

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

**APPLICANT: DIVERSIFIED SOUTHERN PRODUCTION, LLC
VIRGINIA GAS AND OIL BOARD**

DOCKET NO. 19-0219-4198

**RELIEF SOUGHT: CHANGE UNIT OPERATOR AND
TRANSFER RIGHT TO OPERATE**

REPORT OF THE BOARD

FINDINGS AND ORDERS

1. Hearing Date and Place: This Application came on for a final hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on February 19, 2019, at the Russell County Conference Center, 139 Highland Drive, Lebanon, Virginia.
2. Appearances: The Applicant appeared by Timothy E. Scott, counsel, Joey Stumbo and Conley Smith. Paul Kugelman, Senior Assistant Attorney General, was present to advise the Board.
3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1, et seq., the Board finds that it has jurisdiction over the subject matter of the Application. Board Rule 4VAC25-160-120 specifically addresses petitions to change unit operators and the transfer of the right to operate. The Board caused notice of this Application and Hearing to be published as required by Va. Code § 45.1-361.19.B. and 4VAC25-160-120.C. Whereupon, the Board finds that the notice given satisfies all statutory requirements and the minimum standards of due process.
4. Relief requested: The Applicant requests that the Board enter an order (i) that changes the designated Unit Operator from EQT Production Company to Diversified Southern Production, LLC; and (ii) that transfers the right to operate all units listed and identified in Exhibit G to the Application from EQT Production Company to Diversified Southern Production, LLC.
5. Relief granted: The relief requested by Applicant in this cause be and the same is hereby granted: (i) The Board's designated Unit Operator in each of the Drillings Units and Board Orders identified in Exhibit G to the Application is changed from EQT Production Company to Diversified Southern Production, LLC; and (ii) Diversified Southern Production, LLC, is hereby authorized to operate the said Drilling Units and wells as provided and authorized in the Orders identified in Exhibit G, as supplemented and amended. In the event there are pending orders, yet to be entered, or pending petitions and/or applications, yet to be determined, all subsequent orders shall identify Diversified Southern Production, LLC, as the Board's Designated Operator.
6. Special Findings: The Board specifically and specially finds:

6.1. The name and address of the former operator is:

EQT Production Company
625 Liberty Avenue
EQT Plaza, Suite 1700
Pittsburgh, PA 15222

6.2. The name and address of the new designated unit operator is:

Diversified Southern Production, LLC
4150 Belden Village Avenue NW
Suite 410
Canton, OH 44718-2553

6.3. Exhibit F was received in evidence as the written approval of the existing, now former, designated operator.

6.4. Exhibit G was received in evidence. Exhibit G identifies all Board Orders requiring amendment, and they are hereby amended by this Order. Exhibit G identifies all drilling units subject to the said prior Orders of this Board.

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

8. Appeals: Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court.

9. Effective date: This Order shall be effective as of the date of the hearing, stated above, when the Board approved the application.

DONE AND EXECUTED this 25 day of February, 2019 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

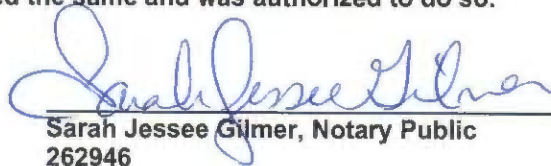
DONE AND PERFORMED this 25 day of February, 2019 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 25th day of February, 2019, 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, 2021





EQT Production Company
625 Liberty Avenue
Suite 1700
Pittsburgh, PA 15222

February 4, 2019

Mr. Rick Cooper
Dept. of Mines, Minerals & Energy
Division of Oil & Gas
P.O. Box 159
Lebanon, VA 24266

RE: Transfer of VGOB issued docket
From: EQT Production Company
To: Diversified Southern Production, LLC

Dear Mr. Cooper:

Please be advised that EQT Production Company has transferred by Confirmation of Division, all of its Virginia operations to Diversified Southern Production, LLC. This letter is a request to transfer all docket issued to EQT Production Company to Diversified Southern Production, LLC, as outlined on the attached schedule. Said intercompany transfer has an effective date of July 18, 2018.

If you have any questions in relation to this request, please contact me at (412) 553-7760 or via e-mail at SPrelipp@eqt.com.

Regards,

A handwritten signature in black ink, appearing to read 'S. Prelipp', written over a faint, circular stamp or watermark.

Steven H. Prelipp
Vice President

Exhibit G

EQT Production Company, LLC to Diversified Southern Production, LLC

<u>Docket #</u>	<u>Order Type</u>	<u>Docket #</u>	<u>Order Type</u>
0009-01	Field Order Coalbed Gas	0009-58	Field Order Modification
0009-02	Field Order Coalbed Gas	0009-60	Field Order Modification
0009-05	Field Order Coalbed Gas	0009-62	Field Order Modification
0009-07	Field Order Modification	0009-63	Field Order Modification
0009-12	Field Order Modification	0009-64	Field Order Modification
0009-13	Field Order Modification	0009-65	Field Order Modification
0009-14	Field Order Modification	0009-66	Field Order Modification
0009-15	Field Order Modification	0009-67	Field Order Modification
0009-16	Field Order Modification	0009-68	Field Order Modification
0009-17	Field Order Modification	0009-70	Field Order Modification
0009-18	Field Order Modification	0009-71	Field Order Modification
0009-19	Field Order Modification	0009-72	Field Order Modification
0009-20	Field Order Modification	0009-73	Field Order Modification
0009-21	Field Order Modification	0009-74	Field Order Modification
0009-23	Field Order Modification	0186	Field Order Modification
0009-24	Field Order Modification	0187	Location/Spacing Exception
0009-27	Field Order Modification	0188	Location/Spacing Exception
0009-28	Field Order Modification	0199	Exception to Statwide Spacing
0009-29	Field Order Modification	0200	Location/Spacing Exception
0009-30	Field Order Modification	0204	Location/Spacing Exception
0009-31	Field Order Modification	0228	Location/Spacing Exception
0009-32	Field Order Modification	0229	Location/Spacing Exception
0009-33	Field Order Modification	0230	Location/Spacing Exception
0009-37	Field Order Modification	0245	Location/Spacing Exception
0009-38	Field Order Modification	0250	Location/Spacing Exception
0009-39	Field Order Modification	0251	Location/Spacing Exception
0009-40	Field Order Modification	0269	Location/Spacing Exception
0009-41	Field Order Modification	0281	Location/Spacing Exception
0009-42	Field Order Modification	0281-01	Pooling Order No Escrowing
0009-43	Field Order Modification	0286	Pooling Order No Escrowing
0009-45	Field Order Modification	0288	Location/Spacing Exception
0009-47	Field Order Modification	0293	Pooling Order No Escrowing
0009-48	Field Order Modification	0296	Pooling Conventional Gas
0009-49	Field Order Modification	0301	Pooling Order Escrowing Required
0009-50	Field Order Modification	0318	Pooling Order Escrowing Required
0009-51	Field Order Modification	0319	Location/Spacing Exception
0009-52	Field Order Modification	0320	Location/Spacing Exception
0009-53	Field Order Modification	0322	Location/Spacing Exception
0009-54	Field Order Modification	0325-09	Pooling Conventional Gas
0009-55	Field Order Modification	0331	Field Order Modification
0009-57	Field Order Modification	0334	Pooling Order Escrowing Required

Exhibit G

EQT Production Company, LLC to Diversified Southern Production, LLC

0335	Location/Spacing Exception	0520	Location/Spacing Exception
0345	Pooling Conventional Gas	0521	Location/Spacing Exception
0347	Pooling Order Escrowing Required	0522	Location/Spacing Exception
0348-04	Location/Spacing Exception	0525	Location/Spacing Exception
0350	Pooling Horizontal Conventional Unit	0534	Location/Spacing Exception
0367	Location/Spacing Exception	0534-01	Pooling Coalbed Gas
0377	Pooling Order Escrowing Required	0536	Pooling Coalbed Gas
0382	Pooling Conventional Gas	0539	Location/Spacing Exception
0383	Location/Spacing Exception	0541	Location/Spacing Exception
0388	Pooling Order Escrowing Required	0543	Pooling Order Escrowing Required
0389	Pooling Conventional Gas	0548	Location/Spacing Exception
0390	Location/Spacing Exception	0554	Location/Spacing Exception
0395	Location/Spacing Exception	0558	Pooling Conventional Gas
0396	Pooling Conventional Gas	0560	Pooling Conventional Gas
0409	Pooling Order Escrowing Required	0566	Pooling Conventional Gas
0432	Pooling Order Escrowing Required	0569	Location/Spacing Exception
0433	Location/Spacing Exception	0590	Forced Pooling Coal Bed
0434	Pooling Conventional Gas	0591	Location/Spacing Exception
0440	Pooling Order Escrowing Required	0591-01	Pooling Coalbed Gas
0441	Pooling Conventional Gas	0592	Pooling Coalbed Gas
0442	Pooling Order Escrowing Required	0594	Pooling Conventional Gas
0444	Pooling Order Escrowing Required	0595	Pooling - Escrowing Required
0445	Pooling Conventional Gas	0599	Pooling Coalbed Gas
0446	Pooling Conventional Gas	0606	Pooling - No Escrowing Required
0456	Pooling Conventional Gas	0607	Location/Spacing Exception
0456-01	Pooling Order Escrowing Required	0611	Pooling - Escrowing Required
0457	Pooling Conventional Gas	0612	Pooling Coalbed Gas
0465	Location/Spacing Exception	0613	Pooling - Escrowing Required
0466	Location/Spacing Exception	0614	Pooling - Escrowing Required
0470	Pooling Coalbed Gas	0615	Location/Spacing Exception
0472	Location/Spacing Exception	0616	Pooling - Escrowing Required
0473	Pooling Order Escrowing Required	0623	Pooling Coalbed Gas
0481	Pooling Order Escrowing Required	0623-01	Pooling Conventional Gas
0482	Pooling Conventional Gas	0643	Pooling Conventional Gas
0483	Location/Spacing Exception	0644	Pooling Coalbed Gas
0484	Location/Spacing Exception	0645	Pooling - Escrowing Required
0486	Pooling Coalbed Gas	0659	Pooling - Escrowing Required
0489	Pooling Order Escrowing Required	0660	Location/Spacing Exception
0491	Pooling Conventional Gas	0661	Pooling Coalbed Gas
0492	Location/Spacing Exception	0663	Pooling Coalbed Gas
0495	Pooling Order Escrowing Required	0664	Pooling Conventional Gas
0496	Pooling Order Escrowing Required	0665	Pooling Conventional Gas
0497	Pooling Order Escrowing Required	0666	Pooling - Escrowing Required
0519	Pooling Conventional Gas	0667	Location/Spacing Exception

Exhibit G

EQT Production Company, LLC to Diversified Southern Production, LLC

0670	Location/Spacing Exception	1086	Pooling Conventional Gas
0671	Pooling - Escrowing Required	1097	Pooling Coalbed Gas
0672	Pooling - Escrowing Required	1100	Location/Spacing Exception
0677	Pooling Coalbed Gas	1101	Pooling Coalbed Gas
0677-01	Pooling - Escrowing Required	1107	Pooling Conventional Gas
0679	Re-Pooling - Escrowing Required	1110	Location/Spacing Exception
0680	Pooling - Escrowing Required	1111	Location/Spacing Exception
0682	Pooling - Escrowing Required	1112	Pooling Conventional Gas
0685	Pooling - Escrowing Required	1113	Pooling Conventional Gas
0712	Location/Spacing Exception	1114	Location/Spacing Exception
0713	Pooling Conventional Gas	1118	Pooling Conventional Gas
0740-01	Pooling Coalbed Gas	1119	Location/Spacing Exception
0761	Field Order Coalbed Gas	1120	Location/Spacing Exception
0762	Pooling - Escrowing Required	1121	Pooling Conventional Gas
0767	Location/Spacing Exception	1122	Pooling Conventional Gas
0770	Location/Spacing Exception	1123	Pooling Conventional Gas
0771	Pooling - Escrowing Required	1124	Location/Spacing Exception
0807	Pooling - Escrowing Required	1125	Location/Spacing Exception
0816	Location/Spacing Exception	1126	Location/Spacing Exception
0817	Location/Spacing Exception	1146	Pooling Conventional Gas
0833	Location/Spacing Exception	1154	Pooling Conventional Gas
0846	Location/Spacing Exception	1155	Pooling Conventional Gas
0895	Pooling Conventional Gas	1172	Location/Spacing Exception
0896	Pooling Conventional Gas	1175	Location/Spacing Exception
0904	Location/Spacing Exception	1178	Pooling Coalbed Gas
0905	Location/Spacing Exception	1181	Location/Spacing Exception
0924	Location/Spacing Exception	1183	Pooling Conventional Gas
0925	Location/Spacing Exception	1184	Location/Spacing Exception
0968	Pooling Conventional Gas	1192	Location/Spacing Exception
0985	Pooling Coalbed Gas	1195	Pooling Conventional Gas
0987	Location/Spacing Exception	1196	Pooling Coalbed Gas
0988	Pooling Coalbed Gas	1198	Location/Spacing Exception
0996	Pooling Coalbed Gas	1211	Location/Spacing Exception
0997	Pooling Escrowing Required	1212	Location/Spacing Exception
1000	Location/Spacing Exception	1213	Location/Spacing Exception
1001	Pooling Escrowing Required	1214	Location/Spacing Exception
1012	Pooling Escrowing Required	1216	Pooling Conventional Gas
1013	Pooling Conventional Gas	1233	Pooling Conventional Gas
1036	Location/Spacing Exception	1234	Location/Spacing Exception
1046	Pooling Conventional Gas	1235	Pooling Conventional Gas
1049	Location/Spacing Exception	1236	Pooling Conventional Gas
1060	Location/Spacing Exception	1245	Pooling Conventional Gas
1069	Location/Spacing Exception	1246	Location/Spacing Exception
1075	Location/Spacing Exception	1267	Pooling Conventional Gas

