

130001416



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: 536336

TRACT(S): A portion of 5

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-09-1215-2646-01

APPLICANTS: EQT Production Company on behalf of Otis Shey Gilbert and Edna Gilbert, h/w

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
January 15, 2013 and February 19, 2013

APPEARANCES: James Kaiser on behalf of EQT Production Company

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 02/09/2010, Recorded on 03/12/2010, Deed Book/Instrument No. 100000532.
2. Supplemental Order, Recorded on 03/02/2011, Deed Book/Instrument No. 110000495.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the January 15, 2013 hearing and was was continued to February 19, 2013 where the Board 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 5 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 5 relative to the interests of the Applicants identified in the attached petition.
- (3) Continue the escrow account under this docket number.

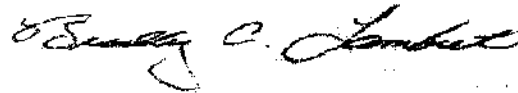
FINDINGS: Code of Virginia § 45.1-361.22

Applicant has certified and represented to the Board that:

RELIEF GRANTED:

[illegible]

DONE AND EXECUTED this 28 day of February, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 28th day of FEB., 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, that he executed the same and was authorized to do so.


Diane J. Davis, Notary Public
174394

My Commission expires: September 30, 2013

DONE AND PERFORMED this 7 day of March, 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 7th day of March, 2013, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is the Principal Executive to the staff of the Virginia Gas and Oil Board, that he 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 09-1215-2646-01

**RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) A portion of 5
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES**

HEARING DATE: January 15, 2013

DRILLING UNIT: 536336

BUCHANAN 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

Supplemental Order for Disbursement of Escrowed Funds on behalf of Otis Gilbert and Edna Gilbert for Drilling Unit Number VC-536336 created by Board Order Dated 02/09/2010 VGOB 09/12/15-2646 in Buchanan County, Virginia. Requesting disbursement of escrowed funds for interest Otis and Edna Gilbert hold in Tract 5 of Drilling Unit Number VC-539896 located in Hurricane District of Buchanan County.

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

Permanent Release of CBM Royalty letter dated November 26, 2012 from Range Resources-Pine Mountain, signed by Phil Horn, Land Manager, waiving any claim to past or future royalties attributable to Otis Gilbert and Edna Gilbert for coalbed methane gas interests on the R. W. Gilbert 65 acre tract. This is listed as Tract 5 on the plat for Well VC-536336.

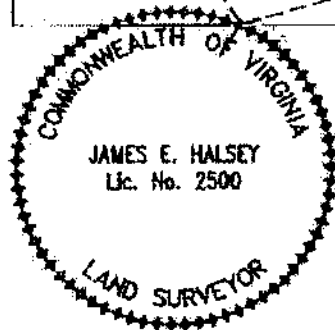
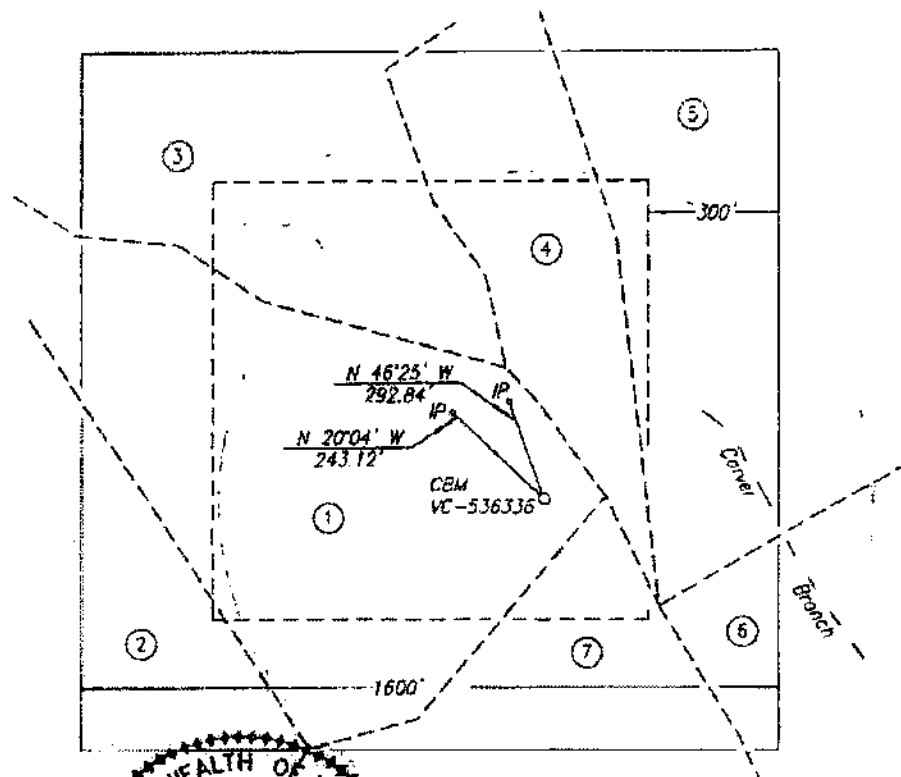
6. Attestation

