

VIRGINIA DEPARTMENT OF MINES, MINERALS AND ENERGY

VIRGINIA GAS AND OIL BOARD HEARING

Tuesday, May 20, 2014

Lebanon, Virginia

**BOARD MEMBERS:**

Bruce Prather – Gas & Oil Industry Representative

Donnie Rife – Public Member

Mary Quillen – Public Member

Rita Surratt – Public Member

William Harris – Public Member

**APPEARANCES:**

Rick Cooper – Director of the Division of Gas & Oil and  
Principal Executive to the Staff of the Board

Matthew Gooch – Assistant Attorney General

Tristan Gillespie – Assistant Attorney General

Diane Davis – Staff Member of the Division of Gas & Oil

Sarah Gilmer – Staff Member of the Division of Gas & Oil

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1 **William Harris**: Good morning everyone. I would like to go ahead and start today's Gas and  
2 Oil Board Meeting. I'm Bill Harris a public member. I am from Wise County. I will be  
3 chairing today's meeting as Mr. Lambert is not available. Just a couple of items that I do want to  
4 tell you about, one is if you will, if you have a cell phone, if you will put those on silent or on  
5 vibrate. We are recording this for the record and the phones going off do interfere sometimes  
6 and we can't hear what folks are saying. Also, if you do have conversations going on if you  
7 would either move to the back of the room or move out into the lobby, because those sometimes  
8 also disturb the proceedings. So we would ask you to do those couple of things. We'd like to  
9 start this morning with receiving public comments, Juanita Sneeuwjagt.

10 **Mary Quillen**: Introduce the Board first.

11 **William Harris**: I'm sorry. Thank you. Let's introduce the Board first starting with Ms.  
12 Surratt.

13 **Rita Surratt**: I'm Rita Surratt, public member from Dickenson County.

14 **Tristan Gillespie**: Tristan Gillespie from the Attorney General's Office.

15 **Matthew Gooch**: Matt Gooch, Attorney General's Office.

16 **Donnie Rife**: Donnie Rife from Dickenson County, public member.

17 **Juanita Sneeuwjagt**: Good morning. Nice to see you are chairing Mr. Harris.

18 **William Harris**: Hang on one more second. We are introducing the Board Members.

19 **Juanita Sneeuwjagt**: Pardon?

20 **William Harris**: I skipped introduction of the Board Members so....

21 **Juanita Sneeuwjagt**: I wondered about that.

22 **William Harris**: So we're doing that so we will get to....

23 **Juanita Sneeuwjagt**: I know this Dude, Mr. Gooch I've met.

24 **Matthew Gooch**: Hello.

25 **Juanita Sneeuwjagt**: Mr. Gillespie, welcome and of course you were here before but I wasn't  
26 so welcome. My name is Juanita...

27 **William Harris**: Hang on just a second. Let's finish the introduction of the Board Members.

28 **Bruce Prather**: I'm Bruce Prather.

1 **Juanita Sneeuwjagt**: Okay. Go ahead and introduce them.

2 **Bruce Prather**: I'm Bruce Prather. I represent the oil and gas industry on the Board.

3 **Mary Quillen**: Mary Quillen, public member.

4 **William Harris**: Okay. Thank you. Now you can proceed.

5 **Juanita Sneeuwjagt**: Now I may proceed?

6 **William Harris**: Yes.

7 **Item Number 1**

8 **Juanita Sneeuwjagt**: Thank you. Well good morning to all of you and welcome. My name is  
9 Juanita Sneeuwjagt and I am President and Director for the Committee for Constitutional and  
10 Environmental Justice. While reading over the docket some things...my microphone doesn't  
11 want to sit up here straight. So am I being recorded? I would like my comments to be recorded  
12 please.

13 **Sarah Gilmer**: They are.

14 **Juanita Sneeuwjagt**: Thank you very much. According to the docket and of course EQT will  
15 not be here to hear my comments and hopefully through the transcription they will hear my  
16 comments. I have a concern that there will be disbursements to known persons, now taking that  
17 to mean that the unknowns and unlocatables will not have a disbursement. So to me that poses a  
18 major problem and I have brought to the Board's attention as much as seven years ago that there  
19 had not been due diligence in trying to locate the unknowns and so anyways I found it easy  
20 enough just by going to tax records, even the telephone book, some simple ways of locating the  
21 unknowns. So what we are talking about here is some great sums of money that many people  
22 don't even know they are entitled to and what happens after I believe it is five years, that money  
23 escheats to the state of Virginia. Am I correct on my five years? I believe I am.

24 **Matthew Gooch**: That's something that our office has been in conversations about. No money  
25 has been escheated yet it is all in escrow.

26 **Juanita Sneeuwjagt**: So I do have concerns about that and people that call me from all over the  
27 place and they don't know who to contact and so forth. So I think a little more publicity in  
28 papers and this, that and the other would be...if you are an heir or if you have an interest a  
29 fiduciary interest in gas then step forward and make yourself known to come and do that. So  
30 that's pretty much all I have that had been drawn to the Board's attention before and I think as  
31 the regulatory Board and that's you, I think it's incumbent upon you to encourage the gas  
32 industry to do this to find the unknown and unlocatables. Having said that, I'm sure it is  
33 impossible to find all of them, but I do think we can do a much better job than what has been

1 done. I strongly strongly urge that on behalf of the unknowns and the unlocatables. And having  
2 said that too, I realize that if you are wanting to drill a well and you're wanting to give people  
3 various options about that well, if you don't have unknowns and if you can't locate heirs and  
4 other people having to do with this, then it's a lot easier for the gas industry to come before this  
5 Board and say well we've searched the telephone directory and we've done this and this and so  
6 we don't know where those heirs are. I'd like to see more proof that there is an attempt to find  
7 them, because there's a big chunk of money that they're not going to get and so where's the  
8 chunk of money going? As far as I can tell, it will escheat to the state of Virginia. So it's a big  
9 concern of mine, not fair to them, maybe not fair to you either, if they can't be found. But I  
10 would like to see a greater effort and I am being a little redundant this morning, but I do want to  
11 bring that point distinctly to you. I'd like to see a better effort in locating the unknowns. Thank  
12 you very much.

13 **Rick Cooper**: Mr. Chairman, I'd like to tell Ms. Sneeuwjagt that we are currently working with  
14 our public relations person Tarah Kesterson and we hope to do a TV broadcast in midsummer to  
15 address those issues. We are working on our mapping program and she is working with the local  
16 TV stations WCYB in Bristol and WVVA in Bluefield and we are going to do a public broadcast  
17 on that sometime this summer.

18 **Juanita Sneeuwjagt**: Good. Okay, so more effort is being made. Thank you.

19 **William Harris**: Thank you Ms. Sneeuwjagt.

20 **Juanita Sneeuwjagt**: And good day to you.

21 **William Harris**: Martha Guilliams.

22 **Martha Guilliams**: Thank you very much Mr. Chairman for allowing me to speak, Board  
23 members, Rick and Diane. I thought I had two issues but I have three. There's a large chunk of  
24 area, Tazewell County included who is not allowed to receive air waves of WCYB and to me I  
25 think this is a real problem but these people are allowed to view WDBJ 7 out of Roanoke so I  
26 would think that when you guys do this you might want to consider making sure that the people  
27 in Tazewell County see it. Most of them...there's not enough news on WVVA most of them are  
28 not even accustomed to watching it but I would think that when you do this you would check  
29 with the TV stations before you pay this money and air this show because there will be a lot of  
30 people in the area that will not see it on WCYB. That is unfortunate because it is a very well  
31 informed station but that needs to be taken into consideration. And these people also do receive  
32 WDBJ out of Roanoke. I think that should also be taken into consideration. Number two, I do  
33 know that there's a lot of people in Tazewell County that have been listed as unlocatable. As a  
34 matter of fact, there is about fifty-four people. I have told the necessary parties that I know these  
35 people's phone numbers, address and all of that. There is no reason why they can't be notified  
36 when there's activity on Red Root Ridge and the Coal Creek area, Coal Creek District. And

1 number three, I am very disappointed about the petition that was granted at the last Board  
2 meeting because in December we brought this up about the O. H. Keene. Kenneth Osborne sat  
3 here and read you tract for tract that has not been settled but you did grant the permit and I would  
4 like for that to be reconsidered because nothing there has been settled. They put money in the  
5 bank but the proper people have not been allowed to voice their opinions or anything on that. So  
6 that does need to be reconsidered. And it has been re-pooled several times but nothing was  
7 corrected. It could have been when O. H. Keene W-34 and W-35 is what this involves. And it  
8 could have been corrected when it was re-pooled on several occasions.

9 **William Harris**: Thank you for your comments.

10 **Martha Guilliams**: Thank you Mr. Harris.

11

12

**Items 2-11 & 22-23 Continued until June 2014 Hearing**

13 **William Harris**: I have no others for the public comment so we will begin with the items on the  
14 agenda and I do have some housekeeping to do here. There are several items EQT, the attorneys  
15 could not be present today for these cases so all of these EQT items I will read those into the  
16 record but all of these will be continued until next month, the June meeting. Item Number 2, a  
17 petition from EQT Production Company, for disbursement of funds and authorization for direct  
18 payment on behalf of known owners on tracts 2, 4, 5, 6, 7, 8, and 9. Docket Number VGOB 97-  
19 0520-0586-01. That actually was continued from March, it will be continued until June. Number  
20 3, a petition from EQT Production Company, for the disbursement of funds and authorization for  
21 direct payment on behalf of the known owners on Tracts 1, 2, 3, 4, and 6 in Well VC- 504637.  
22 The docket number is VGOB 01-1016-0968-05. Number 4, a petition from EQT Production  
23 Company, for disbursement of funds and authorization for direct payment on behalf of Stephen  
24 Mullins as to Tracts 3 and 4 in Well VC-537113, Docket Number VGOB 07-0515-1934-03.  
25 Number 5, a petition from EQT Production Company, for disbursement of funds and  
26 authorization for direct payment on behalf of Stephen Mullins as to Tracts 1 and 2 in Well VC-  
27 537108, the Docket Number is VGOB 09-0421-2515-04. Number 6, a petition from EQT  
28 Production Company, for the disbursement of funds and authorization for direct payment on  
29 behalf of the known owners on Tracts 1, 2, and 3 in Well VC-702966. The Docket Number is  
30 VGOB 94-0816-0467-03. Number 7, a petition from EQT Production Company, for the  
31 disbursement of funds and authorization for direct payment on behalf of the known owners on  
32 Tracts 3, 4, 9, and 10 in Well VC- 503042. The Docket Number is VGOB 04-1214-1373-05.  
33 Number 8, a petition from EQT Production Company, for the disbursement of funds and  
34 authorization for direct payment on behalf of the known owners on Tracts 2 and 3 in Well VC-  
35 704511. The Docket Number is VGOB 00-0620-0813-03. Number 9, a petition from EQT  
36 Production Company, for the disbursement of funds and authorization for direct payment on

1 behalf of all known owners as to Tract 5 in Well VC-2975. The Docket Number is VGOB 97-  
2 0715-0593-03. Number 10, a petition from EQT Production Company, for disbursement of  
3 funds and authorization for direct payment on behalf of Lois Phillips, Virginia Turner, James A.  
4 Counts, Marvin Counts, Glenda Sue Taylor and Hancle Counts as to Tract 4 in Well VC-702835.  
5 The Docket Number is VGOB 98-0324-0642-04. Number 11, a petition from EQT Production  
6 Company, for disbursement of funds and authorization for direct payment on behalf of the  
7 known owners on Tracts 1 and 3 in Well VC-505241. The Docket Number is VGOB 04-0817-  
8 1325-04. I do have two other items, so that's 2-11 will be continued all of those on the docket  
9 will be continued to our next meeting. Items, since we are doing this, items 22 and 23 on your  
10 list Mr. Cook could not be present, he is in court on other matters, so number 22 I will read those  
11 and the docket. Those will also be continued and I believe they've been asked to be continued  
12 until the next hearing. Number 22 a petition on behalf...

13 **Mary Quillen**: That's to June? Is that to June Mr. Harris?

14 **William Harris**: This is to June, yes, this is to June, and in fact two through eleven are all  
15 through June and these two are through June as well. Number 22, a petition on behalf of T. Shea  
16 Cook, Attorney for Link Smith appealing the decision of the Director issued on January 22,  
17 2014, for IFFH 227 regarding an application from CNX Gas Company, for proposed well TA-  
18 131 with pipeline, located in Maiden Spring Magisterial District, Tazewell County, Virginia.  
19 Docket Number VGOB 14-0318-4036. That will be continued until June. And number 23, a  
20 petition on behalf of T. Shea Cook, Attorney for Link Smith, again appealing the decision of the  
21 Director issued on January 22, 2014, for IFFH 228 regarding an application from CNX Gas  
22 Company, for proposed well TA-144 with pipeline, located in Maiden Spring Magisterial  
23 District, Tazewell County, Virginia. Docket Number VGOB 14-0318-4037. And that item will  
24 be continued until June as well. And those are all of the changes that I have unless there are  
25 others.

26 **Item Number 12**

27 **William Harris**: We will move on then to item 12 on our docket. Item 12 is a petition from  
28 CNX Gas Company, LLC, for Unit AX110, Garden District, Russell County, Virginia, for (1)  
29 the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent  
30 attributable to Tracts 4 & 7 as depicted upon the annexed Table 1; and (2) Vacate current order  
31 due to all parties being leased and all conflicts resolved. The Docket Number for this is VGOB  
32 01-0320-0872-02. We'd ask all parties that wish to speak to this item to please come forward.

