

BK 507PG 340

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)

UNIT/WELL NAME: 536448

TRACT(S): A portion of 3

LOCATION: DICKENSON County, Virginia

TAX ID NUMBERS: Tax Map Identification Numbers for all parcels affected by this order are shown on: *B*

DOCKET NUMBER: VGOB-06-1017-1739-02

APPLICANTS: EQT Production Company on behalf of Marshall Johnson

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
August 21, 2012

APPEARANCES: James Kaiser on behalf of EQT Production Company

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 04/17/2007, Recorded on 05/01/2007, Deed Book/Instrument No. 437, Page 322.
2. Supplemental Order, Recorded on 11/01/2007, Deed Book/Instrument No. 444, Page 770.
3. Disbursement Order -01 Executed 05/31/2012, Recorded on 07/11/2012, Deed Book/Instrument No. 498, Page 615.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the August 21, 2012 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) A portion of 3 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 3 relative to the interests of the Applicants identified in the attached petition.
- (3) Continue the escrow account under this docket number.

FINDINGS: Code of Virginia § 45.1-361.22

Applicant has certified and represented to the Board that:

When originally Pooled, Range Resources-Pine Mountain, Inc. was a conflicting claimant with Marshall Johnson with regard to Tract 3 as created by Board Order as VGOB 06/10/17-1739. To resolve this conflict, a Letter dated May 21, 2012, signed by Phil Horn, Land Manager of Range Resources-Pine Mountain, Inc., waived any claims to past or future royalties and requested EQT distribute all current and future royalties directly to Marshall Johnson, attached hereto as a Miscellaneous Exhibit. Exhibit A-1 and Exhibit EE annexed hereto, further specifies how said royalties are to be divided and paid.

RELIEF GRANTED:

VGOB Disbursement
Unit 536448

VGOB-06-1017-1739-02

Table 1

Tracts: A portion of 3

			Fractional Ownership	Net Acreage Ownership	Royalty Split	Escrowed Acres	Percent of Escrowed Funds
			in Tract	in Tract	Agreement	Disbursed	Disbursed
Item	Tract	Disbursement Table					
		Total acreage in escrow before disbursement				11.95700	
3 Tract 3 (total acreage)			0.01				
1	3	Marshall Johnson\P.O. Box 741175, Orange City, FL 32774		0.0004	100.00%	0.0004	0.0031%

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.

2. The Escrow Agent is ordered to continue 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 12 day of April, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

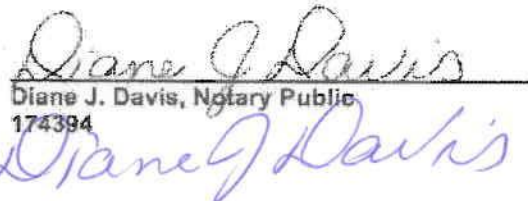
DONE AND PERFORMED this 12 day of April, 2013 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 12th day of April, 2013 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 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.


Diane J. Davis, Notary Public
174394

My Commission expires: September 30, 2013



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EQT Production Company

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 06-1017-1739-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) A portion of 3
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: August 21, 2012

DRILLING UNIT: 536448

DICKENSON COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is EQT Production Company, 225 North Shore Drive, Pittsburgh, PA 15212, (412)553-5700. Petitioner's counsel is James Kaiser, Wilhoit and Kaiser Law Firm, 220 Broad Street, Suite 210, Kingsport, TN 37660.

2. Relief Sought

A petition from EQT Production Company for the disbursement of funds from escrow regarding Tract 3 to Marshall Johnson, for Unit 536448, Ervinton District, Duty Quadrangle, Dickenson County, Virginia.

