

Instrument prepared by:

**VIRGINIA GAS AND OIL BOARD**

Order recorded under:

**CODE OF VIRGINIA  
§ 45.1-361.26****VIRGINIA:****BEFORE THE GAS AND OIL BOARD****APPLICANTS:**EQT Production Company on behalf of Thomas Y  
Dotson and Range Resources-Pine Mountain Inc. **Tract  
3 of Drilling Unit 502567.****DOCKET NO.****06-1017-1736-01****RELIEF  
SOUGHT:**Issuance: A Supplemental Order for Disbursement of Escrowed Funds  
Action: Amending Prior Orders Affecting Drilling **502567,  
Tract 3**  
(Referenced herein as "the Subject Drilling Unit")Location: **Russell County, Virginia****Action Details:**

- (1) To provide a calculation of funds, Unit Operator has deposited into the Escrow Account for Drilling Unit **502567** by Tract Subaccounts;
- (2) To provide each applicant, in simple terms, a complete month over month Royalty Accounting of unit production, costs, taxes and proceeds, depicting variables used in the calculation of royalty payments to the unit escrow account.
- (3) To disburse unit funds to the Applicants, in accordance with their Unit Ownership Interests relative to those funds deposited by the Unit Operator into Subject Drilling Unit's

**REPORT OF THE BOARD****FINDINGS AND ORDER**

1. **Hearing Date and Place:** This matter came on for final hearing before the Virginia Gas and Oil Board (herein "Board") at 9:00 a.m. on June 14, 2011 at the Dickenson County Government, Conference Center, 139 Highlennad Drive in Lebanon, VA.
2. **Appearances:** Mr. James E Kaiser Esq. of Wilhoit and Kaiser, Attorneys at Law, appeared for the Unit Operator; and Sharon M.B. Pigeon, Assistant Attorney General, was present to advise the Board.
3. **Jurisdiction and Notice:** Pursuant to Va. Code §§ 45.1-361.1 *et seq.*, and in particular Va. Code §§ 45.1-361.21 and 45.1-361.22, the Board finds that it has jurisdiction over the establishment and maintenance of an escrow account, with tract sub accounts, for each of the coalbed methane gas drilling units established by the Board through its field rules that are subject to a Board pooling order. Further, the Unit Operator is required to deposit, as applicable, those funds specified in Va. Code § 45.1-361.21.D., 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4 into the applicable escrow tract sub accounts. The Board finds that: (1) while it **does not** have jurisdiction to resolve conflicting claims to the ownership of the Coalbed Methane Gas produced by the Unit Operator from wells located on Subject Drilling Unit, and (2) while it **does not** have jurisdiction to interpret agreements by and between the Gas owners/claimants and/or the Unit Operators or to abridge or contravene the provisions of such agreements, (3) pursuant to Va. Code § 45.1-361.22.A.5, **the Board does have jurisdiction and authority to disburse funds from the Escrow Account** provided the Board has been provided with a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between the conflicting claimants or an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein.

VGOB - 6/14/11

4. **Prior Proceedings:**

- 4.1. (a) On October 17, 2006 the Board heard and on April 17, 2007 executed its order pooling interests in the Subject Drilling Unit for the production of occluded natural gas produced from coalbeds and rock strata associated therewith (herein "Gas") in accordance with the provisions of Va. Code SS 45.1-361.21 and 45.1-361.22 (herein "Pooling Order"). The Pooling Order was filed with the Clerk of the Circuit Court of Dickenson County on April 30, 2007, Deed Book 670, and Pages 0458 to 0471, Instrument Number 0701288. The Board executed its Supplemental Order Regarding Elections that was filed with the Clerk of the Circuit Court of Dickenson County on October 29, 2007, Deed Book 680, Pages 0643 to 0651.
- 4.2. To the extent claims to the Gas were in conflict, pursuant to Va. Code S 45.1-361-22 payments attributable to said conflicting claims were ordered deposited by the Unit Operator into the escrow account established by the Pooling Orders (herein "Escrow Account"). According to the Pooling Orders and testimony, the coal estate ownership interests of Range Resources-Pine Mountain Inc; and the gas ownership interests of the Thomas Y Dotson, Tract 3 in the Subject Drilling Unit were in conflict and became subject to the escrow requirements of the Pooling Order. (Note that Mr. Dotson's interest was purchased on the 6<sup>th</sup> day of December 2010, from Ricky Wilson, Richard Wilson & Judy, David Wilson & Rita, Dexter Wilson & Melissa, Linda Wilson Harris & Harlis plus Natasha Wilson McGlothlin & Dennis.)
- 4.3. The Unit Operator's Miscellaneous Petition regarding Tract 3, a copy of which is attached to and made a part hereof, states under oath that Range Resources-Pine Mountain Inc. and the Applicants have entered into an agreement with regards to Tract 3 and that by the terms of the agreements, Range Resource-Pine Mountain Inc and Thomas Y. Dotson have entered into a split agreement (0 % / 100 %) regarding this tract and escrow regarding these individual conflicting claims detailed herein, is no longer required for these parties.
- 4.4. The Unit Operator gave notice to Range Resources-Pine Mountain Inc and the Applicants that the Board would consider its disbursement authorization at its hearing on June 14, 2011 and consider whether to: (1) amend the Pooling Order to provide for the disbursement a portion of funds on deposit in the Escrow Account attributable to Tract 3 identified in the attached miscellaneous petition (2) delete the requirement that the Unit Operator place future royalties attributable to a portion of said Tract 3 relative to the interests of Applicants identified in the miscellaneous petition in the Escrow Account, and (3) **CLOSE** the escrow account under this docket number because there are **no other** parties under this order subject to continued payments in the escrow.
- 4.5. The Unit Operator filed the attached accounting for Subject Drilling Unit's Escrow Account with the Board ("Accounting").

5. **Findings:**5.1. **Va. Code 45.1-361.22.5 provides:**

*The Board shall order payment of principal and accrued interests, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (i) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between them or (ii) an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein. The amount to be paid to the conflicting claimants shall be determined based on the percentage of ownership interest of the conflicting claimants as shown in the operator's supplemental filing made part of the pooling order that established the escrow account, the operator's records of deposits attributable to those tracts for which funds are being requested, and the records of the escrow account for the coalbed methane gas drilling unit. The interests of any cotenants who have not entered into an agreement shall remain in the escrow account.*

5.2 Applicant has certified and represented to the Board that:

(1) Range Resources-Pine Mountain Inc. and Thomas Y. Dotson are the owners of the coal and gas acreage estate underlying a portion of VGOB Tract 3 of the Subject Drilling Unit 502567;

(2) Net interests attributable and to be disbursed to Applicants are shown in Table 1,

VGOB-06-1017-1736-01 Disbursement  
502567

			Frac Interest	Acreage Interest Disbursed	Split Agreement	Escrowed Acres Total	% of Escrowed Funds
<b>Table 1</b>							
<b>Disbursement Table</b>							
Item No	Tract	<b>A portion of Tract 2</b>					
Totals						0.4500	
			0.45				
1	3	Range Resources-Pine Mountain Inc / Attn: Jerry Grantham / PO Box 2136/ Abingdon, VA	1	0.45000000	0.0%	-	<b>0.0000%</b>
	3						
2	3	Thomas Dotson / 305 Hill Road / Southern Pines, NC 28387	1	0.45000000	100.0%	0.4500	<b>100.0000%</b>

6. **Relief Granted:**

For the reasons set forth in Paragraph 4 and 5 above, and based upon the Accounting and Table 1 above, the Escrow Agent is ordered to, within 10 days of receipt of this executed order to disburse funds for the unit and applicants detailed in Table 1 above.

Exhibit E to the Pooling Order, showing owners subject to escrow, is deleted and replaced with the Exhibit E attached to this order. Further, the Supplemental Order filed in this cause is hereby modified to delete the requirement that payments attributable to the conflicting coalbed methane gas ownership interests of those applicants indicated in Table 1 be deposited by the Unit Operator into the Escrow Account, **and**, because there are other owners subject to escrow under the Supplemental Order, the Escrow Agent is directed to **CLOSE** the Escrow Account for Subject Drilling Unit. To the extent not specifically granted herein, any other or further relief is denied.

7. **Conclusion:**

Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 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 and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

9. **Effective Date:** This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 14 day of June, 2011 by a majority of the Virginia Gas and Oil Board.

*Bradley C. Lambert*  
Bradley C. Lambert, Chairman  
Virginia Gas and Oil Board

DONE AND PERFORMED this 14 day of June, 2011 by an Order of this Board.

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

COMMONWEALTH OF VIRGINIA )  
COUNTY OF WASHINGTON )

Acknowledged on this 14<sup>th</sup> day of June, 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 the Chairman of the Virginia Gas and Oil Board and **David E. Asbury Jr.**, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

My commission expires: 09 / 30 / 2013



*Diane J. Davis*  
Diane J. Davis  
Notary Public #174394



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANTS: EQT Production Company on behalf of Thomas Y Dotson and Range Resources-Pine Mountain Inc.

DOCKET NUMBER: VGOB 06/10/17-1736-01

RELIEF SOUGHT: Supplemental Order for Disbursement of Escrowed Funds on behalf of Thomas Y Dotson and Range Resources-Pine Mountain Inc.

LEGAL DESCRIPTIONS: Drilling Unit Number 502567 created by Board Order Dated April 17, 2007, VGOB 06/10/17-1736 in ~~Dickenson~~ <sup>Russell</sup> County, Virginia.

HEARING DATE: June 14, 2011

MISCELLANEOUS PETITION

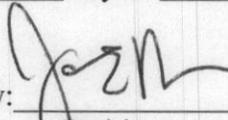
- 1. Party: Applicants herein is Thomas Dotson, (hereinafter "Plaintiffs), whose address is 305 Hill Road, Southern Pines, NC 28387, and Range Resources-Pine Mountain Inc. , (hereinafter "Plaintiffs), whose address is P.O. Box 2136, Abingdon, VA 24212.
- 2. Facts:
  - a. Equitable was designated as the Operator and Applicants interests were Pooled in the 502567 Unit by Order of the Virginia Gas and Oil Board (hereinafter "Board") executed on April 17, 2007, pursuant to Docket No. VGOB 06/10/17-1736 and recorded in the Circuit Court Clerk's Office Dickenson County, Virginia on April 30, 2007, Deed Book 270, Page 458 (hereinafter "Order").
  - b. The Order and Supplemental Order required the Escrow Agent named and appointed therein to establish an interest-bearing escrow account for funds pertaining to the above-referenced Unit and subject to escrow pursuant to the terms of the Order.
  - c. The Order and Supplemental Order further required the Operator to deposit bonus and royalty payments with the Escrow agent which could not be made because the person(s) entitled hereto could not be made certain due to conflicting claims of ownership.
  - d. Range Resources-Pine Mountain, Inc. was a conflicting claimant with the above-listed Plaintiffs with regard to Tract 3 as created by Board Order as VGOB 06/10/17-1736 are the applicable Tracts.

- e. To resolve this conflict, a Letter dated March 11, 2011, signed Jerry Grantham, Vice President of Range Resources-Pine Mountain, Inc. is attached hereto and incorporated herein as Exhibit "A".
- f. The amounts deposited with the Escrow Agent regarding the Unit need to be determined and distributed accordingly.
- g. Any escrow amount, not yet deposited into the escrow account, held by Operator should also be determined, and distributed to Applicants/Plaintiffs herein, accordingly.
- h. Applicants/Plaintiffs herein do hereby request that the Board enter amended supplemental order for the Unit directing the Escrow Agent and the Operator to disburse to the aforesaid Plaintiff the funds attributable to the previous conflicting claim with Pine Mountain, held in escrow for the VGOB number as listed above.
  1. The Applicants certify that the matters set forth in the application, to the best of their knowledge, information, and belief, are true and correct and that the form and content of the Application and conform to the requirements of relevant Board regulations and orders.
  2. Legal Authority: Va Code Ann. §45.1-361.1 et seq., 4 VAC 25-160, and such other regulations and Board orders promulgated pursuant to law.
  3. Relief Sought: Applicants request that the Board issue amended supplement order amending all prior orders affecting the Unit which amended supplement order will provide as follows:
    - a. Determining the amount of funds attributable to the Applicants/Plaintiffs herein.
    - b. Directing the Escrow Agent to determine the amount of funds attributable to Applicants/Plaintiffs herein, provide an accounting hereof, and disburse the funds on deposit with the Escrow Agent, including any applicable interest, pertaining to the interest in the Unit shown above for distribution.
    - c. Directing the Operator to determine the amount of funds attributable to the Applicants/Plaintiffs herein, provide an accounting thereof, and disburse the units in its hands, if any, subject to escrow but not then on deposit with the Escrow Agent, including any applicable interest, at the time of the Supplemental Order requested therein is executed, attributable to the Applicants/Plaintiffs herein for distribution.
    - d. Directing the Operator to disburse the funds, including any applicable interest, and provide an accounting thereof, which it may receive after the date of the execution of the amended

supplemental order requested in the Application, if any, attributable to the Applicants/Plaintiff herein, and to discontinue the payment of such funds into Escrow.

- e. Granting such other relief as is merited by the evidence and is just and equitable whether or not such relief has been specifically requested herein.

