

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: V-536778

TRACT(S): A portion of 09

LOCATION: DICKENSON County, Virginia

TAX ID NUMBERS: Tax Map Identification Numbers for all parcels affected by this order are shown on: Exhibit B

DOCKET NUMBER: VGOB-06-0815-1703-01

APPLICANTS: EQT Production Company on behalf of Tessie M. Bates

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
December 18, 2012

APPEARANCES: James Kaiser on behalf of EQT Production Company

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 02/23/2007, Recorded on 02/27/2007, Deed Book/Instrument No. 435, Page 167.
2. Supplemental Order, Recorded on 11/01/2007, Deed Book/Instrument No. 444, Page 750.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the December 18, 2012 hearing and 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 09 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 09 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:

DONE AND EXECUTED this 21 day of December, 2012 by a majority of the Virginia Gas and Oil Board.

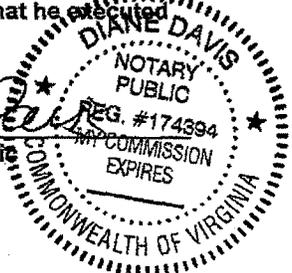
Bradley C. Lambert

Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSEL)

Acknowledged on this ^{5th} 21 day of December, 2012, 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
Diane J. Davis, Notary Public
174394



My Commission expires: September 30, 2013

DONE AND PERFORMED this 27 day of December, 2012 by Order of the Virginia Gas and Oil Board.

Rick Cooper

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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSEL)

Acknowledged on this th 27 day of December, 2012, 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
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 06-0815-1703-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) A portion of 09
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: December 18, 2012

DRILLING UNIT: V-536778

DICKENSON 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

A petition for disbursement of funds from Tract 9 for well V-536778.

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)

Conventional

5. Factual basis for relief requested

Ms. Tessie M. Bates was identified in Tract 9 as an unknown owner in the Original and Supplemental Order. Further due diligence has located Ms. Bates and she is due her funds from escrow for this well.

6. Attestation

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

BK 435PG 177

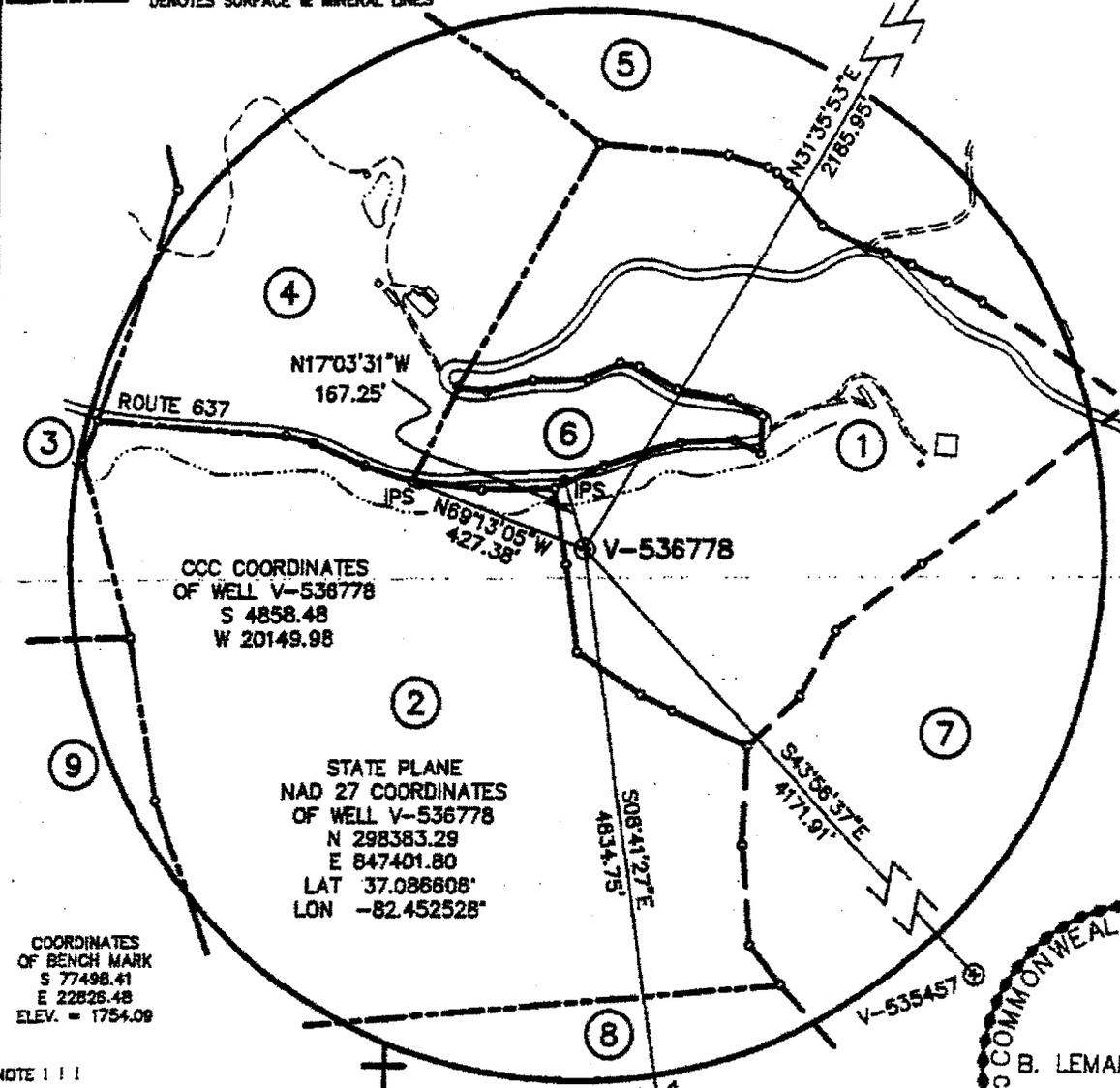
TOTAL UNIT AREA
= 112.69 ACRES

NOTE !!
SEE WELL PLAT SUPPLEMENT
SHEET 2 FOR TRACT INFORMATION.

LATITUDE 37°07'30"

--- DENOTES MINERAL LINE
- - - DENOTES SURFACE LINE
- · - · DENOTES SURFACE & MINERAL LINES

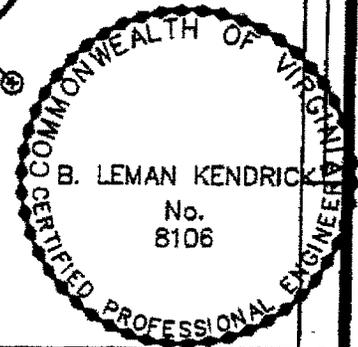
LONGITUDE 82°25'00"
TRUE



CCC COORDINATES
OF WELL V-536778
S 4858.48
W 20149.98

STATE PLANE
NAD 27 COORDINATES
OF WELL V-536778
N 298383.29
E 847401.80
LAT 37.086608°
LON -82.452528°

COORDINATES
OF BENCH MARK
S 77498.41
E 22826.48
ELEV. = 1754.08



NOTE !!!
WELL COORDINATES ARE BASED ON CLINCHFIELD
COAL COMPANY'S COORDINATE SYSTEM
CLINCHFIELD COAL COMPANY COORDINATES ARE
CALCULATED FROM STATE PLANE WELL COORDINATES.
PROPERTY INFORMATION PROVIDED BY EQUITABLE
PRODUCTION COMPANY.
ELEVATIONS ARE BASED ON NGS CONTROL ST. PAUL 2.

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER V-536778
TRACT No. LEASE No. 906486 ELEVATION 1941.67 (GPS) QUADRANGLE CANEY RIDGE
COUNTY DICKENSON DISTRICT KENADY SCALE: 1" = 400' DATE JULY 12, 2006
THIS PLAT IS A NEW PLAT x; AN UPDATED PLAT ; OR A FINAL LOCATION PLAT
PROPOSED TOTAL DEPTH OF WELL =

+ 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.

