

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

V I R G I N I A:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	<u>EQT Production Company</u>)	VIRGINIA GAS
)	AND OIL BOARD
)	
RELIEF SOUGHT:	Re-POOLING OF INTERESTS IN A 320)	
	ACRE SQUARE HORIZONTAL DRILLING)	DOCKET NO.
	UNIT DESCRIBED IN EXHIBIT A HERETO)	VGOB-08/07/15-2278-01
	AND SERVED BY WELL NO. <u>VH-539922</u>)	
	(herein "Subject Drilling Unit"))	
	PURSUANT TO VA. CODE §§ 45.1-361.20)	
	AND 45.1-361.21, FOR THE PRODUCTION)	
	OF GAS OTHER THAN COALBED METHANE)	
	GAS FROM SUBJECT FORMATIONS (herein)	
	Referred to as " Conventional Gas " or)	
	" Gas "; and DESIGNATE THE APPLICANT)	
	AS THE UNIT OPERATOR FOR THE SUBJECT))	
	HORIZONTAL DRILLING UNIT)	
)	
LEGAL DESCRIPTION:)	
)	
	DRILLING UNIT SERVED BY WELL NUMBERED)	
	<u>VH-539922</u> TO BE DRILLED IN THE LOCATION)	
	DEPICTED ON EXHIBIT A HERETO)	
	<u>Jimmy E. Slemp</u>)	
	<u>79.21 Acre Tract</u>)	
	<u>Pound QUADRANGLE</u>)	
	<u>Gladeville</u> MAGISTERIAL DISTRICT)	
	<u>WISE COUNTY, VIRGINIA</u>)	
	(the "Subject Lands" are more particularly)	
	described on Exhibit A attached hereto)	
	and made a part hereof))	
)	
TAX MAP IDENTIFICATION NUMBERS:)	
)	
	TAX MAP IDENTIFICATION NUMBERS FOR ALL PARCELS)	
	AFFECTED BY THIS ORDER ARE SHOWN ON EXHIBIT (S))	
	<u>B-3</u> WHICH IS/ARE ATTACHED TO AND A PART)	
	OF THIS ORDER.)	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on **January 25, 2011**, Conference Center at the Russell County Facility, Lebanon, Virginia.
2. Appearances: **James E. Kaiser of Wilhoit and Kaiser**, appeared for the Applicant; and **Sharon 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., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner having an interest in Subject Drilling Unit underlying and comprised of Subject Lands; (2) has represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of the Application filed herein; and (3) that the persons set forth in their Application and Notice of Hearing have been identified by Applicant through its due diligence as Owners or Claimants of Conventional Gas interests underlying Subject Drilling Unit, including those set out in **Exhibit B-3** who have not heretofore leased, sold or voluntarily agreed with the Applicant to pool their Gas interests in Subject Drilling Unit. Conflicting Gas Owners/Claimants in Subject Drilling Unit are listed on **Exhibit E**. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of due process.

4. Amendments: **Revised Exhibits.**

5. Dismissals: **NONE.**

6. Relief Requested: Applicant requests (1) that pursuant to Va. Code § 45.1-361.20, the Board establish Subject Provisional Horizontal Drilling Unit to be served by Well **VH-539922**; and (2) that pursuant to Va. Code § 45.1-361.21, the Board re-pool the rights, interests and estates in and to the Conventional Gas of the known and unknown persons listed in the attached **Exhibit B-3**, and that of their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, for the drilling and operation, including production, of Conventional Gas from the Subject Provisional Horizontal Drilling Unit established for Subject Formations underlying and comprised of the Subject Lands, (hereafter sometimes collectively identified and referred to as "Well Development and/or Operation in the Subject Provisional Horizontal Drilling Unit"); and, (3) that the Board designate **EQT Production Company** as Unit Operator.

7. Relief Granted: The requested relief in this cause shall be and hereby is granted.

7.1 The Board hereby: (1) establishes Subject Provisional Horizontal Drilling Unit pursuant to Va. Code § 45.1-361.20; (2) pursuant to Va. Code § 45.1-361.21.C.3, **EQT Production Company** (hereafter "Unit Operator") is designated as the Operator authorized to drill and operate Well No. **VH-539922** in the Subject Provisional Horizontal Drilling Unit at the location depicted on the plat attached hereto as **Exhibit A** to produce Conventional Gas from Subject Formations, subject to the permit provisions contained in § 45.1-361.27 et seq., Code of Virginia, 1950 as amended, to § 4 VAC 25-150 et seq., Gas and Oil Regulations and to § 4 VAC 25-160 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time; and (3) the rights, interests and estates in and to the Conventional Gas in Subject

Provisional Horizontal Drilling Unit including those of the known and unknown persons listed on **Exhibit B-3**, attached hereto and made a part hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, be and hereby are pooled in the Subject Formations in the Subject Drilling Unit underlying and comprised of the Subject Lands. There are no applicable field rules and the unit is subject to statewide spacing requirements of Va. Code § 45.1-361.17.

8. Election and Election Period: In the event any Gas owner named in the Application and Notice of Hearing has not heretofore reached a voluntary agreement to share in the operation of the well to be located in Subject Drilling Unit at a rate of payment mutually agreed to by said Gas owner and the Operator, then, such person may elect one of the options set forth in Paragraph 9 below and must give written notice of his election of the option selected under Paragraph 9 herein to the designated Unit Operator at the address shown below within thirty (30) days from the date of receipt of a copy of this Order. A timely election shall be deemed to have been made if, on or before the last day of said 30-day period, such electing person has delivered his written election to the designated Unit Operator at the address shown below or has duly postmarked and placed his written election in first class United States mail, postage prepaid, addressed to the Unit Operator at the address shown below.

9. Election Options:

9.1 Option 1 - To Participate In The Development and Operation of the Drilling Unit: Any Gas Owner or Claimant named in **Exhibit B-3** who has not reached a voluntary agreement with the Operator may elect to participate in the Well Development and Operation on the Subject Drilling Unit (hereafter "Participating Operator") by agreeing to pay the estimate of such Participating Operator's proportionate part of the actual and reasonable costs, including a reasonable supervision fee, of the Well Development and Operation, as more particularly set forth in Virginia Gas and Oil Board Regulation 4 VAC 25-160-100 (herein "Completed for Production Costs"). Further, a Participating Operator agrees to pay the estimate of such Participating Operator's proportionate part of the Estimated, Completed-for-Production Costs as set forth below to the Unit Operator within forty-five (45) days from the later of the date of mailing or the date of recording of this Order. The estimated Completion-for-Production Costs for the Subject Provisional Horizontal Drilling Unit are as follows:

Estimated, Completed-for-Production Costs: \$1,547,225.00

Any gas owner and/or claimants named in **Exhibit B-3**, who elect this option (Option 1) understand and agree that their initial payment under this option is for their proportionate share of the Applicant's estimate of actual costs and expenses. It is also understood by all persons electing this option that they are agreeing to pay their proportionate share of the actual costs and expenses as determined by the operator named in this Board Order.

A Participating Operator's proportionate cost hereunder shall be the result obtained by multiplying the Participating Operators' "Percent of Unit" times the Completed-for-Production Cost set forth above. Provided, however, that in the event a Participating Operator elects

to participate and fails or refuses to pay the estimate of his proportionate part of the Completed-for-Production Cost as set forth above, all within the time set forth herein and in the manner prescribed in Paragraph 8 of this Order, then such Participating Operator shall be deemed to have elected not to participate and to have elected compensation in lieu of participation pursuant to Paragraph 9.2 herein.