Exhibit G

EQT Production Company, LLC to Diversified Southern Production, LLC

1268	Location/Spacing Exception	1743	Location/Spacing Exception
1270	Location/Spacing Exception	1744	Location/Spacing Exception
1271	Location/Spacing Exception	1745	Location/Spacing Exception
1285	Pooling Conventional Gas	1767	Location/Spacing Exception
1290	Pooling Conventional Gas	1830	Location/Spacing Exception
1299	Location/Spacing Exception	1831	Location/Spacing Exception
1300	Location/Spacing Exception	1837	Location/Spacing Exception
1302	Location/Spacing Exception	1888	Pooling Conventional Gas
1315	Pooling Conventional Gas	1889	Pooling Coalbed Gas
1326	Location/Spacing Exception	1905	Pooling Coalbed Gas
1335	Location/Spacing Exception	1905-01	Pooling Coalbed Gas
1350	Location/Spacing Exception	1917	Re-Pooling
1354	Pooling Conventional Gas	1952	Pooling Coalbed Gas
1361	Pooling Conventional Gas	1956	Pooling Conventional Gas
1362	Location/Spacing Exception	2016	Location/Spacing Exception
1372	Pooling Conventional Gas	2019	Pooling Conventional Gas
1394	Pooling Coalbed Gas	2020	Location/Spacing Exception
1416	Pooling Conventional Gas	2049	Location/Spacing Exception
1417	Pooling Coalbed Gas	2053	Pooling Coalbed Gas
1450	Location/Spacing Exception	2072	Unit Establishment
1454	Location/Spacing Exception	2073	Pooling Conventional Gas
1459	Pooling Conventional Gas	2076	Pooling Coalbed Gas
1478	Location/Spacing Exception	2077	Location/Spacing Exception
1493	Pooling Conventional Gas	2079	Location/Spacing Exception
1496	Location/Spacing Exception	2180	Pooling Horizontal Conventional Unit
1512	Location/Spacing Exception	2204	Pooling Coalbed Gas
1516	Location/Spacing Exception	2253	Pooling Coalbed Gas
1516-01	Pooling Conventional Gas	2254	Pooling Conventional Gas
1517	Re-Pooling	2255	Pooling Conventional Gas
1552	Pooling Conventional Gas	2256	Pooling Conventional Gas
1553	Location/Spacing Exception	2257	Pooling Conventional Gas
1562	Location/Spacing Exception	2276	Location/Spacing Exception
1565	Location/Spacing Exception	2277	Pooling Conventional Gas
1606	Pooling Conventional Gas	2304	Pooling Escrowing Required
1617	Pooling Conventional Gas	2323	Location/Spacing Exception
1621	Location/Spacing Exception	2351	Unit Establishment
1632	Pooling Conventional Gas	2372	Unit Establishment
1698	Pooling Conventional Gas	2392	Pooling Conventional Gas
1699	Location/Spacing Exception	2399	Location/Spacing Exception
1702	Location/Spacing Exception	2400	Location/Spacing Exception
1722	Pooling Coalbed Gas	2401-01	Unit Establishment
1740	Location/Spacing Exception	2402	Modification of Order to add well
1741	Pooling Conventional Gas	2425	Unit Establishment
1742	Pooling Conventional Gas	2426	Unit Establishment

Exhibit G

EQT Production Company, LLC to Diversified Southern Production, LLC

2427	Unit Establishment
2428	Unit Establishment
2430	Unit Establishment
2431	Unit Establishment
2479	Unit Establishment
2480	Unit Establishment
2491	Unit Establishment
2542	Unit Establishment
2555	Location/Spacing Exception
2619	Pooling Conventional Gas
2652	Unit Establishment
2653	Unit Establishment
2654	Unit Establishment
2665	Unit Establishment
2706	Pooling Horizontal Coalbed Unit
2722	Pooling Coalbed Gas
2734	Pooling Coalbed Gas
2803	Pooling Coalbed Gas
2804	Pooling Coalbed Gas
2883	Pooling Coalbed Gas
2885	Pooling Order Escrowing Required