



# Ohio Department of Natural Resources

JOHN R. KASICH, GOVERNOR

JAMES ZEHRINGER, DIRECTOR

*Richard J. Simmers, Chief*  
Division of Oil and Gas Resources  
Management  
2045 Morse Road – Bldg. F-2  
Columbus, OH 43229-6693  
Phone: (614) 265-6922 Fax: (614) 265-6910

## **ORDER BY THE CHIEF**

July 13, 2015

**ORDER NO. 2015-348**

**TO: Chesapeake Exploration, L.L.C.**  
**6100 N. Western Ave.**  
**P.O. Box 18496**  
**Oklahoma City, Oklahoma 73154-0496**

**RE: Application for Unitization**  
**Our Land Co South Unit**  
**Harrison County, Ohio**

**SUBJECT: Order for Unit Operations of the Utica/Point Pleasant Formations**

Pursuant to Ohio Revised Code Section 1509.28, the Chief of the Division of Oil and Gas Resources Management (“Chief” or “Division”) makes the following Findings and issues the following Order:

### **BACKGROUND**

- 1) On November 10, 2014, Chesapeake Exploration, L.L.C. (“Chesapeake”) filed an application pursuant to Revised Code 1509.28 to operate as a unit the Utica/Point Pleasant Formations at an approximate true vertical depth located from fifty (50) feet above the top of the Utica Shale to fifty (50) feet below the base of the Point Pleasant Formation. The proposed “Unit Area” is 592.8175310 acres in North Township and Monroe Township, Harrison County, Ohio. The proposed Unit Area is comprised of a total of fifty (50) tracts, and known as the “Our Land Co South Unit.” The application included a Unit Agreement, Unit Operating Agreement, and relevant exhibits. The application also included the pre-filed testimony of the following Chesapeake employees: Larry Carter, Geologist; David Yard, Reservoir Engineer; and Lauren Elliott, Landman.

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- 2) Pursuant to R.C. 1509.28, the Division held a hearing on March 11, 2015 in Columbus, Ohio at the Ohio Department of Natural Resources ("ODNR"), to consider the need for the operation as a unit of an entire pool or part thereof. At the hearing, Chesapeake employees Carter, Yard, and Elliott confirmed their pre-filed testimony and answered questions posed by Division staff members.
- 3) Chesapeake's application for unitization of the Our Land Co South Unit proposed to include two (2) unleased tracts owned by the following "unleased mineral owners": Laura M. Gray, 0.097341129 acre (Tract14); and Kathleen Tomasi, 2.008150021 acres (Tract 24). The Division provided notice of the March 11, 2015 hearing, return receipt requested, to all unleased mineral owners. Addresses and title work were provided by Chesapeake. On February 18, 2015, Chesapeake notified the Division that the entire tract formerly owned by Kathleen Tomasi was transferred to Robert Still on December 8, 2014. In light of this, the Division provided notice of the March 11, 2015 hearing, return receipt requested, to Robert Still. Although notified of the hearing, no representatives of the unleased mineral owners attended the hearing, and the Division did not receive any written comments from these parties. Additionally, in its application, and subsequent testimony, Chesapeake indicated that Tract 14 and Tract 24 may be subject to a mineral reservation. On June 5, 2015, subsequent to the hearing, Chesapeake notified the Division that a lease was executed with Robert Still on May 15, 2015. As a result, Robert Still is not an "unleased mineral owner" and Chesapeake indicated that Tract 24 is no longer subject to a mineral reservation.
- 4) Chesapeake's application for unitization of the Our Land Co South Unit also proposed to include eight tracts for a total of 120.549972 acres that were previously leased to American Energy-Utica, LLC ("AEU"). According to the application and subsequent testimony, Chesapeake was unable to come to a voluntary agreement with AEU to include the 120.549972 acres in the proposed Our Land Co South unit. AEU is therefore considered a "non-participating working interest owner" in the Our Land Co South unit as to the 120.549972 acres.

## **FINDINGS**

- 5) Based on the application submitted by Chesapeake, and subsequent testimony by its employees, the Chief finds that Chesapeake has established that it is the "owner," as that term is defined in R.C. 1509.01(K), of at least seventy-nine percent (79%) of the land area overlying the pool in the Our Land Co South Unit, which is greater than the sixty-five percent (65%) as required by R.C. 1509.28(A).

- 6) Based on the application submitted by Chesapeake, and subsequent testimony by its employees, the Chief finds that the operation of the Our Land Co South Unit is reasonably necessary to increase substantially the ultimate recovery of oil and gas ("oil" and "gas" are defined in R.C. 1509.01).
- 7) Based on the application submitted by Chesapeake, and subsequent testimony by its employees, the Chief finds the value of the estimated additional recovery of oil or gas ("oil" and "gas" are defined in R.C. 1509.01) from the Our Land Co South Unit exceeds the estimated additional cost incident to conducting the operation of the Our Land Co South Unit.