- 9.2 Option 2 - To Receive A Cash Bonus Consideration: In lieu of participating in the Well Development and Operation of Subject Drilling Unit under Paragraph 9.1 above, any Gas Owner or Claimant named in **Exhibit B-3** in the unit who has not reached a voluntary agreement with the Operator may elect to accept a cash bonus consideration of \$5.00 per net mineral acre owned by such person, commencing upon entry of this Order and continuing annually until commencement of production from Subject Drilling Unit, and thereafter a royalty of 1/8th of 8/8ths [twelve and one-half percent (12.5%)] of the net proceeds received by the Unit Operator for the sale of the Gas produced from any Well Development and Operation covered by this Order multiplied by the Gas owner's percentage Interest Within Unit as set forth in the Application and Notice of Hearing (for purposes of this Order, net proceeds shall be actual proceeds received less post-production costs incurred downstream of the wellhead, including, but not limited to, gathering, compression, treating, transportation and marketing costs, whether performed by Unit Operator or a third person) as fair, reasonable and equitable compensation to be paid to said Gas owner. The initial cash bonus shall become due and owing when so elected and shall be tendered, paid or escrowed within one hundred twenty (120) days of recording of this Order. Thereafter, annual cash bonuses, if any, shall become due and owing on each anniversary of the date of recording of this order in the event production from Subject Drilling Unit has not theretofore commenced, and once due, shall be tendered, paid or escrowed within sixty (60) days of said anniversary date. Once the initial cash bonus and the annual cash bonuses, if any, are so paid or escrowed, said payment(s) shall be satisfaction in full for the right, interests, and claims of such electing Gas owner in and to the Gas produced from Subject Formation in the Subject Lands, except, however, for the 1/8th royalties due hereunder.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.2, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any Well Development and Operation covered hereby and such electing person shall be deemed to and hereby does lease and assign its right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant.

- 9.3. Option 3 - To Share In The Development And Operation As A Non-Participating Person On A Carried Basis And To Receive Consideration In Lieu Of Cash: In lieu of participating in the Well Development and Operation of Subject Drilling Unit under Paragraph 9.1 above and in lieu of receiving a cash bonus consideration under Paragraph 9.2 above, any Gas Owner or

Claimant named in **Exhibit B-3** hereto who does not reach a voluntary agreement with the Operator may elect to share in the Well Development and Operation of Subject Drilling Unit on a carried basis (as a "Carried Well Operator"] so that the proportionate part of the Completed-for-Production Costs hereby allocable to such Carried Well Operator's interest is charged against such Carried Well Operator's share of production from Subject Drilling Unit. Such Carried Well Operator's rights, interests, and claims in and to the Gas in Subject Drilling Unit shall be deemed and hereby are assigned to the Unit Operator until the proceeds from the sale of such Carried Well Operator's share of production from Subject Drilling Unit (exclusive of any royalty, excess or overriding royalty, or other non-operating or non cost-bearing burden reserved in any lease, assignment thereof or agreement relating thereto covering such interest) equals three hundred percent (300%) for a leased interest or two hundred percent (200%) for an unleased interest (whichever is applicable) of such Carried Well Operator's share of the Completed-for-Production Costs allocable to the interest of such Carried Well Operator. Any Gas Owner and/or Claimant named in Exhibit B-3 who elects this option (Option 3) understands and agrees that Completed-for-Production Costs are the Operator's actual costs for well development and operation. When the Unit Operator recoups and recovers from such Carried Well Operator's assigned interest the amounts provided for above, then, the assigned interest of such Carried Well Operator shall automatically revert back to such Carried Well Operator, and from and after such reversion, such Carried Well Operator shall be treated as if it had participated initially under Paragraph 9.1 above; and thereafter, such participating person shall be charged with and shall pay his proportionate part of all further costs of such well development.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.3, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any well development and operation covered hereby and such electing person shall be deemed to have and hereby does assign his right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator for the period of time during which his interest is carried as above provided prior to its reversion back to such electing person.

10. Failure to Properly Elect: In the event a person named in **Exhibit B-3** hereto does not reach a voluntary agreement with the Applicant and fails to do so within the time, in the manner, and in accordance with the terms of this Order one of the alternatives set forth in Paragraph 9 above for which his interest qualifies, then such person shall be deemed to have elected not to participate in the proposed Well Development and Operation in Subject Drilling Unit and shall be deemed, subject to any final legal determination of ownership, to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which its interest qualifies and shall be deemed to have leased and/or assigned his right, interests, and claims in and to Gas in the Subject Drilling Unit to the Unit Operator. Persons who fail to properly elect shall be deemed to have accepted the compensation and terms

set forth herein at Paragraph 9.2 in satisfaction in full for the right, interests, and claims of such person in and to the Gas produced from Subject Formation underlying Subject Lands.

11. Default By Participating Person: In the event a person named in **Exhibit B-3** elects to participate under Paragraph 9.1, but fails or refuses to pay, to secure the payment or to make an arrangement with the Unit Operator for the payment of such person's proportionate part of the Estimated Completed-for-Production costs as set forth herein, all within the time and in the manner as prescribed in this Order, then such person shall be deemed to have withdrawn his election to participate and shall be deemed to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which his interest qualifies depending on the excess burdens attached to such interest. Whereupon, any cash bonus consideration due as a result of such deemed election shall be tendered, paid or escrowed by Unit Operator within one hundred twenty (120) days after the last day on which such defaulting person under this Order should have paid his proportionate part of such cost or should have made satisfactory arrangements for the payment thereof. When such cash bonus consideration is paid or escrowed, it shall be satisfaction in full for the right, interests, and claims of such person in and to the Gas underlying Subject Drilling Unit in the Subject Lands covered hereby, except, however, for any 1/8th royalties which would become due pursuant to Paragraph 9.2 hereof.

12. Assignment of Interest: In the event a person named in **Exhibit B-3** is unable to reach a voluntary agreement to share in the Well Development and Operation contemplated by this Order at a rate of payment agreed to mutually by said Owner or Claimant and the Applicant, and said person elects or fails to elect to do other than participate under Paragraph 9.1 above in the Well Development and Operation in Subject Drilling Unit, then such person shall be deemed to have and shall have assigned unto Applicant such person's right, interests, and claims in and to said well, in Subject Formations in Subject Drilling Unit, and other share in and to Gas production to which such person may be entitled by reason of any election or deemed election hereunder in accordance with the provisions of this Order governing said elections.

13. Unit Operator (or Operator): Equitable Production Company shall be and hereby is designated as Unit Operator authorized to drill and operate Well No. **VH-539922** in Subject Formations in Subject Drilling Unit, all subject to the permit provisions contained in Va. Code § 45.1-361.27 et seq., §§ 4 VAC 25-150 et seq., Gas and Oil Regulations and §§ 4 VAC 25-160 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time, and all elections required by this Order shall be communicated to Unit Operator in writing at the address shown below:

EQT Production Company
P.O. Box 23536
Pittsburgh, PA 15222
Attn: Kristie Shannon and/or Alma Tolman

14. Commencement of Operations: Unit Operator shall commence or cause to commence operations for the drilling of the well covered hereby within seven hundred and thirty (730) days from the date of this Order and shall prosecute the same with due diligence. If Unit Operator shall not have so commenced and/or prosecuted, then this Order shall terminate, except for any cash sums becoming payable hereunder; otherwise, unless sooner terminated by

Order of the Board, this Order shall expire at 12:00 P.M. on the date on which the well covered by this Order is permanently abandoned and plugged. However, in the event an appeal is taken from this Order, then the time between the filing of the Petition for Appeal and the final Order of the Circuit Court shall be excluded in calculating the two-year period referenced herein.

15. Operator's Lien: Unit Operator, in addition to the other rights afforded hereunder, shall have a lien and a right of set off on the Gas estates, rights, and interests owned by any person subject hereto who elects to participate under Paragraph 9.1 in the Subject Drilling Unit to the extent that costs incurred in the drilling or operation on the Subject Drilling Unit are a charge against such person's interest. Such liens and right of set off shall be separable as to each separate person and shall remain liens until the Unit Operator drilling or operating the well covered hereby has been paid the full amounts due under the terms of this Order.

16. Escrow Provisions:

The Applicant represented to the Board that there **are** unknown or unlocatable claimants in Subject Drilling Unit whose payments are subject to the provisions of Paragraph 16.1 hereof in **Tract(s) 19 & 26** of the Subject Drilling Unit; and, the Unit Operator has represented to the Board that there **are no** conflicting claimants in **Tract(s) 0** of the Subject Drilling Unit whose payments are subject to the provisions of Paragraph 16.2 hereof. Therefore, by this Order, the Escrow Agent named herein or any successor named by the Board, **is** required to establish an interest-bearing escrow account for **Tract(s) 19 & 26** of the Subject Drilling Unit (herein "Escrow Account"), and to receive and account to the Board pursuant to its agreement for the escrowed funds hereafter described in Paragraphs 16.1 and 16.2:

First Bank & Trust Company
Trust Division
P.O. Box 3860
Kingsport, TN 37664
Attn: Debbie Davis

16.1 Escrow Provisions for Unknown or Unlocatable Persons: If any payment of bonus, royalty payment or other payment due and owing cannot be made because the person entitled thereto cannot be located or is unknown, then such cash bonus, royalty payment or other payment shall not be commingled with any funds of the Unit Operator and shall, pursuant to Va. Code § 45.1-361.21.D, be deposited by the Operator into the Escrow Account, commencing within one hundred twenty (120) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to order of the Board in accordance with Va. Code § 45.1-361.21.D.

16.2 Escrow Provisions For Conflicting Claimants: If any payment of bonus, royalty payment, proceeds in excess of ongoing operational expenses, or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be made certain due

to conflicting claims of ownership and/or a defect or cloud on the title, then such cash bonus, royalty payment, proceeds in excess of ongoing operational expenses, or other payment, together with Participating Operator's Proportionate Costs paid to Unit Operator pursuant to Paragraph 9.1 hereof, if any, (1) shall not be commingled with any funds of the Unit Operator; and (2) shall, pursuant to Va. Code §§ 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4, be deposited by the Operator into the Escrow Account within one hundred twenty (120) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of, the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board.

17. Special Findings: The Board specifically and specially finds:
- 17.1. Applicant is **EQT Production Company**. Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
- 17.2. Applicant **EQT Production Company** is an operator in the Commonwealth of Virginia, and has satisfied the Board's requirements for operations in Virginia;
- 17.3. Applicant **EQT Production Company** claims ownership of Gas leases on **83.94842857%** percent of Subject Drilling Unit and the right to explore for, develop and produce Gas from same;
- 17.4. Applicant has proposed the drilling of Well **VH-539922** to a depth of **8562 feet including lateral** on the Subject Provisional Horizontal Drilling Unit at the location depicted in **Exhibit A** to develop the pool of Gas in Subject Formations, and to complete and operate Well **VH-539922** for the purpose of producing Conventional Gas.
- 17.5. The estimated production of the life of the proposed Well **VH-539922** is **946 MMCF**.
- 17.6. With this Application, notice was provided to everyone claiming an ownership interest relative to the production of conventional gas in the Subject Drilling Unit. Set forth in **Exhibit B-3**, is the name and last known address of each Owner or Claimant identified by the Applicant as Gas owners in Subject Drilling Unit who has not, in writing, leased to the Applicant or the Unit Operator or agreed to voluntarily pool his interests in Subject Drilling Unit for its development. Gas interests unleased to the Operator and listed in **Exhibit B-3** represent **16.05157143%** percent of Subject Drilling Unit;
- 17.7. Applicant's evidence established that the fair, reasonable and equitable compensation to be paid to any person in lieu of the right to participate in the Wells are those options provided in Paragraph 9 above;
- 17.8. The Subject Drilling Unit does not constitute an unreasonable or arbitrary exercise of Applicant's right to explore for or produce Gas;

- 17.9 The relief requested and granted is just and reasonable, is supported by substantial evidence and will afford each person listed and named in **Exhibit B-3** hereto the opportunity to recover or receive, without unnecessary expense, such person's just and fair share of the production from Subject Drilling Unit. The granting of the Application and relief requested therein will ensure to the extent possible the greatest ultimate recovery of Conventional Gas, prevent or assist in preventing the various types of waste prohibited by statute and protect or assist in protecting the correlative rights of all persons in the subject common sources of supply in the Subject Lands. Therefore, the Board is entering an Order granting the relief herein set forth.
18. Mailing Of Order And Filing Of Affidavit: Applicant or its Attorney shall file an affidavit with the Secretary of the Board within sixty (60) days after the date of recording of this Order stating that a true and correct copy of said Order was mailed within seven (7) days from the date of its receipt by the Unit Operator to each Respondent named in **Exhibit B-3** pooled by this Order and whose address is known.
19. Availability of Unit Records: The Director shall provide all persons not subject to a lease with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).
20. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
21. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court.
22. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

000142 FEB 24 12

DONE AND EXECUTED this 24 day of Jan, 2012, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert
Chairman, Bradley C. Lambert

DONE AND PERFORMED this 24th day of January, 2012, by Order of the Board.

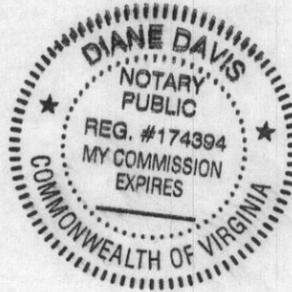
Rick Cooper
Rick Cooper
Principal Executive to the Staff, Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 24th day of Jan, 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 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 were authorized to do so.

Diane Davis
Diane Davis Notary Public
174394

My commission expires: September 30, 2013



10

TOTAL UNIT AREA
= 320.00 ACRES

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

AS-DRILLED
STATE PLANE
NAD 27 COORDINATES
OF WELL VH-539922
BOTTOM HOLE
N 290947.44
E 822800.19
LAT 37.063343
LON -82.535702
NAD 83 COORDINATES
N 3571822.74
E 10305783.26

STATE PLANE
NAD 27 INTERIOR
GRID COORDINATE
N 291397.36
E 822288.87

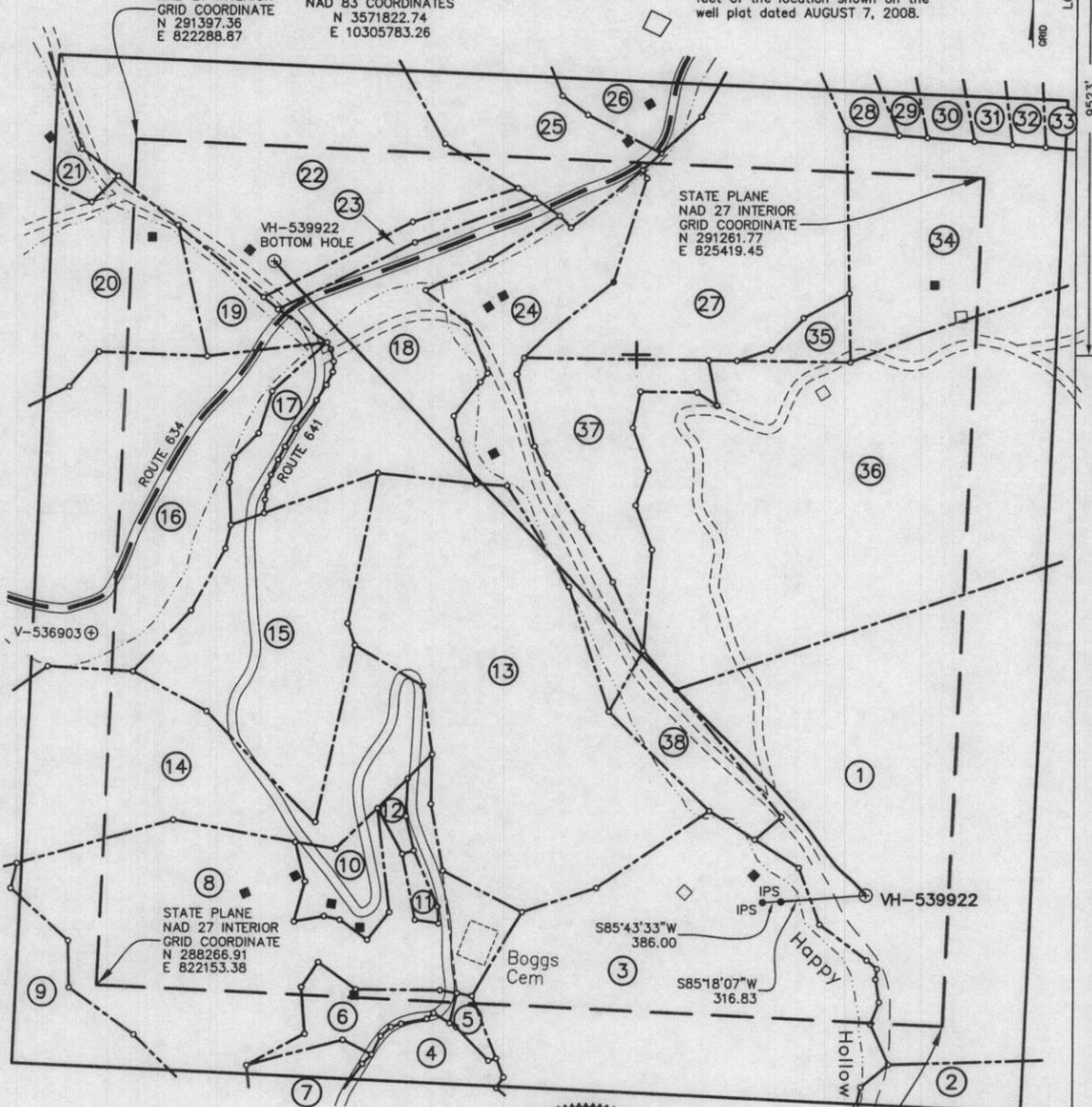
000142
NOTICE: SEE WELL PLAT SUPPLEMENT SHEET 2 FOR TRACT INFORMATION.