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

Well Coordinates: (Geographic N27)
37.122676° -82.141505°

Latitude 37° 07' 30"
+

Note: See Attached Tract
Ownership Information Schedule



NOTE Property Info
Provided by EPC

Well elevation determined by GPS
survey from HARN Monument P-424

Area of Unit = 58.77 Ac.

Well Coordinates: (VA Sl. Plane S. Zone,
NAD 83)
N 3,588,735.88 E 10,421,544.71

Well Coordinates: (VA Sl. Plane S. Zone,
NAD 27 Calculated from NAD 83)
N 307,858 E 938,559

Well Coordinates: (Clinchfield Coal Co.)
N 8,274.54 E 70,563.42

WELL LOCATION PLAT (Nora Grid AV-81)

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-536336
TRACT NO. Is No. 906889/TC-224 ELEVATION 2,121.83' QUADRANGLE Duty
COUNTY Buchanan DISTRICT Hurricane SCALE 1" = 400' DATE 9-26-2008

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

VC-536336
TRACT OWNERSHIP INFORMATION SCHEDULE
9/26/2008

1. Lease No. 906889 / TC-224
John H. Duty
321.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - (CBM)
Unleased
R. W. & Mary Gilbert Heirs, et al - surface, oil & gas (CBM)
P/O 65 Acres
Gas 18.57 Ac. 31.60%
2. Lease No. 906889 / TC-224
John H. Duty
321.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - (CBM)
Unleased 909219
Joyce Ornduff - oil & gas (CBM)
28 Acres
Gas 4.86 Ac. 8.27%
3. Lease No. 241909L
Geneva Owens (Life Estate) - oil & gas (CBM)
Lease No. 241909L
Gary Roger Hurley and Agnes Hurley (Remainder) - oil & gas (CBM)
98 Acres
Lease No. 906889 / TC-224
John H. Duty
321.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - (CBM)
Gas 10.44 Ac. 17.76%
4. Lease No. 906889 / TC-224
John H. Duty
321.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - (CBM)
Unleased
Roger Hurley, et al - surface, oil & gas (CBM)
8 Acres
Gas 7.44 Ac. 12.66%

- 5 . Lease No. 906889 / T-595
L.D. Jackson
100.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - oil, gas & CBM
Gas 10.13 Ac. 17.24%
- 6 . Lease No. 906889 / T-598
J. R. Lester
125.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - oil, gas & CBM
Gas 1.81 Ac. 3.08%
- 7 . Lease No. 906889 / TC-224
John H. Duty
321.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - (CBM)
Lease No. 907162
Michael Carson Price - oil & gas (CBM)
70.72 Acres (p/o 107 acres)
Gas 5.52 Ac. 9.39%

VGOS Disbursement
Unit 536336
VGOS-09-12152648-01

Table 1
A portion of 5

			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				24.09000		
5	Tract 5 (total acreage)		18.67					
1	#	Otis Shely Gilbert and Edna Gilbert, n/w 1/4 1824 Hollow Poplar Road, Danvers, VA 24239		7.0743	100.00%	7.0743	29.3651%	\$1,308.06

Wells contributing to the escrow account: VC-536336

SUPPLEMENT "B"
VC-536336

Revised 02/23/11

<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	Roger Hurley and Agnes Hurley, h/w 5428 Murphy Road Vansant, VA 24656	Leased 917038	8.070750%	4.743000	0.01008844	RI
	Tina Hurley 5428 Murphy Road Vansant, VA 24656	Leased 917038	1.424250%	0.837000	0.00178031	RI
	EQT Production				0.08308125	WI
<u>Tract 1 Totals</u>			<u>9.495000%</u>	<u>5.580000</u>	<u>0.09495000</u>	
2	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T-595	17.240000%	10.130000	0.02155000	RI
	EQT Production				0.15085000	WI
<u>Tract 2 Totals</u>			<u>17.240000%</u>	<u>10.130000</u>	<u>0.17240000</u>	
3	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T-598	3.080000%	1.810000	0.00385000	RI
	EQT Production				0.02695000	WI
<u>Tract 3 Totals</u>			<u>3.080000%</u>	<u>1.810000</u>	<u>0.03080000</u>	
4	Michael Carson Price P.O. Box 27 Davenport, VA 24239	Leased 907162	9.390000%	5.520000	0.01173750	RI
	EQT Production				0.08216250	WI
<u>Tract 4 Totals</u>			<u>9.390000%</u>	<u>5.520000</u>	<u>0.09390000</u>	
5	<u>R.W. & Mary Gilbert Heirs, et al.</u>					
	Imogene Boyd P.O. Box 2366 Lebanon, VA 24266	Leased 910915	0.802540%	0.471619	0.00100317	RI
	Donnie C. Turner and Shelia Turner, h/w 6124 Windsor Dr. Columbus, GA 31908	Leased	0.401270%	0.235810	0.00050159	RI
	Kathleen Boyd Caskey 2216 Rustic Road Dayton, OH 45405	Leased 910915	0.802540%	0.471619	0.00100317	RI
	Arlene Deel 2184 Greenbriar Road Haysi, VA 24256	Unleased	11.536508%	6.779524	0.01442063	RI

	Arthur F. Boyd 1523 Indian Grave Gap Road Vansant, VA 24656	Leased 910915	0.802540%	0.471619	0.00100317	RI
	Amanda Brooke Robinette c/o Ginger Robinette 2480 Horton Ridge Road Swords Creek, VA 24649	Leased 910915	0.802540%	0.471619	0.00100317	RI
	Beth Eversman and David A. Eversman (w/h) P.O. Box 8682 Columbus, GA 31908	Unleased	0.401270%	0.235810	0.00050159	RI
	Otis Shey Gilbert and Edna Gilbert (h/w) 1824 Hollow Poplar Road Davenport, VA 24239	Leased 910915	12.038095%	7.074286	0.01504762	RI
	LeRoy Trivett Unknown/Unlocatable	Unleased	2.006349%	1.179048	0.00250794	RI
	James Trivett Unknown/Unlocatable	Unleased	2.006349%	1.179048	0.00250794	RI
	EQT Production				0.27650000	WI
Tract 5 Totals			31.600000%	18.570000	0.31600000	
6	MGM Methane Corp. Attn: James Rasnake P.O. Box 830 Grundy, VA 24614	Leased 909219	8.270000%	4.860000	0.01033750	RI
	EQT Production				0.07236250	WI
Tract 6 Totals			8.270000%	4.860000	0.08270000	
7	Geneva Owens (Life Estate) 193 Don Stevens Drive Honaker, VA 24260-7265	Leased 241909	17.760000%	10.440000	0.02220000	RI
	Roger Hurley and Agnes Hurley, h/w 5428 Murphy Road Vansant, VA 24656 (Remainder)					
	EQT Production				0.15540000	WI
Tract 7 Totals			17.760000%	10.440000	0.17760000	
	Total Gas Estate		96.835000%	56.910000	0.96835000	
	Percentage of Unit Leased		80.884524%			
	Percentage of Unit Unleased		15.960476%			
	Acreage in Unit Leased			47.5365710		
	Acreage in Unit Unleased			9.373429		
	COAL ESTATE ONLY					
1	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham	Leased 906889	3.165000%	1.860000	0.00395625	RI

