraph 16.1 hereof.

- 16.1 Escrow Provisions For Unknown or Unlocatable Persons: If any payment of bonus, royalty payment or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be located or is unknown, then such cash bonus, royalty payment, or other payment shall not be commingled with any funds of the Unit Operator and, pursuant to Va. Code § 45.2-1620, said sums shall be deposited by the Unit Operator into the Escrow Account, commencing within one hundred twenty (120) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are being deposited. Such funds shall be held for the exclusive use of, and sole benefit of the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with Va. Code § 45.2-1620. Therefore, by this Order, the Escrow Agent named herein or any successor named by the Board, is not required to establish an interest-bearing escrow account for the Subject Drilling Unit (herein "Escrow Agent"), and to receive and account to the Board pursuant to its agreement for the escrowed funds hereafter described in Paragraphs 16.1 and 16.2:

First Bank and Trust Company
Trust Division
667 West Main Street
Abingdon, Virginia 24210
Tel: (276) 466-9222
Attn: Jody Maney

- 16.2 Escrow Provisions For Conflicting Claimants: If any payment of bonus, royalty payment, proceeds in excess of ongoing operational expenses, or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be made certain due to conflicting claims of ownership and/or a defect or cloud on the title, then such cash bonus, royalty payment, proceeds in excess of ongoing operational expenses, or other payment, together with Participating Operator's Proportionate Costs paid to the Unit Operator pursuant to Paragraph 9.1 hereof, if any, (1) shall not be commingled with any funds of the Unit Operator; and (2) shall, pursuant to Va. Code § 45.2-1622, be deposited by the Operator into the Escrow Account within one hundred twenty (120) days of the recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of, the person entitled thereto until such funds can be paid to such person(s) or until

the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board.

17. Special Findings: The Board specifically and specially finds:
- 17.1 Applicant is **EnerVest Operating, LLC**. Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
- 17.2 Applicant **EnerVest Operating, LLC** has made a delegation of authority to **EnerVest Operating, LLC** to explore, develop and maintain the properties and assets of Applicant, now owned or hereafter acquired, and **EnerVest Operating, LLC** has accepted this delegation of authority and agreed to explore, develop and maintain those properties and assets, and has consented to serve as Coalbed Methane Gas Unit Operator for Subject Drilling Unit and to faithfully discharge the duties imposed upon it as Unit Operator by statute and regulations;
- 17.3 Applicant **EnerVest Operating, LLC** is an operator in the Commonwealth of Virginia, and has satisfied the Board's requirements for operations in Virginia;
- 17.4 Applicant **EnerVest Operating, LLC** claims ownership of gas leases, Coalbed Methane Gas leases, and/or coal leases representing 99.82142857% percent of the oil and gas interest/claims in and to Coalbed Methane Gas in the Subject Drilling Unit; and, Applicant claims the right to explore for, develop and produce Coalbed Methane Gas from Subject Formations in Subject Drilling Unit in Buchanan County, Virginia, which Subject Lands are more particularly described in **Exhibit A**;
- 17.5 The estimated total production from Subject Drilling Unit is 990 **mmcf**. The estimated amount of reserves from the Subject Drilling Unit is 990 **mmcf**;
- 17.6 Set forth in **Exhibit B-3** is the name and last known address of each Owner or Claimant identified by the Applicant as having or claiming an interest in the Coalbed Methane Gas in Subject Formation in Subject Drilling Unit underlying and comprised of Subject Lands, who has not, in writing, leased to the Applicant or the Unit Operator or agreed to voluntarily pool his interests in Subject Drilling Unit for its development. The interests of the Respondents listed in **Exhibit B-3** comprise 0.17857143% percent of the oil and gas interests/claims in and to the Coalbed Methane Gas in the Subject Drilling Unit;
- 17.7 Applicant's evidence established that the fair, reasonable and equitable compensation to be paid to any person in lieu of the right to participate in the Wells are those options provided in Paragraph 9 above;
- 17.8 The relief requested and granted is just and reasonable, is supported by substantial evidence and will afford each person listed and named in **Exhibit B-3** hereto the opportunity to recover or receive, without unnecessary expense, such person's just and fair share of the production from Subject Drilling Unit. The granting of the Application and relief requested therein will ensure to the extent possible the greatest ultimate recovery of Coalbed Methane Gas, prevent or assist in preventing the various types of waste prohibited by statute and protect

or assist in protecting the correlative rights of all persons in the subject common sources of supply in the Subject Lands. Therefore, the Board is entering an Order granting the relief herein set forth.

18. Mailing of Order And Filing Of Affidavit: Applicant or its Attorney shall file an affidavit with the Secretary of the Board within sixty (60) days after the date of recording of this Order stating that a true and correct copy of said Order was mailed within seven (7) days from the date of its receipt by Unit Operator to each Respondent named in **Exhibit B-3** pooled by this Order and whose address is known.

19. Availability of Unit Records: The Director shall provide all persons not subject to a lease with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).

20. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED**.

21. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.2-1609 which provides that any order or decision of the Board may be appealed to the appropriate circuit court.

22. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.