



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: VC-536086

TRACT(S): 02

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-06-1219-1838-01

APPLICANTS: EQT Production Company on behalf of Range Resources-Pine Mountain, Inc.

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 04/17/2007, Recorded on 05/01/2007. Deed Book/Instrument No. 437, Page 387.
2. Supplemental Order, Recorded on 05/24/2011, Deed Book/Instrument No. 486, Page 165.

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) disburse 100% of the funds in escrow for tract 2 to Range Resources-Pine Mountain Inc, (2) authorization of direct payment to Range

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 02 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 02 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:

A petition for the disbursement of funds and authorization of direct payment to Range Resources-Pine Mountain, Inc. in Tract 2 for Well VC-536086, Ervinton District, Dickenson County, Virginia. To resolve the conflict, a letter dated October 5, 2012 signed by Dennis Sutherland, Managing Member of Lambert Land, LLC waiving all claims to current and future royalties was provided.

RELIEF GRANTED:

VGOB Disbursement			Fractional	Net Acreage	Royalty	Escrowed	Percent of
Unit VC-536086			Ownership	Ownership	Split	Acres	Escrowed Funds
VGOB-06-1219-1838-01			In Tract	In Tract	Agreement	Disbursed	Disbursed
Table 1							
Tracts: 02							
Item	Tract	Disbursement Table					
		Total acreage in escrow before disbursement				6.02000	
	02	Tract 02 (total acreage)		0.19			
1	02	Range Resources-Pine Mountain, Inc. P. O. Box 2136, Abingdon, VA 24212	1/1	0.1900	100.00%	0.1900	3.1661%

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.

2. The Escrow Agent is ordered to continue the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

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

APPEALS:

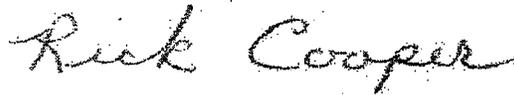
Appeals of this Order are governed by the provisions of the Code of Virginia § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

DONE AND EXECUTED this 2 day of January, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

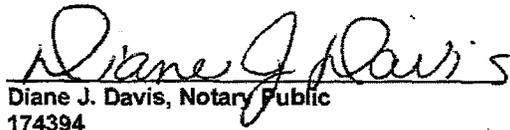
DONE AND PERFORMED this 2 day of January, 2013 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSEL)

Acknowledged on this 2nd day of January, 2013, 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.


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 06-1219-1838-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 02
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: December 18, 2012

DRILLING UNIT: VC-536086

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 the disbursement of funds and authorization of direct payment to Range Resources-Pine Mountain, Inc. in Tract 2 of Well 536086, Ervinton District, Dickenson County, Virginia.

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)

Coalbed Methane

5. Factual basis for relief requested

A petition for the disbursement of funds and authorization of direct payment to Range Resources-Pine Mountain, Inc. in Tract 2 for Well VC-536086, Ervinton District, Dickenson County, Virginia.

6. Attestation

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

TOTAL UNIT AREA

= 58.77 ACRES

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

LATITUDE 37°02'30"

2424'

LEASE No. 906474
LORREIGN H. MARTIN, et al
131.02 ACRES
LORREIGN H. MARTIN, et al - surface, coal, oil, gas & CBM
GAS 21.36 AC. - 56.35%

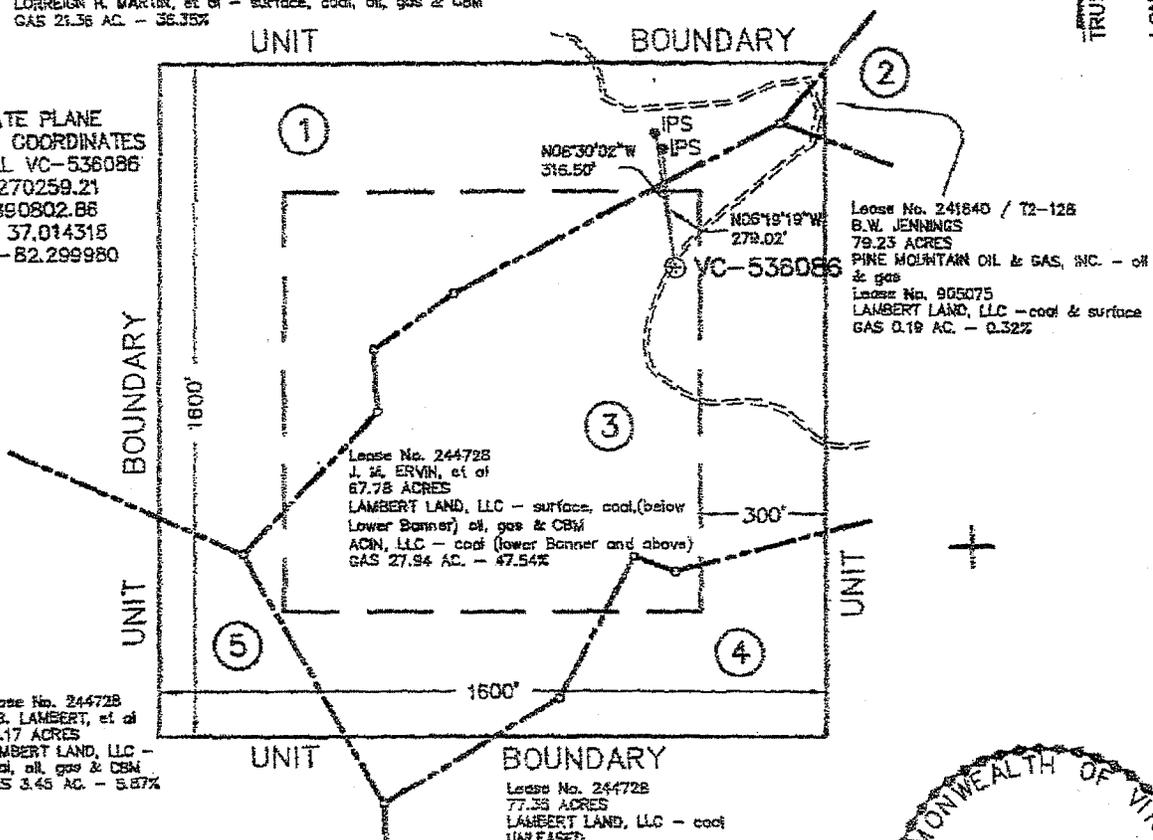
OCC COORDINATES
OF WELL VC-536086
S 31178.63
E 24342.46



LONGITUDE 82°17'30"

9963

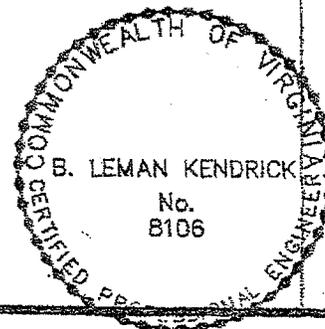
STATE PLANE
NAD 27 COORDINATES
OF WELL VC-536086
N 270259.21
E 890802.86
LAT 37.014318
LON -82.299980



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.

COORDINATES
OF BENCH MARK
S 77488.41
E 22826.48
ELEV. = 1754.09



WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-536086

TRACT No. LEASE NO. 244728 ELEVATION 2163.56 (GPS) QUADRANGLE NORA

COUNTY DICKENSON DISTRICT ERVINTON SCALE: 1" = 400' DATE FEBRUARY 7, 2007

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. Leman Kendrick 2/16/07
LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

(AFFIX SEAL)

VGOB Disbursement
 Unit VC-536086
 VGOB-06-1219-1838-01

Table 1
 02

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				6.02000		
	02	Tract 02 (total acreage)		0.19				
1	02	Range Resources-Pine Mountain, Inc. P. O. Box 2136, Abingdon, VA 24212	1/1	0.1900	100.00%	0.1900	3.1561%	\$73.14