33 **Mark Swartz**: Mark Swartz and Anita Duty.

34 **William Harris**: Thank you.

35 **Diane Davis**: Can I say something please?

1 **William Harris**: Yes.

2 **Diane Davis**: I just noticed everything online and what you are looking at online is correct but if  
3 you are looking at the dockets that we printed out this morning, the paper copy, there is an error  
4 on this for some reason I just now see it. Everything is correct here, but it didn't put the number  
5 after 17 you won't see that 18 is number and then so every number thereafter goes up one. I just  
6 wanted them to know that on the paper copy.

7 **William Harris**: Now when you say goes up one.

8 **Diane Davis**: Yes see you have seventeen and look under seventeen for some reason it didn't  
9 say eighteen.

10 **William Harris**: Oh okay.

11 **Diane Davis**: So that's eighteen and then nineteen.

12 **William Harris**: Oh I printed this off from the one that is online I didn't pick up one at the  
13 table.

14 **Diane Davis**: Yours may be right then.

15 **Mary Quillen**: The ones that were online were correct.

16 **Diane Davis**: Just the ones if you picked them up on the table more than likely they are  
17 incorrect and I just didn't want you to get confused.

18 **William Harris**: Oh so those of you who picked up a copy from the table the number eighteen  
19 is actually the number one that you see indented somewhat. You will see a seventeen and then  
20 you will see a one indented and then you will see an eighteen at the bottom. The one that is  
21 indented is actually eighteen. The one at the bottom that says eighteen is actually nineteen and  
22 so forth. So, you probably have twenty-two and twenty-three as the Cook items, they should be  
23 twenty-two and twenty-three. You may have twenty-three and...

24 **Diane Davis**: We have twenty-one and twenty-two.

25 **Bruce Prather**: Yeah.

26 **William Harris**: Thank you for bringing that to our attention. It makes a difference if you are  
27 following item numbers. Are we okay now? [No Response] Okay fine. Okay we will continue  
28 with Mr. Swartz. Did Ms. Duty get sworn in?

29 **Mark Swartz**: No.

1 **Sarah Gilmer**: Do you swear or affirm that your testimony is the truth the whole truth and  
2 nothing but the truth?

3 **Anita Duty**: Yes.

4 **Mark Swartz**: This first item that we are dealing with Anita is a request for a disbursement,  
5 right?

6 **Anita Duty**: Yes.

7 **Mark Swartz**: And it concerns which unit?

8 **Anita Duty**: AX110.

9 **Mark Swartz**: And which tracts?

10 **Anita Duty**: Tracts 4 & 7.

11 **Mark Swartz**: And if the disbursement is approved that would then zero out this account and it  
12 could be closed?

13 **Anita Duty**: Yes.

14 **Mark Swartz**: Let's start with what you do before we get into the details of what you did on  
15 this one. Who do you work for?

16 **Anita Duty**: CNX Land, LLC.

17 **Mark Swartz**: Okay. And your name is?

18 **Anita Duty**: Anita Duty.

19 **Mark Swartz**: Okay. And what is your title with them?

20 **Anita Duty**: Pooling Supervisor.

21 **Mark Swartz**: And as Pooling Supervisor do you have some responsibilities with regard to  
22 disbursements?

23 **Anita Duty**: Yes.

24 **Mark Swartz**: And did you prepare the application and the exhibits or supervise their  
25 preparation?

26 **Anita Duty**: Yes.

27 **Mark Swartz**: And in fact I think you signed the petition?

1 **Anita Duty**: Yes.

2 **Mark Swartz**: And the reason for the disbursement request with regard to AX-110 is what?

3 **Anita Duty**: There was a court case that clarified the conveyance from the Rasnick's to the  
4 Gent's in a 1970 deed. And so with that clarification we can move forward with...we can  
5 remove a title conflict that we had previously shown.

6 **Mark Swartz**: Okay. And actually there was some royalty split agreements between these  
7 parties that predated the judgment of the Circuit Court. So what happened essentially is the  
8 Circuit Court Judge in Russell County resolved that argument with regard to title to the CBM  
9 and then allowed the parties to then go back to their royalty split agreements and ask you to  
10 disburse the money. Is that generally what happened?

11 **Anita Duty**: It is.

12 **Mark Swartz**: And we are going to see that several times as we work through these today  
13 because it had an effect on a number of units.

14 **Anita Duty**: Yes.

15 **Mark Swartz**: And the split agreements in question, are they 50/50 agreements?

16 **Anita Duty**: They are.

17 **Mark Swartz**: And I think you've attached the court order to this and the other units that were  
18 affected by that order?

19 **Anita Duty**: Yes.

20 **Mark Swartz**: With regard to this tract, did you go back through the operator's royalty  
21 payments and compare your records with regard to the payments you made to the deposits that  
22 the various banks have tracked in their records?

23 **Anita Duty**: Yes.

24 **Mark Swartz**: And when you made that comparison, what did you discover?

25 **Anita Duty**: All of the checks were accounted for.

26 **Mark Swartz**: And so every time you showed in your records that you had made a deposit of  
27 royalties to be escrowed you were able to find a corresponding bank entry?

28 **Anita Duty**: Yes.

29 **Mark Swartz**: And there was one correction that needed to be made I think. Correct?

1 **Anita Duty**: There was.

2 **Mark Swartz**: Okay and what was that?

3 **Anita Duty**: There was a check that should have actually been credited to AY-110 and we  
4 contacted Mr. Cooper's office and he did the paperwork to have that money transferred.

5 **Mark Swartz**: And when we get to AY-110 we will see that was corrected as well with the  
6 money.

7 **Anita Duty**: Yes.

8 **Mark Swartz**: Okay, and the amount of that correction?

9 **Anita Duty**: \$196.79.

10 **Mark Swartz**: And this accounting that you did comparing your payment records to deposit  
11 records was as of what date?

12 **Anita Duty**: February 28, 2014.

13 **Mark Swartz**: Going back to Table 1, have you prepared an exhibit for the Board and the  
14 escrow agent to use if the disbursement is approved?

15 **Anita Duty**: Yes.

16 **Mark Swartz**: Okay. And that's identified as Table 1?

17 **Anita Duty**: Yes.

18 **Mark Swartz**: And it shows disbursements for Tracts 4 and 7 and it shows if you add the  
19 acreages, all the acreage is going to come out on this disbursement.

20 **Anita Duty**: Yes.

21 **Mark Swartz**: With regard to Tract 4, what percentages should the escrow agent use and apply  
22 to the balance on deposit at the time that the disbursement is made?

23 **Anita Duty**: Buckhorn Coal Company and Gent Enterprises should each receive 31.7083% of  
24 the account.

25 **Mark Swartz**: And with regard to Tract 7?

26 **Anita Duty**: Buckhorn Coal Company and Gent Enterprises should each receive 18.2917%.

27 **Mark Swartz**: And what's the well that's contributed to this account?

1 **Anita Duty**: AX-110.

2 **Mark Swartz**: And in addition to a disbursement, are you also asking permission as operator to  
3 pay these folks directly in accordance with their split agreements as we go forward?

4 **Anita Duty**: Yes.

5 **Mark Swartz**: That's all I have Mr. Chairman.

6 **William Harris**: Thank you. Any questions from the Board?

7 **Mary Quillen**: Mr. Chairman, just one clarification, you did say that with the payment of these  
8 disbursements this account would be closed, correct?

9 **Mark Swartz**: It will be zeroed out and can be closed yes.

10 **Mary Quillen**: Thank you. That's all.

11 **William Harris**: Other questions? Anything further Mr. Swartz?

12 **Mark Swartz**: No.

13 **William Harris**: I will entertain a motion for that item.

14 **Mary Quillen**: Motion to approve.

15 **Bruce Prather**: Second.

16 **William Harris**: Do we have any further discussions? [No Response] All in favor say yes.

17 **Board**: Yes.

18 **William Harris**: Opposed, no. [No Response] Thank you the item passed it is approved.

19

20 **Item Number 13**

21 **William Harris**: Item Number 13. This is a petition from CNX Gas Company, LLC, for Unit  
22 AW112, Honaker Quadrangle, Buchanan and Russell County, Virginia, for (1) the  
23 disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent  
24 attributable to Tracts 4 & 5 as depicted upon the annexed Table 1; and (2) authorization to  
25 begin paying royalties directly to the parties to the royalty split between Buckhorn Coal  
26 Company and Gent Enterprises, LLC; Buckhorn Coal Company and CNX Gas Company,  
27 LLC. Those are also included there. The Docket Number is VGOB 01-0116-0856-01. We  
28 would ask that all parties who wish to speak to this item to please come forward.

29

1 **Mark Swartz**: Mark Swartz and Anita Duty.  
2  
3 **William Harris**: If there are no others, you may proceed.  
4 **Mark Swartz**: Anita state your name for us again.  
5 **Anita Duty**: Anita Duty.  
6 **Mark Swartz**: Who do you work for?  
7 **Anita Duty**: CNX Land, LLC.  
8 **Mark Swartz**: What's your title?  
9 **Anita Duty**: Pooling Supervisor.  
10 **Mark Swartz**: Do your responsibilities include organizing petitions for disbursement?  
11 **Anita Duty**: Yes.  
12 **Mark Swartz**: Did you either prepare this or supervise the preparation of this petition?  
13 **Anita Duty**: Yes.  
14 **Mark Swartz**: And you signed it?  
15 **Anita Duty**: Yes.  
16 **Mark Swartz**: This deals with an escrow that was established for what unit?  
17 **Anita Duty**: AW-112.  
18 **Mark Swartz**: And is it a partial disbursement request?  
19 **Anita Duty**: It is.  
20 **Mark Swartz**: So the account would need to be maintained even after these monies were paid  
21 out?  
22 **Anita Duty**: Yes.  
23 **Mark Swartz**: It concerns which tracts?  
24 **Anita Duty**: A portion of tract 4 and all of tract 5.  
25 **Mark Swartz**: Okay. And the reason for the disbursement request is exactly the same reason  
26 that we just discussed with regard to item number twelve?

1 **Anita Duty**: Yes. There is an additional disbursement also.

2 **Mark Swartz**: There's an additional split agreement but the court case that resolved the issue  
3 between Rasnick's and the Gent's was the reason for the Buckhorn Coal/Gent disbursement,  
4 right?

5 **Anita Duty**: Yes.

6 **Mark Swartz**: And then there's another split agreement between...

7 **Anita Duty**: Buckhorn and CNX.

8 **Mark Swartz**: Okay. And are both of those split agreements 50/50 agreements?

9 **Anita Duty**: They are.

10 **Mark Swartz**: And would that 50/50 split be reflected in Table 1?

11 **Anita Duty**: Yes.

12 **Mark Swartz**: Let's go to the deposit reconciliation and I would ask you if you compared the  
13 records that you had with regard to the payments that you had made over time and compare those  
14 to the bank records to determine whether or not all of those payments have been recorded as  
15 deposits.

16 **Anita Duty**: Yes.

17 **Mark Swartz**: And when you made that comparison what did you learn?

18 **Anita Duty**: They were all in balance.

19 **Mark Swartz**: Okay. And your Exhibit J accounts for that or shows that and then also tracks  
20 the interest and fees that the bank reported?

21 **Anita Duty**: Yes.

22 **Mark Swartz**: Compares to balance to as of what date?

23 **Anita Duty**: December 31, 2013.

24 **Mark Swartz**: Okay. Now let's go back to Table 1. The disbursement table you are indicating  
25 with regard to Tract 4, who should receive the disbursements and what percentages should the  
26 escrow agent use to apply to the balance at the time the disbursement is made?

27 **Anita Duty**: Buckhorn Coal Company and Gent Enterprises should each receive 13.2375% of  
28 the escrow account.

1 **Mark Swartz**: And with regard to Tract 5?

2 **Anita Duty**: Buckhorn Coal and CNX Gas Company should each receive 1.2064%.

3 **Mark Swartz**: And the wells that have contributed to this escrow account are which wells?

4 **Anita Duty**: AW-112 and AW-112A.

5 **Mark Swartz**: And after today's hearing are you also requesting permission as operator to pay

6 these folks directly rather than continue to escrow their funds?

7 **Anita Duty**: Yes.

8 **Mark Swartz**: That's all I have Mr. Chairman.

9 **William Harris**: Questions from the Board? [No Response] Do we have anything else Mr.

10 Swartz?

11 **Mark Swartz**: No.

12 **William Harris**: I'll entertain a motion.

13 **Donnie Rife**: Motion made Mr. Chairman.

14 **Bruce Prather**: Second.

15 **William Harris**: It's been moved and seconded that we approve this item. Any further

16 discussion? [No Response] All in favor say yes.

17 **Board**: Yes.

18 **William Harris**: Opposed say no. [No Response] I think the item passes. It's been approved.

19

20

#### **Item Number 14**

21 **William Harris**: Number 14. A petition from CNX Gas Company, LLC, for Unit AX111,

22 Honaker Quadrangle, Russell County, Virginia, for (1) Division of Tract 1 due to a title update

23 resulting in two tracts labeled on the revised Exhibit A ("Plat") and Tract Identification Page as

24 Tract 1 and new Tract 5; and (2) the disbursement of escrowed funds heretofore deposited with

25 the Board's Escrow Agent attributable to Tracts 1, 4, & 5 as depicted upon the annexed Table

26 1; and (3) authorization to begin paying royalties directly to the parties to the royalty split

27 between Buckhorn Coal Company and Gent Enterprises, LLC; Buckhorn Coal Company and

28 CNX Gas Company LLC. The Docket Number is VGOB 01-0320-0873-02. We'd ask all

29 parties that wish to speak to this item to please come forward.

1 **Mark Swartz**: Mark Swartz and Anita Duty.

2 **William Harris**: If there are no others, you may proceed.

3 **Mark Swartz**: Anita, state your name for us again.

4 **Anita Duty**: Anita Duty.

5 **Mark Swartz**: Who do you work for?

6 **Anita Duty**: CNX Land, LLC.

7 **Mark Swartz**: What's your title?

8 **Anita Duty**: Pooling Supervisor.

9 **Mark Swartz**: Are you responsible to organize requests for disbursements?

10 **Anita Duty**: Yes.

11 **Mark Swartz**: And doing your job in that regard did you prepare and supervise the preparation  
12 of the petition and the exhibits for this disbursement?

13 **Anita Duty**: Yes.

14 **Mark Swartz**: And did you sign this petition?

15 **Anita Duty**: Yes.

16 **Mark Swartz**: The reason for the disbursement request here is not a court case in this instance  
17 but it is a couple of royalty split agreements, correct?

18 **Anita Duty**: Yes.

19 **Mark Swartz**: And have you reviewed both of those agreements?

20 **Anita Duty**: Yes.

21 **Mark Swartz**: Are they 50/50 agreements?

22 **Anita Duty**: Yes.

23 **Mark Swartz**: And did you use 50% as the basis for your Table 1 when you organized the  
24 disbursement today?

25 **Anita Duty**: I did.

1 **Mark Swartz**: This is another Rasnick/Gent case isn't it?

2 **Anita Duty**: Yes it is.

3 **Mark Swartz**: It's the same people we saw in the last application, correct?

4 **Anita Duty**: It is.

5 **Mark Swartz**: The wrinkle here is that we had to divide a tract, correct?

6 **Anita Duty**: Correct.

7 **Mark Swartz**: Could you tell the Board about that?

8 **Anita Duty**: The decision in the court case actually took care of the entire portion of the tract,  
9 but then the...like the northeast portion still has the...like that Dr. Ellen Harrison still has a 1/8  
10 title conflict that didn't get cured with this court action.

11 **Mark Swartz**: Okay. So in essence you divided a tract to create a tract in which there are now  
12 no conflicts that are not resolved by the split agreement and created another tract where there is  
13 still a conflict that requires escrow. Is that what you are saying?

14 **Anita Duty**: Yes. And I think originally the original plat had a land hook and had land hooked  
15 those two properties together and they should not have ever been that way.

16 **Mark Swartz**: Okay. And have you submitted a new plat and tract identification?

17 **Anita Duty**: Yes.

18 **Mark Swartz**: And that shows the division that you made dividing the previous tract one with  
19 tracts one and five, correct?

20 **Anita Duty**: Yes.

21 **Mark Swartz**: And we go to Exhibit J, you did your comparison of payments of royalty and  
22 deposits in the bank accounts as of what date?

23 **Anita Duty**: March 31, 3014.

24 **Mark Swartz**: When you compared the checks that you issued for royalty and the deposits that  
25 were received, what did you determine?

26 **Anita Duty**: All of the checks were accounted for. There was just an additional check that  
27 should not have been there.

28 **Mark Swartz**: Have you made a note with regard to the correction that needed to be made?

1 **Anita Duty**: Yes.

2 **Mark Swartz**: And that was corrected as of what date?

3 **Anita Duty**: March 31, 2014.

4 **Mark Swartz**: Okay. And essentially you could just read your comment as to what needed to  
5 be corrected and what occurred.

6 **Anita Duty**: We asked that a total of \$10,938.56, to be transferred into this unit from AY-111,  
7 due to a gob number error on the check on our part.

8 **Mark Swartz**: And that happened and now the account is where it should be?

9 **Anita Duty**: Yes.

10 **Mark Swartz**: Okay. And you indicated that all of the deposits except that one were tracked  
11 and corrected and now you basically satisfied that all of the royalties found their way into this  
12 account.

13 **Anita Duty**: Yes.

14 **Mark Swartz**: Okay. With regard to table one then, let me back up to that...with regard to tract  
15 one who are the parties that should receive disbursements and what percentages should the  
16 escrow agent use to apply to the balance at the time the disbursement is made?

17 **Anita Duty**: Buckhorn Coal Company and Gent Enterprises should each receive 14.4607%.

18 **Mark Swartz**: And with regard to tract four?

19 **Anita Duty**: Buckhorn Coal and CNX Gas Company should each receive 7.8867%, and tract  
20 five Buckhorn Coal and Gent Enterprises should each receive 11.5812%.

21 **Mark Swartz**: And the wells that have contributed to this escrow account are what wells?

22 **Anita Duty**: AX-111 and AX-111A.

23 **Mark Swartz**: This escrow account would need to continue because there will still be funds on  
24 deposit subject to escrow.

25 **Anita Duty**: Yes.

26 **Mark Swartz**: With regard to the parties and the tracts that are subject to this petition to escrow  
27 however, are you requesting that the operator be allowed to pay them directly from this date  
28 forward?

1 **Anita Duty**: Yes.

2 **Mark Swartz**: Have you submitted revised Exhibits E and EE?

3 **Anita Duty**: Yes.

4 **Mark Swartz**: That's all I have Mr. Chairman.

5 **William Harris**: Questions from the Board? [No response] I do want to ask Mr. Cooper and  
6 Ms. Davis, were you all able to follow the....will that present a problem with the tract division  
7 and the amounts?

8 **Rick Cooper**: That was transferred?

9 **William Harris**: Yes.

10 **Rick Cooper**: We are okay the check had the wrong VGOB number on it so we did track that  
11 out and did transfer that money around.

12 **William Harris**: So you are aware of this?

13 **Rick Cooper**: Yes. We are okay.

14 **William Harris**: Okay. No Board questions? [No response] Do I have a motion related to this  
15 item?

16 **Donnie Rife**: Motion made Mr. Chairman.

17 **Bruce Prather**: Second.

18 **William Harris**: I assume that motion is for approval. Any further discussion? [No response]  
19 All in favor for approval say yes.

20 **Board**: Yes.

21 **William Harris**: Opposed, no? [No response] Okay thank you that item has been approved.

22

23 **Item Number 15**

24 **William Harris**: We move on to Item Number 15. A petition from CNX Gas Company, LLC,  
25 for Unit AY110, Honaker Quadrangle, Russell County, Virginia, for (1) the disbursement of  
26 escrowed funds heretofore deposited with the Board's Escrow Agents attributable to Tracts 3 &  
27 7 as depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly  
28 to the parties to the royalty split between Buckhorn Coal Company and Gent Enterprises, LLC.

1 Docket Number for this is VGOB 01-0320-0875-02. We would ask that all parties that wish to  
2 speak to this item to please come forward.

3 **Mark Swartz**: Mark Swartz and Anita Duty.

4 **William Harris**: If there are no others then you may proceed.

5 **Mark Swartz**: Anita state your name for us please.

6 **Anita Duty**: Anita Duty.

7 **Mark Swartz**: Who do you work for?

8 **Anita Duty**: CNX Land, LLC.

9 **Mark Swartz**: What is your title?

10 **Anita Duty**: Pooling Supervisor.

11 **Mark Swartz**: Do your duties include responsibility for disbursement requests?

12 **Anita Duty**: Yes.

13 **Mark Swartz**: Did you prepare or supervise the preparation of this petition?

14 **Anita Duty**: I did.

15 **Mark Swartz**: And you signed it?

16 **Anita Duty**: Yes.

17 **Mark Swartz**: Okay. And this is another one that in part is required because of the court case  
18 right?

19 **Anita Duty**: Yes.

20 **Mark Swartz**: And in addition to the court resolving a title cloud, are there also some royalty  
21 split agreements here?

22 **Anita Duty**: Yes.

23 **Mark Swartz**: There are two of them I think?

24 **Anita Duty**: Yes. It's the same.

25 **Mark Swartz**: The same thing.

26 **Anita Duty**: The same parties, Buckhorn and Gent.

1 **Mark Swartz**: And you have reviewed those and they are 50/50 agreements?

2 **Anita Duty**: Yes.

3 **Mark Swartz**: And you've used those in preparing table one?

4 **Anita Duty**: I have.

5 **Mark Swartz**: Okay. What units does this pertain to?

6 **Anita Duty**: AY-110.

7 **Mark Swartz**: And what tracts are we talking about?

8 **Anita Duty**: Three and seven.

9 **Mark Swartz**: And after this disbursement, if this disbursement is made, will there still be a  
10 requirement for a little bit of acreage to be escrowed?

11 **Anita Duty**: Yes.

12 **Mark Swartz**: So this will not close the account?

13 **Anita Duty**: It will not.

14 **Mark Swartz**: Okay. Did you make a comparison of royalty payments and deposits received  
15 and booked by the banks?

16 **Anita Duty**: Yes.

17 **Mark Swartz**: And that would be Exhibit J, right?

18 **Anita Duty**: Yes.

19 **Mark Swartz**: And that comparison was completed as of what date?

20 **Anita Duty**: February 28, 2014.

21 **Mark Swartz**: And when you made the comparison, first of all, did it appear that the bank had  
22 actually received the deposits of royalty that you had directed to the bank?

23 **Anita Duty**: Yes.

24 **Mark Swartz**: And this is the unit we had talked earlier about \$196,000.79, that was in the  
25 account that should not have been and needed to be transferred to this account and it shows up  
26 here, correct? Or was this actually a debit? No it was credited to this account in error and it  
27 was....

1 **Anita Duty**: It actually should have gone to AX-110.

2 **Mark Swartz**: Okay. So it shows up here as the debit?

3 **Anita Duty**: It does.

4 **Mark Swartz**: And that was effective as of what date?

5 **Anita Duty**: They completed the transfer on February 28, 2014.

6 **Mark Swartz**: Okay. And with that transfer of \$196,000.79, out of this account, and into AX-  
7 110, then this account as far as you are concerned is in balance?

8 **Anita Duty**: Yes.

9 **Mark Swartz**: And then going back to Table 1, what percentages should the...who should the  
10 escrow agent pay and what percentages should it use and apply to the balance on deposit at the  
11 time the disbursements are made with regard to Tract 3 first?

12 **Anita Duty**: Buckhorn Coal Company and Gent Enterprises should each receive 42.0809%. For  
13 Tract 7, Buckhorn Coal and Gent Enterprises should each receive 7.8902%.

14 **Mark Swartz**: And the wells that contributed to this escrow account were?

15 **Anita Duty**: AY-110 and AY-110A.

16 **Mark Swartz**: And are you requesting permission for the operator to pay these folks directly  
17 from today forward if the application is approved?

18 **Anita Duty**: Yes.

19 **Mark Swartz**: That's all I have Mr. Chairman.

20 **William Harris**: Thank you. Questions from the Board?

21 **Bruce Prather**: Mr. Chairman, I've got a question.

22 **William Harris**: Yes, Mr. Prather.

23 **Bruce Prather**: I assume this petition is also related to the court order.

24 **Mark Swartz**: Yes.

25 **Bruce Prather**: Okay.

26 **William Harris**: Other questions? [No response] Do we have a motion for this item?

1 **Bruce Prather**: Motion to approve.  
2 **Donnie Rife**: Second, Mr. Chairman.  
3 **William Harris**: Thank you. Any further discussion? [No response] All in favor say yes.  
4 **Board**: Yes.  
5 **William Harris**: Opposed, no. [No response] Thank you that item has been approved.

6

7

**Item Number 16**

8 **William Harris**: Item 16. A petition from CNX Gas Company, LLC, for Unit DD28, Keen  
9 Mountain Quadrangle, Buchanan County, Virginia, for (1) the disbursement of escrowed funds  
10 heretofore deposited with the Board’s Escrow Agents attributable to a portion of Tracts 1 and 4  
11 as depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly to  
12 the parties to the royalty split between Torch Oil & Gas Company and Faith Helbing, Anna  
13 Willis, Patricia Graves, Anna Ambellan, Barbara Roberts, David Walker, Roby Hylton and Cleo  
14 Moreland; Coal Mountain Mining Company Limited Partnership and Ricky B. Rose, Charline  
15 Henderhan, Charles Sisk, & Keith Sisk. The Docket Number is VGOB 01-0918-0921-03. We  
16 ask that all parties wishing to speak to this item to please come forward.

17 **Mark Swartz**: Mark Swartz and Anita Duty.

18 **William Harris**: Okay, if there are no others go ahead with the proceedings.

19 **Mark Swartz**: Anita, state your name for us again.

20 **Anita Duty**: Anita Duty.

21 **Mark Swartz**: Who do you work for?

22 **Anita Duty**: CNX Land, LLC.

23 **Mark Swartz**: What do you do for them?

24 **Anita Duty**: Pooling Supervisor.

25 **Mark Swartz**: Do your duties include responsibility for disbursements?

26 **Anita Duty**: Yes.

27 **Mark Swartz**: Did you participate in the preparation of this petition and supervise the exhibits  
28 that were incorporated?

1 **Anita Duty**: Yes.

2 **Mark Swartz**: Did you sign the petition?

3 **Anita Duty**: Yes.

4 **Mark Swartz**: This petition concerns which drilling unit?

5 **Anita Duty**: DD-28.

6 **Mark Swartz**: And which tracts in that unit?

7 **Anita Duty**: A portion of tract 1 and a portion of tract 4.

8 **Mark Swartz**: Since you used the word portion, I assume that this escrow account needs to  
9 continue after this disbursement is approved?

10 **Anita Duty**: It does.

11 **Mark Swartz**: Okay. And the reason for this request was what?

12 **Anita Duty**: Royalty agreements.

13 **Mark Swartz**: Have you actually seen those agreements?

14 **Anita Duty**: Yes.

15 **Mark Swartz**: And are they 50/50 agreements?

16 **Anita Duty**: They are.

17 **Mark Swartz**: And have you used 50% as the basis for your Table 1?

18 **Anita Duty**: Yes.

19 **Mark Swartz**: Going to the reconciliation, Exhibit J, what was the date that you compared the  
20 payments to deposits through?

21 **Anita Duty**: January 31, 2014.

22 **Mark Swartz**: And did you attempt to determine whether or not every royalty check that the  
23 operator issued to one or more of the banks was actually deposited?

24 **Anita Duty**: Yes.

25 **Mark Swartz**: And when you made those comparisons, what did you find out? That it was  
26 really in there?

1 **Anita Duty**: They were.

2 **Mark Swartz**: Okay. And then did you also look at the interest and fees and look at the totals?

3 **Anita Duty**: Yes.

4 **Mark Swartz**: Did it appear to you that obviously we can't account for the interest and fees  
5 totally, but we are within roughly \$58.84 when we're done.

6 **Anita Duty**: Yes.

7 **Mark Swartz**: And that includes the accounting of the interest and fees that the bank has  
8 reported as of \$11,711.39, right?

9 **Anita Duty**: Yes.

10 **Mark Swartz**: With regard to Table 1, you've prepared an exhibit that the escrow agent and the  
11 Board can use in drafting its order and the escrow agent can use in making its payments and you  
12 call it Table 1.

13 **Anita Duty**: Yes.

14 **Mark Swartz**: Have you reported in that table the names of the people and the address of the  
15 people who should receive payments and then the percentage that the escrow agent should use in  
16 paying them as of the date of disbursement?

17 **Anita Duty**: Yes.

18 **Mark Swartz**: And let's start with Tract 1. Take your time there are a lot of names but let's  
19 work through the percentages.

20 **Anita Duty**: Faith Helbing and Torch Oil and Gas Company should each receive 15.5558%.  
21 Anna Willis and Torch Oil and Gas should each receive 0.1296%. Patricia Graves and Torch Oil  
22 and Gas should receive an additional 0.1296%. Anna Ambellan and Torch Oil and Gas should  
23 receive 0.1296%. Barbara Roberts and Torch Oil and Gas should receive 0.1296%. David  
24 Walker and Torch Oil and Gas should each receive 0.7778%, Roby Hylton and Torch Oil and  
25 Gas should each receive 1.1966%, Cleo Moreland and Torch Oil and Gas should each receive  
26 1.1966%.

27 **Mark Swartz**: Moving to Tract 4, again what are the names of the folks that should be  
28 receiving disbursements and the percentages that the escrow agent should apply to the balance at  
29 the time the disbursement is made?

30 **Anita Duty**: Ricky Rose and Coal Mountain Mining should each receive 0.941%. Charline  
31 Henderhan and Coal Mountain should each receive 0.239%, Charles Sisk and Coal Mountain

1 should each receive 0.239%, Keith Sisk and Coal Mountain should each receive 0.239%, and  
2 Ricky Rose and Coal Mountain Mining should each receive 0.3137%.

3 **Mark Swartz**: And the wells contributing to this escrow account were which wells?

4 **Anita Duty**: DD-28 and DD-28A.

5 **Mark Swartz**: In addition are you asking that the operator be allowed to pay all of these people  
6 directly from this date forward?

7 **Anita Duty**: Yes.

8 **Mark Swartz**: And have you provided the Board with revised Exhibits E and EE?

9 **Anita Duty**: Yes.

10 **Mark Swartz**: That's all I have Mr. Chairman.

11 **William Harris**: Thank you. Questions from the Board?

12 **Mary Quillen**: Mr. Chairman, just one clarification.

13 **William Harris**: Yes, Mrs. Quillen.

14 **Mary Quillen**: These were 50/50 split agreement not a court order?

15 **Anita Duty**: Correct.

16 **Mary Quillen**: Thank you.

17 **William Harris**: Other questions? [No response] Do you have anything further Mr. Swartz?

18 **Mark Swartz**: No I do not.

19 **William Harris**: I will entertain a motion.

20 **Donnie Rife**: Motion made Mr. Chairman for approval.

21 **Bruce Prather**: Second.

22 **William Harris**: Thank you. Any further discussion by the Board? [No response] All in favor  
23 say yes.

24 **Board**: Yes.

25 **William Harris**: Opposed, say no. [No response] Okay the motion passed. It has been  
26 approved.

1 **Item Number 17**

2 **William Harris:** Item 17. A petition from CNX Gas Company, LLC, for Unit X10, Vansant  
3 Quadrangle, Buchanan County, Virginia, for (1) the disbursement of escrowed funds heretofore  
4 deposited with the Board's Escrow Agent attributable to Tract 2C as depicted upon the annexed  
5 Table 1. (Royalties currently being paid under VP8SGU3, VGOB 06-0321-1598) (2) Vacate  
6 current order due to all parties being leased and all conflicts resolved. Docket Number VGOB  
7 90-0905-0014-03. All parties who wish to speak to this item, please come forward.

8 **Mark Swartz:** Mark Swartz and Anita Duty.

9 **William Harris:** If there are no others, you may proceed.

10 **Mark Swartz:** Anita, state your name for us again.

11 **Anita Duty:** Anita Duty.

12 **Mark Swartz:** Who do you work for?

13 **Anita Duty:** CNX Land, LLC.

14 **Mark Swartz:** What's your title?

15 **Anita Duty:** Pooling Supervisor.

16 **Mark Swartz:** And do your duties include responsibility for disbursement petitions?

17 **Anita Duty:** Yes.

18 **Mark Swartz:** And did you prepare or supervise the preparation of this petition and sign it?

19 **Anita Duty:** I did.

20 **Mark Swartz:** What unit are we talking about here?

21 **Anita Duty:** Unit X-10.

22 **Mark Swartz:** And we are talking about a disbursement pertaining to which tract?

23 **Anita Duty:** Tract 2C.

24 **Mark Swartz:** And this unit is now a voluntary unit, correct?

25 **Anita Duty:** It is.

26 **Mark Swartz:** Which means that the order can be vacated after this disbursement is made.

1 **Anita Duty**: Yes.

2 **Mark Swartz**: And the disbursement would clear out or zero out the escrow account so the  
3 escrow account can be closed at the same time?

4 **Anita Duty**: Yes.

5 **Mark Swartz**: The reason or reasons, we have a voluntary unit and we've got split agreements.

6 **Anita Duty**: We do.

7 **Mark Swartz**: Have you seen the split agreement?

8 **Anita Duty**: Yes.

9 **Mark Swartz**: And is it a 50/50 agreement?

10 **Anita Duty**: Yes, it's actually a CBM Deed.

11 **Mark Swartz**: Okay, oh because it is Harrison and Wyatt.

12 **Anita Duty**: Yes.

13 **Mark Swartz**: But it is a 50/50 division?

14 **Anita Duty**: Yes.

15 **Mark Swartz**: But by deed rather than by contract?

16 **Anita Duty**: Right.

17 **Mark Swartz**: You've prepared a Table 1 and you've done a deposit exhibit, yes you have  
18 okay. With regard to Exhibit J, what was the date that you completed your comparison of  
19 payments and deposits? The date as of...

20 **Anita Duty**: February 28, 2014.

21 **Mark Swartz**: Did you undertake to compare all of the royalty payments that the operator had  
22 made to the deposits that were booked by the banks?

23 **Anita Duty**: Yes.

24 **Mark Swartz**: And when you did that did you find all of your payments?

25 **Anita Duty**: Yes we did.

1 **Mark Swartz**: Going back to Table 1, have you provided instructions for the escrow agent that  
2 the Board can include in its order with regard to Tract 2C?

3 **Anita Duty**: Yes.

4 **Mark Swartz**: And who should the escrow agent pay and what percentage should they use to  
5 apply to the balance at the time the payment is made?

6 **Anita Duty**: David and Elizabeth Meadows and Harrison Wyatt, LLC, should each receive 50%  
7 of the escrow account.

8 **Mark Swartz**: And the wells that we are paying into this escrow account were which wells?

9 **Anita Duty**: X-10 and X-10A.

10 **Mark Swartz**: And currently those wells are paid into VP8 Sealed Gob Unit 3?

11 **Anita Duty**: Yes they are.

12 **Mark Swartz**: Okay. I think that's all I have Mr. Chairman.

13 **William Harris**: Thank you. Questions from the Board? [No response] Anything further Mr.  
14 Swartz?

15 **Mark Swartz**: No.

16 **William Harris**: I will entertain a motion.

17 **Donnie Rife**: Motion for approval Mr. Chairman.

18 **William Harris**: Thank you.

19 **Bruce Prather**: Second.

20 **William Harris**: It's been seconded. Any further discussion? [No response] All in favor say  
21 yes.

22 **Board**: Yes.

23 **William Harris**: Opposed, say no. [No response] Thank you the item has been approved.  
24

25 **Item Number 18**

26 **William Harris**: Number 18. A petition from CNX Gas Company, LLC, for Unit X20, Vasant  
27 Quadrangle, Buchanan County, Virginia, for (1) the disbursement of escrowed funds heretofore

1 deposited with the Board's Escrow Agent attributable to Tracts 6 & 7 as depicted upon the  
2 annexed Table1. (Royalties currently being paid under VP8SGU1, which is VGOB 95-1024-  
3 0526). Docket Number for this particular petition is VGOB 92-0721-0235-01. We'd ask that all  
4 parties that wish to speak to this item to please come forward.

5 **Mark Swartz**: Mark Swartz and Anita Duty.

6 **William Harris**: The record will show there are no others, you may proceed.

7 **Mark Swartz**: Anita would you state your name for us please?

8 **Anita Duty**: Anita Duty.

9 **Mark Swartz**: Who do you work for?

10 **Anita Duty**: CNX Land, LLC.

11 **Mark Swartz**: Your title with them?

12 **Anita Duty**: Pooling Supervisor.

13 **Mark Swartz**: Do your duties as pooling supervisor include responsibility for disbursement  
14 petitions?

15 **Anita Duty**: Yes.

16 **Mark Swartz**: Did you prepare and/or supervise the preparation of this petition?

17 **Anita Duty**: Yes.

18 **Mark Swartz**: Did you sign it?

19 **Anita Duty**: Yes.

20 **Mark Swartz**: What unit are we talking about?

21 **Anita Duty**: X-20.

22 **Mark Swartz**: And what tracts?

23 **Anita Duty**: A portion of 6 and all of 7.

24 **Mark Swartz**: And after these disbursements are made, would there be a need to continue the  
25 escrow account?

26 **Anita Duty**: Yes.

1 **Mark Swartz**: The reason for this request is what?

2 **Anita Duty**: Royalty agreements.

3 **Mark Swartz**: Have you seen that?

4 **Anita Duty**: Yes.

5 **Mark Swartz**: And is it a 50/50 agreement?

6 **Anita Duty**: They are.

7 **Mark Swartz**: Okay. And when you prepared Table 1 with regard to the disbursement,  
8 directions or instructions did you use 50%?

9 **Anita Duty**: Yes.

10 **Mark Swartz**: Let's go to your deposit and payment comparison, Exhibit J. That comparison  
11 was from what date?

12 **Anita Duty**: February 28, 2014.

13 **Mark Swartz**: And when you compared the payments of royalty to the deposits tracked by the  
14 banks, what did you find?

15 **Anita Duty**: They were accounted for.

16 **Mark Swartz**: With regard then to Table 1, who should the escrow agent pay and what  
17 percentages should the escrow agent use to calculate the payments as of the date the payments  
18 are made?

19 **Anita Duty**: For Tract 6, Mary Barker and Torch Oil and Gas, should receive 3.1439%, Thelma  
20 Cline and Torch should receive 3.1439%, Mamie Cook and Torch, should receive 3.1439%,  
21 Betty Gibson and Torch, should receive 3.1439%, Cathy Murray and Torch Oil and Gas, should  
22 receive 3.1439%, Francis Sterns and Torch Oil and Gas, should receive 3.1439%, and for Tract  
23 7, CNX Gas and Torch should each receive 0.1114%.

24 **Mark Swartz**: The wells that have been contributing to this escrow account?

25 **Anita Duty**: X-20A and X-20C.

26 **Mark Swartz**: I think that at this time though, those wells are paying into the VP8 Sealed Gob  
27 Unit 1, is that correct?

28 **Anita Duty**: Yes.

1 **Mark Swartz**: And from this date forward are you also requesting that the operator be allowed  
2 to pay these people directly consistent with their split agreements?

3 **Anita Duty**: We will pay them under the sealed gob, not this account anymore.

4 **Mark Swartz**: Gotcha, but under the sealed gob accordingly.

5 **Anita Duty**: Yes.

6 **Mark Swartz**: I think that's all I have Mr. Chairman.

7 **William Harris**: Okay, questions from the Board? [No response] Anything further?

8 **Mark Swartz**: No.

9 **William Harris**: I will entertain a motion.

10 **Mary Quillen**: Motion to approve.

11 **Bruce Prather**: Second.

12 **William Harris**: Thank you. Any further discussion? [No response] All in favor say yes.

13 **Board**: Yes.

14 **William Harris**: Opposed say no. [No response] Fine, thank you the motion passed and the  
15 item was approved.

16 **Item Number 19**

17 **William Harris**: Number 19. A petition from CNX Gas Company, LLC, for Unit X37, Keen  
18 Mountain Quadrangle, Buchanan County, Virginia, for (1) the disbursement of escrowed funds  
19 heretofore deposited with the Board's Escrow Agent attributable to Tracts 1C & 1D as depicted  
20 upon the annexed Table 1 and (2) authorization to begin paying royalties directly to the parties to  
21 the royalty split between Hurt McGuire Land Trust and Donald Ray Young and (3) Division of  
22 Tract 1A due to a title update resulting in two tracts labeled on the revised Exhibit A ("Plat") and  
23 Tract Identification Page as Tract 1A and new Tract 1H. The Docket Number for this is VGOB  
24 98-0324-0633-01. We would ask that all parties you wish to speak to this item, please come  
25 forward.

26 **Mark Swartz**: Mark Swartz and Anita Duty.

27 **William Harris**: There are no others, you may proceed.

28 **Mark Swartz**: Anita, state your name for us.

1 **Anita Duty**: Anita Duty.

2 **Mark Swartz**: Who do you work for?

3 **Anita Duty**: CNX Land, LLC.

4 **Mark Swartz**: Your title?

5 **Anita Duty**: Pooling Supervisor.

6 **Mark Swartz**: Do your duties include responsibility for disbursements?

7 **Anita Duty**: Yes.

8 **Mark Swartz**: In that regard, did you either prepare or supervise the preparation of this petition  
9 and in fact sign it?

10 **Anita Duty**: Yes.

11 **Mark Swartz**: What unit are we talking about?

12 **Anita Duty**: X-37.

13 **Mark Swartz**: And the tracts?

14 **Anita Duty**: 1C and 1D.

15 **Mark Swartz**: And this is a partial disbursement so the escrow account is going to need to stay  
16 in place?

17 **Anita Duty**: Yes.

18 **Mark Swartz**: The reason for the disbursement request?

19 **Anita Duty**: A royalty agreement.

20 **Mark Swartz**: And was it a 50/50 agreement?

21 **Anita Duty**: Yes.

22 **Mark Swartz**: Did you use 50% in preparing Table 1?

23 **Anita Duty**: Yes.

24 **Mark Swartz**: In addition, has there been a tract division something like what we saw earlier  
25 today?

26 **Anita Duty**: Yes, Tract 1A.

1 **Mark Swartz**: And so what happened with regard to that tract?

2 **Anita Duty**: Only one portion of the tract was purchased by Donald Young.

3 **Mark Swartz**: Okay.

4 **Anita Duty**: So we had to divide the tract to show the difference between that ownership.

5 **Mark Swartz**: And the exhibits, the tract identification and the plat that you've submitted with  
6 this application reflects that change.

7 **Anita Duty**: Yes.

8 **Mark Swartz**: Okay. And did you prepare an Exhibit J with tracking deposits and royalty  
9 checks?

10 **Anita Duty**: Yes.

11 **Mark Swartz**: And that comparison was through what date?

12 **Anita Duty**: March 31, 2014.

13 **Mark Swartz**: And when you compare the royalty checks that the operator had issued to  
14 deposits that the banks recorded, what did you determine?

15 **Anita Duty**: We accounted for all of the checks but there were additional deposits that didn't  
16 belong in that account.

17 **Mark Swartz**: And have you noted that on your Exhibit J?

18 **Anita Duty**: Yes.

19 **Mark Swartz**: And was that amount overpaid to unit X-37 corrected?

20 **Anita Duty**: Yes.

21 **Mark Swartz**: And it is shown on Exhibit J?

22 **Anita Duty**: It is.

23 **Mark Swartz**: As of what date?

24 **Anita Duty**: March 31, 2014.

25 **Mark Swartz**: So the balance in the account available for the escrow agent to apply those  
26 percentages to is now correct?

1 **Anita Duty**: Yes.

2 **Mark Swartz**: Going back to Table 1, who should the escrow agent pay and what percentages  
3 should the escrow agent use to apply to the balance at the time the disbursements are made?

4 **Anita Duty**: For Tract 1C, Hurt McGuire Land Trust and Donald Young should each receive  
5 11.8732%. For Tract 1D, Hurt McGuire Land Trust and Donald Young should each receive  
6 8.8741%.

7 **Mark Swartz**: And the well that contributed to this escrow account?

8 **Anita Duty**: X-37E.

9 **Mark Swartz**: Are you requesting permission to pay these people directly in the future?

10 **Anita Duty**: Yes.

11 **Mark Swartz**: That's all I have Mr. Chairman.

12 **William Harris**: Thank you. Questions from the Board Members? [No response] Anything  
13 else Mr. Swartz?

14 **Mark Swartz**: No.

15 **William Harris**: I'll entertain a motion for this item.

16 **Donnie Rife**: Motion made for approval Mr. Chairman.

17 **William Harris**: Thank you.

18 **Bruce Prather**: Second.

19 **William Harris**: Okay. Any discussion before we vote? [No response] Okay. All in favor say  
20 yes.

21 **Board**: Yes.

22 **William Harris**: Opposed say no. [No response] Fine, thank you that has been approved.

23

24

### **Item Number 20**

25 **William Harris**: Let's look at item number 20. A petition from CNX Gas Company, LLC, for  
26 Unit AY111, Honaker Quadrangle, Russell County, Virginia, for (1) the disbursement of  
27 escrowed funds heretofore deposited with the Board's Escrow Agent attributable to Tract 3 as  
28 depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly to the

1 parties to the royalty split between Buckhorn Coal Company and Gent Enterprises, LLC. The  
2 Docket Number is VGOB 01-0320-0876-01. We'd ask that all parties wishing to speak to this  
3 item please come forward.

4 **Mark Swartz**: Mark Swartz and Anita Duty.

5 **William Harris**: Since there are no others we will let you proceed.

6 **Mark Swartz**: Anita, state your name for us please?

7 **Anita Duty**: Anita Duty.

8 **Mark Swartz**: Who do you work for?

9 **Anita Duty**: CNX Land, LLC.

10 **Mark Swartz**: Your job title?

11 **Anita Duty**: Pooling Supervisor.

12 **Mark Swartz**: Do your duties include responsibility to prepare disbursement petitions?

13 **Anita Duty**: Yes.

14 **Mark Swartz**: And with regard to this petition did you prepare or supervise the preparation of  
15 this petition and in fact sign it?

16 **Anita Duty**: Yes.

17 **Mark Swartz**: What unit are we talking about?

18 **Anita Duty**: AY-111.

19 **Mark Swartz**: And what tracts in that unit?

20 **Anita Duty**: Tract 3.

21 **Mark Swartz**: Is this another situation where the Rasnick/Gent litigation is involved?

22 **Anita Duty**: Yes.

23 **Mark Swartz**: In addition we have some split agreements.

24 **Anita Duty**: Yes.

25 **Mark Swartz**: Have you seen those split agreements?

26 **Anita Duty**: Yes.

1 **Mark Swartz**: And they are in what percentage?

2 **Anita Duty**: 50/50.

3 **Mark Swartz**: And in preparing Table 1 did you use 50%?

4 **Anita Duty**: Yes.

5 **Mark Swartz**: Now let's go to Exhibit J again. Exhibit J is as of what date?

6 **Anita Duty**: March 31, 2013.

7 **Mark Swartz**: And did you attempt to compare all of the payments that the operator made for  
8 royalty with regard to this unit to the deposits booked by the various banks?

9 **Anita Duty**: Yes.

10 **Mark Swartz**: And when you did that, did you find in general that they were in agreement?

11 **Anita Duty**: Yes.

12 **Mark Swartz**: And was there one correction that needed to be made?

13 **Anita Duty**: Yes.

14 **Mark Swartz**: And what was that?

15 **Anita Duty**: A total of \$10,938.56, needed to be transferred to AX-111 due to the gob error on  
16 the check [inaudible].

17 **Mark Swartz**: And was that issue that \$10,938.56 issue corrected?

18 **Anita Duty**: Yes. As of 3/31/2014.

19 **Mark Swartz**: At the present time, if the escrow agent were to apply those percentages in Table  
20 1, that would be applying it to the correct balance?

21 **Anita Duty**: Yes.

22 **Mark Swartz**: Let's go back to Table 1. With regard to Table 1, please indicate for the record,  
23 who should receive the checks and the percentages that the escrow agent should use and apply to  
24 the balance on deposit at the time the disbursement is made.

25 **Anita Duty**: Buckhorn Coal Company and Gent Enterprises should each receive 3.6201%.

26 **Mark Swartz**: And the wells that have been contributing to this account?

1 **Anita Duty**: AY-111 and AY-111A.

2 **Mark Swartz**: And are you requesting permission to pay those people directly in the future?

3 **Anita Duty**: Yes.

4 **Mark Swartz**: That's all I have Mr. Harris.

5 **William Harris**: Thank you. Questions from Board Members?

6 **Bruce Prather**: Just one.

7 **William Harris**: Yes, Mr. Prather.

8 **Bruce Prather**: Does this close out this escrow account?

9 **Mark Swartz**: It does not.

10 **William Harris**: Other questions? [No response] Mr. Swartz, anything further?

11 **Mark Swartz**: No.

12 **William Harris**: I will entertain a motion relative to this item.

13 **Donnie Rife**: Motion made for approval Mr. Chairman.

14 **Bruce Prather**: Second.

15 **William Harris**: Thank you. Any further discussion before we vote? [No response] All in favor

16 say yes.

17 **Board**: Yes.

18 **William Harris**: Opposed, no. [No response] Thank you the item has been approved.

19

20

### **Item Number 21**

21 **William Harris**: Number 21. A petition from CNX Gas Company, LLC, for Unit AW111,

22 Honaker Quadrangle, Buchanan and Russell Counties for (1) the disbursement of escrowed

23 funds heretofore deposited with the Board's Escrow Agent attributable to Tract 3 as depicted

24 upon the annexed Table 1; and (2) authorization to begin paying royalties directly to the parties

25 to the royalty split between Buckhorn Coal Company and Gent Enterprises, LLC. Docket

26 Number is VGOB 01-0320-0871-02. We'd ask all parties that wish to speak to this item to

27 please come forward.

1 **Mark Swartz**: Mark Swartz and Anita Duty.

2 **William Harris**: If there are no others, you may proceed.

3 **Mark Swartz**: Anita, state your name for us please?

4 **Anita Duty**: Anita Duty.

5 **Mark Swartz**: Your employer?

6 **Anita Duty**: CNX Land, LLC.

7 **Mark Swartz**: Your job title?

8 **Anita Duty**: Pooling Supervisor.

9 **Mark Swartz**: Do your duties include responsibility for disbursements?

10 **Anita Duty**: Yes.

11 **Mark Swartz**: And in this instance, did you prepare or supervise the preparation of this petition  
12 and sign it?

13 **Anita Duty**: Yes.

14 **Mark Swartz**: And this pertains to which unit?

15 **Anita Duty**: AW-111.

16 **Mark Swartz**: And what tract?

17 **Anita Duty**: Tract 3.

18 **Mark Swartz**: Is this disbursement a partial disbursement?

19 **Anita Duty**: It is.

20 **Mark Swartz**: So the escrow account will need to continue in place?

21 **Anita Duty**: Yes.

22 **Mark Swartz**: The reasons for this disbursement request are essentially somewhat familiar by  
23 now. We've got a court case, right?

24 **Anita Duty**: Yes.

25 **Mark Swartz**: Okay. And we also have some split agreements involving the people that we've  
26 seen before.

1 **Anita Duty**: Yes.

2 **Mark Swartz**: And the split agreements are 50/50 agreements?

3 **Anita Duty**: They are.

4 **Mark Swartz**: Did you have to rearrange a tract into two pieces because of this order here or  
5 was that not required?

6 **Anita Duty**: No we didn't have to change the plat we just updated the tract identification.

7 **Mark Swartz**: Okay. And did you prepare a Table 1 with regard to this?

8 **Anita Duty**: Yes.

9 **Mark Swartz**: And you used 50% again?

10 **Anita Duty**: Yes.

11 **Mark Swartz**: Okay. Let's go to Exhibit J and look at the deposit exhibit. Did you attempt to  
12 compare all of the royalty checks that the operator had written with regard to this unit to the  
13 deposits booked by the various banks?

14 **Anita Duty**: Yes.

15 **Mark Swartz**: And when you did that, what did you find?

16 **Anita Duty**: They were all accounted for and there was an additional one.

17 **Mark Swartz**: Okay and what was that?

18 **Anita Duty**: There was a check for \$355.27, that was deposited to the R-43 account that should  
19 have been in this account.

20 **Mark Swartz**: And was that corrected and was that money put back into this account?

21 **Anita Duty**: Yes.

22 **Mark Swartz**: As of what date?

23 **Anita Duty**: March 31, 2014.

24 **Mark Swartz**: And with that exception had the banks booked all of the royalty payments that  
25 you had made?

26 **Anita Duty**: Yes.

1 **Mark Swartz**: And so at present or as of March 31, 2014, did the escrow agent have all of the  
2 funds that should have been in this escrow account before disbursement?

3 **Anita Duty**: She did.

4 **Mark Swartz**: And then going back to Table 1, on Table 1 have you indicated who should  
5 receive the partial disbursements out of Tract 3 and the percentages that the escrow agent should  
6 use and apply to the balance on deposit at the time the disbursements are made?

7 **Anita Duty**: Yes.

8 **Mark Swartz**: And who is that?

9 **Anita Duty**: Buckhorn Coal Company and Gent Enterprises should each receive 43.75% of the  
10 escrow account.

11 **Mark Swartz**: And what wells contributed to this account?

12 **Anita Duty**: AW-111 and AW-111A.

13 **Mark Swartz**: After today are you requesting permission as operator to pay these folks  
14 directly?

15 **Anita Duty**: Yes.

16 **Mark Swartz**: That's all I have Mr. Chairman.

17 **William Harris**: Thank you. Questions from Board members? [No response] Anything further  
18 Mr. Swartz?

19 **Mark Swartz**: No.

20 **William Harris**: I'll entertain a motion.

21 **Mary Quillen**: Motion to approve.

22 **Bruce Prather**: Second.

23 **William Harris**: Thank you. Any further discussion? [No response] All in favor say yes.

24 **Board**: Yes.

25 **William Harris**: Opposed, no. [No response] Fine, thank you, that item has been approved.  
26 Folks we will take a short recess about ten minutes and then we will proceed to item number 24.

27

1 **Item Number 24**

2 **William Harris:** We'd like to start back, we will begin with Item 24. A petition from CNX Gas  
3 Company, LLC, for Pooling of Unit BB132 under the Middle Ridge I Coalbed Methane Gas  
4 Field Order Richlands Quadrangle, Tazewell County, Virginia. Docket Number VGOB 14-  
5 0520-4045. We'd like for all parties that wish to speak to this item to please come forward.

6 **Mark Swartz:** Mark Swartz and Anita Duty.

7 **William Harris:** If there are no others, you may proceed.

8 **Mark Swartz:** Anita would state your name for us please?

9 **Anita Duty:** Anita Duty.

10 **Mark Swartz:** Who do you work for?

11 **Anita Duty:** CNX Land, LLC.

12 **Mark Swartz:** In regard to your duties do they include responsibility for poolings and re-  
13 poolings?

14 **Anita Duty:** Yes.

15 **Mark Swartz:** And in that regard, did you either prepare or supervise the preparation of this  
16 application and the related exhibits?

17 **Anita Duty:** Yes.

18 **Mark Swartz:** And did you sign the application and the notice?

19 **Anita Duty:** Yes.

20 **Mark Swartz:** And this is a pooling application pertaining to what unit?

21 **Anita Duty:** BB-132.

22 **Mark Swartz:** In what field?

23 **Anita Duty:** Middle Ridge.

24 **Mark Swartz:** And how many acres does it contain?

25 **Anita Duty:** 58.74.

26 **Mark Swartz:** And with regard to the operator, has the applicant made a request as to who  
27 would be appointed as the Board's Operator?

1 **Anita Duty**: CNX Gas Company.

2 **Mark Swartz**: And in that regard, is CNX Gas Company, LLC, a Virginia Limited Liability  
3 Company?

4 **Anita Duty**: Yes.

5 **Mark Swartz**: Is it authorized to do business in the Commonwealth?

6 **Anita Duty**: It is.

7 **Mark Swartz**: Is it registered with the Department of Mines, Minerals and Energy?

8 **Anita Duty**: Yes.

9 **Mark Swartz**: And the DGO?

10 **Anita Duty**: Yes.

11 **Mark Swartz**: And does it have a blanket bond on file?

12 **Anita Duty**: Yes.

13 **Mark Swartz**: What did you do to tell people that we were going to have a hearing with regard  
14 to BB-132 today?

15 **Anita Duty**: Mailed the notice and location map by certified mail return receipt requested on  
16 April 18, 2014. Published the notice and location map in *The Bluefield Daily Telegraph* on April  
17 23, 2014.

18 **Mark Swartz**: And have you tendered the certificates with regard to notice and the newspaper  
19 certificate of publication to the DGO?

20 **Anita Duty**: Yes.

21 **Mark Swartz**: With regard to BB-132, what percentage of the unit have you leased as the  
22 operator and applicant leased and what percentage are you seeking to pool?

23 **Anita Duty**: We have leased 81.4139% of the coal, oil and gas claim to CBM. Seeking to pool  
24 18.5861% of the coal, oil and gas owners claim to CBM.

25 **Mark Swartz**: Have you listed the people that you are seeking to pool in your application and  
26 your notice?

27 **Anita Duty**: Yes.

28 **Mark Swartz**: And also I think in Exhibit B3?

1 **Anita Duty**: Yes.

2 **Mark Swartz**: Do you want to add any people to that list today?

3 **Anita Duty**: No.

4 **Mark Swartz**: Do you want to dismiss any respondents?

5 **Anita Duty**: No.

6 **Mark Swartz**: This pooling application is for one well.

7 **Anita Duty**: Yes.

8 **Mark Swartz**: And it looks like it might be on the line, is it your understanding that it is  
9 actually within the drilling window?

10 **Anita Duty**: It is.

11 **Mark Swartz**: And it is a frac well?

12 **Anita Duty**: Yes.

13 **Mark Swartz**: Do you have a permit?

14 **Anita Duty**: Yes. It's permit number 8182.

15 **Mark Swartz**: And have you provided a cost estimate?

16 **Anita Duty**: Yes. It's \$379,845.00.

17 **Mark Swartz**: Is that for a frac well?

18 **Anita Duty**: It is.

19 **Mark Swartz**: Okay. With regard to the people that you've been able to reach agreements with  
20 the eighty some percent, what are the lease terms that you've offered them?

21 **Anita Duty**: \$5 per acre per year with a five year paid up term.

22 **Mark Swartz**: And would you recommend those lease terms to the Board to be applied to  
23 people who might be deemed to have leased.

24 **Anita Duty**: Yes.

25 **Mark Swartz**: This unit does not require escrow.

26 **Anita Duty**: No it doesn't.

1 **Mark Swartz**: That's why we have no Exhibit E.

2 **Anita Duty**: Right.

3 **Mark Swartz**: Is it your opinion that drilling a frack well within the drilling window of this  
4 Middle Ridge unit is a reasonable way to develop the coalbed methane resource in this unit?

5 **Anita Duty**: Yes.

6 **Mark Swartz**: Is it your opinion that if you combine the leases and other agreements that the  
7 operator has obtained from people in this unit with a pooling order the rights and interests of all  
8 owners and claimants will be protected?

9 **Anita Duty**: Yes.

10 **Mark Swartz**: That's all I have Mr. Chairman.

11 **William Harris**: Let me ask, just a quick question. I noticed I think I'm looking at the right one  
12 that there is a significant number of unknown surface owners here. Could you tell us about your  
13 efforts to identify those people? I see in Tract 1, Tract 2, Tract 3...

14 **Anita Duty**: We don't actually request title for surface owners if we are not disturbing the  
15 surface. We do identify...

16 **William Harris**: Surface owners okay I'm seeing.

17 **Anita Duty**: Right if you will notice that we always identify it on the property that we are  
18 disturbing.

19 **William Harris**: Yes. Okay. Thank you. Any questions from the Board Members? [No  
20 response] Anything further?

21 **Mark Swartz**: No, Mr. Chairman.

22 **William Harris**: Okay. I will entertain a motion.

23 **Donnie Rife**: Motion made for approval Mr. Chairman.

24 **William Harris**: Thank you.

25 **Bruce Prather**: Second.

26 **William Harris**: It has been moved and seconded that we approve this item. Any further  
27 discussion? [No response] All in favor say yes.

28 **Board**: Yes.

1 **William Harris**: Opposed, no. Thank you that item has been approved.

2

3

**Item Number 25**

4 **William Harris**: Item 25. A petition from CNX Gas Company, LLC, for Pooling of Unit AA55  
5 under the Oakwood Coalbed Methane Gas Field I Rules, Jewell Ridge Quadrangle, Tazewell  
6 County, Virginia. The Docket Number is VGOB 14-0520-4046. We ask that all parties that wish  
7 to speak to this item to please come forward.

8 **Mark Swartz**: Mark Swartz and Anita Duty.

9 **William Harris**: If there are no others, you may proceed.

10 **Mark Swartz**: Anita would state your name for us again?

11 **Anita Duty**: Anita Duty.

12 **Mark Swartz**: Mr. Chairman, I would like to incorporate Anita's testimony in the last hearing  
13 with regard to the applicant and operator with regard to her employment and with regard to lease  
14 terms.

15 **William Harris**: Yes. That will be incorporated.

16 **Mark Swartz**: Thank you. Anita, this unit is in the Oakwood I Gas Field, right?

17 **Anita Duty**: Yes.

18 **Mark Swartz**: And it's an 80 acre unit?

19 **Anita Duty**: It is.

20 **Mark Swartz**: The unit number is?

21 **Anita Duty**: AA-55.

22 **Mark Swartz**: And have you listed all of the respondents in the application, the notice and the  
23 Exhibit B3?

24 **Anita Duty**: Yes.

25 **Mark Swartz**: Do you want to add anybody to that list today?

26 **Anita Duty**: No.

27 **Mark Swartz**: Do you want to dismiss any respondents today?

1 **Anita Duty**: No.

2 **Mark Swartz**: What did you do to let these respondents know and other people that might be  
3 interested that there was going to be a hearing today?

4 **Anita Duty**: We mailed by certified mail return receipt requested on April 18, 2014. Published  
5 the notice and location map in *The Bluefield Daily Telegraph* on April 22, 2014.

6 **Mark Swartz**: What interests has the applicant acquired in this unit and what are you seeking to  
7 pool?

8 **Anita Duty**: We've acquired 99.7699% of the coal owner's claim to CBM. 95.6638% of the oil  
9 and gas owner's claim to CBM. Seeking to pool 0.2301% of the coal owner's claim to CBM and  
10 4.3362% of the oil and gas owner's claim to CBM.

11 **Mark Swartz**: And we're talking about how many wells in this unit?

12 **Anita Duty**: Two.

13 **Mark Swartz**: And are they both frac wells?

14 **Anita Duty**: Yes.

15 **Mark Swartz**: And where are they located?

16 **Anita Duty**: They are both within the window.

17 **Mark Swartz**: Okay. Do you have permits for both of them?

18 **Anita Duty**: Yes.

19 **Mark Swartz**: And those permit numbers?

20 **Anita Duty**: For AA-55 is 12270 and AA-55A is 12271.

21 **Mark Swartz**: Have you provided the Board with cost estimates for both of the wells?

22 **Anita Duty**: Yes.

23 **Mark Swartz**: And what's the total of the costs attributed to the two wells?

24 **Anita Duty**: \$704,263.00.

25 **Mark Swartz**: And with regard to AA-55, what's the cost that you've estimated for that well?

26 **Anita Duty**: \$345,762.00.

1 **Mark Swartz**: And with regard to AA-55A?

2 **Anita Duty**: \$358,501.00

3 **Mark Swartz**: And this unit requires escrow?

4 **Anita Duty**: It does.

5 **Mark Swartz**: And you've supplied an Exhibit E with regard to that?

6 **Anita Duty**: Yes.

7 **Mark Swartz**: And what tracts are subject to escrow?

8 **Anita Duty**: Tracts 1B, 1C, 1D, 2 and 6.

9 **Mark Swartz**: And do we have in addition to the conflicts of escrow, are there some other  
10 issues?

11 **Anita Duty**: We do have some unknowns in 1D, 2 & 6.

12 **Mark Swartz**: Okay and we don't have any split agreements so there is no Exhibit EE.

13 **Anita Duty**: Correct.

14 **Mark Swartz**: Is it your opinion that drilling two frac wells in the drilling window of this  
15 Oakwood 80 acre unit is a reasonable way to develop the coalbed methane within that unit?

16 **Anita Duty**: Yes.

17 **Mark Swartz**: And is it your opinion that if you combine the contracts and lease agreements  
18 that the operator and applicant have already obtained with a pooling order, the respondents  
19 identified in Exhibit B3, the correlative rights of all owners and claimants will be protected?

20 **Anita Duty**: Yes.

21 **Mark Swartz**: That's all I have Mr. Chairman.

22 **William Harris**: Thank you. Questions from Board members? [No response] Anything further?

23 **Mark Swartz**: No.

24 **William Harris**: Thank you. I will entertain a motion for that item.

25 **Donnie Rife**: Motion made for approval Mr. Chairman.

26 **Bruce Prather**: Second.

1 **William Harris**: Thank you. Any further discussion before we vote? [No response] All in  
2 favor say yes.

3 **Board**: Yes.

4 **William Harris**: Opposed, say no. [No response] Thank you that has been approved.

5

6

### **Item Number 26**

7 **William Harris**: Item 26. A petition from CNX Gas Company, LLC, for re-pooling of Unit  
8 B33 under Oakwood Field 1, Patterson Quadrangle, Buchanan County, Virginia. Docket Number  
9 VGOB 12-0417-3049-01. All parties who wish to speak on this item, please come forward.

10 **Mark Swartz**: Mark Swartz and Anita Duty. We have received a request from LBR Holdings  
11 who is identified as the third respondent. We've got a mapping issue that we want to try and  
12 resolve with them and they've asked us to request to continue this hearing, so if you can  
13 accommodate them and us that would be great. Do you think a month or two months?

14 **Anita Duty**: I think just the month. They were in the process of giving us information regarding  
15 a survey so I think a month.

16 **Mark Swartz**: Let's try June.

17 **William Harris**: Okay. Are there any problems with that Mr. Cooper?

18 **Rick Cooper**: No problems with us.

19 **William Harris**: Fine thank you. We will continue that until the June meeting.

20 **Mark Swartz**: Thank you sir.

21 **William Harris**: That's item 26. VGOB 12-0417-3049-01, that will be continued.

22

23

24

### **Item Number 27**

25 **William Harris**: Item 27. A petition from CNX Gas Company, LLC, for re-pooling of Unit  
26 B41, Bradshaw Quadrangle, Buchanan County, Virginia. Docket Number is VGOB 12-0417-  
27 3051-01. We'd ask that all parties come forward who wish to speak to this item.

28 **Mark Swartz**: Mark Swartz and Anita Duty.

1 **William Harris**: Okay. You may proceed if there are no others.

2 **Mark Swartz**: Thank you. This is a re-pooling, correct Anita?

3 **Anita Duty**: Yes.

4 **Mark Swartz**: And the unit that we are seeking to re-pool is what unit?

5 **Anita Duty**: B-41.

6 **Mark Swartz**: And it's in the Oakwood Field?

7 **Anita Duty**: Yes.

8 **Mark Swartz**: It's an 80 acre unit?

9 **Anita Duty**: Yes.

10 **Mark Swartz**: Have you identified the respondents in the Application, the Notice of Hearing,  
11 and Exhibit B3?

12 **Anita Duty**: Yes.

13 **Mark Swartz**: And do you want to add any respondents to the list today?

14 **Anita Duty**: No.

15 **Mark Swartz**: Do you want to dismiss anyone?

16 **Anita Duty**: No.

17 **Mark Swartz**: The reason for this re-pooling is what?

18 **Anita Duty**: LBR Holdings was not included in the original pooling because we had a farm-out  
19 agreement with Geomet for that lease. Since that time, Geomet failed to meet their drilling  
20 requirements and voided the farm-out agreement. Now we are going to have to go back and re-  
21 pool and bring LBR Holdings into this unit now.

22 **Mark Swartz**: And then to just sort of look at the tracts and so forth, this does not change any  
23 of the percentages because we had accounted for that tract under the farm-out so we are still  
24 dealing with the same mapping, the same percentages, and everything, but just simply the  
25 agreement under which Geomet was operating no longer exists and that's why we are here  
26 pooling.

27 **Anita Duty**: Correct. We did not get the well drilled prior to the expiration or the termination of  
28 the agreement.

1 **Mark Swartz**: Okay. Have you provided notice to the LBR and the folks that you're seeking to  
2 pool by any method for today?

3 **Anita Duty**: Yes.

4 **Mark Swartz**: And what was that?

5 **Anita Duty**: We mailed by certified mail return receipt requested on April 18, 2014, published  
6 the notice and location map in *The Bluefield Daily Telegraph* on April 22, 2014.

7 **Mark Swartz**: And have you filed certificates with regard to mailing and the newspaper's proof  
8 of publication with the DGO before today?

9 **Anita Duty**: Yes.

10 **Mark Swartz**: What interests have you acquired and what interests are you seeking to re-pool in  
11 this unit?

12 **Anita Duty**: We've acquired 95.9375% of the coal, oil and gas owner's claim to CBM. Seeking  
13 to pool 4.0625% of the coal, oil and gas owner's claim to CBM.

14 **Mark Swartz**: Are you using the same cost estimates with regard to the first well but new  
15 estimates with regard to the second well?

16 **Anita Duty**: Yes.

17 **Mark Swartz**: Okay. And the total of the two wells in terms of cost is what?

18 **Anita Duty**: \$691,170.00.

19 **Mark Swartz**: And the B-41 well cost?

20 **Anita Duty**: \$404,939.00.

21 **Mark Swartz**: And the B-41A cost?

22 **Anita Duty**: \$286,231.00.

23 **Mark Swartz**: The 286 was an estimate as of March 8, 2012, right?

24 **Anita Duty**: Yes.

25 **Mark Swartz**: And the 404 was as of April 11, 2014?

26 **Anita Duty**: Yes.

27 **Mark Swartz**: Do you have permits for these wells?

1 **Anita Duty**: Yes. For B-41 it is permit number 12634 and B-41A it is permit number 12605.

2 **Mark Swartz**: Where are these wells located in relation to the window?

3 **Anita Duty**: B-41 is outside of the window and B-41A is within the window.

4 **Mark Swartz**: Okay. And does this unit require escrow?

5 **Anita Duty**: Yes for Tract 3.

6 **Mark Swartz**: And this unit was originally pooled in 2012?

7 **Anita Duty**: Yes.

8 **Mark Swartz**: There are no split agreements that we are aware of at this point so there is no  
9 Exhibit EE, correct?

10 **Anita Duty**: Correct.

11 **Mark Swartz**: Both of these wells have been drilled?

12 **Anita Duty**: Yes.

13 **Mark Swartz**: Mr. Chairman, I would like to incorporate Anita's testimony with regard to the  
14 applicant and operator and their status within the Commonwealth, her employment, and her prior  
15 testimony with regard to these terms.

16 **William Harris**: Yes. That will be incorporated.

17 **Mark Swartz**: Anita, is it your opinion that drilling two frac wells in this unit is a reasonable  
18 way to develop the coalbed methane under the unit?

19 **Anita Duty**: Yes.

20 **Mark Swartz**: Is it your opinion that amending or re-pooling this unit to deal with the expired  
21 farm-out, if we do that we will then have between the contracts and the Board order protecting  
22 the correlative rights of all owners and claimants within the unit?

23 **Anita Duty**: Yes.

24 **Mark Swartz**: That's all I have Mr. Chairman.

25 **William Harris**: Thank you. Let me ask you a question about the plat, this is Exhibit A, I see  
26 B41-A it is right in the center of that unit but I don't see the B-41. You said that was....

27 **Anita Duty**: We actually....

1 **Mary Quillen**: It's on this last page.

2 **William Harris**: On the last....

3 **Anita Duty**: No. We actually loaded a new plat because we realized that. We loaded it on May  
4 12<sup>th</sup> but I brought copies in case you all didn't....

5 **William Harris**: Okay. But it is listed in a plat that the office has?

6 **Rick Cooper**: Yes.

7 **Mark Swartz**: Do you guys have that new plat?

8 **Anita Duty**: I think what she is looking at is the location exception.

9 **Mary Quillen**: It's the location...

10 **Mark Swartz**: Well it's on there but...

11 **Rick Cooper**: Let me pass those out for you.

12 **Mark Swartz**: We've also filed the plat.

13 **Anita Duty**: Well I didn't know because the date was close.

14 **Rick Cooper**: And just to let everybody know again, when we published this, you get a certain  
15 date, if they do any uploads after that it won't show up on yours.

16 **William Harris**: Right. Yes. Now this shows a different B-41A location so has it been changed  
17 since?

18 **Mark Swartz**: Well I don't think there was one on the original plat.

19 **William Harris**: Well there's one right in the center.

20 **Mark Swartz**: Oh yeah, you're right.

21 **William Harris**: Yeah. So now that's actually barely inside the [inaudible]

22 **Anita Duty**: That's the original plat that was approved in 2012. That's the proposed location.  
23 The plat that was included in the application for some reason we loaded the original from the  
24 original pooling and this new plat that we've loaded included both wells now and their actual  
25 drilled location.

26 **William Harris**: So the wells have been drilled?

27 **Anita Duty**: Yes.

1 **William Harris**: As per what was just handed to us by Mr. Cooper?

2 **Anita Duty**: The new plat.

3 **William Harris**: So the B-41A is at the north end of the drilling window?

4 **Anita Duty**: Yes.

5 **William Harris**: And the B-41 is near the southeastern corner of...outside the drilling window  
6 but still within the unit. Is that correct?

7 **Anita Duty**: Yes.

8 **William Harris**: Thank you. Any questions from the Board Members?

9 **Rick Cooper**: Just a clarification Mr. Chairman.

10 **William Harris**: Mr. Cooper?

11 **Rick Cooper**: At the end of that application is where they are asking for that location exception  
12 outside the window.

13 **William Harris**: Yes.

14 **Mary Quillen**: And it's exactly the same as this plat right here?

15 **Rick Cooper**: Yes.

16 **William Harris**: Okay. Yes that's the location exception exhibit.

17 **Mary Quillen**: Yes.

18 **William Harris**: Thank you. Okay and there is the reference to that. Any further questions?  
19 [No Response] Anything else Mr. Swartz.

20 **Mark Swartz**: No.

21 **William Harris**: I'll entertain a motion for this item.

22 **Donnie Rife**: Motion made for approval Mr. Chairman.

23 **Bruce Prather**: Second.

24 **William Harris**: Thank you. Any further discussion? [No Response] All in favor say yes.

25 **Board**: Yes.

26 **William Harris**: Opposed, no. [No Response] Fine thank you that item has been approved.

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**Item Number 28**

**William Harris**: Number 28. A petition from CNX Gas Company, LLC, for re-pooling of Unit ZZZ32, Patterson Quadrangle, Buchanan County, Virginia. Docket Number is VGOB 12-0515-3065-01. We'd ask that all parties who wish to speak to this item to please come forward.

**Mark Swartz**: Mark Swartz and Anita Duty.

**William Harris**: Okay, if there are no others, then you may proceed.

**Mark Swartz**: Anita, you are still under oath.

**Anita Duty**: Yes.

**Mark Swartz**: Will you state your name for us one more time?

**Anita Duty**: Anita Duty.

**Mark Swartz**: Mr. Chairman, I would like to incorporate Anita's testimony with regard to her employment, and with regard to her employer, and their capacity to do business in the Commonwealth, and with regard to lease terms.

**William Harris**: Yes. That will be incorporated.

**Mark Swartz**: Anita this is a re-pooling correct?

**Anita Duty**: Yes.

**Mark Swartz**: Of what unit?

**Anita Duty**: ZZZ-32.

**Mark Swartz**: It's in the Oakwood I unit?

**Anita Duty**: Yes.

**Mark Swartz**: And it is 80 acres I think?

**Anita Duty**: Yes.

**Mark Swartz**: And what's the reason for re-pooling?

**Anita Duty**: It's the same as the prior docket item the termination of the farm-out.

1 **Mark Swartz**: Okay. In that regard, we are still dealing with the same tracts and the same  
2 percentages we are just dealing directly with the owner in pooling this.

3 **Anita Duty**: Correct.

4 **Mark Swartz**: Have you identified all of the respondents in your application, notice and Exhibit  
5 B3?

6 **Anita Duty**: Yes.

7 **Mark Swartz**: Do you want to add anybody to that list today?

8 **Anita Duty**: No.

9 **Mark Swartz**: Do you want to dismiss any one as respondents?

10 **Anita Duty**: No.

11 **Mark Swartz**: What did you do to notify these respondents and others that we were going to  
12 have a hearing today?

13 **Anita Duty**: Mailed by certified mail return receipt requested on April 18, 2014, and published  
14 the notice and location map in *The Bluefield Daily Telegraph* on April 23, 2014.

15 **Mark Swartz**: And have you filed before today your certificates with regard to mailing and  
16 your proof of publication that you received from the newspaper with the DGO?

17 **Anita Duty**: Yes.

18 **Mark Swartz**: What interest has the applicant proposed operator required and what are you  
19 seeking to pool?

20 **Anita Duty**: We've acquired 100% of the coal owner's claim to the CBM, 75.275% of the oil  
21 and gas owner's claim to CBM, and we are seeking to pool 24.725% of the oil and gas owner's  
22 claim to CBM.

23 **Mark Swartz**: And do you have permits for these wells?

24 **Anita Duty**: Yes. For ZZZ-32 it is permit number 12617, and ZZZ-32A is permit number 12618.

25 **Mark Swartz**: And these wells have been drilled, correct?

26 **Anita Duty**: Yes.

27 **Mark Swartz**: Have you provided cost information with regard to these wells?

28 **Anita Duty**: Yes.

1 **Mark Swartz**: And the total of the cost of the two wells that you have provided is what?

2 **Anita Duty**: \$721,975.00.

3 **Mark Swartz**: And then for each of the wells how does that break down?

4 **Anita Duty**: For ZZZ-32 the cost is \$342,336.00. For ZZZ-32A the cost is \$379,639.00.

5 **Mark Swartz**: And both of these estimates are as of I think, April 11, 2012, correct?

6 **Anita Duty**: ZZZ-32 is April 2012 and ZZZ-32A is April 2014.

7 **Mark Swartz**: Okay. So the....

8 **Anita Duty**: We used the original cost from the original pooling.

9 **Mark Swartz**: Okay. And you're adding a subsequent well?

10 **Anita Duty**: Yes.

11 **Mark Swartz**: Okay. And is escrow required here?

12 **Anita Duty**: Yes. For tracts 3 and 5.

13 **Mark Swartz**: And is that just because of conflicts?

14 **Anita Duty**: Yes.

15 **Mark Swartz**: And have you provided an Exhibit E with your application?

16 **Anita Duty**: Yes.

17 **Mark Swartz**: Are there any split agreements that you are aware of?

18 **Anita Duty**: No.

19 **Mark Swartz**: So we haven't given an EE, correct?

