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GAS AND OIL
GEOLOGY AND MINERAL RESOURCES
MINED LAND RECLAMATION
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Over \$4 Million in Natural Gas Royalty Payments Disbursed by Virginia Gas and Oil Board

Lebanon, Va.- The Virginia Gas and Oil Board approved disbursements for \$4,490,408.52 in 2015. That is the most money released from the state-managed escrow account within one year in the Board's history. The Virginia Department of Mines, Minerals and Energy's Division of Gas and Oil, which serves as staff to the Board, processes the payments.

Over \$2.5 million of the disbursements were the direct result of House Bill 2058. Effective July 1, 2015, the new law gave gas owners the right to coalbed methane royalties if there was not a previous legal ruling or existing agreement between coal and gas owners. Coalbed methane is a gas contained in a coal seam. Previously there were disputes over whether the person with the gas or coal rights to property where gas is produced was due the royalties.

"We believe this change in legislation will free up a total of \$20 million from the escrow account," said Virginia Gas and Oil Board Chairman, Butch Lambert. "We are proud of the accomplishments of our board, the gas companies' efforts and DMME's gas and oil office for disbursing a record amount of royalties the last five months."

The legislation also granted the companies the opportunity to ask for an extension should they not be able to process all of the disbursements by January 2016. The Virginia Gas and Oil Board approved the extension requested by gas companies in December which allows more time to complete required title work and reconcile accounts. There are also people due money that have not been located yet or are unidentified heirs to gas rights. In addition, all those due royalties must complete a W-9 tax form before they can receive payments.

Citizens can search DMME's [website](#) under the Virginia Gas and Oil Board's E-Form Center to see if they might be due royalties. There are over 8,000 producing natural gas wells in Virginia. Around 6,000 of those are coalbed methane wells.