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

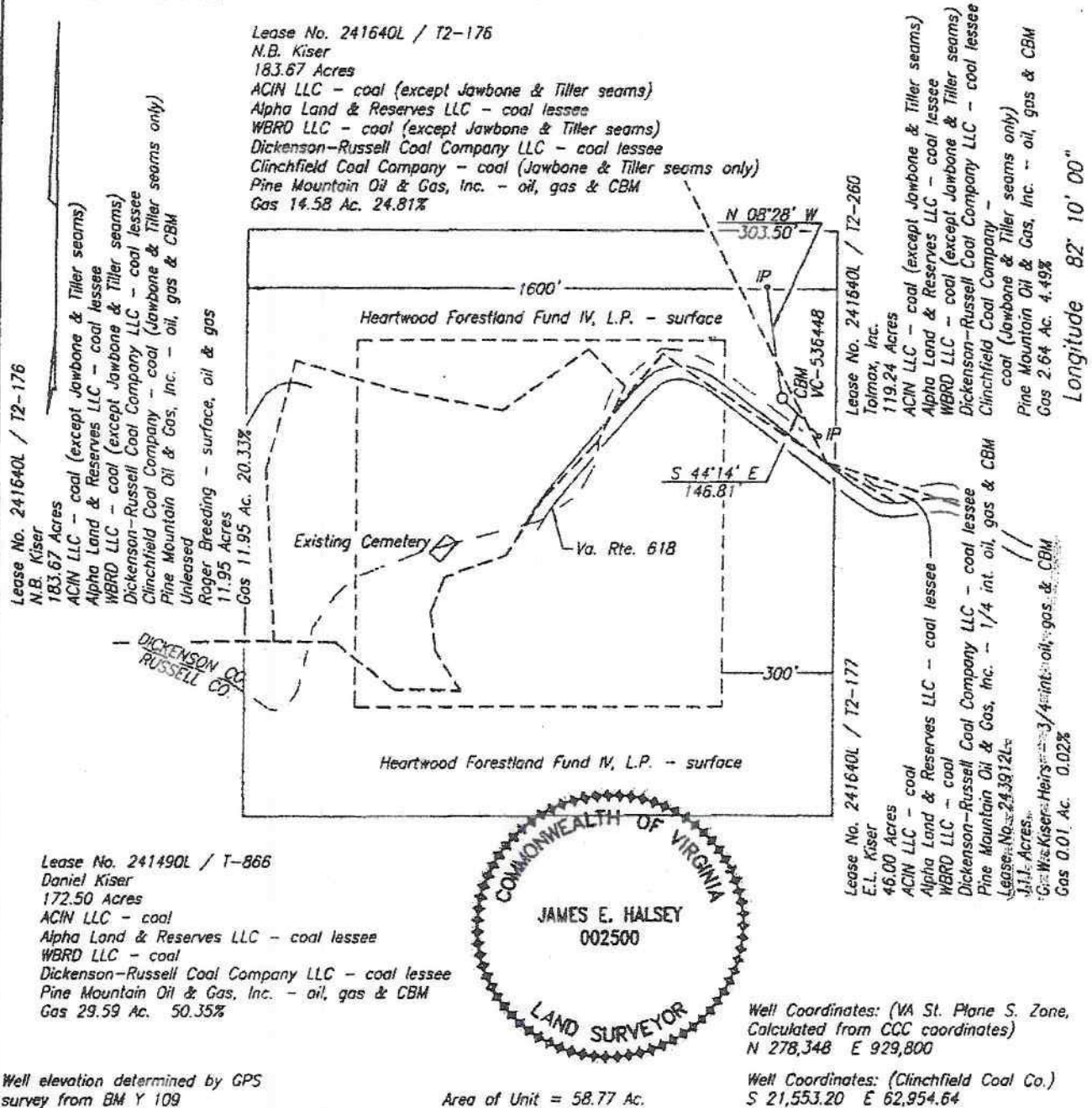
When originally Pooled, Range Resources-Pine Mountain, Inc. was a conflicting claimant with Marshall Johnson with regard to Tract 3 as created by Board Order as VGOB 06/10/17-1739. To resolve this conflict, a Letter dated May 21, 2012, signed by Phil Horn, Land Manager of Range Resources-Pine Mountain, Inc., waived any claims to past or future royalties and requested EQT distribute all current and future royalties directly to Marshall Johnson, attached hereto as a Miscellaneous Exhibit. Exhibit A-1 and Exhibit EE annexed hereto, further specifies how said royalties are to be divided and paid.

6. Attestation

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

Well Coordinates: (Geographic N27)
37.040754° -82.167593°

Latitude 37° 02' 30"



WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-536448
TRACT NO Le. No. 241640L/T2-176 ELEVATION 2,541.97' QUADRANGLE Duty
COUNTY Dickenson DISTRICT Ervinton SCALE 1" = 400' DATE 8-28-2006
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.

James E. Halsey
Licensed Professional Engineer or Licensed Land Surveyor

VGOB Disbursement

Unit 536448

VGOB-08-1017-1739-02

Table 1

Tracts: A portion of 3

Fractional	Net Acreage	Royalty	Escrowed	Percent of	Disbursement
Ownership	Ownership	Split	Acres	Escrowed Funds	
In Tract	In Tract	Agreement	Disbursed	Disbursed	

Item	Tract	Disbursement Table						
		Total acreage in escrow before disbursement				11.96700		

3	Tract 3 (total acreage)		0.01					
1	3	Marshall Johnson P O Box 741175, Orange City, FL 32774		0.0004	100.00%	0.0004	0.0031%	\$0.35

Wells contributing to the escrow account: VC-536448 W/PL

SUPPLEMENT "B"
VC-536448
VGOB 06/10/17-1739

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
<u>Gas Estate Only</u>					
1 TAX ID 21030	Pine Mountain Oil & Gas, Inc. ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	Leased-EPC 241640L/T2-176	24.810000%	14.5800	0.03101250
	Equitable Production				0.21708750
Tract 1 Totals			24.810000%	14.5800	0.24810000
2 TAX ID - Minerals Only	Pine Mountain Oil & Gas, Inc. ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	Leased-EPC 241640L/T2-260	4.490000%	2.6400	0.00561250
	Equitable Production				0.03928750
Tract 2 Totals			4.490000%	2.6400	0.04490000
3 TAX ID - Minerals Only	Pine Mountain Oil & Gas, Inc. ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	Leased-EPC 241640L/T2-177	0.005000%	0.0025	0.00000625
<u>G.W. Kiser Heirs:</u>					
	Nancy E. Counts Estate c/o Mildred Miller 2401 S Atlantic Avenue, Apt A401 New Smyrna Beach, FL 32169	Leased-EPC 243912L01	0.00375000%	0.00187500	0.00000469
	Tressa K. Patrick C/O Lousie Gentry 212 Oak Street Bristol, Tn 37620	Leased - EPC 243912L02	0.00018750%	0.00009375	0.00000023
	Cecil L. Kiser and Julie A. Kiser, H/W 2133 Summers Ave. Streetsboro, OH 44241	Leased - EPC 243912L03	0.00187500%	0.00093750	0.00000234

Wilma Johnson Porter and Dale C. Porter, Jr., W/H 235 Wheeler Road Lynchburg, VA 24504	Leased - EPC 243912L04	0.00018750%	0.00009375	0.00000023
Alice B. Keen, Widow 4741 Showalter Rd NW Roanoke, VA 24017	Leased-EPC 243912L05	0.00093750%	0.00046875	0.00000117
Leon Kiser and Janice Kiser, H/W 315 Hill Road Bristol, TN 37620	Leased - EPC 243912L06	0.00075000%	0.00037500	0.00000094
Gaynell Johnson Sampson and Carl Edward Sampson,, W/H 155 Poplar Terrace Drive Lynchburg, VA 24502	Leased - EPC 243912L07	0.00018750%	0.00009375	0.00000023
Diana D. Kiser, Widow Rt 4 Box 654 North Tazewell, VA. 24630	Leased - EPC 243912L08	0.00187500%	0.00093750	0.00000234
Samuel J. Breeding Jr. and Betty Breeding, H/W 2344 Louita Ave Kingsport, TN 37660	Leased-EPC 243912L09	0.00093750%	0.00046875	0.00000117
Lillian B. Crane and Percy V. Crane, W/H 6380 Virgil H Goode Hwy Rocky Mount, VA 24151	Leased-EPC 243912L10	0.00093750%	0.00046875	0.00000117
Edith K Wockenfuss and * David E. Wockenfuss, W/H 207A 12th Street Clermont, FL 34711	Leased - EPC 243912L11	0.00075000%	0.00037500	0.00000094
Freddy O. Johnson and Darlene B. Johnson, H/W P.O. Box 503 Montvale, VA 24122	Leased - EPC 243912L12	0.00018750%	0.00009375	0.00000023
Sharon Dickson 295 Bethel Drive #39 Bristol, TN 37620	Leased - EPC 243912L13	0.00025000%	0.00012500	0.00000031
Dorothy C. Kiser C/O Larry Kiser P.O. Box 1565 Bristol, TN 37621	Leased - EPC 243912L14	0.00075000%	0.00037500	0.00000094

