

COMMONWEALTH OF VIRGINIA
VIRGINIA GAS AND OIL BOARD HEARINGS
MINUTES FEBRUARY 19, 2013

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 scheduled monthly hearing commencing at 9 a.m. on Tuesday, February 19, 2013 at the Russell County Government Conference Center, 139 Highland Drive, Lebanon, Virginia.

Board members present were Bradley C. Lambert (Chairman), Bill Harris (Public Representative), Bruce A. Prather (Oil and Gas Industry Representative), Donald Lewis Ratliff (Coal Industry Representative), Mary Addington Quillen (Public Representative), Rita Surratt (Public Representative)

Also present were Diane Davis (Division of Gas and Oil), Rick Cooper (Principal Executive to the Board), Sharon Hagy (Division of Gas and Oil), Sharon M. B. Pigeon (Sr. Assistant Attorney General) David Sanders with OMIS

1. The board will receive public comments.

There were no public comments for the month.

2. The Board will receive a quarterly and year-end report from First Bank and Trust, Escrow Agent for the Board's escrow account. Continued from January 2013.

Debbie Davis and George Taylor presented an update of the Board's escrow account.

3. The board, on its own motion, will receive testimony from EQT Production Company LLC regarding the escrow audit for years 2000-2009. Docket Number VGOB 12-1218-3103. Continued from December 2012. Continued from January 2013.

The petition was Accepted. Rita Barrett presented an affidavit from Nikki Atkison on behalf of EQT stating all accounts were reconciled.

4. A petition from EQT Production Company LLC for disbursement of funds from escrow in Tract 5 for Otis Gilbert and Edna Gilbert for well VC-536336, Hurricane District, Buchanan County, Virginia. Docket Number VGOB 09-1215-2646-01. Continued from January 2013.

The petition was Granted. The account will continue.

5. A petition from EQT Production Company LLC for the disbursement of funds from tracts 1, 2 and 4 for Alcie Keen for unit VC-536070, Castlewood District, Russell County, Virginia. Docket Number VGOB 04-0921-1337-06. Continued from September 2012. Continued from December 2012.

The petition was Granted. The account will continue.

6. A petition from EQT Production Company LLC for disbursement of funds escrowed for Tracts 2 and 5 on behalf of Otis Gilbert and Edna Gilbert, well VC-539894, Hurricane District, Buchanan County, Virginia. Docket Number VGOB 09-1117-2630-01. Continued from January 2013.

The petition was Granted. The account will continue.

7. A petition from EQT Production Company LLC for disbursement of funds from escrow for Tracts 1 and 2 on Behalf of Christopher Michael Mullins, Valerie and Michael Powers, Gail Avaline and Bill Bristow, Joe Richard Stacker, Geraldine and Lee Counts, Bert Clifford and Marjorie Mullins, Mattie Mullins, Para Darnell and David Allen Smith, Marcia Adair Smyth, Brent A Mullins, Catherine L Mullins, Julie Diane Witman, Gay Revonne and Charles Gibson, Tollie Conrad and Donna Mullins, Rolfe Anthony and Mary Mullins, Barbara Rose and Keith Chitwood, Carole Ann and William R Strohm, well VC-537108, Ervinton District, Dickenson County, Virginia. Docket Number VGOB 09-0421-2515-03. Continued from January 2013.

The petition was Granted. The account will continue.

8. A petition from EQT Production Company LLC for disbursement of funds escrowed in Tract 5 on behalf of Otis Gilbert and Edna Gilbert for well VC-539896, Hurricane District, Buchanan County, Virginia. Docket Number VGOB 09-1117-2629-01. Continued from January 2013.

The petition was Granted. The account will continue.

9. A petition from EQT Production Company LLC for disbursement of funds in escrow for Tracts 3, 5, 6, 7 and 8 on Behalf of Christopher Michael Mullins, Valerie and Michael Powers, Gail Avaline and Bill Bristow, Joe Richard Stacker, Geraldine and Lee Counts, Bert Clifford and Marjorie Mullins, Mattie Mullins, Para Darnell and David Allen Smith, Marcia Adair Smyth, Brent A Mullins, Catherine L Mullins, Julie Diane Witman, Gay Revonne and Charles Gibson, Tollie Conrad and Donna Mullins, Rolfe Anthony and Mary Mullins, Barbara Rose and Keith Chitwood, Carole Ann and William R Strohm, well VC-53711, Ervinton District, Dickenson County, Virginia. Docket Number VGOB 07-0619-1953-03. Continued from January 2013.

The petition was Granted. The account will continue.

10. A petition from EQT Production Company LLC for disbursement escrowed funds for tracts 2 and 3 on behalf of Christopher Michael Mullins, Valerie and Michael Powers, Gail Avaline and Bill Bristow, Joe Richard Stacker, Geraldine and Lee Counts, Bert Clifford and Marjorie Mullins, Mattie Mullins, Para Darnell and David Allen Smith, Marcia Adair Smyth, Brent A Mullins, Catherine L Mullins, Julie Diane Witman, Gay Revonne and Charles Gibson, Tollie Conrad and Donna Mullins, Rolfe Anthony and Mary Mullins, Barbara Rose and Keith Chitwood, Carole Ann and William R Strohm, well VC-501843, Ervinton District, Dickenson County, Virginia. Docket Number VGOB 06-1114-1763-03. Continued from January 2013.

The petition was Granted. The account will continue.

11. A petition from EQT Production Company LLC for disbursement of funds from escrow for tracts 1, 3 and 4 on behalf of Christopher Michael Mullins, Valerie and Michael Powers, Gail Avaline and Bill Bristow, Joe Richard Stacker, Geraldine and Lee Counts, Bert Clifford and Marjorie Mullins, Mattie Mullins, Para Darnell and David Allen Smith, Marcia Adair Smyth, Brent A Mullins, Catherine L Mullins, Julie Diane Witman, Gay Revonne and Charles Gibson, Tollie Conrad and Donna Mullins, Rolfe Anthony and Mary Mullins, Barbara Rose and Keith Chitwood, Carole Ann and William R Strohm, well VC-501842 Ervinton District, Dickenson County, Virginia. Docket Number VGOB 07-0417-1919-03. Continued from January 2013.

The petition was Granted. The account will continue.

12. A petition from EQT Production Company LLC for disbursement of funds from escrow from tracts 2 and 3 on behalf of Christopher Michael Mullins, Valerie and Michael Powers, Gail Avaline and Bill Bristow, Joe Richard Stacker, Geraldine and Lee Counts, Bert Clifford and Marjorie Mullins, Mattie Mullins, Para Darnell and David Allen Smith, Marcia Adair Smyth, Brent A Mullins, Catherine L Mullins, Julie Diane Witman, Gay Revonne and Charles Gibson, Tollie Conrad and Donna Mullins, Rolfe Anthony and Mary Mullins, Barbara Rose and Keith Chitwood, Carole Ann and William R Strohm, well VC-537102, Ervinton District, Dickenson County, Virginia. Docket Number VGOB 07-0515-1933-03. Continued from January 2013.

The petition was Granted. The account will continue.

13. A petition from EQT Production Company LLC for disbursement of funds from escrow for tracts 7 and 8 on behalf of Christopher Michael Mullins, Valerie and Michael Powers, Gail Avaline and Bill Bristow, Joe Richard Stacker, Geraldine and Lee Counts, Bert Clifford and Marjorie Mullins, Mattie Mullins, Para Darnell and David Allen Smith, Marcia Adair Smyth, Brent A Mullins, Catherine L Mullins, Julie Diane Witman, Gay Revonne and Charles Gibson, Tollie Conrad and Donna Mullins, Rolfe Anthony and Mary Mullins, Barbara Rose and Keith Chitwood, Carole Ann and William R Strohm, well VC-536589, Ervinton District, Dickenson County, Virginia. Docket Number VGOB 07-0515-1935-03. Continued from January 2013.

The petition was Granted. The account will continue.

14. A petition from EQT Production Company LLC for 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. Docket Number VGOB 09-1117-2633-02.

The petition was Granted. The account will continue.

15. A petition from EQT Production Company LLC for disbursement of funds from escrow on behalf of Christopher Michael Mullins, Valerie and Michael Powers, Gail Avaline and Bill Bristow, Joe Richard Stacker, Geraldine and Lee Counts, Bert Clifford and Marjorie Mullins, Mattie Mullins, Para Darnell and David Allen Smith, Marcia Adair Smyth, Brent A Mullins, Catherine L Mullins, Julie Diane Witman, Gay Revonne and Charles Gibson, Tollie Conrad and Donna Mullins, Rolfe Anthony and Mary Mullins, Barbara Rose and Keith Chitwood, Carole Ann and William R Strohm, Virgil Jack and Kathleen Presley, Donnie Lee Presley, Julia Jacquelyn Presley, Virgie Dean Presley, Graham Kennedy Tiller and Betty Tiller, Don and Cindy Ashworth, Halbert and Peggy Ashworth, well VC-53711, Ervinton District, Dickenson County, Virginia. Docket Number VGOB 07-0515-1934-02. Continued from January 2013.

The petition was Granted. The account will continue.

16. A petition from Range Resources-Pine Mountain for a well location exception for proposed well 900127, Prater District, Buchanan County, Virginia. Docket Number VGOB 13-0115-4000. Continued from January 2013.

The petition was Granted. Well 900127 can be permitted with this location exception approved.

17. A petition from Range Resources-Pine Mountain for a Well Location Exception for proposed Well No. V-530344, Ervinton District, Dickenson County, Virginia. Docket Number VGOB 13-0219-4002.

The petition was Granted. Well V-530344 can be permitted with this location exception approved.

18. A petition from Range Resources-Pine Mountain for pooling of a conventional gas well 900125, Sandlick District, Dickenson County, Virginia. Docket Number VGOB 13-0115-4001. Continued from January 2013.

The petition was Granted. Pooling was approved and escrowing will be required for unknowns/unlocatables.

19. A petition from Royce Rasnake appealing the decision of the Director of the Division of Gas and Oil relative to IFFH 221 regarding application 17362, Well V-530066, Range Resources-Pine Mountain, Inc., Castlewood District, Duty Quadrangle, Russell County, Virginia. Docket Number VGOB 13-0219-4003.

The petition was Continued to March, 2013. At the request of the parties present and because legal counsel was unable to make the hearing, the appeal was continued to March 2013.

20. The board will receive an update of Board and Division activities from the staff.

Rick Cooper asked that the Board approve closing of two accounts, docket number 09/1117/2637 and 11/0125/2881 which has \$5.50 in the account that needs to be returned to EQT. The Board approved this request.

21. The board will review the December 2012 minutes for approval.

The December 2012 minutes were approved.

The hearing adjourned at 10:39