B. Lemman Kendrick 7/12/06
Page Number 5.

(AFFIX SEAL)

①

LEASE No. 906496
JOHNNY RAY MULLINS
29.49 ACRES
JOHNNY RAY MULLINS - surface, coal, oil & gas
GAS 25.75 AC. 22.85%

②

LEASE No. 906497
WELFORD DOTSON
35.932 ACRES
LEATHA JUNE STANLEY - surface
WELFORD DOTSON - life estate in surface
WELFORD DOTSON - coal, oil & gas
GAS 36.91 AC. 32.75%

③

LEASE No. 906499
M.N. & EDNA WALLEN HEIRS
33.62 ACRES
M.N. & EDNA WALLEN HEIRS - surface, oil & gas
LEASE No. 904576L / DI-44
JOSEPH B. STANLEY
400.451 ACRES
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal
GAS 1.00 AC. 0.89%

④

LEASE No. 906498
WELFORD DOTSON
24.909 ACRES
WELFORD DOTSON - surface, coal, oil & gas
GAS 16.73 AC. 14.85%

⑤

LEASE No. 241493L
STEINMAN DEVELOPMENT COMPANY
200.00 ACRES
STEINMAN DEVELOPMENT COMPANY - coal, oil & gas
GAS 8.66 AC. 7.66%

⑥

UNLEASED
ARCUS BLAINE REDDEN
3.47 ACRES
ARCUS BLAINE REDDEN - surface, coal, oil & gas
GAS 3.47 AC. 3.08%

⑦

LEASE No. 241490 / T-665
A.J. MULLINS
699.65 ACRES
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal
PINE MOUNTAIN OIL & GAS, INC. - oil & gas
GAS 15.35 AC. 13.62%

⑧

LEASE No. 906500
WALKER & BARBARA HALSAPPLE
20.39 ACRES
WALKER & BARBARA HALSAPPLE - surface, oil & gas
LEASE No. 904576L / DI-23
P.H. KENNEDY
45.695 ACRES
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal
GAS 3.64 AC. 3.23%

⑨

UNLEASED
J.L. WALLEN HEIRS
35.00 ACRES
J.L. WALLEN HEIRS - surface, oil & gas
LEASE No. 904576L / DI-44
JOSEPH B. STANLEY
400.451 ACRES
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - coal
GAS 1.18 AC. 1.05%



THOMPSON & LITTON
312 Clintwood Main Street
Suite 201

EQUITABLE PRODUCTION COMPANY
WELL No. V-536778
WELL PLAT SUPPLEMENT
SHEET 2

PROJECT No.:
V-536778

SCALE: 1" = 400'

DATE: JULY 12, 2006

BK 503PG 340

VGOB Disbursement
 Unit V-536778
 VGOB-06-0815-1703-01

Table 1
 A portion of 09

Item	Tract	Disbursement Table	Fractional Ownership in Tract	Net Acreage in Tract	Royalty Split Agreement	Escrowed Acres Disbursed	Percent of Escrowed Funds Disbursed	Disbursement
		Total acreage in escrow before disbursement				0.46350		
	09	Tract 09 (total acreage)		1.18				
1	09	Tessie M. Bates'68 Bush Street, Apt. #4, Fall River, MA 02724-3288		0.0983	100.00%	0.0983	21.2082%	\$129.72

Wells contributing to the escrow account: V-536778 W/PL

EXHIBIT "B"
V-536778
REVISED 08/10/06

<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	Johnny Ray Mullins	Leased-EPC	22.85000000%	25.7500	0.02856250	RI
TAX ID 7334	P.O. Box 1193 Clintwood, VA 24228	906496				
	Equitable Production				0.19993750	WI
Tract 1 Totals			0.22850000	25.7500	0.22850000	
2	Welford Dotson	Leased-EPC	32.75000000%	36.9100	0.04093750	RI
TAX ID 10810	2931 Rockhouse Road Coeburn, VA 24230	906497				
	Equitable Production				0.28656250	WI
Tract 2 Totals			0.32750000	36.9100	0.32750000	
3	<u>M.N. & Edna Wallen Heirs:</u>					
TAX ID 13395	Milan Habern Wallen	Leased-EPC	0.44500000%	0.5000	0.00055625	RI
	476 Catawba Lane Blountville, TN 37617-4913	906499.01				
	Ida Wallen Kirby	Leased-EPC	0.44500000%	0.5000	0.00055625	RI
	a.k.a Ida Louise Wallen Wright	906499.02				
	P.O. Box 572 Clintwood, VA 24228-0572					
	Equitable Production				0.00778750	WI
Tract 3 Totals			0.00890000	1.0000	0.00890000	
4	Welford Dotson	Leased-EPC	14.85000000%	16.7300	0.01856250	RI
TAX ID 10810	2931 Rockhouse Road Coeburn, VA 24230	906498				
	Equitable Production				0.12993750	WI
Tract 4 Totals			0.14850000	16.7300	0.14850000	
5	Steinman Development Company	Leased-EPC	7.68000000%	8.6600	0.00960000	RI
TAX ID 12109	8 West King Street P.O. Box 128 Lancaster, PA 17608 ATTN: Mary E. Knopp	241493L				
	Equitable Production				0.06720000	WI
Tract 5 Totals			0.07680000	8.6600	0.07680000	
6	Arcus Blaine Redden	Unleased	3.08000000%	3.4700	0.00385000	RI
TAX ID 182867E	900 West Main Street Clintwood, VA 24228					
	Equitable Production				0.02695000	WI

Tract 6 Totals			0.03080000	3.4700	0.03080000	
7	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490LT-665	13.62000000%	15.3500	0.01702500	RI
TAX ID 20198	Equitable Production				0.11917500	WI
Tract 7 Totals			0.13620000	15.3500	0.13620000	
8	Walker Halsapple and Barbara Halsapple, H/W 5490 Coeburn Road Coeburn, VA 24230	Leased-EPC 906500	3.23000000%	3.6400	0.00403750	RI
TAX ID 12047	Equitable Production				0.02826250	WI
Tract 8 Totals			0.03230000	3.6400	0.03230000	
9	<u>J. L. Wallen Heirs</u>					
TAX ID 13389	Joyce Wallen, widow Rt 1, Box 278 Clintwood, VA 24228	Unleased	0.02187500%	0.0246	0.00002734	RI
	Buddy H. Wallen 1085 Rotherwood Dr. Kingsport, TN 37660	Unleased	0.10937500%	0.1229	0.00013672	RI
	R.L. Wallen 1024 Wellington Blvd Kingsport, TN 37660	Unleased	0.10937500%	0.1229	0.00013672	RI
	Linda W. Wood and John Wood, W/H Unknown	Unleased	0.02187500%	0.0246	0.00002734	RI
	<u>Andrew Jackson Wallen Heirs:</u>					
	Jackie Wallen and Gayle Wallen, H/W Unknown	Unleased	0.01750000%	0.0197	0.00002187	RI
	Rita Wallen Unknown	Unleased	0.01750000%	0.0197	0.00002187	RI
	Harold Gene Wallen 6725 Yorkshire Pl Avon, IN 46123	Unleased Cash Consideration	0.01750000%	0.0197	0.00002187	RI
	Sandra Wallen Unknown	Unleased	0.01750000%	0.0197	0.00002187	RI
	Ricky Wallen 104 Pineville Drive Beckley, WV 25801-9357	Unleased	0.01750000%	0.0197	0.00002187	RI
	<u>Newton Wallen Heirs:</u>					
	Mackie Ann Wallen Unknown	Unleased	0.02916667%	0.0328	0.00003646	RI
	Dan Olen Wallen Unknown	Unleased	0.02916667%	0.0328	0.00003646	RI
	Additional Child	Unleased	0.02916667%	0.0328	0.00003646	RI

Unknown

Tessie W. Bates Heirs Unknown	Unleased	0.08750000%	0.0983	0.00010938	RI
Lillian W. Ratliff, widow 80 Mount Vernon Drive Bristol, VA	Unleased	0.08750000%	0.0983	0.00010938	RI

**Edison Wallen and
Iola Wallen Heirs:**

Karen Wallen Pennington and Ernest Pennington, W/H 640 Garden Lane Bristol, VA 24201-1515	Leased-EPC 906610.10	0.08750000%	0.0983	0.00010938	RI
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Hattie W. Baker Heirs:

Andy James Baker and Sue Baker, H/W P.O. Box 1103 Clintwood, VA 24228	Leased-EPC 906610.12	0.01093750%	0.0123	0.00001367	RI
Betty Baker, widow Route 1, Box 212B Reedy Creek Road Clintwood, VA 24228	Leased-EPC 906610.08	0.01093750%	0.0123	0.00001367	RI
Steven Baker and Shelly Baker, H/W 4305 DC Caney Ridge Road Clintwood, VA 24228	Leased-EPC 906610.09	0.01093750%	0.0123	0.00001367	RI
Janet Sue Baker Mullins and Jimmy Mullins, W/H 554 Walnut Street Clintwood, VA 24228	Leased-EPC 906610.11	0.01093750%	0.0123	0.00001367	RI

Palmer Glenn Baker Heirs:

Pennelope Baker Unknown	Unleased	0.00546875%	0.0061	0.00000684	RI
Phillip Baker 6502 Lake Vista Drive Mechanicsville, VA 23111	Leased-EPC 906610.06	0.00546875%	0.0061	0.00000684	RI
Beverly Baker, widow 2308 Wistar Ct. Richmond, VA 23294	Leased-EPC 906610.07	0.01093750%	0.0123	0.00001367	RI
Janie Baker Bise 211 Reedy Ridge Road Clintwood, VA 24228	Leased 906610.02	0.01093750%	0.0123	0.00001367	RI
Carroll Ray Baker, widower 4305 DC Caney Ridge Road Clintwood, VA . 24228	Leased 906610.03	0.01093750%	0.0123	0.00001367	RI

George Reedy and Vesta Heirs:

Avon Reedy and Jean Reedy, H/W 18251 Clay Hill Stevensburg, VA 27741	Unleased	0.01750000%	0.0197	0.00002188	RI
5 Additional Children	Unleased	0.07000000%	0.0787	0.00008750	RI

Unknown

Daisey Wallen Heirs:

Henrieta Wallen Lafferty and Bill Lafferty, W/H 700 Guld Blvd Indian Rocks Beach, FL 33785-2644	Unleased	0.01458333%	0.0164	0.00001823	RI
Judy Wallen Stewart and Malcom Stewart, , W/H 17256 Four Seasons Dr. Dumfries, VA 22025-1847	Unleased	0.01458333%	0.0164	0.00001823	RI
Paul Wallen and Brenda Wallen, H/W P.O. Box 264 Old Flatwoods Rd. Coeburn, VA 24230	Leased 906610.04	0.01458333%	0.0164	0.00001823	RI
Freddie Wallen P.O. Box 264 Coeburn, VA 24230	Leased 906610.05	0.01458333%	0.0164	0.00001823	RI
Shirley Wallen Spinella and Ross Spinella, W/H 2922 Dungannon Road Coeburn, VA 24230	Leased 906610.06	0.01458333%	0.0164	0.00001823	RI
Loretta Wallen Switzer and John Switzer, W/H 1012 Center Lake Burrell Dr. Lutz, FL 33549-3501	Unleased	0.01458333%	0.0164	0.00001823	RI
Harry Severy Unknown	Unleased	0.08750000%	0.0983	0.00010938	RI
Equitable Production				0.00918750	WI
Tract 9 Totals		0.01050000	1.1800	0.01050000	
Total Gas Estate		100.00000000%	112.6900	1.00000000	

84 50398 345

EXHIBIT "E"
V-536778
Revised 08/10/06

<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>				
9	<u>J. L. Wallen Heirs</u>			
	Linda W. Wood and John Wood, W/H Unknown	Unleased	0.02187500%	0.0246
	<u>Andrew Jackson Wallen Heirs:</u>			
	Jackie Wallen and Gayle Wallen, H/W Unknown	Unleased	0.01750000%	0.0197
	Rita Wallen Unknown	Unleased	0.01750000%	0.0197
	Sandra Wallen Unknown	Unleased	0.01750000%	0.0197
	<u>Newton Wallen Heirs:</u>			
	Mackie Ann Wallen Unknown	Unleased	0.02916667%	0.0328
	Dan Olen Wallen Unknown	Unleased	0.02916667%	0.0328
	Additional Child Unknown	Unleased	0.02916667%	0.0328
	<u>Palmer Glenn Baker Heirs:</u>			
	Pennelope Baker Unknown	Unleased	0.00546875%	0.0061

George Reedy and Vesta Heirs:

5 Additional Children Unknown	Unleased	0.07000000%	0.0787
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Daisey Wallen Heirs:

Harry Severy Unknown	Unleased	0.08750000%	0.0983
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TOTAL		0.00324844	0.3651
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EXHIBIT "EE"
VC-536778

10/10/2012

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
9	Tessie M. Bates 68 Bush Street, Apt. #4 Fall River, MA 02724-3268 TAX ID 13389	Unleased	0.08750000%	0.098300
	Total		0.087500%	0.0983

INSTRUMENT #130000082
 RECORDED IN THE CLERK'S OFFICE OF
 DICKENSON ON
 JANUARY 26th 2013 AT 02:29PM

RICHARD W. EDWARDS, CLERK
 RECORDED BY: CUF