

110000495

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB 09/12/15-2646

ELECTIONS, UNIT: VC-536336

(hereinafter "Subject Drilling Unit").

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on February 9, 2010, and recorded in Instrument # 100000532 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on March 12, 2010, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Board Order directed EQT Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
 - (b) The designated operator filed its affidavit of mailing dated March 24, 2010, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the

Designated Operator has filed its affidavit dated August 27, 2010, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;

- (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
 - (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Bank & Trust Company, P.O. Box 3860, Kingsport, TN, 37660 (423) 245-6971, Attn: Debbie Davis, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company, P.O. Box 3860, Kingsport, TN, 37660 (423) 245-6971, Attn: Debbie Davis, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
 4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each person whose interest or claim is subject to escrow and whose address is known.
 5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
 6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 7 day of Feb, 2011, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert
Chairman, Bradley C. Lambert

DONE AND PERFORMED this 7 day of February, 2011, by Order of the Board.

David E. Asbury Jr.
David E. Asbury, Jr.
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 7th day of February, 2011, 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 Chairman of the Virginia Gas and Oil Board, and appeared David E. Asbury, Jr., being duly sworn did depose and say that he is Acting Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.

Diane J Davis
Diane Davis, Notary Public
174394

My commission expires: September 30, 2013



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of EQT Production Company, for Forced Pooling of Interests in Unit Number VC-539896 VGOB Docket No. VGOB-09/12/15-2646 in the Hurricane Magisterial District of Buchanan County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on February 9, 2010, by the Virginia Gas and Oil Board regarding the captioned coalbed methane Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on March 12, 2010.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

NONE

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow as either unknown claimants or conflicting claimants under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

See Exhibit E

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims.

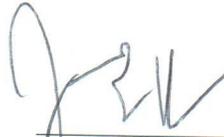
See Exhibit EE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

See Exhibit B-3

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this 27th day of August, 2010.



Affiant

State of Tennessee)
County of Sullivan)

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of EQT Production Company, a corporation, on behalf of the corporation, this 27th day of August, 2010.



Susan Peterson, Notary


My commission expires: October 24, 2012.

SUPPLEMENT "B"
VC-536336
 created 12/30/09

<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	10.761000%	6.324000	0.01345125	RI
	Tina Hurley 5428 Murphy Road Vansant, VA 24656	Leased 917038	1.899000%	1.116000	0.00237375	RI
	EQT Production				0.11077500	WI
Tract 1 Totals			12.660000%	7.440000	0.12660000	
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
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-598	3.080000%	1.810000	0.00385000	RI
	EQT Production				0.02695000	WI
Tract 3 Totals			3.080000%	1.810000	0.03080000	
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
Tract 4 Totals			9.390000%	5.520000	0.09390000	
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		100.000000%	58.770000	1.00000000	
	Percentage of Unit Leased		84.049524%			
	Percentage of Unit Unleased		15.950476%			
	Acreage in Unit Leased			49.3965710		
	Acreage in Unit Unleased			9.373429		
COAL ESTATE ONLY						
1	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	12.660000%	7.440000	0.01582500	RI
	EQT Production				0.11077500	WI
Tract 1 Totals			12.660000%	7.440000	0.12660000	
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
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-598	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
Tract 5 Totals					<u>0.27650000</u> <u>0.31600000</u>	WI
			31.600000%	18.570000		
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
Tract 6 Totals					<u>0.07236250</u> <u>0.08270000</u>	WI
			8.270000%	4.860000		
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
Tract 7 Totals					<u>0.15540000</u> <u>0.17760000</u>	WI
			17.760000%	10.440000		
Total Coal Estate			100.000000%	58.770000	1.00000000	
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 "B-3"
VC-536336

REVISED 5/27/10

<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>		
5	Arlene Deel 2184 Greenbriar Road Haysi, VA 24256	Unleased	11.536508%	6.779524
	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
	TOATAL GAS ESTATE		15.950476%	9.373429

EXHIBIT "E"
VC-536336
Revised 5/27/10

<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	10.761000%	6.324000
	Tina Hurley 5428 Murphy Road Vansant, VA 24656	Leased 917038	1.899000%	1.116000
4	Michael Carson Price P.O. Box 27 Davenport, VA 24239	Leased 907162	9.390000%	5.520000
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
	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
	Otis Shey Gilbert and Edna Gilbert (h/w) 1824 Hollow Poplar Road Davenport, VA 24239	Leased 910915	12.038095%	7.074286
	LeRoy Trivett Unknown/Unlocatable	Unleased	2.006349%	1.179048
	James Trivett Unknown/Unlocatable	Unleased	2.006349%	1.179048
TOTAL			53.650000%	31.5300

EXHIBIT "E"
VC-536336
Revised 5/27/10

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Coal Estate Only</u>				
1	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	12.660000%	7.440000
4	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	9.390000%	5.520000
5	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	31.600000%	18.570000
TOTAL			53.650000%	31.5300

EXHIBIT "EE"
VC-536336
Revised 5/27/10

<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>				
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			19.522500%	11.475000
<u>Coal Estate Only</u>				
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 P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	4.440000%	2.610000
TOTAL			6.507500%	3.825000
Total after 75/25 royalty Split Agreement			26.03000000%	15.300000

INSTRUMENT #110000495
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MARCH 2, 2011 AT 01:48PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLB