

Instrument prepared by

VIRGINIA GAS AND OIL BOARD

Order recorded under

CODE OF VIRGINIA
§ 45.1-361.26

BEFORE THE VIRGINIA GAS AND OIL BOARD

**RELIEF
SOUGHT:**

An Order for Disbursement of Escrowed Funds
(and Authorization for Direct Payment of Royalties)

JURISDICTION:

Code of Virginia § 45.1-351. (et seq) AND § 45.1-361.22 (et seq) AND § 45.1-361.22.2

UNIT/WELL NAME: VC-703169

TRACT(S): 002, 006, 007, 999

LOCATION: DICKENSON County, Virginia

TAX ID NUMBERS:

Tax Map Identification Numbers for all parcels affected by this order are shown on: Exhibit B

DOCKET NUMBER:

VGOB-98-0616-0670-03

APPLICANTS:

EQT Production Company on behalf of Bernard Trigg Smith & Diane Smith, David E. and
Vickie Lee, EQT PRODUCTION, McKinley & Mary Jane Stanley

HEARING DATE AND LOCATION:

Russell County Government Center, Lebanon, Virginia
July 19, 2016

APPEARANCES:

James Kaiser on behalf of EQT Production Company

PRIOR PROCEEDINGS:

1. Supplemental Order Executed 08/07/2001.
2. Original Pooling Order, Recorded on 07/06/1998, Deed Book/Instrument No. 336, Page 639.
3. Supplemental Order Executed 12/08/1998, Recorded on 01/04/1999, Deed Book/Instrument No. 341, Page 797.
4. Disbursement Order -02, Recorded on 09/18/2009, Deed Book/Instrument No. 470, Page 606.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the July 19, 2016 hearing and considered whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 002, 006, 007, 999 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 002, 006, 007, 999 relative to the interests of the Applicants identified in the attached petition.
- (3) Close the escrow account under this docket number.

FINDINGS: Code of Virginia § 45.1-361.22 AND § 45.1-361.22.2

Applicant has certified and represented to the Board that:

Pursuant to House Bill 2058, petition for release of escrowed funds on behalf of all known gas owners on Tracts 2, 6 and 7 of Well # VC-703169, VGOB 98/06/16-0670 as identified on the attached Exhibits and petition for direct payment to EQT for overpayment due to too much interest attributed to the escrow payments.

Tracts: 002, 006, 007, 999

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1 and 2.
2. The Escrow Agent is ordered to close the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

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

APPEALS:

Appeals of this Order are governed by the provisions of the Code of Virginia § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

DONE AND EXECUTED this 25 day of July, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

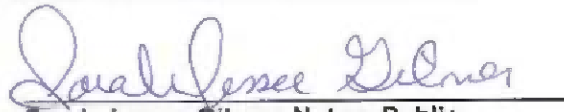
DONE AND PERFORMED this 25 day of July, 2016 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 25th day of July, 2016, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.


Sarah Jessee Gilmer, Notary Public
262946

My Commission expires: July 31, 2017



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EQT Production Company

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 98-0616-0670-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 002, 006, 007, 999 (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES (3) AND DISMISSAL OF COAL OWNERS PURSUANT TO CODE OF VIRGINIA SECTION 45.1-361.22:2.

HEARING DATE: July 19, 2016

DRILLING UNIT: VC-703169

DICKENSON COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is EQT Production Company, 625 Liberty Avenue, EQT Plaza, Suite 1700, Pittsburgh, PA 15222, 412-395-3921. Petitioner's counsel is James Kaiser, Wilhoit and Kaiser Law Firm, 220 Broad Street, Suite 210, Kingsport, TN 37660.

2. Relief Sought

Pursuant to House Bill 2058, petition for release of escrowed funds on behalf of all known oil and gas owners on Tracts 2, 6 & 7, of Well VC-703169, VGOB 06-0616-0670, as identified on the attached Exhibit EE and petition for direct payment to EQT for overpayment due to too much interest attributed to the escrow payments.

3. Legal Authority

Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. Type of Well(s)

Coalbed Methane

5. Factual basis for relief requested

Pursuant to House Bill 2058, petition for release of escrowed funds on behalf of all known gas owners on Tracts 2, 6 and 7 of Well # VC-703169, VGOB 98/06/16-0670 as identified on the attached Exhibits and petition for direct payment to EQT for overpayment due to too much interest attributed to the escrow payments.

6. Attestation

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

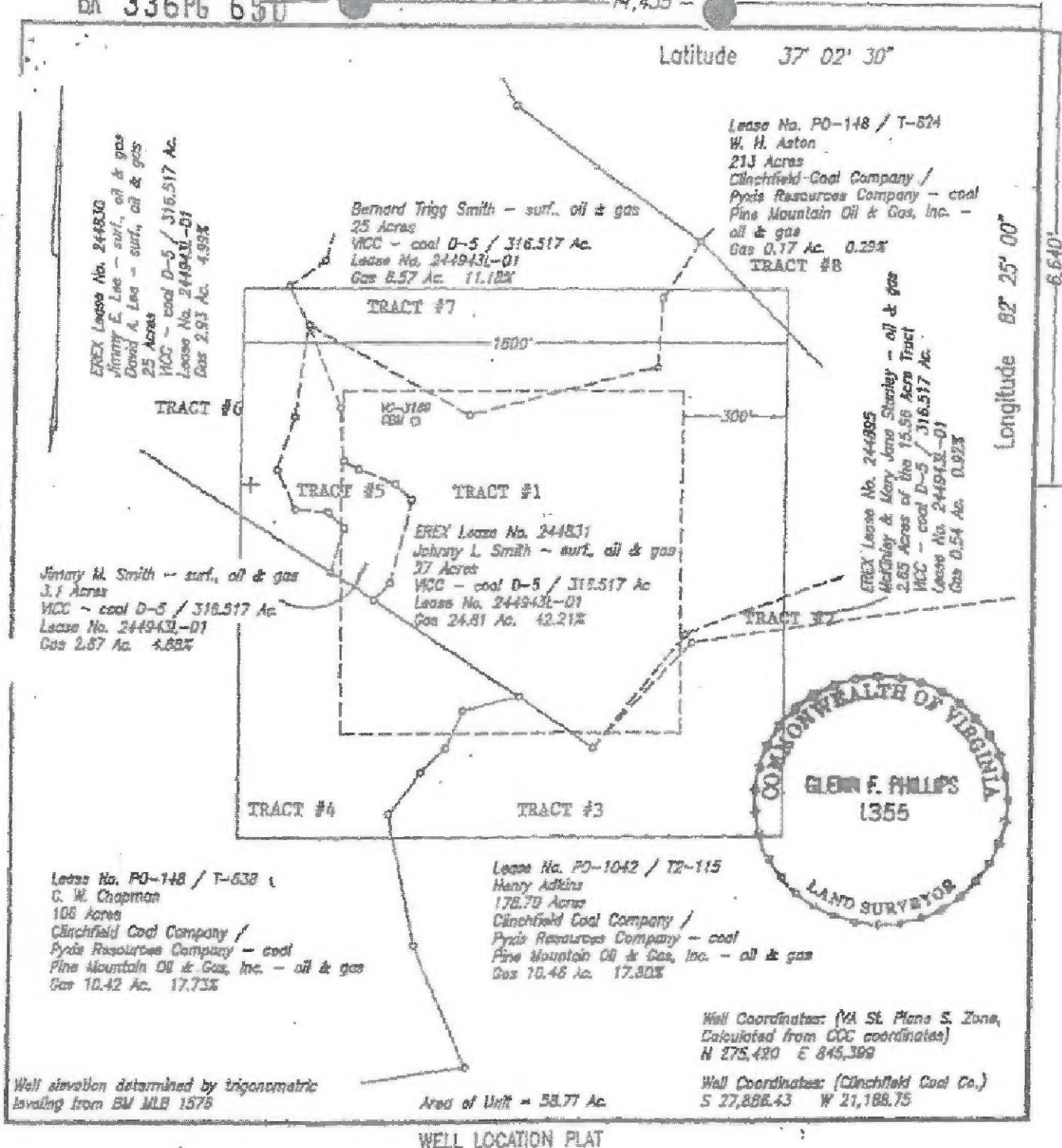
BK 336PG 650

BK 470PG 618

Latitude 37° 02' 30"

Longitude 82° 25' 00"

6,640'



WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER VC-3169
TRACT NO. 244831 ELEVATION 2602.32' QUADRANGLE Caney Ridge
COUNTY Dickenson DISTRICT Kenady SCALE 1" = 400' DATE 1-31-1995

This Plat is a new plat X; 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.

Glen F. Phillips

Licensed Professional Engineer or Licensed Land Surveyor

EXHIBIT "B"
VC-3169
VGOB - 98/06/16-0670
 Revised 6/2/16

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Gas Estate Only</u>				
1 Minerals Only	Johnny L. Smith and Loretta Y. Smith, H/W PO Box 1053 Coeburn, VA 24230	Leased - EREC 244831L 01	42.210000%	24.8100
Tract 1 Totals			42.210000%	24.8100
2 Minerals Only	McKinley Stanley and Mary Jane Stanley, H/W 972 Hamilton Road Coeburn, VA 24230	Leased - EREC 244895L 01	0.920000%	0.5400
Tract 2 Totals			0.920000%	0.5400
3 Tax ID 20977	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased - EREC 241640L 01 T2-115	17.800000%	10.4600
Tract 3 Totals			17.800000%	10.4600
4 Tax ID 20169	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased - EREC 241490L 01 T-638	17.730000%	10.4200
Tract 4 Totals			17.730000%	10.4200
5 Minerals Only	Jimmy M. Smith, single Route 2, Box 120A Coeburn, VA 24230	Unleased	4.880000%	2.8700
Tract 5 Totals			4.880000%	2.8700
6 Minerals Only	David E. Lee and Vickie Lee, H/W 613 Hamilton Town Rd Coeburn, VA 24230 *See Deed dated 6/23/2000	Leased - EREC 244830L 01	4.990000%	2.9300
Tract 6 Totals			4.990000%	2.9300

EXHIBIT "B"
VC-3169
VGOB - 98/06/16-0670
Revised 6/2/16

7	Bernard Trigg Smith and Dianne Smith H/W		11.180000%	6.5700
Minerals Only	10520 Cool Springs Rd Woodleaf, NC 27054			
Tract 7 Totals			11.180000%	6.5700
8	Pittston Company	Leased - EREC	0.290000%	0.1700
Tax ID 20156	c/o Pine Mountain Oil & Gas, Inc.	241490L 01		
	Attn: Richard Brillhart	T-624		
	PO Box 5100			
	Lebanon, VA 24226			
Tract 7 Totals			0.290000%	0.1700
TOTAL GAS ESTATE			100.00%	58.7700
Percentage of Unit Leased			83.940000%	
Percentage of Unit Unleased			16.060000%	
Acreage in Unit Leased				49.3300
Acreage in Unit Unleased				9.4400
<u>Coal Estate Only</u>				
1	ACIN, LLC*	Leased - EREC	42.210000%	24.8100
Minerals Only	C/O NRP (Operating) LLC	244943L 01		
	L-2495	D-5		
	Columbus, OH 43260-0001			
	EQT Production Company			
Tract 1 Totals			42.210000%	24.8100
2	ACIN, LLC*	Leased - EREC	0.920000%	0.5400
Minerals Only	C/O NRP (Operating) LLC	244943L 01		
	L-2495	D-5		
	Columbus, OH 43260-0001			
	EQT Production Company			
Tract 2 Totals			0.920000%	0.5400
3	The Pittston Company	Leased - EREC	17.80000%	10.4600
Tax ID 20977	c/o Clinchfield Coal Company	241640L 01		
	Attn: Steve Smith	T2-115		
	P.O. Box 7			
	Dante, VA 24237			

EXHIBIT "B"
VC-3169
VGOB - 98/06/16-0670
 Revised 6/2/16

EQT Production Company

Tract 3 Totals	17.80000%	10.4600
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4	The Pittston Company	Leased - EREC	17.730000%	10.4200
Tax ID 20169	c/o Clinchfield Coal Company	241490L 01		
	Attn: Steve Smith	T-638		
	P.O. Box 7			
	Dante, VA 24237			

EQT Production Company

Tract 4 Totals	17.730000%	10.4200
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5	ACIN, LLC*	Leased - EREC	4.880000%	2.8700
Minerals Only	C/O NRP (Operating) LLC	244943L 01		
	L-2495	D-5		
	Columbus, OH 43260-0001			