## **ORDER**

### **IT IS HEREBY ORDERED:**

Pursuant to R.C. 1509.28, Chesapeake is authorized to conduct operations within the Our Land Co South Unit in accordance with all of the following:

#### **Plan for Unit Operations**

- 1) The Unit Area is comprised of fifty (50) tracts totaling 592.8175310 acres in North Township and Monroe Township, Harrison County, Ohio as shown in Exhibits A and B.
- 2) Chesapeake proposes to drill three (3) wells from a single pad site in the Our Land Co South Unit for the purpose of recovering oil and gas. Drilling operations shall commence in the Unit Area within twelve (12) months from the date of approval of this Order. In order to achieve the stated goal of substantially increasing the ultimate recovery of oil and gas (as those terms are defined in R.C. 1509.01) from the Utica/Point Pleasant Formations within the Unit Area, Chesapeake shall produce from the three (3) wells no later than three (3) years after the initial well is completed for production. If Chesapeake fails to drill, complete, and produce at least three (3) wells in the Unit Area, the Chief may amend or terminate this Order. Any additional wells permitted by the Chief for the Utica/Point Pleasant Formations in the Unit Area are subject to this Order.
- 3) Evidence introduced by Chesapeake at the Our Land Co South Unit hearing established that the Utica/Point Pleasant Formation uniformly underlies the Unit Area. Therefore, the value of each separately owned tract in the Unit Area shall be determined by calculating the ratio of the surface acreage of a specific tract to the total surface acreage of the Unit Area. This ratio shall be known as the "Unit Participation." The allocated share of production to each tract shall be equal to that tract's Unit Participation.

- 4) All charges and credits made for investments in wells, tanks, pumps, machinery, materials, and equipment shall be allocated among the working interest owners of each tract based on the Unit Participation. For purposes of this Order, any unleased mineral owner is not a working interest owner, and the proportionate share of the expenses allotted to the unleased mineral owners shall be allocated to the participating working interest owners.
- 5) All unit operation expenses shall be charged to, and paid by, the working interest owners of each tract in amounts based on the Unit Participation. All unit operation expenses concerning wells and operating equipment shall be just and reasonable.
- 6) If necessary, Chesapeake and all other participating working interest owners shall carry, or otherwise finance, any person who is unable to meet that person's financial obligations in connection with the unit operations. For purposes of this Paragraph, "person" shall mean "non-participating working interest owner." Chesapeake and all other participating working interest owners' reasonable interest charge for carrying or financing the non-participating working interest owner shall be determined by the terms of Chesapeake's Unit Agreement and Unit Operating Agreement for the Our Land Co South Unit. Once a specific cost is charged to the initial well, that same cost cannot be charged to subsequent wells in the Unit Area.
- 7) Chesapeake shall supervise and conduct all unit operations. Each working interest owner shall have a voting interest equal to its Unit Participation. Approval of unit operations shall be subject to the terms of Chesapeake's Unit Agreement and Unit Operating Agreement for the Our Land Co South.
- 8) Unit operations may commence as of 7:00 a.m. on the day following the effective date of this Order. Once the initial well is placed into production, operations within the Our Land Co South Unit may continue as long as hydrocarbons are produced from any well in the Unit Area without a cessation of more than ninety (90) days, unless otherwise approved by the Chief in writing. The Our Land Co South Unit may be terminated if working interest owners owning at least fifty-one percent (51%) of the working interest in the Unit Area determine that the unit operations are no longer warranted. If the unit operations are so terminated, Chesapeake shall provide written notice of the termination to the Division and to all unleased mineral owners. In the event that termination of unit operation occurs prior to drilling and completing for production three (3) wells in the Our Land Co South Unit, the Chief may issue an order reducing the Unit Area to the minimum amount of acreage necessary to support those wells that have been drilled and are producing.
- 9) The following additional provisions are found to be appropriate:

- a) No activity associated with the drilling, completion, or operation of the Our Land Co South Unit shall be conducted on the surface of any unleased property without the prior written consent of the owner of the surface rights of the unleased property.
- b) Unleased mineral owners shall not incur liability for any personal or property damage associated with any drilling, testing, completing, producing, operating, or plugging activities within the Our Land Co South Unit.
- c) Each unleased mineral owner shall receive a monthly cash payment equal to a one-eighth (1/8) landowner royalty interest calculated on gross proceeds. Allocation of the one-eighth (1/8) landowner royalty shall be based on the Unit Participation of each unleased mineral owner's tract. Chesapeake shall make landowner royalty payments to leased and unleased mineral owners at the same time.
- d) In addition to the royalty payment, each unleased mineral owner shall receive a monthly cash payment equal to a seven-eighths (7/8) share of the net proceeds from production. Allocation of the seven-eighths (7/8) share shall be based on the Unit Participation of each unleased mineral owner's tract. After Chesapeake recovers a reasonable interest charge equal to 200% of the cost of drilling, testing, completing, and producing the initial well, Chesapeake shall begin making such monthly payments for that well. For each additional well drilled in the Unit Area, Chesapeake shall begin making monthly payments equal to seven-eighths (7/8) share of net proceeds from production to each unleased mineral owner once Chesapeake has recovered a reasonable interest charge equal to 150% of the cost of drilling, testing, completing, and producing the well. Once a specific cost is charged to the initial well, that same cost cannot be charged to subsequent wells in the Unit Area.
- e) In regard to any portion of Tract 14 and Tract 24 that may be subject to a mineral interest reservation, Chesapeake shall hold any lease, bonus, or other payments from the Unit Operations in escrow until mineral ownership is finalized.
- f) Nothing in this Order prohibits an unleased mineral owner from entering into a lease agreement with Chesapeake pursuant to terms agreeable to both parties. An unleased mineral owner who enters into a lease with Chesapeake after the issuance of this Chief's Order is no longer an unleased mineral owner under this Chief's Order as of the effective date of the lease. Chesapeake shall notify the Division upon the execution of a

lease agreement with any unleased mineral owner who is subject to this Chief's Order.

- g) Except as provided in Paragraph 9(d) of this Order, no expenses shall be paid by an unleased mineral owner for drilling, testing, completing, producing, or operating any well in the Unit Area. The unleased mineral owner is not responsible for any costs related to plugging any well in the Unit Area.
  - h) If requested in writing by any unleased mineral owner or by any non-participating working interest owner, or in any manner by the Division, Chesapeake shall provide, not later than thirty (30) days after the request, any of the following:
    - i. A monthly statement of all costs incurred, together with the quantity of oil and gas produced, and the amount of proceeds realized from the sale of production during the preceding month; and
    - ii. Any authorization for expenditure (AFE) prepared by Chesapeake; and
    - iii. A statement of all costs and expenses for purposes of Paragraphs 6 and 9(d) of this Order.
  - i) Chesapeake shall notify the Division of the assignment or transfer of any of its working interest in the Our Land Co South Unit. If Chesapeake assigns or transfers any of its working interest, the assignee or transferee shall comply with this Order.
  - j) Chesapeake shall notify the Division if a tract that is leased by Chesapeake, or any other working interest owner, for purposes of operating the Our Land Co South Unit becomes an unleased tract. If Chesapeake or the working interest owner is unable to enter into lease agreement for the unleased tract, Chesapeake must submit a request to the Division for an amendment of this Order, which will include a new hearing before the Chief.
- 10) This Order is not effective unless and until Chesapeake provides the Chief with final written approval of the unit operations as prescribed in this Order from Chesapeake, who is required to pay at least sixty-five percent (65%) of the costs of the unit operations, and from the royalty owners or unleased fee owners of sixty-five percent (65%) of the acreage to be included in the unit. Upon receipt of this approval, this Order shall become effective, and unit operations may commence as set forth above. In the event that Chesapeake fails to provide all required approvals within six (6) months after the issuance date of this Order, the Order will be deemed revoked, and the Chief shall provide notice of the revocation to Chesapeake, to the unleased mineral owners, and to the non-participating working interest owners.

- 11) In the event that this Chief's Order is appealed, the time periods as specified in this Chief's Order are tolled pending final determination of the appeal.
- 12) Within twenty-one (21) days of this Order becoming effective, Chesapeake shall file a copy of this Order within the Harrison County (Ohio) Recorder's Office, in the records of each of the tracts that are subject to this Order and referenced in Exhibits A and B. Chesapeake shall submit a certification of the filing to the Division within fourteen (14) days of filing. The certification shall include a reference to the volume and page number corresponding to each record where the Chief's Order is recorded.
- 13) The Chief of the Division retains continuing jurisdiction over the Our Land Co South Unit as is consistent with the Chief's powers and duties as established by R.C. Chapter 1509 and Ohio Adm.Code 1501:9. The Chief reserves the right to amend this Order subsequent to the commencement of unit operations within the Unit Area.
- 14) Except as specifically set forth in the terms of this Order, nothing herein shall be construed as a waiver of any private right or cause of action that may be brought by or against any party to this Order.
- 15) This order takes precedence over all terms included in Chesapeake's Unit Agreement and Unit Operating Agreement as to any unleased mineral owner.