	Ruby Marie Breeding Johnson and William C. Johnson, W/H 5519 Chenault Ave Orlando, FL 32839	Leased-EPC 243912L15	0.00031250%	0.00015625	0.00000039
	Blaine Owens and Robin M. Owens 103 Jefferson Drive Bristol, VA 24201	Leased - EPC 243912L16	0.00025000%	0.00012500	0.00000031
	Deborah L. Tomlinson and Terry L Tomlinson, W/H 132 North Clay St Coldwater, MI 49036	Leased-EPC 243912L17	0.00031250%	0.00015625	0.00000039
	Larry D. Breeding and Kathy A. Breeding, H/W 1050 Granger Drive Jacksonville, FL 32221	Leased-EPC 243912L18	0.00031250%	0.00015625	0.00000039
	Lana O Duty and Sonny Don Duty, W/H 115 Melton Springs Road Big Rock TN 37023	Leased -EPC 243912L19	0.00025000%	0.00012500	0.00000031
	Equitable Production				0.00017500
Tract 3 Totals			0.020000%	0.0100	0.00020000
4 TAX ID - Minerals Only	Pine Mountain Oil & Gas, Inc. ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	Leased-EPC 241490L/T-866	50.350000%	29.5900	0.06293750
	Equitable Production				0.44056250
Tract 4 Totals			50.350000%	29.5900	0.50350000
5 TAX ID 2151	Roger C. Breeding P.O. Box 856 Castlewold, VA 24224	Unleased	20.330000%	11.9500	0.02541250
	Equitable Production				0.17788750
Tract 5 Totals			20.330000%	11.9500	0.20330000
TOTAL GAS ESTATE			100.000000%	58.7700	100.000000%
<u>Coal Estate Only</u>					
1 TAX ID 21030	Pine Mountain Oil & Gas, Inc. ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	Leased-EPC 241640L/T2-176	24.810000%	14.5800	0.03101250
	Equitable Production				0.21708750
Tract 1 Totals			24.810000%	14.5800	0.24810000

2	Pine Mountain Oil & Gas, Inc.	Leased-EPC	4.490000%	2.6400	0.00561250
TAX ID - Minerals Only	ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	241640L/T2-260			
	Equitable Production				0.03928750
Tract 2 Totals			4.490000%	2.6400	0.04490000
3	Pine Mountain Oil & Gas, Inc.	Leased-EPC	0.020000%	0.0100	0.00002500
TAX ID - Minerals Only	ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	241640L/T2-177			
	Equitable Production				0.00017500
Tract 3 Totals			0.020000%	0.0100	0.00020000
4	Pine Mountain Oil & Gas, Inc.	Leased-EPC	50.350000%	29.5900	0.06293750
TAX ID - Minerals Only	ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	241490L/T-866			
	Equitable Production				0.44056250
Tract 4 Totals			50.350000%	29.5900	0.50350000
5	Pine Mountain Oil & Gas, Inc.	Leased-EPC	20.330000%	11.9500	0.02541250
TAX ID - Minerals Only	ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	241640L/T2-176			
	Equitable Production				0.17788750
Tract 5 Totals			20.330000%	11.9500	0.20330000
TOTAL COAL ESTATE			100.000000%	58.7700	100.000000%

*Per Affidavit of Heirship recorded in Russell County, VA on May 31, 2012,
Edith Wockenfuss died on July 9, 2007, and is survived by her son Marshall Johnson.

