

**COMMONWEALTH OF VIRGINIA**  
**MINUTES OF THE VIRGINIA GAS AND OIL BOARD HEARINGS**  
**September 21, 2010**

Pursuant to Sections 45.1-361.9B and 45.1361.22.B of the Code of Virginia, the Virginia Gas and Oil Board held its regularly scheduled meeting at 9 a.m. on Tuesday, September 21, 2010, at the Russell County Office Complex, Conference Center, and 139 Highland Drive, Lebanon, Virginia.

Board Members present included: Mr. Bradley C. (Butch) Lambert, Chairman, Mr. Bill Harris, Mr. Bruce Prather, and Mrs. Mary Quillen.

Also present were: Ms. Sharon M.B. Pigeon, Sr. Assistant Attorney General, David E. Asbury Jr., Principal Executive to the Staff of the Board and Diane J. Davis, Programs Administrator of the Division of Gas and Oil.

1. The board will receive public comments.

1. [Juanita Sneeuwjagt](#)
2. [Shirley Keen](#)
3. [Mitchel Counts](#)
4. [Debbie Compton](#)
5. [Greg Koreza](#)

2. The Board will consider approval of the “Statement of Investments Policy” as presented by First Bank and Trust, Escrow Agent for the Virginia Gas and Oil Board. Continued from August 2010.

[The Board approved the Statement of Investments Policy draft presented by First Bank and Trust.](#)

3. The Board will receive an update from Staff regarding Board and Escrow account activities.

[Mr. Asbury presented and reviewed the escrow summary statistics:](#)

**Quarterly Statement of Account**

						<b>First Bank &amp; Trust Company</b>				
	2005 Year-End	2006 Year-End	2007 Year-End	2008 Year-End	2009 Year-End	2010 1st Qtr	2010 2nd Qtr	Through August 31		2010 Year-End
								2010 3rd Qtr	2010 4th Qtr	
1 Beginning Value	10,307,951	\$ 13,049,865	\$ 15,942,163	\$ 18,514,685	\$ 23,983,291	\$ 24,142,156	\$ 25,647,347	25,961,942		\$ 24,142,156
2 Wachovia Retainage-Transition						815,348				815,348
3 Contributions	2,947,443	3,505,651	2,880,421	5,374,604	2,640,340	987,766	774,562.13	311,903.87		2,074,232
4 Income (net)/ Interest Income	243,151	573,877	754,937	346,885	(25,638)	15,177	16,166.86	12,483.413		43,828
5 Realized Gain / (Loss)	-	-	-	-	-	-	0.00			-
6 Unrealized Gain / (Loss)	-	-	-	-	-	-	0.00			-
7 Escrow Agent Fees and Expenses	-	-	-	-	-	(11,950)	(6,474)	(\$4,341.03)		(22,765)
8 Escrow Audit Fees and Expenses							-23,000.00	0		(23,000)
9 Correcting Entries							0.00	0		-
10 Withdrawals / Disbursements	(448,800)	(1,187,230)	(1,062,837)	(252,883)	(1,640,489)	(301,150)	(446,660)	(192,242)		(940,051)
11 Ending Value	13,049,744	\$ 15,942,163	\$ 18,514,685	\$ 23,983,291	\$ 24,957,504	\$ 25,647,347	\$ 25,961,942	\$ 26,089,746	\$ -	\$ 26,089,746

4. A petition from EQT Production Company requesting **disbursement of funds** from coalbed methane unit VC-702966 on behalf of Trulah Powers and Range Resources-Pine Mountain, Inc. Docket Number VGOB-0816-0467-02.  
The petition was approved.
5. A petition from CNX Gas Company, LLC requesting **disbursement of funds** from coalbed methane gas unit **S-35** on behalf of Hurt McGuire Land Trust and Sylvia A Shelton Byrd. Docket VGOB 98-0915-0681-05.  
The petition was approved.
6. A petition from CNX Gas Company, LLC requesting **disbursement of funds** from coalbed methane gas unit **AY-119** on behalf of Swords Creek Land Partnership and Stanley Brown, Lillian Murray Barr, Shirley M. Brown, R.C. Miller, Freda Mae Owens, Judy Darlene Cordle, and Alverda Ray. Docket VGOB 03-0513-1149-01.  
The petition was approved.
7. A petition from CNX Gas Company, LLC requesting **disbursement of funds** from coalbed methane gas unit **AY-120** on behalf of Swords Creek Land Partnership and Stanley Brown, Lillian Murray Barr, Shirley M. Brown, R.C. Miller, Freda Mae Owens, Judy Darlene Cordle, and Alverda Ray. Docket VGOB 04-0615-1296-01.  
The petition was approved.
8. A petition from CNX Gas Company, LLC requesting **disbursement of funds** from coalbed methane gas unit **S-36** on behalf of Hurt McGuire Land Trust and Lois Casey, Sylvia A Shelton Byrd and Curtis Stilwell. Docket VGOB 98-0324-0626-07.  
The petition was approved.
9. A petition from CNX Gas Company, LLC requesting **disbursement of funds** from coalbed methane gas unit **T-35** on behalf of Hurt McGuire Land Trust and Lois Casey, Sylvia A Shelton Byrd and Curtis Stilwell. Docket VGOB 98-1020-0695-04.  
The petition was approved.
10. A petition from CNX Gas Company, LLC requesting **disbursement of funds** from coalbed methane gas unit **T-36** on behalf of Hurt McGuire Land Trust, Sylvia A Shelton Byrd and Curtis Stilwell. Docket VGOB 98-0324-0625-08.  
The petition was approved.
11. A petition from CNX Gas Company, LLC for **re-pooling** of coalbed methane unit Q-43, Garden District, Buchanan County, Virginia. Docket Number VGOB-00-0321-0779-03.  
Continued from August 2010.
12. A petition from GeoMet Operating Company, Inc. for **pooling** of coalbed methane unit 287 VA A-35, Garden District, Buchanan County, Virginia. Docket Number VGOB-10-0720-2769. Continued to September 21, 2010 from July and August.  
The petition was approved.

13. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit 285 VA A-36, Garden District, Buchanan County, Virginia. Docket Number VGOB-10-0720-2770. Continued to September 21, 2010 from July and August.  
The petition was approved.
14. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit 288 VA B-35, Garden District, Buchanan County, Virginia. Docket Number VGOB-10-0720-2771. Continued to September 21, 2010 from July and August.  
The petition was approved.
15. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit 214 VA YYY-37, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-10-0720-2772. Continued to September 21, 2010 from July and August.  
The petition was approved.
16. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit E-12, Garden/North Garden/South Garden Districts, Buchanan County, Virginia. Docket Number VGOB-10-0817-2777. Continued to September 21, 2010 from August.  
The petition was approved.
17. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit G-17, Garden District, Buchanan County, Virginia. Docket Number VGOB-10-0817-2778. Continued to September 21, 2010 from August.  
At the request of the applicant, this petition was continued to October, 2010.
18. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit N-79, Rocklick District, Buchanan County, Virginia. Docket Number VGOB-10-0817-2779. Continued to September 21, 2010 from August.  
The petition was approved.
19. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit BI-118, New Garden District, Russell County, Virginia. Docket Number VGOB-10-0817-2780. Continued to September 21, 2010 from August.  
The petition was approved.
20. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit I-17, Garden District, Buchanan County, Virginia. Docket Number VGOB-10-0817-2781. Continued to September 21, 2010 from August.  
The petition was approved.
21. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit YYY-23, Garden District, Buchanan County, Virginia. Docket Number VGOB-10-0817-2782. Continued to September 21, 2010 from August.  
The petition was approved.

22. A petition from CNX Gas Company, LLC for modification of the Middle Ridge I Field Rules to allow for the drilling of an additional well in units BA118, BC116, BC117, BC118, BD116, BD118, Russell County, Virginia. Docket Number VGOB-00-1017-0835-09. **Continued to September 21, 2010 from August.**  
The petition was approved.
23. A petition from CNX Gas Company, LLC for modification of the Nora Coalbed Gas Field Rules to allow for the drilling of an additional well in unit AJ80, Buchanan County, Virginia. Docket Number VGOB-89-0126-0009-69. **Continued to September 21, 2010 from August.**  
The petition was approved.
24. A petition from CNX Gas Company, LLC for modification of the Oakwood I Field Rules to allow for the drilling of an additional well in units D39, E41, E42, Buchan County, Virginia. Docket Number VGOB-93-0216-0325-22.  
**Continued to September 21, 2010 from August.**  
The petition was approved.
25. A petition from CNX Gas Company, LLC for modification of Horizontal Drilling Unit SSS28SH to correct acreage within the tracts in the provisional unit, North Grundy/Knox District, Buchanan County, Virginia. **Docket Number VGOB-10-0316-2685-01.**  
**Continued to September 21, 2010 from August.**  
The petition was approved.
26. A petition from EQT Production Company for modification of the Nora Coalbed Gas Field Rules to allow for the drilling of an additional well in units BJ80-BJ82, BK79, BL79, BM79, BM83, BN79, BN83, BP78, BP79, BQ77, BQ78 Dickenson and Russell County, Virginia. Docket Number VGOB-89-0126-0009-68. **Continued to September 21, 2010 from August.**  
The petition was approved.
27. A petition from EQT Production Company for pooling of coalbed methane unit VC-504900, Kenady District, Dickenson County, Virginia. Docket Number VGOB-10-0817-2783. **Continued to September 21, 2010 from August.**  
The petition was approved.
28. A petition from EQT Production Company for pooling of coalbed methane unit VC-536217, Kenady District, Dickenson County, Virginia. Docket Number VGOB-10-0817-2784. **Continued to September 21, 2010 from August.**  
The petition was approved.
29. A petition from EQT Production Company for pooling of coalbed methane unit VCI-539008, Prater District, Buchanan County, Virginia. Docket Number VGOB-10-0817-2785. **Continued to September 21, 2010 from August.**  
At the request of the applicant, this petition was withdrawn.

30. A petition from EQT Production Company for the establishment of a provisional drilling unit (EQT 2786) consisting of 429.74 acres for the drilling of horizontal conventional gas wells, Gladeville District, Wise County, Virginia. Docket Number VGOB-10-0817-2786. **Continued to September 21, 2010 from August.**  
The petition was approved.
31. A petition from EQT Production Company for the establishment of a provisional drilling unit (EQT 2787) consisting of 320 acres for the drilling of horizontal conventional gas wells, Gladeville District, Wise County, Virginia. Docket Number VGOB-10-0817-2787. **Continued to September 21, 2010 from August.**  
The petition was approved.
32. A petition from EQT Production Company for the establishment of a provisional drilling unit (EQT 2788) consisting of 320 acres for the drilling of horizontal conventional gas wells, Gladeville District, Wise County, Virginia. Docket Number VGOB-10-0817-2788. **Continued to September 21, 2010 from August.**  
The petition was approved.
33. A petition from EQT Production Company for the establishment of a provisional drilling unit (EQT 2789) consisting of 320 acres for the drilling of horizontal conventional gas wells, Gladeville District, Wise County, Virginia. Docket Number VGOB-10-0817-2789. **Continued to September 21, 2010 from August.**  
The petition was approved.
34. A petition from Southeast Land & Mineral, LLC for establishing of a provisional drilling unit and pooling for conventional well C-7 Wolf Run, Tyler District, Washington County, Virginia. Docket Number VGOB-10-0817-2790. **Continued to September 21, 2010 from August.**  
At the request of the applicant, this petition was continued to October, 2010.
35. A petition from Range Resources-Pine Mountain, Inc. for the establishment of a drilling unit and pooling for proposed well V-530213, Kenady District, Dickenson County, Virginia. VGOB-10-0817-2791. **Continued to September 21, 2010 from August.**  
The petition was approved.
36. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530213, Kenady District, and Dickenson County, Virginia. Docket Number VGOB-10-0817-2792. **Continued to September 21, 2010 from August.**  
The petition was approved.
37. A petition from Range Resources-Pine Mountain, Inc. for the establishment of a drilling unit and pooling for proposed well V-530027, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-10-0817-2793. **Continued to September 21, 2010 from August.**  
The petition was approved.

38. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530027, Sandlick District, and Dickenson County, Virginia. Docket Number VGOB-10-0817-2794. **Continued to September 21, 2010 from August.**  
The petition was approved.
39. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530283, Roberson District, and Wise County, Virginia. Docket Number VGOB-10-0817-2795. **Continued to September 21, 2010 from August.**  
The petition was approved.
40. A petition from GeoMet Operating Company, Inc. for re-pooling of coalbed methane unit Rogers 275-CBM Unit B-39, Garden District, Buchanan County, Virginia. Docket Number VGOB-06-1114-1797-01. **Continued to September 21, 2010 from August.**  
The petition was approved.
41. A petition from GeoMet Operating Company, Inc. for re-pooling of coalbed methane unit Rogers421 VA Unit F-38, Garden District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2454-01. **Continued to from August and September.**  
The petition was approved.
42. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530277, Ervinton District, and Dickenson County, Virginia. Docket Number VGOB-10-0817-2796. **Continued from August and September.**  
The petition was approved.
43. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530233, Sandlick District, and Dickenson County, Virginia. Docket Number VGOB-10-0817-2797. **Continued from August and September.**  
The petition was approved.

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44. The Board will review the August 2010 minutes for approval.  
The minutes of the Board were reviewed and approved.

Information concerning the above docket items can be viewed from 8 a.m. to 5 p.m., Monday through Friday at the office of the Department of Mines, Minerals and Energy, Division of Gas and Oil, 135 Highland Drive, Lebanon, Virginia. All questions concerning the agenda should be directed to the Division of Gas and Oil by telephoning 276-415-9700.

The deadline for filing of petitions to the Board for the October 2010 hearing is 5 p.m., Friday, September 17, 2010. The October hearing is scheduled for Tuesday, October 19, 2010 at the Russell County Government Complex, Conference Center, and 135 Highland Drive, Lebanon, Virginia.