July 13, 2015  
Date

Richard J. Simmers  
Richard J. Simmers, Chief  
Division of Oil and Gas Resources Management

Addressee is hereby notified that this action is final and effective and may be appealed pursuant to Section 1509.36 of the Ohio Revised Code. If the Order is appealed to the Ohio Oil and Gas Commission, the appeal must be in writing and must set forth the Orders complained of and the grounds upon which the appeal is based. Such appeal must be filed with the Oil and Gas Commission, 2045 Morse Road, Building H-3, Columbus, Ohio 43229-6693, within thirty (30) days after receipt of this Order.

In addition, within three (3) days after the appeal is filed with the Oil and Gas Commission, notice of the filing must be submitted to Richard J. Simmers, Chief, Division of Oil and Gas Resources Management, Ohio Department of Natural Resources, 2045 Morse Road, Building F-2, Columbus, Ohio 43229-6693.

Enclosures

CERTIFIED MAIL TO:

91 7199 9991 7035 0958 6357

Lauren Elliott  
Landman I – Appalachia South  
Chesapeake Energy Corporation  
6100 N. Western Avenue  
P.O. Box 18496  
Oklahoma City, OK 73154-0496

91 7199 9991 7035 0958 6340

R. Neal Pierce  
Katerina E. Milenkovski  
Steptoe & Johnson, PLLC  
Huntington Center  
41 South High Street, Suite 2200  
Columbus, OH 43215

91 7199 9991 7035 0958 6364

Karen L. Giesy  
2625 Chalet Lane  
South Park, PA 15129

91 7199 9991 7035 0958 6371

Serena Evans  
Land Director, Utica  
American Energy – Utica, LLC  
301 NW 63<sup>rd</sup>, Suite 600  
Oklahoma City, OK 73116

91 7199 9991 7035 0958 6388

James P. Wason  
Vice President Land  
Tracker Lario Utica, LLC  
1050 17<sup>th</sup> Street, Suite 2200  
Denver, CO 80265

91 7199 9991 7035 0958 6395



**Exhibit B**  
**Our Land Co South Unit**  
**Chief's Order 2015-348**

**Exhibit "A-2"**

Leases Within the Contract Area

Attached to and made a part of that certain Unit Operating Agreement dated November 10, 2014 as approved by the Ohio Department of Natural Resources for the Our Land Co South Unit.

