

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB 09/11/17-2638

ELECTIONS, UNIT: VC-703597

(hereinafter "Subject Drilling Unit")

TAX MAP IDENTIFICATION NUMBERS:

TAX MAP IDENTIFICATION NUMBERS FOR ALL PARCELS
AFFECTED BY THIS ORDER ARE SHOWN ON EXHIBIT (S) _
B, B-3 & E WHICH IS/ARE ATTACHED TO AND A PART OF
THIS ORDER.

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on December 29, 2009 and recorded in Deed Book 473, Page 636 in the Office of the Clerk of Circuit Court, Dickenson County, Virginia on January 4, 2010, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:
 - (a) The Board Order directed EQT Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
 - (b) The designated operator filed its affidavit of mailing dated January 20, 2010, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;

- (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated July 29, 2010, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;
 - (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
 - (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Bank & Trust Company, P.O. Box 3860, Kingsport, TN 37660 (423) 245-6971, Attn: Debbie Davis, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company, P.O. Box 3860, Kingsport, TN 37660 (423) 245-6971, Attn: Debbie Davis, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each person whose interest or claim is subject to escrow and whose address is known.
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
6. Effective Date: This Order shall be effective on the date of its execution.

DK 486PG 207

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

Bradley C. Lambert
Chairman, Bradley C. Lambert

DONE AND PERFORMED this 14 day of April, 2011, by Order of the Board.

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

STATE OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 14th day of April, 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 Chairman of the Virginia Gas and Oil Board, and appeared David E. Asbury, Jr., being duly sworn did depose and say that he is Acting Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.

Diane J. Davis
Diane Davis, Notary Public
174394

My commission expires: September 30, 2012



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of EQT Production Company, for Forced Pooling of Interests in Unit Number VC-703597 VGOB Docket No. VGOB-09/11/17-2638 in the Kenady Magisterial District of Dickenson County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on December 29, 2009, by the Virginia Gas and Oil Board regarding the captioned coalbed methane Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on January 4, 2010.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

NONE

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow as either unknown claimants or conflicting claimants under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

See Exhibit E

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims.

See Exhibit EE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

See Exhibit B-3

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

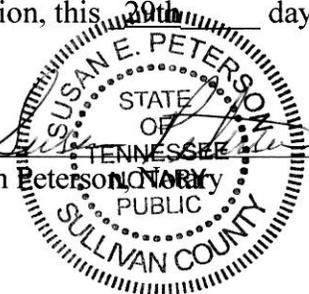
Dated at Kingsport, Tennessee, this 29th day of July, 2010.



Affiant

State of Tennessee)
County of Sullivan)

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of EQT Production Company, a corporation, on behalf of the corporation, this 29th day of July, 2010.



Susan Peterson, Notary Public

My commission expires: October 24, 2012.

SUPPLEMENT "B"
VC-703597
 created 01/04/2010

<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 # 21691	Johnny L. Smith & Loretta Smith, h/w P.O. Box 1053 Coeburn, VA 24230	Leased 244831	8.8600%	5.2100	0.01107500	RI
	EQT Production				0.07752500	WI
Tract 1 Totals			<u>8.8600%</u>	<u>5.2100</u>	<u>0.08860000</u>	
2 Tax ID # 20156	Range Resources-Pine Mountain, Inc. ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T-624	44.1900%	25.9900	0.05523750	RI
	EQT Production				0.38666250	WI
Tract 2 Totals			<u>44.1900%</u>	<u>25.9900</u>	<u>0.44190000</u>	
3 Tax ID # 20977	Range Resources-Pine Mountain, Inc. ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T2-115	42.9400%	25.2600	0.05367500	RI
	EQT Production				0.37572500	WI
Tract 3 Totals			<u>42.9400%</u>	<u>25.2600</u>	<u>0.42940000</u>	
4 Tax ID # 6347	Glenn Edward Ledwell 1184 Hamilton Town Road Coeburn, VA 24230	Elected Cash Consideration	1.0400%	0.6100	0.00130000	RI
	EQT Production				0.00910000	WI
Tract 4 Totals			<u>1.0400%</u>	<u>0.6100</u>	<u>0.01040000</u>	
5 Tax ID # 6162	Mary Jane Stanley & McKinley Stanley, h/w 972 Hamilton Town Road Coeburn, VA 24230	Leased 244895	2.9700%	1.7500	0.00371250	RI
	EQT Production				0.02598750	WI
Tract 5 Totals			<u>2.9700%</u>	<u>1.7500</u>	<u>0.02970000</u>	
Total Gas Estate			100.0000%	58.8200	1.00000000	
Percentage of Unit Leased			98.9600%			
Percentage of Unit Unleased			1.0400%			
Acreage in Unit Leased				58.2100		
Acreage in Unit Unleased				0.6100		
<u>COAL ESTATE ONLY</u>						
1 Tax ID # 11915	ACIN, LLC Attn: John Mooney 5260 Irwin Road Huntington, WV 25727-3247	Leased 904576 DI-5	8.8600%	5.2100	0.01107500	RI
	EQT Production				0.07752500	WI
Tract 1 Totals			<u>8.8600%</u>	<u>5.2100</u>	<u>0.08860000</u>	

2	Range Resources-Pine Mountain, Inc. ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T-624	44.1900%	25.9900	0.05523750	RI
Tract 2 Totals	EQT Production		44.1900%	25.9900	0.38666250 0.44190000	WI
3	Range Resources-Pine Mountain, Inc. ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T2-115	42.9400%	25.2600	0.05367500	RI
Tract 3 Totals	EQT Production		42.9400%	25.2600	0.37572500 0.42940000	WI
4	ACIN, LLC Attn: John Mooney 5260 Irwin Road Huntington, WV 25727-3247	Leased 904576 DI-5	1.0400%	0.6100	0.00130000	RI
Tract 4 Totals	EQT Production		1.0400%	0.6100	0.00910000 0.01040000	WI
5	ACIN, LLC Attn: John Mooney 5260 Irwin Road Huntington, WV 25727-3247	Leased 904576 DI-5	2.9700%	1.7500	0.00371250	RI
Tract 5 Totals	EQT Production		2.9700%	1.7500	0.02598750 0.02970000	WI

Total Coal Estate 100.0000% 58.82 1.00000000

Percentage of Unit Leased 100.0000%
Percentage of Unit Unleased 0.0000%

Acreage in Unit Leased 58.8200
Acreage in Unit Unleased 0.0000

VC-703597

Re-Pool

<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>		
4	Glenn Edward Ledwell 1184 Hamilton Town Road Coeburn, VA 24230 Tax ID # 6347	Elected Cash Consideration	1.0400%	0.6100
	Total Gas Estate		1.0400%	0.6100

EXHIBIT "E"

VC-703597

Re-Pool

<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>				
4	Glenn Edward Ledwell 1184 Hamilton Town Road Coeburn, VA 24230 Tax ID # 6347	Elected Cash Consideration	1.0400%	0.6100
5	Mary Jane Stanley & McKinley Stanley, h/w 972 Hamilton Town Road Coeburn, VA 24230 Tax ID # 6162	Leased 244895	2.9700%	1.7500
TOTAL			4.0100%	2.3600
<u>Coal Estate Only</u>				
4	ACIN, LLC Attn: John Mooney 5260 Irwin Road Huntington, WV 25727-3247 Tax ID # 11915	Leased 904576 DI-5	1.0400%	0.6100
5	ACIN, LLC Attn: John Mooney 5260 Irwin Road Huntington, WV 25727-3247 Tax ID # 11915	Leased 904576 DI-5	2.9700%	1.7500
TOTAL			4.0100%	2.3600

DK 48686 215

EXHIBIT "EE"

VC-703597

Re-Pool

<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	Johnny L. Smith & Loretta Smith, h/w P.O. Box 1053 Coeburn, VA 24230 Tax ID # 21691	Leased 244831	4.4300%	2.6050
TOTAL			4.4300%	2.6050
<u>Coal Estate Only</u>				
1	ACIN, LLC Attn: John Mooney 5260 Irwin Road Huntington, WV 25727-3247 Tax ID # 11915	Leased 904576 DI-5	4.4300%	2.6050
TOTAL			4.4300%	2.6050
TOTAL after 50/50 Royalty Split			8.8600%	5.2100

INSTRUMENT #110000569
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
MAY 24, 2011 AT 11:39AM
RICHARD W. EDWARDS, CLERK
RECORDED BY: CJF

Hagy, Sharon (DMME)

From: VITASHARE System [vitashare@vita.virginia.gov]
Sent: Wednesday, June 08, 2011 3:49 PM
To: Hagy, Sharon (DMME)
Subject: New Transaction 31YBWERNF875STIQ

Transaction details for Sharon Hagy(user shagy_1) _____

Job Id: 31YBWERNF875STIQ

Date: Wed, Jun 8, at 15:49

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.com

Message - Describe file attachment: Please see the recorded supplemental orders for the following dockets: 1838 1931 2151 2227 2536 2638 2639 2663 Also, I have one pooling order for docket 2857. Thank you, Sharon Hagy sharon.hagy@dmme.virginia.gov 276/415-9700
Notify me when the file is downloaded?: Yes
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