Wells contributing to the escrow account: VC-536086 W/PL

BK 50386 372
Supplement "B"
VC-536086
VGOB 06/12/19-1838
REVISED 10/9/2012

<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 TAX ID 12403	Lorreign H. Martin 10635 Indian Creek Road Pound, VA. 24279	Leased-EPC 906474	36.350000%	21.3600	0.04543750	RI
	Equitable Production				0.31806250	WI
Tract 1 Totals			36.350000%	21.3600	0.36350000	
2 TAX ID 20988	Pine Mountain Oil & Gas, Inc.* ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	Leased 241640L T2-128	0.320000%	0.1900	0.00040000	RI
	Equitable Production				0.00280000	WI
Tract 2 Totals			0.320000%	0.1900	0.00320000	
3 TAX ID 12444	Lambert Land, LLC P.O. Box 490 Nora, VA. 24272	Leased-EPC 244728	47.540000%	27.9400	0.05942500	RI
	Equitable Production				0.41597500	WI
Tract 3 Totals			47.540000%	27.9400	0.47540000	
4	Charles W. Grizzle Heirs Unknown/Unlocatable	Unleased	9.920000%	5.8300	0.01240000	RI
	Equitable Production				0.08680000	WI
Tract 4 Totals			9.920000%	5.8300	0.09920000	
5 TAX ID 12457	Lambert Land, LLC P.O. Box 490 Nora, VA. 24272	Leased-EPC 244728	5.870000%	3.4500	0.00733750	RI
	Equitable Production				0.05136250	WI
Tract 5 Totals			5.870000%	3.4500	0.05870000	
TOTAL GAS ESTATE			100.000000%	58.7700	100.00000000%	

Coal Estate Only

1	Lorreign H. Martin	Leased-EPC	36.350000%	21.3600	0.04543750	RI
TAX ID 12403	10635 Indian Creek Road Pound, VA. 24279	906474				
	Equitable Production				0.31806250	WI
Tract 1 Totals			36.350000%	21.3600	0.36350000	
2	Lambert Land, LLC	Leased-EPC	0.320000%	0.1900	0.00040000	RI
TAX ID 20988	P.O. Box 490 Nora, VA. 24272	905075				
	Equitable Production				0.00280000	WI
Tract 2 Totals			0.320000%	0.1900	0.00320000	
3	Lambert Land, LLC	Leased-EPC	47.540000%	27.9400	0.05942500	RI
TAX ID 12444	P.O. Box 490 Nora, VA. 24272	244728				
	Equitable Production				0.41597500	WI
Tract 3 Totals			47.540000%	27.9400	0.47540000	
4	Lambert Land, LLC	Leased-EPC	9.920000%	5.8300	0.01240000	RI
TAX ID- Minerals Only	P.O. Box 490 Nora, VA. 24272	244728				
	Equitable Production				0.08680000	WI
Tract 4 Totals			9.920000%	5.8300	0.09920000	
5	Lambert Land, LLC	Leased-EPC	5.870000%	3.4500	0.00733750	RI
TAX ID 12457	P.O. Box 490 Nora, VA. 24272	244728				
	Equitable Production				0.05136250	WI
Tract 5 Totals			5.870000%	3.4500	0.05870000	
TOTAL COAL ESTATE			100.000000%	58.7700	100.00000000%	

*Currently:
Range Resources-Pine Mountain
Attn: Jerry Grantham
PO Box 2136
Abingdon, VA 24211

EXHIBIT "E"
VC-536086
 REVISED 10/9/2012

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Gas Estate Only</u>				
4	Charles W. Grizzle Heirs Unknown/Unlocatable	Unleased	9.920000%	5.8300
TOTAL			9.920000%	5.8300
<u>Coal Estate Only</u>				
4	Lambert Land, LLC P.O. Box 490 Nora, VA. 24272 TAX ID- Minerals Only	Leased-EPC 244728	9.920000%	5.8300
TOTAL			9.920000%	5.8300

EXHIBIT "EE"
VC-536086
 REVISED 10/09/2012

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Gas Estate Only</u>				
2 TAX ID 20988	Range Resources-Pine Mountain* ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212	Leased 1640L T2-128	0.320000%	0.1900
Total Subsequent to Lambert Land Waiver			0.320000%	0.1900
<u>Coal Estate Only</u>				
2 TAX ID 20988	Lambert Land, LLC P.O. Box 490 Nora, VA. 24272	Leased-EPC 905075	0.000000%	0.0000
Total Subsequent to Lambert Land Waiver			0.000000%	0.0000

*Formerly:
 Pine Mountain Oil & Gas, Inc.
 ATTN: Jerry Grantham
 P.O. Box 2136
 Abingdon, VA. 24212

INSTRUMENT #13000018
 RECORDED IN THE CLERK'S OFFICE OF
 DICKENSON ON
 JANUARY 28, 2013 AT 12:42PM

RICHARD W. EDWARDS, CLERK
 RECORDED BY: CJP