TRACT NUMBER	CHESAPEAKE LEASE ID NUMBER	LESSOR	LEASED YES/NO	SURFACE ACRES IN UNIT	TRACT PARTICIPATION	TAX MAP PARCEL ID NUMBERS
1	34-000971-000	PATSY I FUCELO	YES	7.896680	0.0133206	15-00008000
2	34-018663-000	OUR LAND COMPANY, III, INC.	YES	122.617285	0.2068382	15-00025000
3	34-020943-000	JERRY A. BAUDERS AND HEATHER	YES	0.791668	0.0013354	15-00025005
4	34-020948-000	CRAIG S. SAARI	YES	1.016951	0.0017155	15-00025006
5	34-000402-000	SETH RIEDEL, A SINGLE MAN	YES	0.980950	0.0016547	15-00025007
6	34-036166-000	JAMES L. BURKE AND DEBORAH S.	YES	1.133120	0.0019114	15-00025008
7	34-024074-000	PATRICK D. BENDER, A MARRIED	YES	1.033058	0.0017426	15-00025009
8	34-024115-000	LINDA D. BAUGHMAN TRUST	YES	1.033060	0.0017426	15-00025010
9	34-036165-000	JACK E. WILLIAMS AND JEAN A.	YES	0.809306	0.0013652	15-00025011
10	AEU	ROBERT J. & ANDIE L. ZANTENE WILLIAM A. & EDITH S. WAGNER	YES	6.768302	0.0114172	15-00033000
11	34-002151-000	JEREMY H. & KRISTEN J. SAYERS	YES	13.669472	0.0230585	15-00066000
12	34-001022-000	BETTY ASH	YES	6.504814	0.0109727	15-00066002
13	34-000036-001	RONALD L. TIETZE REVOCABLE (1/2)	YES	1.897150	0.0032002	15-00073000
13	34-000056-001	ELIZABETH A. BEAVER (1/2)	YES	1.897150	0.0032002	15-00073000
14	34-001084-001	RAY JOHNSTON (1/2)	YES	0.097341	0.0001642	15-00156001
14	34-004551-001	RAY JOHNSTON (1/2 - DMA)	YES	0.097341	0.0001642	15-00156001
14		LAURA M. GRAY, DECEASED (1/2 - DMA)	NO	0.000000	0.0000000	15-00156001
15	34-000293-000	PATRICK R SOOS AND CYNTHIA	YES	5.415180	0.0091346	15-00157000
16	34-000442-000	KEITH A WARD AND E JOAN WARD,	YES	0.144282	0.0002434	15-00157001
17	AEU	OUR LAND COMPANY FOUR	YES	21.017274	0.0354532	15-00245000A
18	AEU	OUR LAND COMPANY FOUR	YES	1.570889	0.0026501	15-00245000B
19	34-000604-000	THE BOWERSTON SHALE COMPANY	YES	30.682068	0.0517563	15-00276000
20	34-038220-000	KATHRYN YODER, A SINGLE WOMAN	YES	3.289203	0.0055484	15-00287000
20	34-0001505-001	CHARLOTTE A. RENICKER	YES	0.000000	0.0000000	15-00287000
21	TRACKER LARIO	JOHN L. YODER, DECEASED	YES	2.066733	0.0046455	15-00381000
22	34-038220-000	KATHRYN YODER, A SINGLE WOMAN	YES	3.344779	0.0056422	15-00381000
22	34-0001836-001	PHILLIP M. & MARTHA ANN YEAGER	YES	0.000000	0.0000000	15-00381000
23	34-000687-000	REBECCA S COFFIELD, A WIDOW	YES	4.076708	0.0068768	15-00412000
24	34-038220-000	KATHRYN YODER, A SINGLE WOMAN (DMA)	YES	2.008150	0.0033875	15-00530000
24	34-0002950-001	ROBERT S. STILL (DMA)	YES	0.000000	0.0000000	15-00530000
25	AEU	ROBERT J. & ANDIE L. ZANTENE WILLIAM A. & EDITH S. WAGNER	YES	1.586488	0.0026752	15-00802000
26	TRACKER LARIO	JOHN L. YODER, DECEASED	YES	08.092036	0.1175827	15-00804000
27	34-0000037-001	KEITH J. KERNS AND COREY A. KERNS	YES	15.036914	0.0253652	15-00874000A
