

COMMONWEALTH OF VIRGINIA  
VIRGINIA GAS AND OIL BOARD HEARINGS  
MINUTES DECEMBER 17, 2013

Pursuant to Sections 45.1-361.9B and 45.1361.22.B of the Code of Virginia, the Virginia Gas and Oil Board held its scheduled monthly hearing commencing at 9 a.m. on Tuesday, December 17, 2013 at the Russell County Government Conference Center, 139 Highland Drive, Lebanon, Virginia.

Board members present were Bradley C. Lambert (Chairman), Bruce A. Prather (Oil and Gas Industry Representative), Donald Lewis Ratliff (Coal Industry Representative), Mary Addington Quillen (Public Representative), Rita Surratt (Public Representative)

Also present were Diane Davis (Division of Gas and Oil), Rick Cooper (Principal Executive to the Board), Sarah Gilmer (Division of Gas and Oil), Sharon M. B. Pigeon (Sr. Assistant Attorney General) ,Member of the Attorney General's Office from Richmond

1. The board will receive public comments.

The petition was Affirmed. Comments were received from Juanittta Sneeuwjagt and Martha Guilliams.

2. The Board will receive an update from First Bank and Trust, Escrow Agent for the Virginia Gas and Oil Board.

The petition was Affirmed. Debbie Davis with First Bank and Trust, Escrow Agent for the Virginia Gas and Oil Board reported a third quarter ending balance of \$28,088,221.69., distributions for the quater were \$231,993.13, Fees \$6,966.27, Deposits \$468,343.76, Interest Earnings from Money Market and CDARS \$19,616.90.

3. A petition from EQT Production Company for for disbursement of funds and authorization for direct payment of royalties on behalf of Lois Phillips, Virginia Turner, James A Counts, Marvin Counts, Glenda Sue Taylor and Hancle Counts for Tracts 2 and 4, Well VC-502832, Castlewood District, Russell County, VA. VGOB 02/12/17/1109. Docket Number VGOB 02-1217-1109-08.

The petition was Granted. The petition was approved as submitted.

4. A petition from EQT Production Company for disbursement of funds and authorization of direct payment on behalf of Lois Phillips, Virginia Turner, James A Counts, Marvin Counts, Glenda Sue Taylor and Hancle Counts for Tract 2 in Well VC-537965 in Castlewood Magisterial District, Russell County, VA. Docket Number VGOB 07-0821-1988-02.

The petition was Granted/Modification. Applicant will verify the exhibit Table 1

5. A petition from EQT Production Company for disbursement of funds and authorization for direct payment of royalties on behalf of Lois Phillips, Virginia Turner, James A Counts, Marvin Counts, Glenda Sue Taylor and Hancle Counts as to Tract 2 in Well VC-501854, Castlewood District, Russell County, VA. Docket Number VGOB 07-1218-2102-02.

The petition was Granted. The petition was approved as submitted.

6. A petition from EQT Production Company for disbursement of funds and authorization for direct payment of royalties on behalf of Lois Phillips, Virginia Turner, James A Counts, Marvin Counts, Glenda Sue Taylor and Hancle Counts on Tract 5 of Well VC-1853, Castlewood District, Russell County, VA. Docket Number VGOB 00-0516-0815-07.

The petition was Granted/Modification. The petition was approved pending the submission by the Applicant of a revised Table 1 and revised Exhibit J.

7. A petition from EQT Production Company for disbursement of funds and authorization of direct payment of royalties to Lois Phillips, Virginia Turner, James A Counts, Marvin Counts, Glenda Sue Taylor and Hancle Counts in Tract 3 for Well VC-551315, Castlewood District, Russell County, VA. Docket Number VGOB 06-0620-1653-04.

The petition was Granted. The petition was approved as submitted.

8. A petition from EQT Production Company for disbursement of funds and authorization of direct payment of royalties on behalf of Lois Phillips, Virginia Turner, James A Counts, Marvin Counts, Glenda Sue Taylor and Hancle Counts from Tract 5 on Well VC-536070, Castlewood District, Russell County, VA. Docket Number VGOB 04-0921-1337-07.

The petition was Granted/Modification. The petition was approved pending the submission by the Applicant of a revised Table 1 and revised Exhibit J.

9. A petition from EQT Production Company for the disbursement of escrowed funds and authorization for direct payment of royalties on behalf of Eva Mae Adkins for her interest in Tract 3 in Drilling Unit Number VC-504248, Kenady District, Dickenson County, VA. Docket Number VGOB 04-1116-1363-03.

The petition was Continued to January, 2014. Continued at the request of the Applicant to January 2014.

10. A petition from EQT Production Company for the disbursement of escrowed funds and authorization for direct payment of royalties on behalf of Eva Mae Adkins for her interest in Tracts 1 and 3 for drilling unit VC-505241, Kenady District, Dickenson County, Virginia. Docket Number VGOB 04-0817-1325-03.

The petition was Continued to January, 2014. Continued at the request of the Applicant to January 2014.

11. A petition from EQT Production Company for the disbursement of escrowed funds and authorization of direct payment of royalties on behalf of Eva Mae Adkins for Tract 3 in Drilling Unit VC-536531, Lipps District, Wise County, VA. Docket Number VGOB 05-0920-1498-01.

The petition was Granted. The petition was approved with the check being made payable to Eva Adkins but mailed to Ms. Shaver, attorney.

12. A petition from EQT Production Company for the disbursement of escrowed funds and authorization for payment of royalties on behalf of Eva Mae Adkins for Tract 7 in Drilling Unit VC-536529, Ervinton District, Dickenson County, VA. Docket Number VGOB 09-0818-2580-02.

The petition was Granted. The petition was approved as submitted with the check being made payable to Eva Adkins but mailed to Ms. Shaver, attorney.

13. A petition from EQT Production Company for the disbursement of funds and authorization for direct payment of royalties on behalf of Eva Mae Adkins in Tract 3 of Drilling Unit VC-504482, Kenady District, Dickenson County, VA. Docket Number VGOB 01-0619-0899-01.

The petition was Granted. The petition was approved with the check being made payable to Eva Adkins but mailed to Ms. Shaver, attorney.

14. A petition from EQT Production Company for the disbursement of funds and authorization for direct payment of royalties on behalf of Eva Mae Adkins in Tract 2 in Drilling Unit VC-504484, Kenady District, Dickenson County, VA. Docket Number VGOB 01-0821-0919-03.

The petition was Continued to January, 2014. Continued at the request of the applicant to January 2014.

15. A petition from EQT Production Company for the disbursement of funds and authorization of direct payment of royalties on behalf of Eva Mae Adkins for Tract 2 of Drilling Unit VC-504637, Kenady District, Dickenson County, VA. Docket Number VGOB 01-1016-0968-04.

The petition was Granted. The petition was approved as submitted with the check being made payable to Eva Adkins but mailed to Ms. Shaver, attorney.

16. A petition from EQT Production Company for the disbursement of escrowed funds and authorization of direct payment of royalties on behalf of Kyle M Rose and Brandon Rose in Tract 6 of Drilling Unit VC-3594, Kenady District, Dickenson County, VA . Docket Number VGOB 96-0820-0552-05.

The petition was Granted. The petition was approved as submitted.

17. A petition from EQT Production Company for the disbursement of funds and authorization for direct payment of royalties on behalf of Stephen Mullins in Tracts 2 and 3 in Well VC-537102, Kenady District, Dickenson County, VA. Docket Number VGOB 07-0515-1933-04.

The petition was Granted. The petition was approved as submitted.

18. A petition from EQT Production Company for the disbursement of funds and authorization for direct payment of royalties on behalf of Stephen Mullins in Tracts 2 and 3 in Well VC-501843, Kenady District, Dickenson County, VA . Docket Number VGOB 06-1114-1763-04.

The petition was Granted. The petition was approved.

19. A petition from EQT Production Company for the disbursement of funds and authorization for direct payment of royalties on behalf of Stephen Mullins in Tracts 3, 5, 6, 7, 8 in Well VC-537111, Ervinton District, Dickenson County, VA. Docket Number VGOB 07-0619-1953-04.

The petition was Granted. The petition was approved as submitted.

20. A petition from CNX Gas Company LLC for (1) the disbursement of escrowed funds deposited with the Board's Escrow Agent(s) attributable to Tract(s) 2B, 2C, 2T, & 2V as depicted in the annexed Exhibit A-1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Harrison-Wyatt L.L.C. and Darrell Hess and Herman Hess. Unit FF14, Hurricane District, Buchanan County, VA. Docket Number VGOB 05-1018-1510-01.

The petition was Granted. The petition was approved as submitted.

21. A petition from CNX Gas Company LLC for (1) the disbursement of escrowed funds deposited with the Board's Escrow Agent(s) attributable to Tract(s) 1F & 1G as shown on Exhibit A-1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Harrison-Wyatt L.L.C. and Darrell Hess and Herman Hess, Unit AV-100, Hurricane District, Buchanan County, VA. Docket Number VGOB 04-0720-1306-01.

The petition was Granted. The petition was approved as submitted.

22. A petition from CNX Gas Company LLC for Re-pooling unit CBM X(-2), Prater District, Buchanan County, VA. Docket Number VGOB 09-0317-2488-01.

The petition was Granted. The petition was approved as submitted.

23. A petition from CNX Gas Company LLC for Pooling of Unit CBM AW146, Maiden Spring Di

The petition was Granted. The petition was approved as submitted.

24. A petition from CNX Gas Company LLC for Pooling Unit AX146, Maiden Spring District, Tazewell County, VA. Docket Number VGOB 13-1217-4028.

The petition was Granted. The petition was approved as submitted.

25. A petition from CNX Gas Company LLC for creation of sealed gob unit and pooling for Buchanan No. 1 SGU4, Garden District, Buchanan County, VA. Docket Number VGOB 13-1217-4029.

The petition was Granted. The petition was approved as submitted.

26. The Board, on its own motion, ordered that CNX Gas Company place Unit Unit W-35, Buchanan County, VA. Docket VGOB-98-0324-0627-08 on the December docket for further consideration.

The petition was Continued to January, 2014. CNX is to meet with DGO Staff to review new exhibits for processing of the Disbursement Order. The docket item will appear on the January 2014 agenda for follow-up.

27. The board will receive an update of Board and Division activities from the staff.

The petition was Accepted. Rick Cooper had no comments this month for the Board. Diane Davis asked that the board review current board orders for any possible update in language. Ms. Davis was asked to review and order and bring it to the Board at the next hearing for discussion.

28. The board will review the October 2013 minutes for approval.

The petition was Affirmed. The minutes for October were approved with no changes.

The hearing adjourned at 12:30