EQT Production Company

Tract 5 Totals	4.880000%	2.8700
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6	ACIN, LLC*	Leased - EREC	4.990000%	2.9300
Minerals Only	C/O NRP (Operating) LLC	244943L 01		
	L-2495	D-5		
	Columbus, OH 43260-0001			

EQT Production Company

Tract 6 Totals	4.990000%	2.9300
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7	ACIN, LLC*	Leased - EREC	11.180000%	6.5700
Minerals Only	C/O NRP (Operating) LLC	244943L 01		
	L-2495	D-5		
	Columbus, OH 43260-0001			

EQT Production Company

Tract 7 Totals	11.180000%	6.5700
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EXHIBIT "B"
VC-3169
VGOB - 98/06/16-0670
 Revised 6/2/16

8 Tax ID 20156	The Pittston Company c/o Clinchfield Coal Company Attn: Steve Smith P.O. Box 7 Dante, VA 24237	Leased - EREC 241490L 01 T-24	0.290000%	0.1700
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EQT Production Company

Tract 8 Totals		0.290000%	0.1700
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TOTAL COAL ESTATE	100.000000%	58.7700
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Percentage of Unit Leased	100.000000%
Percentage of Unit Unleased	0.000000%

Acreage in Unit Leased	58.7700
Acreage in Unit Unleased	0.0000

* Formerly:
 ANR Coal Company, LLC.
 P. O. Box 1871
 Roanoke, VA 24008

EXHIBIT "E"
VC-3169
VGOB - 98/06/16-0670
Revised 5/2/16

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
		<u>Gas Estate</u>		
		N/A		

EXHIBIT "EE"
VC-3169
VGOB - 98/06/16-0670
 Revised 8/2/16

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>DISBURSEMENT - 01</u>				
1	Johnny L. Smith and Loretta Y. Smith, H/W PO Box 1053 Coeburn, VA 24230	Leased - ER 244831L 01	21.105000%	12.4050
	Coastal Coal Company, LLC PO Box 1871 Roanoke, VA 24008		21.105000%	12.4050
Tract 1 Totals			42.210000%	24.8100
Total Disbursed Following Order			42.210000%	24.8100
<u>DISBURSEMENT - 02</u>				
5	Jimmy M. Smith, single Route 2, Box 120A Coeburn, VA 24230	Unleased	3.660000%	2.1500
	ACIN, LLC Attn: John Mooney P.O. Box 2827 Huntington, WV 25727		1.220000%	0.7200
Tract 5 Totals			4.880000%	2.8700
Total Disbursed Following Order			4.880000%	2.8700
<u>Gas Estate Only - 03</u>				
2	McKinley Stanley and Mary Jane Stanley H/W 972 Hamilton Road Coeburn, VA 24230	Leased - ER 244895L 01	0.920000%	0.5400
Tract 2 Totals			0.920000%	0.5400

EXHIBIT "EE"
VC-3169
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6	David E. Lee and Vickie Lee, H/W 613 Hamilton Town Rd Coeburn, VA 24230 *See Deed dated 6/23/2000	Leased - ER 244830L 01	4.990000%	2.9300
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Tract 6 Totals	4.990000%	2.9300
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7	Bernard Trigg Smith and Dianne Smith H/W 10520 Cool Springs Rd Woodleaf, NC 27054	Unleased	11.180000%	6.5700
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Tract 7 Totals	11.180000%	6.5700
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Total Gas Estate to be Disbursed	17.090000%	10.0400
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Coal Estate Only

*Coal estate is released pursuant to HB 2058

2	ACIN, LLC Attn: John Mooney P.O. Box 2827 Huntington, WV 25727		0.920000%	0.5400
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Tract 2 Totals	0.920000%	0.5400
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6	ACIN, LLC Attn: John Mooney P.O. Box 2827 Huntington, WV 25727		4.990000%	2.9300
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Tract 6 Totals	4.990000%	2.9300
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7	ACIN, LLC* C/O NRP (Operating) LLC L-2495 Columbus, OH 43260-0001		11.180000%	6.5700
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Tract 7 Totals	11.180000%	6.5700
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Total Coal Estate	17.090000%	10.0400
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* Formerly:

ANR Coal Company, L.L.C.
P. O. Box 1871
Roanoke, VA 24008

INSTRUMENT #160000920
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
AUGUST 9, 2016 AT 09:06AM

RICHARD W. EDWARDS, CLERK
RECORDED BY: TLF