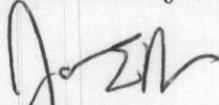
Dated this 13<sup>th</sup> day of May, 2011.

By:   
 \_\_\_\_\_  
 Petitioner

Address: Wilhoit & Kaiser  
 220 Broad St, Ste. 301  
 Kingsport, TN 37660

**CERTIFICATE**

The foregoing application to the best of my knowledge, information and belief is true and correct. Notice was given pursuant to Va. Code Ann. §45.1-361.19.



\_\_\_\_\_  
Petitioner



VGOB 06/10/17-1736  
VC-502567

TRACT NO.	OWNER NAME and ADDRESS	SPLIT %	OWNER NET INTEREST	TOTAL NET ESCROW INTEREST	TOTAL AMOUNT IN ESCROW 3/31/2011	OWNER % IN ESCROW 3/31/2011	OWNER AMOUNT IN ESCROW 3/31/2011
3	Thomas Dotson 305 Hill Road Southern Pines, NC 28387	100%	0.00096250	0.00096250	Bank Total - \$1,396.69 Equitable Total - \$1,395.76	100.00000000%	\$1,396.69



**RANGE RESOURCES**

March 11, 2011

Mr. Thomas Y. Dotson  
305 Hill Road  
Southern Pines, NC 28387

Re: **Permanent Release of CBM Royalty**  
**Well VC-502567, VCI-531498, VC-536506, VC-536507,**  
**VC-536201, VC-536508, and VCI-531499**  
**Russell and Buchanan County, Virginia**

Dear Mr. Dotson:

As you are aware, EQT Production Company ("EQT") has drilled the above-referenced coalbed methane gas wells on a 116 acre tract ("Subject Tract") under pooling orders from the Virginia Gas and Oil Board ("Board"). In the pooling order, we are listed as having conflicting claims. Range Resources - Pine Mountain, Inc. ("RRPM") is listed as claiming under a coal title, and you are listed as claiming under a gas title. The plats indicating the location of the wells within the operating unit are enclosed for your reference.

EQT, as operator of the units, has placed or will place all royalty proceeds attributable to conflicting claims into an escrow account. In order to allow release of the royalty proceeds, RRPM hereby waives any claims to past or to future royalties attributable to your interest in these wells.

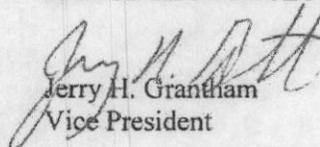
By copy of this letter, RRPM is requesting EQT to initiate distribution directly to you of all current royalties, as well as all future royalties, attributable to your interests in these wells.

Please be advised that EQT may require that you demonstrate that you are the current owner of the gas estate subject to the pooling order. You should work directly with EQT on that issue.

If you have any questions, please do not hesitate to call me at 276-619-2584

Sincerely,

RANGE RESOURCES-PINE MOUNTAIN, INC.

  
Jerry H. Grantham  
Vice President

Enclosure

cc: Kristie Shannon, EQT  
Rita Barrett, EQT  
E. Strouth, EQT  
Debbie Louthian, RRPM