8116' LATITUDE 37°05'00"

LONGITUDE 82°30'00"

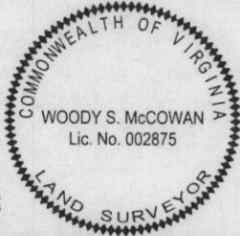
FINAL PLAT

The undersigned hereby certifies that the final location is within ten (10) feet of the location shown on the well plat dated AUGUST 7, 2008.



NOTE !!!
WELL COORDINATES ARE BASED ON STATE PLANE NAD 83 COORDINATE SYSTEM.
ELEVATIONS ARE BASED ON NGS CONTROL ST. PAUL 2.
BOTTOM HOLE COORDINATES AND LATERAL INFORMATION WERE PROVIDED BY EQT PRODUCTION COMPANY.
PROPERTY INFORMATION PROVIDED BY EQT PRODUCTION COMPANY.
THE BOUNDARY LINES SHOWN HEREON ARE BASED ON DEEDS, PLATS AND MAPS OF RECORD AND DO NOT DEPICT A CURRENT BOUNDARY SURVEY.
WELL WILL BE DRILLED WITHIN 10' (TEN FEET) OF PERMITTED AREA.

COORDINATES OF BENCH MARK
N 3504814.8125
E 10370404.8448
ELEV. = 1753.40



AS-DRILLED
STATE PLANE
NAD 27 COORDINATES
OF WELL VH-539922
TOP HOLE
N 288612.64
E 824998.63
LAT 37.057194
LON -82.527833
NAD 83 COORDINATES
N 3569487.91
E 10307981.71

STATE PLANE
NAD 27 INTERIOR
GRID COORDINATE
N 288131.32
E 825283.96

AS-DRILLED
CCC COORDINATES
OF WELL VH-539922
TOP HOLE
S 15567.58
W 42113.42

WELL LOCATION PLAT

COMPANY EQT PRODUCTION COMPANY WELL NAME AND NUMBER VH-539922
TRACT No. LEASE NO. 908803 ELEVATION 1689.11 (GPS) QUADRANGLE POUND
COUNTY WISE DISTRICT GLADEVILLE SCALE: 1"=400' DATE DECEMBER 6, 2010
THIS PLAT IS A NEW PLAT ; AN UPDATED PLAT ; OR A FINAL LOCATION PLAT x
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.

Woody S. McCowan 12-6-10
LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

(AFFIX SEAL)

8876 AS-D-01WG

T&L

①

LEASE No. 908803
 JIMMY E. SLEMP - Surface, Gas
 79.21 ACRES
 Lease No. 904576 / W-92
 HARVEY VANOVER
 316.569 ACRES
 ACIN, LLC - Coal, Oil
 GAS 34.24 AC - 10.70%

②

Lease No. 909089
 BILLY DINGUS - Surface, Gas
 49.47 ACRES
 Lease No. 904576 / W-83
 ALEX RUSSELL
 98.191 ACRES
 ACIN, LLC - Coal, Oil
 GAS 2.15 AC - 0.67%

③

Lease No. 909167
 CHARLES D. RINER - Surface, Gas
 36.00 ACRES
 Lease No. 906889 / TC-45
 W. S. HAMILTON
 36.25 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
 LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 GAS 25.99 AC. - 8.12%

④

Lease No. 909105
 BELINDA & ROGER DINGUS - Surface, Oil, Gas
 8.127 ACRES
 LEASE No. 906889 / TC-44
 A.J. STALLARD
 147.00 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
 LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 GAS 2.13 AC - 0.67%

⑤

Lease No. 909252
 JASON P. MILLER - Surface, Oil, Gas
 0.31 ACRES
 LEASE No. 906889 / TC-44
 A.J. STALLARD
 147.00 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
 LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 GAS 0.31 AC - 0.10%

⑥

Lease No. 909099
 GRACE DINGUS - Surface, Oil, Gas
 6.663 ACRES
 LEASE No. 906889 / TC-44
 A.J. STALLARD
 147.00 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
 LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 GAS 2.45 AC - 0.76%

⑦

Lease No. 909090
 ROXANNA J. & ROBERT A. OWENS - Surface, Oil, Gas
 2.22 ACRES
 LEASE No. 906889 / TC-44
 A.J. STALLARD
 147.00 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
 LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 GAS 1.03 AC - 0.32%

⑧

LEASE No. 906889 / TC-44
 A.J. STALLARD
 147.00 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND
 & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 Lease No. 909216
 ROBERT CECIL & ELIZABETH HOBACK - Surface, Oil, Gas
 23.48 ACRES
 GAS 22.81 AC - 7.13%

⑨

LEASE No. 906889 / TC-44
 A.J. STALLARD
 147.00 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND
 & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 LEASE No. 904576 / W-296
 A.J. STALLARD
 106.00 ACRES
 ACIN, LLC - Oil, Gas
 HEARTWOOD FORESTLAND FUND V, LP - Surface
 GAS 3.77 AC - 1.18%

⑩

LEASE No. 906889 / TC-44
 A.J. STALLARD
 147.00 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND
 & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 LEASE No. 915029
 RUSTY & GEORGIANA STROUTH - Surface, Oil, Gas
 2.02 ACRES
 GAS 2.33 AC - 0.73%

⑪

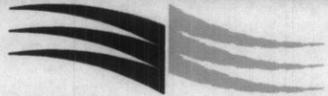
LEASE No. 906889 / TC-44
 A.J. STALLARD
 147.00 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND
 & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 Lease No. 909164
 ROBERT ALLEN & TERRY GENTRY - Surface, Oil, Gas
 0.45 ACRES
 GAS 0.44 AC - 0.14%

⑫

Lease No. 909163
 ROBERT & PEGGY GENTRY - Surface, Oil, Gas
 0.29 ACRES
 LEASE No. 906889 / TC-44
 A.J. STALLARD
 147.00 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND
 & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 GAS 0.41 AC - 0.13%

⑬

UNLEASED
 W. N. BEVINS HEIRS & BILLY JOE BEVINS HEIRS - Surface, Oil, Gas
 46.00 ACRES
 LEASE No. 904576 / W-16
 ABRAHAM MASTERS
 44.233 ACRES
 ACIN, LLC - Coal
 GAS 26.70 AC - 8.34%



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 Clintwood, Virginia 24228

EQUITABLE PRODUCTION COMPANY
WELL No. VH-539922
WELL PLAT SUPPLEMENT
SHEET 2

PROJECT No.:
 9876 AS-D

SCALE: 1"=400'