P.O. Box 2136
Abingdon, VA 24212

TC-224

EQT Production				0.02769375	WI
Tract 1 Totals			3.165000%	1.860000	0.03165000
2	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T-596	17.240000%	10.130000	0.02155000 RI
EQT Production				0.15085000	WI
Tract 2 Totals			17.240000%	10.130000	0.17240000
3	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T-596	3.080000%	1.810000	0.00385000 RI
EQT Production				0.02695000	WI
Tract 3 Totals			3.080000%	1.810000	0.03080000
4	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	9.390000%	5.520000	0.01173750 RI
EQT Production				0.08216250	WI
Tract 4 Totals			9.390000%	5.520000	0.09390000
5	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	31.600000%	18.570000	0.03950000 RI
EQT Production				0.27650000	WI
Tract 5 Totals			31.600000%	18.570000	0.31600000
6	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	8.270000%	4.860000	0.01033750 RI
EQT Production				0.07236250	WI
Tract 6 Totals			8.270000%	4.860000	0.08270000
7	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	17.760000%	10.440000	0.02220000 RI
EQT Production				0.15540000	WI
Tract 7 Totals			17.760000%	10.440000	0.17760000
Total Coal Estate			90.505000%	53.190000	0.90505000
Percentage of Unit Leased			100.000000%		
Percentage of Unit Unleased			0.000000%		
Acreage in Unit Leased				58.770000	
Acreage in Unit Unleased				0.000000	

EXHIBIT "E"
VC-536336
Revised 12/03/2012

<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>				
4	Michael Carson Price P.O. Box 27 Davenport, VA 24239	Leased 907162	9.390000%	5.520000
5	<u>R.W. & Mary Gilbert Helms, et al.</u>			
	Imogene Boyd P.O. Box 2366 Lebanon, VA 24266	Leased 910915	0.802540%	0.471619
	Donnie C. Turner and Shelia Turner, h/w 6124 Windsor Dr. Columbus, GA 31908	Leased	0.401270%	0.235810
	Kathleen Boyd Caskey 2216 Rustic Road Dayton, OH 45405	Leased 910915	0.802540%	0.471619
	Arlene Deel 2184 Greenbriar Road Haysi, VA 24256	Unleased	11.536508%	6.779524
	Arthur F. Boyd 1523 Indian Grave Gap Road Vansant, VA 24656	Leased 910915	0.802540%	0.471619
	Amanda Brooke Robinette c/o Ginger Robinette 2480 Horton Ridge Road Swords Creek, VA 24649	Leased 910915	0.802540%	0.471619
	Beth Eversman and David A. Eversman (w/h) P.O. Box 8682 Columbus, GA 31908	Unleased	0.401270%	0.235810
	LeRoy Trivett Unknown/Unlocatable	Unleased	2.006349%	1.179048

James Trivett Unknown/Unlocatable	Unleased	2.006349%	1.179048
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TOTAL		28.951905%	17.0157
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Coal Estate Only

4	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	9.390000%	5.520000
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5	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	19.561905%	11.495714
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TOTAL		28.951905%	17.0157
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EXHIBIT "EE"
VC-536336
Revised 12/03/2012

<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	Roger Hurley and Agnes Hurley, h/w 5428 Murphy Road Vansant, VA 24656	Leased 917038	8.070750%	4.743000
	Tina Hurley 5428 Murphy Road Vansant, VA 24656	Leased 917038	1.424250%	0.837000
6	MGM Methane Corp. Attn: James Rasnake P.O. Box 830 Grundy, VA 24614	Leased 909219	6.202500%	3.645000
7	Geneva Owens (Life Estate) 193 Don Stevens Drive Honaker, VA 24260-7265	Leased 241909	13.320000%	7.830000
	Roger Hurley and Agnes Hurley, h/w 5428 Murphy Road Vansant, VA 24656 (Remainder)			
TOTAL			29.017500%	17.055000

Coal Estate Only

1	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	3.165000%	1.860000
6	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	2.067500%	1.215000
7	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham	Leased 906889	4.440000%	2.610000

P.O. Box 2136
Abingdon, VA 24212

TC-224

TOTAL	9.672500%	5.685000
Total after 75/25 royalty Split Agreement	38.69000000%	22.740000

Disbursement 01

5	Otis Shey Gilbert and Edna Gilbert (h/w) 1824 Hollow Poplar Road Davenport, VA 24239	Leased 910915	12.038095%	7.074286
TOTAL			12.03809500%	7.074286

INSTRUMENT #130001418
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JULY 30, 2013 AT 11:29AM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB