

130001087

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

CODE OF VIRGINIA
§ 45.1-361.26

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-536630

TRACT(S): 2

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-09-1117-2633-02

APPLICANTS: EQT Production Company on behalf of Hurley Ratliff

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
March 13, 2012

APPEARANCES: James Kaiser on behalf of EQT Production Company, Sharon M. B. Pigeon on behalf of the Board.

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 12/18/2009, Recorded on 12/20/2009, Deed Book/Instrument No. 090003954.
2. Modification Order -01 Executed 09/08/2011, Recorded on 10/03/2011, Deed Book/Instrument No. 110002445.
3. Supplemental Order -01 Executed 08/07/2012, Recorded on 08/07/2012, Deed Book/Instrument No. 120001590.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the March 13, 2012 hearing and considered whether to:

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 2 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2 relative to the interests of the Applicants identified in the attached petition.

(3) Continue the escrow account under this docket number.

DONE AND EXECUTED this 12 day of April, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 12 day of April, 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 RUSSELL

Acknowledged on this 12th day of April, 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 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 09-1117-2633-02

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

HEARING DATE: March 13, 2012

DRILLING UNIT: VC-536630

BUCHANAN 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 from EQT Production Company, LLC for the disbursement of funds from escrow on behalf of Hurley Ratliff (Life Estate) and Range Resources-Pine Mountain, Inc. for Tract 1, Unit VC-536630.

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

Range Resources-Pine Mountain Oil and Gas, Inc. was a conflicting claimant with Mr. Hurley Ratliff with regards to Tract 1 as created by Board Order VGOB 09-1117-2633. To resolve this conflict, a letter dated November 18, 2011, signed by Jerry H. Grantham, Vice-President of Range Resources-Pine Mountain, Inc. waving any claims to past or future royalties attributable to the interests of Mr. Hurley Ratliff in this well.

6. Attestation

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

DGO-7 Supplement
WELL UNIT PROPERTY OWNER INDEX
VC-536630

(1)

Drift Tract
Lease No. 906889L/T2-47
Agreement No. 1-064340
Allen James
166.00 Acres
Jack & Norma Owens - Surface
ACIN, LLC et al. - Coal
Range Resources - Pine Mountain, Inc. - Oil, Gas & CBM
10.24 Acres - 17.42%

(2)

Lease No. 906889L/TC-230
Big Sandy Fuel Corp.
146.19 Acres
Hurley Ratliff, et al - Surface
ACIN, LLC et al - Coal
Range Resources - Pine Mountain, Inc. - Oil (CBM)
Lease No. 950988
80 Acres
Hurley & Betty Ratliff (Life Estate) - Gas (CBM)
Barbara Crouse & Linda Duty (Remainder) - Gas (CBM)
36.25 Acres - 61.69%

(3)

Lease No. 906889L/TC-230
Big Sandy Fuel Corp.
146.19 Acres
ACIN, LLC et al. - Coal
Range Resources - Pine Mountain, Inc. - Oil (CBM)
Lease No. 909980
40.00 Acres
Joseph Dwayne Tiller - 70% Gas (CBM)
Fate Gains Compton - 30% Gas (CBM)
11.41 Acres - 19.41%

(4)

Lease No. 906889L/TC-230
Big Sandy Fuel Corp.
146.19 Acres
ACIN, LLC et al. - Coal
Range Resources - Pine Mountain, Inc. - Oil (CBM)
Unleased
5.00 Acres
Bobby & Molly Owens - Gas (CBM)
0.48 Acres - 0.82%

(5)

Lease No. 906889L/TC-230
Big Sandy Fuel Corp.
10.00 Acres
ACIN, LLC et al. - Coal
Range Resources - Pine Mountain, Inc. - Oil (CBM)
Lease No. 936511
10.00 Acres
Patricia Ann Compton - Gas (CBM)
0.39 Acres - 0.66%

EXHIBIT "E"
VC-536630
 Revised 12/06/2011

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>GAS ESTATE ONLY</u>				
<u>3</u>	Lowell C. Compton & Patrica Compton (h/w) 8240 Beatrice Street Westland, MI 48185	Unleased	0.118800	6.9800
<u>4</u>	Bobby Owens & Molley Owens (h/w) P.O. Box 11 Haysi, VA 24256	Unleased	0.015100	0.8900
<u>5</u>	Joseph Dewayne Tiller 3443 Combs Ridge Road Honaker, VA 24260	Leased 909980	0.009170	0.5390
	Fate Gains Compton 251 Decaur Road Stafford, VA 22554	Leased 990980	0.003930	0.2310
	Total		14.70000000%	8.640000

Coal Estate Only

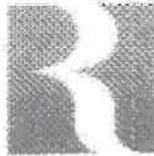
3	Range Resources-Pine Mountain, INC. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased .906889 TC-230	0.118800	6.9800
4	Range Resources-Pine Mountain, INC. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased .906889 TC-230	0.015100	0.8900
5	Range Resources-Pine Mountain, INC. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased .906889 TC-230	0.013100	0.7700
Total			14.700000000%	8.840000

EXHIBIT "EE"

VC-536630

Revised 12/06/2011

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>GAS ESTATE ONLY</u>				
1	Hurley Ratliff (Life Estate) 1058 Willie Road Venant, VA 24866	Leased 950988	0.678900	39.900000
	Barbara Crouse and Junior Crouse, W/H (Remainderman) 1104 Twin Branch road Grundy, VA 24614			
	Linda Duty and Kermit Duty, W/H (Remainderman) 2584 Hobbs Branch Road Grundy, VA 24614			
	Total subsequent to RR-PM Waiver		0.678900	39.900000



RANGE RESOURCES

November 18, 2011

Mr. Hurley R. Ratliff
1058 Willie Road
Vansant, VA 24656

Ms. Barbara Crouse
1104 Twin Branch Road
Grundy, VA 24614

Ms. Linda Duty
2584 Hobbs Branch Road
Grundy, VA 24614

Re: **Permanent Release of CBM Royalty**
Well VC-536629, VC-536636, VC-536630, VC-537307, and VC-537305
Buchanan County, Virginia

Dear Mr. Ratliff, Ms. Crouse, and Ms. Duty:

As you are aware, EQT Production Company ("EQT") has drilled the above-referenced coalbed methane gas wells on an 80 acre tract ("Subject Tract") either under a pooling order from the Virginia Gas and Oil Board ("Board") or as voluntary drilling unit. For these wells, 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 plat indicating the location of the well within the operating unit (for each well listed above) is enclosed for your reference.

EQT, as operator of the unit, has placed or will place all royalty proceeds attributable to conflicting claims into an escrow or suspense 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 this well.

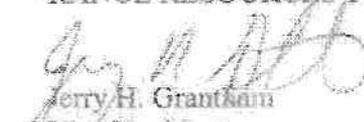
Please be advised that EQT may require that you demonstrate that you are the current owner of the gas estate. You should work directly with EQT on that issue.

Mr. Hurley R. Raliff
Ms. Barbara Crouse
Ms. Linda Duty
November 18, 2011
Page 2

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
Alma Tolman, EQT
Debbie Louthian, RRPM

INSTRUMENT #130001087
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JUNE 19, 2013 AT 01:16PM

BEVERLY S. TILLER, CLERK
RECORDED BY: MXB