28	AEU	ROBERT J. & ANDIE L. ZANTENE WILLIAM A. & EDITH S. WAGNER	YES	30.266999	0.0510562	15-00874000B
29	AEU	ROBERT J. & ANDIE L. ZANTENE WILLIAM A. & EDITH S. WAGNER	YES	0.235517	0.0003973	15-00875000
30	AEU	ROBERT J. & ANDIE L. ZANTENE WILLIAM A. & EDITH S. WAGNER	YES	35.871310	0.0605099	15-00966000
31	AEU	ROBERT J. & ANDIE L. ZANTENE WILLIAM A. & EDITH S. WAGNER	YES	1.113745	0.0018787	15-00966001
32	AEU	ROBERT J. & ANDIE L. ZANTENE WILLIAM A. & EDITH S. WAGNER	YES	44.219445	0.0745920	15-00966002
33	AEU	ROBERT J. & ANDIE L. ZANTENE WILLIAM A. & EDITH S. WAGNER	YES	0.488165	0.0008235	15-00967000
34	34-0000102-000	THE KATHRYN M. YODER LIVING TRUST	YES	10.702381	0.0180534	15-00982000
35	34-0000857-001	KATHRYN YODER, A SINGLE WOMAN	YES	6.901673	0.0116422	15-00982001
35	34-035900-000	JAMES K. FLUHARTY AND PATRICIA	YES	0.000000	0.0000000	15-00982001
36	34-0000102-000	KATHRYN M YODER LIVING TRUST	YES	44.365915	0.0748391	15-00984000
37	34-0000058-000	ERIC F. DAUGHERTY	YES	18.961481	0.0319854	15-00984001
38	34-018401-000	CHARLES R. FLUHARTY, SINGLE	YES	7.185596	0.0131838	15-00984002
39	34-038220-000	KATHRYN YODER, A SINGLE WOMAN	YES	8.983041	0.0151531	15-00985000
39	34-0001766-000	RANDY & RHONDA K. ROBINSON	YES	0.000000	0.0000000	15-00985000
40	34-037535-001	JAMES L. HANLON, A WIDOWER	YES	0.972831	0.0016410	19-00053000
41	1-357619-000	EDWARD L. HARRIS	YES	1.044188	0.0017614	19-00086000
42	TRACKER LARIO	EDITH S. WAGNER & LINDA HOWELL ZANTENE, CO- TRUSTEES OF THE WAGNER-HOWELL AND ROBERT J. ZANTENE	YES	8.489777	0.0069036	20-00253000
43	TRACKER LARIO	HELEN ZANTENE & EDITH S. WAGNER	YES	1.886256	0.0024222	20-00315000
44	34-002051-001	ANDREW G SLEZAK, A MARRIED MAN	YES	0.110867	0.0001870	20-00774000
44	34-002051-001	ANDREW G SLEZAK, A MARRIED MAN	YES	0.000000	0.0000000	20-00774000
44	TRACKER LARIO	ROBERT J. ZANTENE	YES	0.110867	0.0001870	20-00775000
45	TRACKER LARIO	ROBERT J. ZANTENE & EDITH S. WAGNER	YES	2.867797	0.0048276	20-00775000
46	TRACKER LARIO	MARK ZANTENE & LINDA HOWELL ZANTENE, HW, FOR THEIR JOINT LIVES, REMAINDER TO THE SURVIVOR OF THEM, MARK ZANTENE, INDIVIDUALLY, AND ROBERT J. ZANTENE	YES	1.886256	0.0024222	20-00775000
47	TRACKER LARIO	HELEN ZANTENE & EDITH S. WAGNER	YES	8.789888	0.0148448	20-00776000
48	TRACKER LARIO	ROBERT J. ZANTENE & EDITH S. WAGNER	YES	7.663658	0.0123880	20-00776000
49	TRACKER LARIO	MARK ZANTENE & LINDA HOWELL ZANTENE, HW, FOR THEIR JOINT LIVES, REMAINDER TO THE SURVIVOR OF THEM, MARK ZANTENE, INDIVIDUALLY, AND ROBERT J. ZANTENE	YES	74.106702	0.0406846	20-00778000
50	34-0001354-000	BOARD OF COMMISSIONERS OF HARRISON COUNTY, OHIO	YES	1.655562	0.0027927	OURLANDCO ROAD

<b>TOTAL LEASED ACRES:</b>	<b>592.817531</b>	<b>1.0000000</b>
<b>TOTAL CONFORMING LEASEHOLD ACRES:</b>	<b>472.267559</b>	<b>0.7966491</b>
<b>TOTAL NON-DMA LEASED ACRES:</b>	<b>590.809381</b>	<b>0.9966125</b>
<b>TOTAL UNIT ACRES:</b>	<b>592.817531</b>	

Exhibit "A-2"  
Leases Within the Contract Area

Attached to and made a part of that certain Unit Operating Agreement dated November 10, 2014 as approved by the Ohio Department of Natural Resources for the Our Land Co South Unit.

TRACT NUMBER	TOWNSHIP	COUNTY	STATE	UNIT WORKING INTEREST	CHESAPEAKE WORKING INTEREST	CHESAPEAKE UNIT PARTICIPATION	LARIO WORKING INTEREST	LARIO UNIT PARTICIPATION	AEU WORKING INTEREST
1	Monroe	HARRISON	OH	1.33206%	100.00000%	1.332059%			
2	Monroe	HARRISON	OH	20.68382%	100.00000%	20.683816%			
3	Monroe	HARRISON	OH	0.13354%	100.00000%	0.133543%			
4	Monroe	HARRISON	OH	0.17155%	100.00000%	0.171545%			
5	Monroe	HARRISON	OH	0.16547%	100.00000%	0.165473%			
6	Monroe	HARRISON	OH	0.19114%	100.00000%	0.191141%			
7	Monroe	HARRISON	OH	0.17426%	100.00000%	0.174262%			
8	Monroe	HARRISON	OH	0.17426%	100.00000%	0.174263%			
9	Monroe	HARRISON	OH	0.13652%	100.00000%	0.136519%			
10	Monroe	HARRISON	OH	1.14172%	0.00000%	0.000000%			100.00000%
11	Monroe	HARRISON	OH	2.30585%	100.00000%	2.305848%			
12	Monroe	HARRISON	OH	1.09727%	100.00000%	1.097271%			
13	Monroe	HARRISON	OH	0.32002%	100.00000%	0.320023%			
13	Monroe	HARRISON	OH	0.32002%	100.00000%	0.320023%			
14	Monroe	HARRISON	OH	0.01642%	100.00000%	0.016420%			
14	Monroe	HARRISON	OH	0.01642%	100.00000%	0.016420%			
14	Monroe	HARRISON	OH	0.00000%	0.00000%	0.000000%			
15	Monroe	HARRISON	OH	0.91346%	100.00000%	0.913465%			
16	Monroe	HARRISON	OH	0.02434%	100.00000%	0.024338%			
17	Monroe	HARRISON	OH	3.54532%	10.00000%	0.354532%			90.00000%
18	Monroe	HARRISON	OH	0.26501%					100.00000%
19	Monroe	HARRISON	OH	5.17563%	100.00000%	5.175634%			
20	Monroe	HARRISON	OH	0.55484%	100.00000%	0.554842%			
20	Monroe	HARRISON	OH	0.00000%	0.00000%	0.000000%			
21	Monroe	HARRISON	OH	0.51535%	0.00000%	0.000000%	100.00000%	0.45172%	
22	Monroe	HARRISON	OH	0.56422%	100.00000%	0.564217%			
22	Monroe	HARRISON	OH	0.00000%	0.00000%	0.000000%			
23	Monroe	HARRISON	OH	0.68768%	100.00000%	0.687683%			
24	Monroe	HARRISON	OH	0.33875%	100.00000%	0.338747%			
24	Monroe	HARRISON	OH	0.00000%	0.00000%	0.000000%			
25	Monroe	HARRISON	OH	0.26762%	0.00000%	0.000000%			100.00000%
26	Monroe	HARRISON	OH	1.76302%	0.00000%	0.000000%	100.00000%	11.75977%	
27	Monroe	HARRISON	OH	2.53652%	100.00000%	2.536516%			
28	Monroe	HARRISON	OH	5.10562%	0.00000%	0.000000%			100.00000%
29	Monroe	HARRISON	OH	0.03973%	0.00000%	0.000000%			100.00000%
30	Monroe	HARRISON	OH	6.05099%	0.00000%	0.000000%			100.00000%
31	Monroe	HARRISON	OH	0.18787%	0.00000%	0.000000%			100.00000%
32	Monroe	HARRISON	OH	7.45920%	0.00000%	0.000000%			100.00000%
33	Monroe	HARRISON	OH	0.08235%	0.00000%	0.000000%			100.00000%
34	Monroe	HARRISON	OH	1.80534%	100.00000%	1.805342%			
35	Monroe	HARRISON	OH	1.16422%	100.00000%	1.164215%			
35	Monroe	HARRISON	OH	0.00000%	100.00000%	0.000000%			
36	Monroe	HARRISON	OH	7.48391%	100.00000%	7.483907%			
37	Monroe	HARRISON	OH	3.19854%	100.00000%	3.198538%			
38	Monroe	HARRISON	OH	1.31838%	100.00000%	1.318381%			
39	Monroe	HARRISON	OH	1.51531%	100.00000%	1.515313%			
39	Monroe	HARRISON	OH	0.00000%	0.00000%	0.000000%			
40	North	HARRISON	OH	0.16410%	100.00000%	0.164103%			
41	North	HARRISON	OH	0.17614%	100.00000%	0.176140%			
42	North	HARRISON	OH	0.65088%	0.00000%	0.000000%	100.00000%	0.59038%	
43	North	HARRISON	OH	0.24228%	0.00000%	0.000000%	100.00000%	0.22229%	
44	North	HARRISON	OH	0.01870%	100.00000%	0.018702%			
44	North	HARRISON	OH	0.00000%	0.00000%	0.000000%			
44	North	HARRISON	OH	0.01870%	0.00000%	0.000000%	100.00000%	0.01870%	
45	North	HARRISON	OH	0.48316%	0.00000%	0.000000%	100.00000%	0.45776%	
46	North	HARRISON	OH	0.30944%	0.00000%	0.000000%	100.00000%	0.30944%	
47	North	HARRISON	OH	1.48443%	0.00000%	0.000000%	100.00000%	1.48443%	
48	North	HARRISON	OH	1.25866%	0.00000%	0.000000%	100.00000%	1.22939%	
49	North	HARRISON	OH	4.06848%	0.00000%	0.000000%	100.00000%	4.05846%	
50	North	HARRISON	OH	0.27927%	100.00000%	0.279270%			

79.66491%  
99.66125%

55.51251%  
55.15734%

20.69661%

Exhibit "A-2"  
Leases Within the Contract Area

Attached to and made a part of that certain Unit Operating Agreement dated November 10, 2014 as approved by the Ohio Department of Natural Resources for the Our Land Co South Unit.