Range Resources - Pine Mountain, Inc.  
406 W. Main Street

P. O. Box 2136

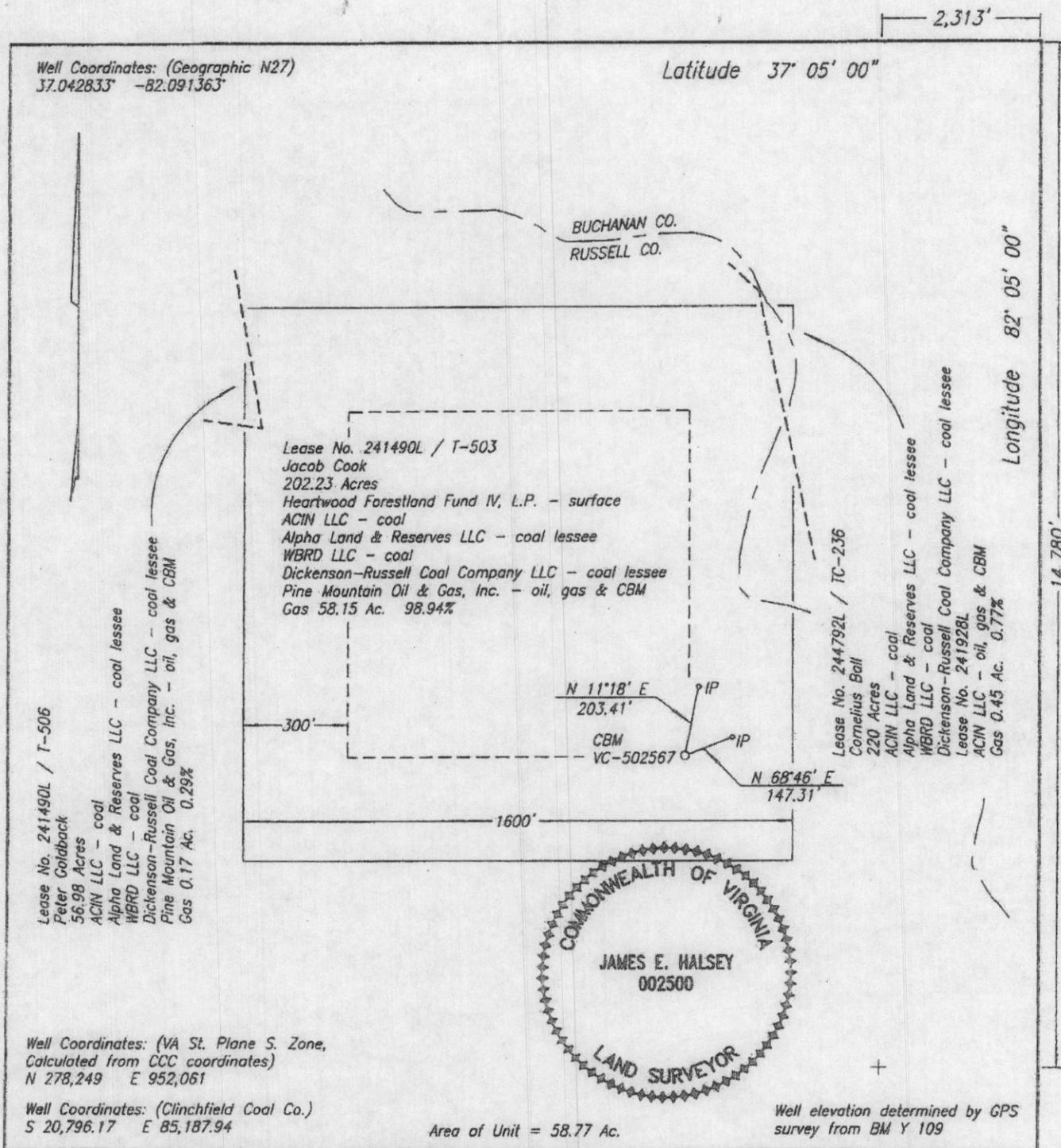
Abingdon, VA 24212

Tel. (276) 628-9001

Fax (276) 628-7246

Abingdon: 779828-1

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WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-502567  
TRACT NO. T-503 ELEVATION 2,509.09' QUADRANGLE Big A Mountain  
COUNTY Russell DISTRICT New Garden SCALE 1" = 400' DATE 4-25-2006

This Plat is a new plat x; an updated plat     ; or a final location plat       
+ 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.

James E. Halsey  
Licensed Professional Engineer or Licensed Land Surveyor

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100003280

DEED

**THIS DEED**, Made as of the 6<sup>th</sup> day of December, 2010, by and between **Ricky Nathan Wilson, Richard Wilson & Judy Wilson, David Wilson & Rita Wilson, Dexter Wilson & Melissa Wilson, Linda Wilson Harris & Harlis Harris, and Natasha Wilson McGlothlin & Dennis McGlothlin** party(ies) of the first part, hereinafter known as "Grantor(s)", and **Thomas Dotson**, party of the second part, hereinafter known as "Grantee", whose mailing address is: 305 Hill Road, Southern Pines, NC 28387

**WITNESSED:**

That for and in consideration of the sum of Sixty Thousand Dollars (\$60,000.00) cash in hand paid, the receipt of which is hereby acknowledged, the Grantor(s) do(es) hereby grant, bargain, sell, and convey, with covenants of General Warranty of Title, unto the said Grantee, all of his/her right title, and interest in all the Oil & Gas underlying that certain tract or tracts of land, situated, lying and being in Buchanan County, Virginia, and being more particularly bounded and described as follows:

TAX ID NUMBER: 002778

BEGINNING on a hickory corner to Robert Ball, on the old line and up the creek, S 38 E 36 poles to a spruce and birch, a corner to the Abraham Bowman division, S 30 E 12 poles to a white walnut, then leaving the creek, S 25 W 153 poles to a wahoo on top of Sandy Ridge, N 42 W 17 poles to a chestnut, poplar and double dogwood, N 15 W 56 poles to a gum on Sandy Ridge, N 58 W 134 poles crossing the heads of three hollows to a chestnut oak, N 30 W 18 poles to a dogwood and chestnut oak, corner to Jasper Cook and P.H. Goldbuck, N 14 E 8 1/2 poles to a gum, corner to Robert Ball, and then with his lines, S 81 1/2 E 19 poles to an ash in the head of a hollow, then down the hollow, N 84 1/2 E 16 1/2 poles to a stake, S 67 E 16 1/2 poles to a stake, N 87 E 13 poles to an ash, S 82 E 15 poles to a stake, S 86 1/2 E 5 poles to a stake, S 63 1/2 E 3/4 poles to a gum, East 4 poles to a stake, S 62 E 22 poles to a dogwood on a line of the first division, N 87 E 13 poles to a gum, S 75 E 20 poles to a beech, N 89 E 8 poles to a birch and pine, N 66 1/2 E 24 poles crossing the Creek to the BEGINNING, containing one hundred sixteen (116) acres and 127 poles, more or less.

This being the same property secured by Deed dated the 26 day of May, 1989 from Giles Wilson and Myrtle Mae Wilson, to Ricky Wilson, Richard Wilson, David Wilson, Dexter Wilson and Linda Wilson Harris and recorded in the Clerk's Office for the Circuit Court of Buchanan County, Virginia in Deed Book 349, Page 531, / as Instrument Number \_\_\_\_\_, to which said deed reference is hereby made for a more particular description thereof.

The right to receive any royalties that are currently being held for grantor(s) in escrow or that may be due to owing in the future to grantor(s) on any tract or tracts of land conveyed herein is hereby assigned by the grantor(s) to the grantee(s).

Any Oil & Gas leases that have been previously executed by the Grantor(s) are hereby assigned to the Grantee.

**EXCEPTING AND RESERVING** any prior conveyances.

Prepared By  
Jeffery L. Elkins  
Attorney at Law

TO HAVE AND TO HOLD unto Grantee, his heirs and assigns, forever, together with all the appurtenances thereunto belonging.

THIS DEED WAS PREPARED WITHOUT THE BENEFIT OF A TITLE EXAMINATION, NOR WAS ONE REQUESTED. THE DESCRIPTION USED IN THIS DEED WAS OBTAINED FROM A PRIOR DEED WHICH WAS PROVIDED BY THE PARTIES.

WITNESS the following signature(s).

Richard Lee Wilson  
Judy Lynn Wilson  
Linda Mae Harris  
Harlis Harris  
Dexter Diter Wilson  
Melissa Marie Wilson  
David Wayne Wilson  
Rita S. Wilson  
Natasha McGlothlin  
Dennis M. McGlothlin  
A. S. W.

STATE OF VIRGINIA  
County of Buchanan, to-wit:

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of December 2010, by Ricky Nathan Wilson, Richard Wilson & Judy Wilson, David Wilson & Rita Wilson, Dexter Wilson & Melissa Wilson, Linda Wilson Harris & Harlis Harris, and Natasha Wilson McGlothlin & Dennis McGlothlin whose name(s) is/are signed to the foregoing Deed bearing date of the 6<sup>th</sup> day of December, 2010, having this day personally appeared before me and acknowledged the same in my State and jurisdiction aforesaid.



James Patrick Hazelwood  
 Notary Public  
 My Commission expires: October 31, 2012  
 Registration No: 7164197

FROM : CIRCUIT COURT CLERK

FAX NO. : 2769352402

Mar. 16 2011 01:13PM P1

INSTRUMENT #100003280  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
DECEMBER 10, 2010 AT 10:10AM  
\$60.00 GRANTOR TAX WAS PAID AS  
REQUIRED BY SEC 58.1-802 OF THE VA. CODE  
STATE: \$30.00 LOCAL: \$30.00

BEVERLY S. TILLER, CLERK  
RECORDED BY: SLB



**EXHIBIT "B"**  
**VC-502567**  
**VGOB 06/10/17-1736**

<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>
<b><u>GAS ESTATE ONLY</u></b>					
1	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490L/T-503	98.94000000%	58.1500	0.12367500 RI
	Equitable Production				0.86572500 WI
<b>Tract 1 Totals</b>			<b>98.94000000%</b>	<b>58.1500</b>	<b>0.98940000</b>
2	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490L/T-506	0.29000000%	0.1700	0.00036250 RI
	Equitable Production				0.00253750 WI
<b>Tract 2 Totals</b>			<b>0.29000000%</b>	<b>0.1700</b>	<b>0.00290000</b>
3	Richard Lee Wilson and Judy Wilson, H/W HC4, Box 668 Honaker, VA. 24260	Unleased	0.15400000%	0.0900	0.00019250 RI
	David Wayne Wilson and Rita Wilson, H/W P.O. Box 453 Davenport, VA 24239	Unleased	0.15400000%	0.0900	0.00019250 RI
	Dexter Giles and Melissa Wilson HC 4, Box 662 Honaker, VA. 24260	Unleased	0.15400000%	0.0900	0.00019250 RI
	Linda Mae Harris and Harlis Harris, W/H Rt. 2, Box 469 Honaker, VA. 24260	Unleased	0.15400000%	0.0900	0.00019250 RI
	Anita Wilson Owens and Denver Owens, W/H HC 4, Box 814 Council, VA. 24260	Unleased	0.15400000%	0.0900	0.00019250 RI
	Equitable Production				0.00673750 WI
<b>Tract 3 Totals</b>			<b>0.77000000%</b>	<b>0.4500</b>	<b>0.00770000</b>
	<b>Total Gas Estate</b>		<b>100.00000000%</b>	<b>58.7700</b>	<b>100.000000%</b>

**COAL ESTATE ONLY**

1	Pine Mountain Oil & Gas, Inc.	Leased-EPC	98.94000000%	58.1500	0.12367500	RI
TAX ID 20198	Attn: Jerry Grantham	241490L/T-503				
	P.O. Box 2136					
	Abingdon, VA 24212					
	Equitable Production				0.86572500	WI
<b>Tract 1 Totals</b>			<u>98.94000000%</u>	<u>58.1500</u>	<u>0.98940000</u>	
2	Pine Mountain Oil & Gas, Inc.	Leased-EPC	0.29000000%	0.1700	0.00036250	RI
	Attn: Jerry Grantham	241490L/T-506				
	P.O. Box 2136					
	Abingdon, VA 24212					
	Equitable Production				0.00253750	WI
<b>Tract 2 Totals</b>			<u>0.29000000%</u>	<u>0.1700</u>	<u>0.00290000</u>	
3	Pine Mountain Oil & Gas, Inc.	Leased-EPC	0.77000000%	0.4500	0.00096250	RI
	Attn: Jerry Grantham	244792L/TC-236				
	P.O. Box 2136					
	Abingdon, VA 24212					
	Equitable Production				0.00673750	WI
<b>Tract 2 Totals</b>			<u>0.77000000%</u>	<u>0.4500</u>	<u>0.00770000</u>	
<b>Total Coal Estate</b>			100.00000000%	58.7700	100.00000000%	

**EXHIBIT "B-2"**  
**VC-502567**  
 Revised 05/10/2011

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<b><u>DISMISSED</u></b>				
3	Richard Lee Wilson and Judy Wilson, H/W HC4, Box 668 Honaker, VA. 24260	Unleased	0.15400000%	0.0900
	David Wayne Wilson and Rita Wilson, H/W P.O. Box 453 Davenport, VA 24239	Unleased	0.15400000%	0.0900
	Dexter Giles and Melissa Wilson HC 4, Box 662 Honaker, VA. 24260	Unleased	0.15400000%	0.0900
	Linda Mae Harris and Harlis Harris, W/H Rt. 2, Box 469 Honaker, VA. 24260	Unleased	0.15400000%	0.0900
	Anita Wilson Owens and Denver Owens, W/H HC 4, Box 814 Council, VA. 24260	Unleased	0.15400000%	0.0900
	<b>Total Gas Estate</b>		0.77000000%	0.4500
<b><u>ADDED</u></b>				
3	Mr Thomas Y. Dotson 305 Hill Road Southern Pines, NC 28387	Leased	0.77000000%	0.4500

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EXHIBIT "EE"  
VC-502567  
REVISED 03/23/11

<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>		
3	Thomas Y. Dotson 305 Hill Road Southern Pines, NC 28387	Leased 980679	0.77000000%	0.4500
	<b>Total Gas Estate</b>		<b>0.77000000%</b>	<b>0.4500</b>
	<b>TOTAL SUBSEQUENT TO RR-PM Royalty Waiver</b>		<b>0.77000000%</b>	<b>0.4500</b>

1101739

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF RUSSELL COUNTY, 7-13, 2011. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 1:58 o'clock P M, after payment of \$      tax imposed by Sec. 58.1-802.

Original returned this date to: Diane Davis  
 BY: Ann S. Reynolds D. CLERK  
 TESTE: ANN S. McREYNOLDS, CLERK

**First Bank**  
& Trust Company  
8001736 - VC502567  
Wealth Management Group

Trade Date 07/22/2011  
Settlement Date 07/22/2011  
Time Modified 07/22/2011  
Description VGOB Docket # 06-1017-1736-01  
Well 502567 Tract 3  
Payee Thomas Young Dotson  
FBO Thomas Young Dotson  
Tax Year 2011  
Transaction Type Distribution Per Virginia Gas & Oil Board

Less:

1736-01  
Check Number 25865  
Gross Distribution \$1,446.54  
Net Distribution \$1,446.54

*Approved 7/26/11*

8001736 - VC502567  
Trade Date 07/22/2011  
Settlement Date 07/22/2011  
Time Modified 07/22/2011  
Description VGOB Docket # 06-1017-1736-01  
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THIS DOCUMENT HAS A MULTI-COLORED FACE THAT CHANGES COLOR GRADUALLY. SEE LIST OF SECURITY FEATURES ON THE BACK. DO NOT CASH UNLESS ALL ARE PRESENT.

**First Bank**  
& Trust Company  
Wealth Management Group  
8001736 - VC502567

TRUST DIVISION  
1108 E. STONE DRIVE • P.O. BOX 3860  
KINGSPORT, TN 37664  
(423) 245-6971

07/22/2011 68-446  
514

CHECK NO. 025865

\$1,446.54  
Dollars

One thousand four hundred forty six and 54/100

PAY TO THE ORDER OF

THOMAS YOUNG DOTSON  
305 HILL ROAD  
SOUTHERN PINES NC 28387

*Robert L Davis*

⑈025865⑈ ⑆051404464⑆ 2001 004 7⑈

143382

A. It is, Tract 3.

Q. Tract 3? And it is Thomas Dotson a 100%?

A. It is.

Q. And that's his owner's percentage in escrow?

A. Yes.

Q. And will this close out both the subaccount for Tract 3 and the escrow account for the entire unit?

A. It will.

Q. And, again, the difference in the bank total and Equitable total in this case is 93 cents, and that represents interest?

A. Yes, it does.

Q. And should the order include instructions for the operator to disburse directly to Mr. Dotson going forward?

A. Yes.

JIM KAISER: Nothing further at this time, Mr. Chairman.

BUTCH LAMBERT: Any question from the Board?  
(No audible response.)

BUTCH LAMBERT: Do I have a motion?

MARY QUILLEN: Motion to approve.

BRUCE PRATHER: Second.

BUTCH LAMBERT: Calling docket item number twenty, a petition from EQT Production Company on behalf of Thomas Wise Dotson and Range Resources-Pine Mountain, Inc. for disbursement of funds from escrow for unit 502567, docket number VGOB-06-1017-1736-01. All parties wishing to testify, please come forward.

JIM KAISER: Mr. Chairman, Jim Kaiser and Rita Barrett on behalf of EQT Production.

RITA BARRETT

having been duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

QUESTIONS BY MR. KAISER:

Q. Ms. Barrett, is this a disbursement regarding the Unit VC-502567?

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**First Bank**  
**& Trust Company**  
 8001736 - VC502567  
*Wealth Management Group*

Trade Date 07/22/2011  
 Settlement Date 07/22/2011  
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 Description VGOB Docket # 06-1017-1736-01  
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 8001736 - VC502567

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 KINGSPORT, TN 37664  
 (423) 245-6971

07/22/2011

68-446  
 514

CHECK NO. **025865**

\$1,446.54

Dollars

One thousand four hundred forty six and 54/100

PAY TO THE ORDER OF

THOMAS YOUNG DOTSON  
 305 HILL ROAD  
 SOUTHERN PINES NC 28387

*Thomas Young Dotson*

⑈025865⑈ ⑆051404464⑆ 2001 004 2⑈

**Davis, Diane (DMME)**

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**To:** gheflin@eqt.com; Shannon, Kristie; ATolman@eqt.com; Susan Peterson  
**Subject:** Disbursement Check

Disbursement check is being mailed today for unit 502567 docket 1736-01. See attached copy of check.



#1736 - 07 22  
11.pdf

Please place no further funds for Mr. Dotson in this account.

Thank you  
Diane

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