DATE: DECEMBER 6, 2010

12

14

Lease No. 906889 / T-879
 A. J. STALLARD
 37.00 ACRES
 HEARTWOOD FORESTLAND FUND IV, LP - Surface
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
 LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 RANGE RESOURCES-PINE MOUNTAIN, INC. - Oil, Gas
 GAS 15.56 AC - 4.86%

15

Lease No. 906889 / T-882
 A. J. STALLARD
 13.31 ACRES
 HEARTWOOD FORESTLAND FUND IV, LP - Surface
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
 LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 RANGE RESOURCES-PINE MOUNTAIN, INC. - Oil, Gas
 GAS 13.08 AC - 4.09%

16

Lease No. 906889 / T-905
 WILLIAM HUDSON
 433.28 ACRES
 HEARTWOOD FORESTLAND FUND IV, LP - Surface
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
 LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 RANGE RESOURCES-PINE MOUNTAIN, INC. - Oil, Gas
 GAS 18.40 AC - 5.75%

17

Lease No. 909271
 JIMMY DALE, JR & REBECCA ELKINS - Surface, Oil, Gas
 2.73 ACRES
 Lease No. 904576 / WI-16
 ABRAHAM MASTERS
 44.233 ACRES
 ACIN, LLC - Coal
 GAS 2.04 AC - 0.64%

18

Lease No. 907109
 LEITTA HESS - Surface, Oil, Gas
 12.97 ACRES
 Lease No. 904576 / WI-16
 ABRAHAM MASTERS
 44.233 ACRES
 ACIN, LLC - Coal
 GAS 12.56 AC - 3.92%

19

UNLEASED
 GOLDSWORTH H. & LUCILLE L. DAVIS HEIRS -
 Surface, Oil & Gas
 6.058 ACRES
 Lease No. 904576 / WI-5
 BERRY L. COLLINS
 195.039 ACRES
 ACIN, LLC - Coal
 GAS 2.41 AC - 0.75%

20

LEASE No. 906856
 LARRY DEAN & ANNA MARLENE BAKER - Surface, Oil & Gas
 12.666 ACRES
 Lease No. 904576 / WI-5
 BERRY L. COLLINS
 195.039 ACRES
 ACIN, LLC - Coal
 GAS 7.45 AC - 2.33%

21

Lease No. 909064
 JERRY & BARBARA STROUTH - Surface, Oil, Gas
 3.039 ACRES
 Lease No. 904576 / WI-7
 SAMUEL COX
 90.482 ACRES
 ACIN, LLC - Coal
 GAS 0.99 AC - 0.31%

22

UNLEASED
 WELLMORE ENERGY COMPANY, LLC - Surface, Oil, Gas
 47.32 ACRES
 LEASE No. 906889 / TC-43
 T. G. WELLS
 38.46 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND &
 RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 GAS 20.43 AC - 6.38%

23

LEASE No. 904576 / WI-16
 ABRAHAM MASTERS
 44.233 ACRES
 ACIN, LLC - Coal
 LEASE No. 906889 / T2-267
 NEEDHAM & LIETTA HESS
 1.30 ACRES
 RANGE RESOURCES-PINE MOUNTAIN, INC. - Oil, Gas
 GAS 1.58 AC - 0.49%

24

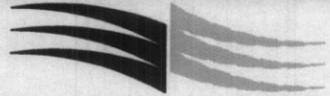
Lease No. 908803
 DAVID E. & COURTNEY B. SLEMP - Surface, Gas
 10.70 ACRES
 Lease No. 904576 / WI-92
 HARVEY G. VANOVER
 316.569 ACRES
 ACIN, LLC - Coal, Oil
 GAS 11.26 AC - 3.52%

25

Lease No. 909162
 IRA EPHRIAM & DEBRA ANN GENTRY - Surface, Oil, Gas
 19.2876 ACRES
 Lease No. 906889 / T-975
 T. G. WELLS
 47.0 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND &
 RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 GAS 6.39 AC - 2.00%

26

UNLEASED
 ALLIE B. CANTRELL, et al - Oil, Gas
 6.32 ACRES
 Lease No. 906889 / T-975
 T. G. WELLS
 47.0 ACRES
 DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND &
 RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
 GAS 2.21 AC - 0.69%



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SHEET 3

PROJECT No.:
 9876 AS-D

SCALE: 1"=400'

DATE: DECEMBER 6, 2010

27

Lease No. 909060
DAVID CAMERON & BUENA JEAN SALYERS - Surface, Gas
Remainder of 28.79 acres
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 17.56 AC - 5.49%

28

Lease No. 909088
FRANCIS E. SALYERS - Surface, Gas
2.76 ACRES
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 0.68 AC - 0.21%

29

Lease No. 909076
TERESA S. SHOUSE - Surface, Gas
2.78 ACRES
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 0.44 AC - 0.14%

30

Lease No. 909071
DEWEY W. SALYERS - Surface, Gas
2.77 ACRES
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 0.64 AC - 0.20%

31

Lease No. 909077
GLEN E. SALYERS - Surface, Gas
2.74 ACRES
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 0.56 AC - 0.18%

32

Lease No. 909287
NOAH J. STEVENSON & PHILLIP N. BELCHER - Surface, Gas
2.74 ACRES
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 0.52 AC - 0.16%

33

Lease No. 909085
CECIL J. SALYERS - Surface, Gas
2.76 ACRES
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 0.34 AC - 0.11%

34

LEASE No. 908803
JIMMY E. SLEMP - Surface, Gas
58.47 ACRES
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569
ACIN, LLC - Coal, Oil
GAS 12.33 AC - 3.85%

35

Lease No. 908803
JIMMY E. SLEMP - Surface, Gas
1 ACRE
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 1.15 AC - 0.36%

36

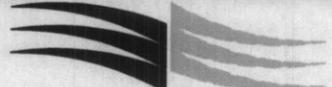
Lease No. 908803
JIMMY E. SLEMP - Surface, Gas
35.62 ACRES
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 36.42 AC - 11.38%

37

Lease No. 909066
DAVID CAMERON & BUENA JEAN SALYERS - Surface, Gas
Remainder of 11.48 acres
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 7.34 AC - 2.29%

38

Lease No. 909166
CHARLES D. RINER - Surface, Gas
2.90 ACRES
Lease No. 904576 / WI-92
HARVEY VANOVER
316.569 ACRES
ACIN, LLC - Coal, Oil
GAS 2.90 AC - 0.91%



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SHEET 4

PROJECT No.:
9876 AS-D

SCALE: 1"=400'

DATE: DECEMBER 6, 2010

EXHIBIT "B"
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<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>				
1	Jimmy E. Slemp and Maxine A. Slemp, h/w P.O. Box 1531 Pound, VA 24279 Tax I.D. 3983	Leased 908803	10.70000000%	34.24000000
2	Billy E. Dingus 8777 Boggs Hill Road Wise, VA 24293 Tax I.D. 9716	Leased 909089	0.67000000%	2.15000000
3	Charles D. Riner 100 Anchor Point Blountville, TN 37617 Tax I.D. 2286	Leased 909167	8.12000000%	25.99000000
4	Belinda Dingus and Roger Dingus, Sr., w/h 8774 Boggs Hill Road Wise, VA 24293 Tax I.D. 33817	Leased 909105	0.67000000%	2.13000000
5	Jason P. Miller 8818 Boggs Hill Road Wise, VA 24293 Tax I.D. 40375	Leased 909252	0.10000000%	0.31000000
6	Grace Dingus 8819 Boggs Hill Road Wise, VA 24293 Tax I.D. 2685	Leased 909099	0.76000000%	2.45000000
7	Roxanna J. Owens and Robert A. Owens, w/h 8815 Boggs Hill Road Wise, VA 24293 Tax I.D. 39762	Leased 909090	0.32000000%	1.03000000
8	Robert Cecil Hoback & Elizabeth Hoback, h/w P.O. Box 519 Coeburn, VA 24230-0519 Tax I.D. 2322	Leased 909216	7.13000000%	22.81000000
9	ACIN, LLC Attn: John Mooney P.O. Box 2827 Huntington, WV 25727 Tax I.D. 19429	Leased 904576 WI-296	1.18000000%	3.77000000

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
10	Rusty Strouth and Georgiana Strouth, h/w 8917 Boggs Hill Road Wise, VA 24293 Tax I.D. 2381	Leased 915029	0.73000000%	2.33000000
11	Robert Allen Gentry and Terry M. Gentry, h/w P.O. Box 3051 Wise, VA 24293 Tax I.D. 2953	Leased 909164	0.14000000%	0.44000000
12	Robert E. Gentry and Peggy Gentry, h/w 8847 Boggs Hill Road Wise, VA 24293 Tax I.D. 2957	Leased 909163	0.13000000%	0.41000000
13	Ida Jewell Bevins, widow 10612 Old Norton Coeburn Rd. Coeburn, VA 24230	Unleased Life Estate	4.17000000%	13.35000000
	Miles Franks, widower 13620 Herald Road Coeburn, VA 24230	Unleased Remainderman		
	Louellen Payne and Rex Payne, w/h 229 9th Street Norton, VA 24273	Unleased Remainderman		
	Jewell Worley and Wayne Worley, w/h P.O. Box 1527 Wise, VA 24293	Unleased	0.69500000%	2.22500000
	Paula DuVal and John DuVal, w/h P.O. Box 149 Coeburn, VA 24230	Unleased	0.69500000%	2.22500000
	Rhonda Greear 10612 Old Norton Coeburn Road Coeburn, VA 24230	Unleased	0.69500000%	2.22500000
	Melissa Bevins 10612 Old Norton Coeburn Road Coeburn, VA 24230	Unleased	0.69500000%	2.22500000

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Sue Mullins and Steven Mullins, w/h 208 10th Street Norton, VA 24273	Unleased	0.69500000%	2.22500000
	Nancy Wheatley and Wayne Wheatley, w/h 10623 Arbor Road Wise, VA 24293	Unleased	0.69500000%	2.22500000
14	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212 Tax I.D. 39596	Leased 906889 T-879	4.86000000%	15.56000000
15	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212 Tax I.D. 39528	Leased 906889 T-882	4.09000000%	13.08000000
16	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212 Tax I.D. 39670	Leased 906889 T-905	5.75000000%	18.40000000
17	Jimmy Dale Elkins and Rebecca Elkins, h/w 9027 Boggs Hill Road Wise, VA 24293 Tax I.D. # 37455	Leased 909271	0.64000000%	2.04000000
18	Leitta Hess, married sole & separate property 9026-B Boggs Hill Road Pound, VA 24279 Tax I.D. 2287	Leased 907109	3.92000000%	12.56000000
19	Godsworth H. Davis and Lucille L. Davis, H/W Unknown/Unlocatable	Unleased	0.75000000%	2.41000000
20	Larry Dean Baker and Anna Marlene Baker, h/w 9145 Orby Cantrell Hwy. Pound, VA 24279 Tax I.D. 35173	Leased 906856	2.33000000%	7.45000000

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
21	Jerry Strouth and Barbara Strouth, h/w 10151 Collins Hollow Road Pound, VA 24279 Tax I.D. 4128	Leased 909064	0.31000000%	0.99000000
22	Wellmore Energy Co., LLC Attn: Bill Fuller P.O. Box 458 Big Rock, VA 24603 Tax I.D. 3782	Unleased	6.38000000%	20.43000000
23	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212 Tax I.D. 39051	Leased 906889 T2-267	0.49000000%	1.58000000
24	David E. Slemp and Courtney B. Slemp, h/w P.O. Box 1612 Pound, VA 24279 Tax I.D. 3982	Leased 909903	3.52000000%	11.26000000
25	Ira Ephraim Gentry and Debra Ann Gentry, h/w 10413B Birchfield Road Pound, VA 24279 Tax I.D. 34346	Leased 909162	2.00000000%	6.39000000
26	Allie Baker Cantrell et al No tax assessment			
	Joyce Sells Conklin and Walter W. Conklin, Jr., w/h P.O. Box 684 210 Derby Downs Drive Sneads Ferry, NC 28460-0684	Unleased	0.19714286%	0.63142857
	Charles J. Cassity, Jr. 339 Wolfe Street P.O. Box 156 Gate City, VA 24251	Leased 986977	0.00821429%	0.02630952
	Joseph L. Patterson, wdwr 570 Glen Echo Drive Old Hickory, TN 37138-1708	Leased 986977	0.00821429%	0.02630952
	Teresa Arlen Godsey 159 Low Water Lane Nickelsville, VA 24271	Unleased	0.00821429%	0.02630952

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Charles Robert Godsey, Jr. & Carolyn N. Godsey, h/w 6691 Big Moccasin Road Nickelsville, VA 24271	Unleased	0.00821429%	0.02630952
	Deborah Joann English 17080 Harbor Point Dr. Unit 1213 Fort Myers, FL 33908	Unleased	0.00821429%	0.02630952
	Michael David Stallard & Sara J. Stallard, h/w P.O. Box 833 Gate City, VA 24251	Unleased	0.00821429%	0.02630952
	Anna M. Stallard, widow 202 Meadow Lark St. Weber City, VA 24290	Unleased	0.01642857%	0.05261905
	Raleigh D. Stallard and Eloise M. Stallard, h/w 137 Serene Hill Drive Gate City, VA 24251	Unleased	0.01642857%	0.05261905
	Dwight D. Ratliff, widower 1477 Los Robles Avenue St. Augustine, FL 32084-6266	Unleased	0.01642857%	0.05261905
	Julia Long Heirs Unknown / Unlocatable	Unleased	0.09857143%	0.31571429
	Leroy Marcus Fulton & Jean w. Fulton, h/w 604 Landmark Place San Marcos, CA 92069	Unleased	0.09857143%	0.31571429
	Joseph Baker Heirs Unknown / Unlocatable	Unleased	0.03285714%	0.10523810
	Katherine Baker Stecker Heir: (Chas. A. Stecker, Jr. only)			
	Charles Albert Stecker, Jr. & Jane Bryant Stecker, h/w 305 Poplar Street NW Norton, VA 24273	Leased 986977	0.03285714%	0.10523810
	Bettie T. Baker, widow 9017 Wood Sorrel Drive Richmond, VA 23229	Unleased	0.01095238%	0.03507937

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Carolyn Bottger and John Bottger, w/h 206 Panorama Drive Richmond, VA 23229	Unleased	0.01095238%	0.03507937
	Cynthia Baker, single 2128 North 14th Court Hollywood, FL 33020	Unleased	0.01095238%	0.03507937
	Etta Baker, widow 551 Bethel Road Nickelsville, VA 24271	Leased 986977	0.01971429%	0.06314286
	Ida B. Baker, widow 499 Seneker Lane Blountville, TN 37617	Unleased	0.01971429%	0.06314286
	Loretta Baker Stallard Heir: Leslie M. Stallard only			
	Leslie M. Stallard and Katherine J. Stallard, h/w 528 Kallen Drive Kingsport, TN 37660	Unleased	0.01971429%	0.06314286
	Joseph Richard Baker & Rachel P. Baker, h/w 237 Fairway Drive Blountville, TN 37617	Leased 986977	0.01971429%	0.06314286
	Mildred Esther Baker Page Heir: Thomas H. Page, Jr. only			
	Thomas H. Page, Jr. widower 7629 Big Moccasin Road Nickelsville, VA 24271	Leased 986977	0.01971429%	0.06314286
27	David Cameron Salyers & Beulah Jean Salyers, h/w 10441 Birchfield Road Pound, VA 24279 Tax I.D. 3973	Leased 909060	5.49000000%	17.56000000
28	Francis E. Salyers 10440 Birchfield Road Pound, VA 24279 Tax I.D. 37838	Leased 909088	0.21000000%	0.68000000

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
29	Teresa S. Shouse P.O. Box 1443 Wise, VA 24293-1443 Tax I.D. 3881	Leased 909076	0.14000000%	0.44000000
30	Dewey W. Salyers 10504 Birchfield Road Pound, VA 24279 Tax I.D. 36294	Leased 909071	0.20000000%	0.64000000
31	Glen E. Salyers 1023 W. Doe Creek Road Liberty, KY 42539 Tax I.D. 36330	Leased 909077	0.18000000%	0.56000000
32	Noah Jordan Stevenson & Phillip Michael Belcher P.O. Box 8036 Wise, VA 24293 Tax I.D. 36359	Leased 909287	0.16000000%	0.52000000
33	Cecil J. Salyers 317 Omega Drive Lawrenceville, GA 30044 Tax I.D. 36332	Leased 909085	0.11000000%	0.34000000
34	Jimmy E. Slemp and Maxine A. Slemp, h/w P.O. Box 1531 Pound, VA 24279 Tax I.D. 3979	Leased 908803	3.85000000%	12.33000000
35	Jimmy E. Slemp and Maxine A. Slemp, h/w P.O. Box 1531 Pound, VA 24279 Tax I.D. 3981	Leased 908803	0.36000000%	1.15000000
36	Jimmy E. Slemp and Maxine A. Slemp, h/w P.O. Box 1531 Pound, VA 24279 Tax I.D. 3980	Leased 908803	11.38000000%	36.42000000

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EXHIBIT "B"
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000154 FEB 24th

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
37	David Cameron Salyers & Buena Jean Salyers, h/w 10441 Birchfield Road Pound, VA 24279 Tax I.D. 31926	Leased 909066	2.29000000%	7.34000000
38	Charles D. Riner 100 Anchor Point Blountville, TN 37617 Tax I.D. 2285	Leased 909166	0.91000000%	2.90000000
TOTAL GAS ESTATE			100.00000000%	320.00000000
Percentage of Unit Leased			83.94842857%	
Percentage of Unit Unleased			16.05157143%	
Acreage in Unit Leased				268.59728571
Acreage in Unit Unleased				51.40271429

22

EXHIBIT "B-3"
VH-539922

000155 FEB 24 2011

1/24/2011

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	<u>Gas Estate</u>			
13	Ida Jewell Bevins, widow 10612 Old Norton Coeburn Rd. Coeburn, VA 24230	Unleased Life Estate	4.17000000%	13.35000000
	Miles Franks, widower 13620 Herald Road Coeburn, VA 24230	Unleased Remainderman		
	Louellen Payne and Rex Payne, w/h 229 9th Street Norton, VA 24273	Unleased Remainderman		
	Jewell Worley and Wayne Worley, w/h P.O. Box 1527 Wise, VA 24293	Unleased	0.69500000%	2.22500000
	Paula DuVal and John DuVal, w/h P.O. Box 149 Coeburn, VA 24230	Unleased	0.69500000%	2.22500000
	Rhonda Greear 10612 Old Norton Coeburn Road Coeburn, VA 24230	Unleased	0.69500000%	2.22500000
	Melissa Bevins 10612 Old Norton Coeburn Road Coeburn, VA 24230	Unleased	0.69500000%	2.22500000
	Sue Mullins and Steven Mullins, w/h 208 10th Street Norton, VA 24273	Unleased	0.69500000%	2.22500000
	Nancy Wheatley and Wayne Wheatley, w/h 10623 Arbor Road Wise, VA 24293	Unleased	0.69500000%	2.22500000
19	Godsworth H. Davis and Lucille L. Davis, H/W Unknown/Unlocatable	Unleased	0.75000000%	2.41000000
22	Wellmore Energy Co., LLC Attn: Bill Fuller P.O. Box 458 Big Rock, VA 24603 Tax I.D. 3782	Unleased	6.38000000%	20.43000000

23

EXHIBIT "B-3"
VH-539922

000156 FEB 24 2011

1/24/2011

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
26	Allie Baker Cantrell et al No tax assessment			
	Joyce Sells Conklin and Walter W. Conklin, Jr., w/h P.O. Box 684 210 Derby Downs Drive Sneads Ferry, NC 28460-0684	Unleased	0.19714286%	0.63142857
	Teresa Arlen Godsey 159 Low Water Lane Nickelsville, VA 24271	Unleased	0.00821429%	0.02630952
	Charles Robert Godsey, Jr. & Carolyn N. Godsey, h/w 6691 Big Moccasin Road Nickelsville, VA 24271	Unleased	0.00821429%	0.02630952
	Deborah Joann English 17080 Harbor Point Dr. Unit 1213 Fort Myers, FL 33908	Unleased	0.00821429%	0.02630952
	Michael David Stallard & Sara J. Stallard, h/w P.O. Box 833 Gate City, VA 24251	Unleased	0.00821429%	0.02630952
	Anna M. Stallard, widow 202 Meadow Lark St. Weber City, VA 24290	Unleased	0.01642857%	0.05261905
	Raleigh D. Stallard and Eloise M. Stallard, h/w 137 Serene Hill Drive Gate City, VA 24251	Unleased	0.01642857%	0.05261905
	Dwight D. Ratliff, widower 1477 Los Robles Avenue St. Augustine, FL 32084-6266	Unleased	0.01642857%	0.05261905
	Julia Long Heirs Unknown / Unlocatable	Unleased	0.09857143%	0.31571429

28

EXHIBIT "B-3"
VH-539922

000157 FEB 24th

1/24/2011

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Leroy Marcus Fulton & Jean w. Fulton, h/w 604 Landmark Place San Marcos, CA 92069	Unleased	0.09857143%	0.31571429
	Joseph Baker Heirs Unknown / Unlocatable	Unleased	0.03285714%	0.10523810
	Katherine Baker Stecker Heir: (Chas. A. Stecker, Jr. only)			
	Bettie T. Baker, widow 9017 Wood Sorrel Drive Richmond, VA 23229	Unleased	0.01095238%	0.03507937
	Carolyn Bottger and John Bottger, w/h 206 Panorama Drive Richmond, VA 23229	Unleased	0.01095238%	0.03507937
	Cynthia Baker, single 2128 North 14th Court Hollywood, FL 33020	Unleased	0.01095238%	0.03507937
	Ida B. Baker, widow 499 Seneker Lane Blountville, TN 37617	Unleased	0.01971429%	0.06314286
	Loretta Baker Stallard Heir: Leslie M. Stallard only			
	Leslie M. Stallard and Katherine J. Stallard, h/w 528 Kallen Drive Kingsport, TN 37660	Unleased	0.01971429%	0.06314286
	Mildred Esther Baker Page Heir: Thomas H. Page, Jr. only			
	TOTAL UNLEASED GAS		16.05157143%	51.40271429

25

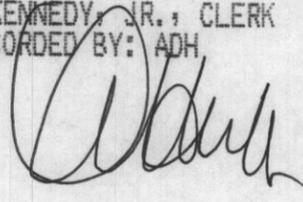
EXHIBIT "E"
VH-539922

1/24/2011

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE</u>
	<u>Gas Estate</u>		00158	UNIT 4 2
19	Godsworth H. Davis and Lucille L. Davis, H/W Unknown/Unlocatable	Unleased	0.75000000%	2.41000000
26	Julia Long Heirs Unknown / Unlocatable	Unleased	0.09857143%	0.31571429
	Joseph Baker Heirs Unknown / Unlocatable	Unleased	0.03285714%	0.10523810
	TOTAL GAS ESTATE		0.88142857%	2.83095238

INSTRUMENT #201200602
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
FEBRUARY 24, 2012 AT 02:59PM

J. JACK KENNEDY, JR., CLERK
RECORDED BY: ADH



26

Hagy, Sharon (DMME)

From: VITASHARE System [vitashare@vita.virginia.gov]
Sent: Tuesday, March 06, 2012 12:38 PM
To: Hagy, Sharon (DMME)
Subject: New Transaction 9G158LY0RZE35UIY

Transaction details for Sharon Hagy(user shagy_1) _____

Job Id: 9G158LY0RZE35UIY

Date: Tue, Mar 6, at 12:37

Transaction Details:

Acknowledge Security Policy: I understand that this system is not intended for sensitive data.