EXHIBIT "E"
VC-536448

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Gas Estate Only</u>				
3 TAX ID - Minerals Only	Nancy E. Counts Estate c/o Mildred Miller 2401 S Atlantic Avenue, Apt A40 New Smyrna Beach, FL 32169	Leased-EPC 243912L01	0.00375000%	0.0019
	Tressa K. Patrick C/O Lousie Gentry 212 Oak Street Bristol, Tn 37620	Leased - EPC 243912L02	0.00018750%	0.0001
	Cecil L. Kiser and Julie A. Kiser, H/W 2133 Summers Ave. Streetsboro, OH 44241	Leased - EPC 243912L03	0.00187500%	0.0009
	Wilma Johnson Porter and Dale C. Porter, Jr., W/H 235 Wheeler Road Lynchburg, VA 24504	Leased - EPC 243912L04	0.00018750%	0.0001
	Leon Kiser and Janice Kiser, H/W 315 Hill Road Bristol, TN 37620	Leased - EPC 243912L06	0.00075000%	0.0004
	Gaynell Johnson Sampson and Carl Edward Sampson,, W/H 155 Poplar Terrace Drive Lynchburg, VA 24502	Leased - EPC 243912L07	0.00018750%	0.0001
	Diana D. Kiser, Widow Rt 4 Box 654 North Tazewell, VA. 24630	Leased - EPC 243912L08	0.00187500%	0.0009
	Samuel J. Breeding Jr. and Betty Breeding, H/W 2344 Louita Ave Kingsport, TN 37660	Leased-EPC 243912L09	0.00093750%	0.0005

Lillian B. Crane and Percy V. Crane, W/H 6380 Virgil H Goode Hwy Rocky Mount, VA 24151	Leased-EPC 243912L10	0.00093750%	0.0005
Freddy O. Johnson and Darlene B. Johnson, H/W P.O. Box 503 Montvale, VA 24122	Leased - EPC 243912L12	0.00018750%	0.0001
Sharon Dickson 295 Bethel Drive #39 Bristol, TN 37620	Leased - EPC 243912L13	0.00025000%	0.0001
Dorothy C. Kiser C/O Larry Kiser P.O. Box 1565 Bristol, TN 37621	Leased - EPC 243912L14	0.00075000%	0.0004
Ruby Marie Breeding Johnson ar William C. Johnson, W/H 5519 Chenault Ave Orlando, FL 32839	Leased-EPC 243912L15	0.00031250%	0.0002
Blaine Owens and Robin M. Owens 103 Jefferson Drive Bristol, VA 24201	Leased - EPC 243912L16	0.00025000%	0.0001
Deborah L. Tomlinson and Terry L Tomlinson, W/H 132 North Clay St Coldwater, MI 49036	Leased-EPC 243912L17	0.00031250%	0.0002
Larry D. Breeding and Kathy A. Breeding, H/W 1050 Granger Drive Jacksonville, FL 32221	Leased-EPC 243912L18	0.00031250%	0.0002
Lana O Duty and Sonny Don Duty, W/H 115 Melton Springs Road Big Rock TN 37023	Leased -EPC 243912L19	0.00025000%	0.0001
5 Roger C. Breeding P.O. Box 856 Castlewood, VA 24224 TAX ID 2151	Unleased	20.330000%	11.9500
TOTAL GAS ESTATE		20.34331250%	11.9567

Coal Estate Only

3	Pine Mountain Oil & Gas, Inc.	Leased-EPC	0.013313%	0.0067
TAX ID - Minerals Only	ATTN: Jerry Grantham	241640L/T2-177		
	P.O. Box 2136			
	Abingdon, VA. 24212			
5	Pine Mountain Oil & Gas, Inc.	Leased-EPC	20.330000%	11.9500
	ATTN: Jerry Grantham	241640L/T2-176		
	P.O. Box 2136			
	Abingdon, VA 24212			
	TOTAL COAL ESTATE		20.343313%	11.9567

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EXHIBIT "EE"
VC-536448

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>GAS ESTATE</u>				
3	Alice B. Keen, Widow 4741 Showalter Rd NW Roanoke, VA 24017 Chester, VA 23831	Leased-EPC 243912L05	0.00093750%	0.00046875
Totals			0.00093750%	0.00046875
Total Subsequent to Range Waiver			0.00093750%	0.00046875
3	Marshall Johnson ** PO Box 741175 Orange City, FL 32774	Leased - EPC 243912L11	0.00075000%	0.00037500
Total Subsequent to Range Waiver			0.00075000%	0.00037500

*Per Affidavit of Heirship recorded in Russell County, VA on May 31, 2012,
Edith Wockenfuss died on July 9, 2007, and is survived by her son Marshall Johnson.

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2013 05 10 10:30 AM
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INSTRUMENT #130000702
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
MAY 10 2013 AT 10:30AM
RICHARD W. EDWARDS: CLERK
RECORDED BY: CJP