TRACT NUMBER	AEU UNIT PARTICIPATION	ADDRESS	CITY	STATE	ZIP CODE
1		89055 BEAVER DAM RD.	BOWERSTON	OH	44695
2		ATTN: JAMES BURKE 90110 HEASTON RD.	BOWERSTON	OH	44695
3		90110 HEASTON RD.	BOWERSTON	OH	44695
4		90100 HEASTON RD.	BOWERSTON	OH	44695
5		8041 GUILFORD RD.	SEVILLE	OH	44273
6		90150 HEASTON RD.	BOWERSTON	OH	44695
7		300 RIVER RD.	GNADENHUTTEN	OH	44629
8		HEASTON RD. TR 359	BOWERSTON	OH	44695
9		1 TERRY LN.	TALLMADGE	OH	44278
10	1.14172%	ROBERT ZANTENE 123 N. CARROLLTON ST. EDITH WAGNER 35100 GUNDY RIDGE RD.	SCIO	OH	43988
11		34225 GUNDY RIDGE RD.	BOWERSTON	OH	44695
12		34230 GUNDY RIDGE RD.	BOWERSTON	OH	44695
13		509 WILDERNESS CIR.	SEBRING	FL	33872
13		1145 CLEARVALE ST. NE	HARTVILLE	OH	44632
14		34500 HEDGEAPPLE RD.	SCIO	OH	43988
14		34500 HEDGEAPPLE RD.	SCIO	OH	43988
14		C/O KAREN L. GIESY 2625 CHALET LN.	SOUTH PARK	PA	15129
15		90425 HEASTON RD.	BOWERSTON	OH	44695
16		90250 HEASTON RD.	BOWERSTON	OH	44695
17	3.19079%	ATTN: BRENT LAWRENCE 3163 CLEMENT DR.	LIMA	OH	45806
18	0.26501%	ATTN: BRENT LAWRENCE 3163 CLEMENT DR.	LIMA	OH	45806
19		515 MAIN ST.	BOWERSTON	OH	44695
20		P.O. BOX 178	SHERRODSVILLE	OH	44675
20		34715 GUNDY RIDGE RD.	BOWERSTON	OH	44695
21		89140 BEAVER DAM RD.	BOWERSTON	OH	44695
22		P.O. BOX 178	SHERRODSVILLE	OH	44675
22		35425 GUNDY RIDGE RD.	BOWERSTON	OH	44695
23		2540 ROXFORD CHURCH RD.	DENNISON	OH	44621
24		P.O. BOX 178	SHERRODSVILLE	OH	44675
24		1962 TOWNSHIP RD. 134	DILLONVALE	OH	43917
25	0.26762%	ROBERT ZANTENE 123 N. CARROLLTON ST. EDITH WAGNER 35100 GUNDY RIDGE RD.	SCIO	OH	43988
26		89140 BEAVER DAM RD.	BOWERSTON	OH	44695
27		5968 NORWALK RD.	MEDINA	OH	44256
28	5.10562%	KEITH J. KERNS & COREY A. KERNS C/O KEITH J. KERNS 5968 NORWALK RD.	MEDINA	OH	44256
29	0.03973%	ROBERT ZANTENE 123 N. CARROLLTON ST. EDITH WAGNER 35100 GUNDY RIDGE RD.	SCIO	OH	43988
30	6.05099%	ROBERT ZANTENE 123 N. CARROLLTON ST. EDITH WAGNER 35100 GUNDY RIDGE RD.	SCIO	OH	43988
31	0.18787%	ROBERT ZANTENE 123 N. CARROLLTON ST. EDITH WAGNER 35100 GUNDY RIDGE RD.	SCIO	OH	43988
32	7.45920%	MARK ZANTENE & LINDA HOWELL ZANTENE 35100 GUNDY RIDGE RD.	SCIO	OH	43988
33	0.08235%	ROBERT ZANTENE 123 N. CARROLLTON ST. EDITH WAGNER 35100 GUNDY RIDGE RD.	SCIO	OH	43988
34		P.O. BOX 178	SHERRODSVILLE	OH	44675
35		P.O. BOX 178	SHERRODSVILLE	OH	44675
35		34500 GUNDY RIDGE RD.	BOWERSTON	OH	44695
36		24 MOORE ST.	SHERRODSVILLE	OH	44675
37		34400 GUNDY RIDGE RD.	BOWERSTON	OH	44695
38		34625 GUNDY RIDGE RD.	BOWERSTON	OH	44695
39		24 MOORE ST.	SHERRODSVILLE	OH	44675
39		34700 GUNDY RIDGE RD.	BOWERSTON	OH	44695
40		35000 GUNDY RIDGE RD.	BOWERSTON	OH	44695
41		90000 CONOTTON RD.	BOWERSTON	OH	44695
42		35100 GUNDY RIDGE RD.	SCIO	OH	43988
43		35011 GUNDY RIDGE RD.	SCIO	OH	43988
44		35020 GUNDY RIDGE RD.	BOWERSTON	OH	44695
44		35020 GUNDY RIDGE RD.	BOWERSTON	OH	44695
44		123 N. CARROLLTON ST.	SCIO	OH	43988
45		123 N. CARROLLTON ST.	SCIO	OH	43988
46		35100 GUNDY RIDGE RD.	SCIO	OH	43988
47		35011 GUNDY RIDGE RD.	SCIO	OH	43988
48		123 N. CARROLLTON ST.	SCIO	OH	43988
49		35100 GUNDY RIDGE RD.	SCIO	OH	43988
50		ATTN: DON BETHEL, WILLIAM HOST, AND DALE NORRIS 100 W. MARKET ST.	CADIZ	OH	43907

23.79068%