Recipient's Email example- user1@virginia.gov, user2@virginia.gov:

ATolman@eqt.com, gloria.clark@dmme.virginia.gov, KShannon@eqt.com, sep@wilhoitandkaiser.co

m

Message - Describe file attachment: Please see the recorded order for docket 2278-01. Let me know if you are unable to download the file. Thank you, Sharon

Notify me when the file is downloaded?: Yes

Pin: 42571

Files:

2278-01_Re-Pooling.tif

View details here

<<http://vitashare.vita.virginia.gov/fcweb/viewJobLink.do?JOBIDX=9G158LY0RZE35UIY>>

Total Estimated File Size: 579 KB

Total Number of Files: 1

Estimated Upload Time: 00:02:00

BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant: EQT Production Company)
Relief Sought: Re-Pooling VH-539922)
Legal Description: Jimmy E. Slemp) Docket No.
79.21 Acre Tract) VGOB-08/07/15-2278-01
Pound Quadrangle)
Gladeville District)
Wise County, Virginia)
(See Exhibit "A" For Specific)
Description))

APPLICATION

1. Parties: Applicant herein is EQT Production Company whose address for the purposes hereof is 1710 Pennsylvania Ave., Charleston, West Virginia, 25328, Telephone: (304) 348-3800. The attorney for Applicant is James E. Kaiser, WILHOIT & KAISER, whose address is 220 Broad Street, Kingsport, Tennessee, 37660, Telephone: (423) 578-3838. The unleased entities or persons are listed on Exhibit B, attached hereto and made a party hereto. Set forth in Exhibit B is the name and last-known address of each owner of record identified by Applicant as having an interest in the oil and gas underlying the unit described in Exhibit A, attached hereto and made part hereof. Each of the unleased individuals named in Exhibit B is being made a party if living; if any such individual is deceased, then the unknown heirs, executors, administrators, devisees, trustees and assignees, both immediate and remote, of any such deceased individual are made parties herein. Each of the unleased entities listed in Exhibit B-3 that is a corporation is being made a party if such entity continues to have legal existence, and if any such corporation is dissolved, then the unknown successors, trustees, and assigns, both immediate and remote, of such dissolved corporation are made parties herein. Each of the unleased entities listed in Exhibit B-3 that is an unincorporated association is being made a party if such entity continues to have legal existence, and if any such unincorporated association is dissolved or otherwise not in existence, then the unknown successors, trustees and assigns, both immediate and remote, of such unincorporated association are made parties herein.

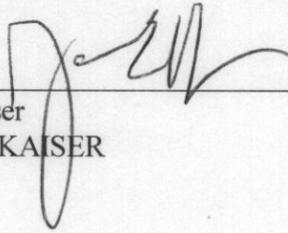
2. Allegation of Facts: Applicant is the owner of the right to develop and produce oil and gas from all formations, from the surface to total depth drilled underlying the lands described on Exhibit A attached hereto and made a part hereof and to appropriate the oil and gas produced therefrom.

- (a) Applicant has proposed a plan of development and operation of the Formations underlying the drilling unit involved herein (described and depicted on Exhibit A attached hereto and made a part hereof) and has proposed to commence such plan of development and operation of such unit by a well, designated as well number VH-539922, under such plan in the lands involved herein so as to produce oil and gas from the proposed unit.
- (b) A Well work permit for well number VH-539922 is currently or is anticipated to be pending before the Department of Mines, Minerals and Energy.
- (c) Applicant has exercised due diligence to locate each of the oil and gas interest owners named herein at Exhibit B and has made a bona fide effort to reach an agreement with all unleased parties as to re-pooling their interest for the development and operation of the well involved herein. Simultaneously with the filing of this application, Applicant has provided notice to each of the unleased parties set forth in Exhibit B-3 pursuant to the provisions of § 45.1-361.19 of the Virginia Code Annotated. Applicant hereby notifies the Board that where the identity or location of any person is shown as "unknown" on Exhibit E, then Applicant is unable to provide such person with written notice of the application herein. The interest of all unleased persons in the Formations underlying the drilling unit for well number VH-539922, should be pooled for the development and operation thereof.
- (d) Applicant proposes to drill at the permitted location to an approximate depth of 8562 feet including lateral on the Subject Lands to test for oil and gas from the top of all Mississippian and Devonian Age formations, including, but not limited to: Ravencliff, Avis, Maxton, Little Lime, Big Lime, Weir Shale, Sunbury Shale, Berea, and Cleveland, known as the Roaring Fork Gas Field. Applicant estimates the cost for a well to said depth to be \$1,547,225.00 for a well completed for production. Exhibit C, attached hereto and made a part hereof, is Applicant's signed Detailed Well Estimate ("DWE") which shows the estimated cost of drilling, completing and equipping said well.
- (e) The estimated production over the life of the proposed well is 946 million cubic feet. These figures concerning estimated production and the amount of reserves are, however, estimates only that are not based upon actual production and should not be relied upon for any purpose.

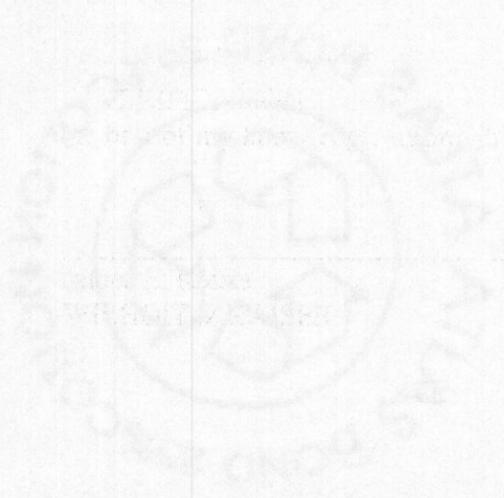
3. Legal Authority: The relief sought by this Application is authorized by Virginia Code Annotated § 45.1-361.21 et seq. and § 4 VAC 25-160-70 et seq.

VERIFICATION

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



James E. Kaiser
WILHOIT & KAISER



Instrument Control Number

[Empty box for Instrument Control Number]

000132 FEB 24 2012

Commonwealth of Virginia
Land Record Instruments
Cover Sheet - Form A

INSTRUMENT #201200602
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
FEBRUARY 24, 2012 AT 02:59PM

J. JACK KENNEDY, JR., CLERK
RECORDED BY: ADH

[Handwritten Signature]

[ILS VLR Cover Sheet Agent 1.0.93]

T
A
X
E
M
P
T

C
O
R
P

Date of Instrument: [2/21/2012]

Instrument Type: [OTHER]

Number of Parcels [1]

Number of Pages [26]

City County [Wise County]

(Box for Deed Stamp Only)

First and Second Grantors

Last Name	First Name	Middle Name or Initial	Suffix
[Virginia Gas and Oil Bo]	[]	[]	[]
[]	[]	[]	[]

First and Second Grantees

Last Name	First Name	Middle Name or Initial	Suffix
[Wellmore Energy Co.,]	[]	[]	[]
[]	[]	[]	[]

Grantee Address (Name) [EQT]
 (Address 1) [P.O. Box 23536]
 (Address 2) []
 (City, State, Zip) [Pittsburgh] [PA] [15222]
 Consideration [0.00] Existing Debt [0.00] Assumption Balance [0.00]

Prior Instr. Recorded at: City County [Wise County] Percent. in this Juris. [100]
 Book [] Page [] Instr. No []

Parcel Identification No (PIN) []
 Tax Map Num. (if different than PIN) [3782]
 Short Property Description [Re-Pooling]
 Current Property Address (Address 1) [P O Box 458]
 (Address 2) []
 (City, State, Zip) [Big Rock] [VA] [24603]

Instrument Prepared By [Virginia Gas & Oil Board]
 Recording Paid for By [DMME]
 Return Recording To (Name) [Sharon Hagy]
 (Address 1) [DMME]
 (Address 2) [P.O. 159]
 (City, State, Zip) [Lebanon] [VA] [24266]
 Customer Case ID [080715227801] [] []