20 **Anita Duty**: Correct.

21 **Mark Swartz**: Is it your opinion that drilling two frac wells in this unit is a reasonable way to  
22 develop the coalbed methane resource?

23 **Anita Duty**: Yes.

24 **Mark Swartz**: And is it your further opinion that re-pooling this unit to deal with the expired or  
25 terminated farm-out agreement and pool these folks that subject to that agreement combined with

1 a pooling order from the Board and your other contracts will protect the correlative rights of all  
2 owners and claimants within this unit?

3 **Anita Duty**: Yes.

4 **Mark Swartz**: That's all I have Mr. Chairman.

5 **William Harris**: Thank you. Questions from the Board Members? [No Response] Anything  
6 further Mr. Swartz?

7 **Mark Swartz**: No.

8 **William Harris**: Fine. I will entertain a motion.

9 **Donnie Rife**: Motion made for approval Mr. Chairman.

10 **Bruce Prather**: Second.

11 **William Harris**: Thank you. We will go ahead and vote. All in favor say yes.

12 **Board**: Yes.

13 **William Harris**: Opposed, no. [No Response] Fine, thank you, the item passed and it has been  
14 approved. Thank you, Mr. Swartz and Ms. Duty.

15 **Mark Swartz**: Thank you all.

16 **Item Number 29**

17 **William Harris**: Our next item is 29. It's a petition from Range Resources-Pine Mountain, for  
18 pooling of Well No. V-530126, Kenady District, Dickenson County, Virginia. The Docket  
19 Number is VGOB 14-0415-4040. We'd ask that all parties who wish to speak to this item to  
20 please come forward.

21 **Tim Scott**: Tim Scott, Aaron Anderson and Gus Janson for Range Resources-Pine Mountain,  
22 Inc.

23 **William Harris**: There appear to be no others so you can begin when you are ready.

24 **Sarah Gilmer**: Do you swear or affirm that your testimony is the truth the whole truth and  
25 nothing but the truth?

26 **Gus Janson**: I do.

27 **Aaron Anderson**: I do.

1 **Tim Scott**: Mr. Anderson will you please state your name, by whom you are employed and your  
2 job description please.

3 **Aaron Anderson**: Aaron Anderson, I'm employed by Range Resources-Pine Mountain, Inc.,  
4 and I am a Land Tech.

5 **Tim Scott**: You are familiar with this application, are you not?

6 **Aaron Anderson**: I am.

7 **Tim Scott**: And we are seeking to establish a unit and pool this unit. Is that correct?

8 **Aaron Anderson**: That's correct.

9 **Tim Scott**: How many acres does this unit contain?

10 **Aaron Anderson**: 112.69.

11 **Tim Scott**: And you all have engaged in leasing efforts since this application was filed, is that  
12 right?

13 **Aaron Anderson**: Yes.

14 **Tim Scott**: Are we going to dismiss anybody from this?

15 **Aaron Anderson**: Yes we are the Trivett Living Trust with the Michael A. Trivett, Successor  
16 Trustee, and Carol Clark.

17 **Tim Scott**: As a result of your leasing efforts, what does Range now have under lease?

18 **Aaron Anderson**: 98.72072917.

19 **Tim Scott**: Have you attempted to reach an agreement with the other parties listed on Exhibit  
20 B3?

21 **Aaron Anderson**: Yes.

22 **Tim Scott**: And we've notified the respondents or those parties listed on Exhibit B of this  
23 hearing today. How was that done?

24 **Aaron Anderson**: Certified mail.

25 **Tim Scott**: And how else was that done?

26 **Aaron Anderson**: The notice of the hearing was published in *The Dickenson Star*.

27 **Tim Scott**: And we don't have any unknown parties in this do we?

1 **Aaron Anderson**: No.

2 **Tim Scott**: Okay. And we've provided the proof of mailing and proof of publication to the  
3 Board, is that correct?

4 **Aaron Anderson**: Correct.

5 **Tim Scott**: Okay. Now Range is authorized to conduct business in the Commonwealth. Is that  
6 correct?

7 **Aaron Anderson**: That's correct.

8 **Tim Scott**: And there's a blanket bond on file is that also correct?

9 **Aaron Anderson**: Yes.

10 **Tim Scott**: If you were able to reach an agreement with the parties listed on Exhibit B3 what  
11 terms would you offer?

12 **Aaron Anderson**: \$25 an acre for a five year paid up lease with a 1/8 royalty.

13 **Tim Scott**: And what percentage of the oil and gas estate is Range seeking to pool?

14 **Aaron Anderson**: 1.27927083%.

15 **Tim Scott**: You just indicated that we don't have any unknowns. Is that right?

16 **Aaron Anderson**: That is correct.

17 **Tim Scott**: No conflicts.

18 **Aaron Anderson**: That is correct.

19 **Tim Scott**: So we don't have escrow requirements is that right?

20 **Aaron Anderson**: That is correct.

21 **Tim Scott**: Are you also requesting that Range be named operator of this unit?

22 **Aaron Anderson**: Yes.

23 **Tim Scott**: Now if the Board grants our application today, and election letters are sent out, what  
24 would be the address used for any correspondence?

25 **Aaron Anderson**: 406 West Main Street, Abingdon, Virginia, 24210.

26 **Tim Scott**: Is that the address for all communications?

1 **Aaron Anderson**: Yes.

2 **Tim Scott**: Okay. That's all I have for Mr. Anderson.

3 **William Harris**: Let me just ask a quick question. What papers did you say this was in?

4 **Aaron Anderson**: It was in *The Dickenson Star*.

5 **William Harris**: Okay. I thought I heard two but okay. Questions from Board members for  
6 Mr. Anderson?

7 **Mary Quillen**: I had just one question.

8 **William Harris**: Yes, Mrs. Quillen.

9 **Mary Quillen**: Would you repeat the amount of the percentage under lease again?

10 **Aaron Anderson**: Yes ma'am. 98.72072917.

11 **Mary Quillen**: Okay. Thank you very much.

12 **Aaron Anderson**: I apologize. I should have handed these out.

13 **Tim Scott**: We actually uploaded our revised exhibits on Monday so I don't believe that you all  
14 would have those presently.

15 **Diane Davis**: Mr. Chairman, may I ask a quick question?

16 **William Harris**: Yes, Mrs. Davis.

17 **Diane Davis**: Just for clarification. You changed your B3 and just didn't use the B2 to dismiss  
18 anybody you just revised the B3.

19 **Tim Scott**: Right. Is that okay?

20 **Diane Davis**: Yeah that is fine.

21 **William Harris**: So we have been given a revised Exhibit B and B3.

22 **Diane Davis**: Right, but B2 is usually people that they dismissed but they went and just  
23 submitted a new B3. I was just making sure. Thank you.

24 **William Harris**: Mr. Scott you may continue.

25 **Tim Scott**: Mr. Janson your name, by whom you are employed and your job description please.

1 **Gus Janson**: My name is Gus Janson, I'm the Manager of Geology employed by Range  
2 Resources-Pine Mountain, Inc.

3 **Tim Scott**: You are familiar with this application, is that right?

4 **Gus Janson**: Yes I am.

5 **Tim Scott**: And you assisted in the preparation of the application. Is that also correct?

6 **Gus Janson**: I did.

7 **Tim Scott**: Are you familiar with the proposed depth of this well?

8 **Gus Janson**: Yes. This well's proposed depth is 4,391 feet.

9 **Tim Scott**: And what are the estimated reserves on this unit?

10 **Gus Janson**: 525 million cubic feet of gas.

11 **Tim Scott**: Now reflected on the AFE we show the cost of this proposed well. Is that right?

12 **Gus Janson**: That is correct.

13 **Tim Scott**: What is the estimated dry hole cost?

14 **Gus Janson**: The estimated dry hole cost is \$226,769.00.

15 **Tim Scott**: And the completed well cost?

16 **Gus Janson**: \$524,498.00.

17 **Tim Scott**: Now you did sign the AFE, is that right?

18 **Gus Janson**: That is correct.

19 **Tim Scott**: And does the AFE include a charge for supervision?

20 **Gus Janson**: Yes it does.

21 **Tim Scott**: Do you consider that charge to be reasonable?

22 **Gus Janson**: Yes.

23 **Tim Scott**: In your opinion, if the Board grants our application today, would it prevent waste,  
24 promote conservation and protect correlative rights?

25 **Gus Janson**: Yes it would.

1 **Tim Scott**: That's all I have for Mr. Janson.

2 **William Harris**: Questions from the Board members? [No Response] I guess you may  
3 continue.

4 **Tim Scott**: That's all I have.

5 **William Harris**: Do we have a motion for this item?

6 **Mary Quillen**: Motion to approve.

7 **Bruce Prather**: Second.

8 **William Harris**: Fine thank you. Any further discussion before we vote? [No Response] All in  
9 favor say yes.

10 **Board**: Yes.

11 **William Harris**: Opposed, no. [No Response] Fine it has been approved.

12 **Tim Scott**: Thank you Mr. Chairman.

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### **Item Number 30**

15 **William Harris**: Number 30. A petition from Range Resources-Pine Mountain, for pooling of  
16 Well No. V-530394, Gladeville District, Wise County, Virginia. Docket Number VGOB 14-  
17 0415-4041. All parties wishing to testify on this matter, please come forward.

18 **Tim Scott**: Tim Scott, Aaron Anderson and Gus Janson for Range Resources-Pine Mountain,  
19 Inc.

20 **William Harris**: You may proceed since there are no others.

21 **Tim Scott**: Thank you Mr. Chairman. Mr. Anderson again your name, by whom you are  
22 employed and your job description.

23 **Aaron Anderson**: Aaron Anderson, I'm employed by Range Resources-Pine Mountain, Inc.,  
24 and I am a Land Tech.

25 **Tim Scott**: And we are seeking to establish a unit and pool this unit. Is that right?

26 **Aaron Anderson**: That's correct.

27 **Tim Scott**: And it's subject to state wide spacing?

1 **Aaron Anderson**: Yes.

2 **Tim Scott**: What's the total acreage for this unit?

3 **Aaron Anderson**: 112.69.

4 **Tim Scott**: And Range has a significant portion of this unit under lease, is that correct?

5 **Aaron Anderson**: That's correct.

6 **Tim Scott**: Are we going to dismiss anybody today?

7 **Aaron Anderson**: No.

8 **Tim Scott**: What percentage does Range have under lease presently?

9 **Aaron Anderson**: 64.38%.

10 **Tim Scott**: And how was notice of this hearing provided to the parties listed on Exhibit B?

11 **Aaron Anderson**: Certified mail and published in *The Coalfield Progress*.

12 **Tim Scott**: And what date was it published?

13 **Aaron Anderson**: March 21, 2014.

14 **Tim Scott**: And we don't have any unknown parties in this unit is that right?

15 **Aaron Anderson**: No sir.

16 **Tim Scott**: And we've provided the proof of mailing and proof of publication to the Board is  
17 that correct?

18 **Aaron Anderson**: Yes.

19 **Tim Scott**: And we've not provided any revised exhibits on this unit. Is that right?

20 **Aaron Anderson**: That is correct.

21 **Tim Scott**: Okay. Range is authorized to conduct business in the Commonwealth. Is that  
22 correct?

23 **Aaron Anderson**: Correct.

24 **Tim Scott**: And there's a blanket bond on file?

25 **Aaron Anderson**: Yes.

1 **Tim Scott**: If you were able to reach an agreement with the parties listed on Exhibit B3 what  
2 terms would you offer?

3 **Aaron Anderson**: \$25 an acre for a five year paid up lease with a 1/8 royalty.

4 **Tim Scott**: So what percentage of the oil and gas estate is Range seeking to pool here?

5 **Aaron Anderson**: 35.62%.

6 **Tim Scott**: And this seems like a fairly large number but I think we've got an issue involving  
7 the landowner and a gas lessee. Is that correct?

8 **Aaron Anderson**: That is correct.

9 **Tim Scott**: And that's the reason there is a conflict between those two as to whether or not this  
10 is actually a new lease so we have listed them on Exhibit E for the purposes of escrow. Is that  
11 right?

12 **Aaron Anderson**: That is correct.

13 **Tim Scott**: So we do have an escrow requirement. Is that right?

14 **Aaron Anderson**: That is correct.

15 **Tim Scott**: And what tract or tracts are involved in the unit?

16 **Aaron Anderson**: Tract 6 and it is 2.64% of the unit.

17 **Tim Scott**: And we are asking the Board to pool the unleased parties listed on the Exhibit B3.  
18 Is that right?

19 **Aaron Anderson**: Yes.

20 **Tim Scott**: And will Range be named operator of this unit?

21 **Aaron Anderson**: Yes.

22 **Tim Scott**: What would be the address used for any elections if the Board approves our  
23 application today?

24 **Aaron Anderson**: 406 West Main Street, Abingdon, Virginia, 24210.

25 **Tim Scott**: Is that the address for all communications?

26 **Aaron Anderson**: That's correct.

27 **Tim Scott**: That's all I have for Mr. Anderson.

1 **William Harris**: Questions from Board members? [No Response] Fine, you may continue.

2 **Tim Scott**: Thank you. Mr. Janson, your name, by whom you are employed and your job  
3 description again please.

4 **Gus Janson**: Gus Janson, I'm employed by Range Resources-Pine Mountain, Inc., as the  
5 Manager of Geology.

6 **Tim Scott**: You participated with the preparation of this application, is that right?

7 **Gus Janson**: I did.

8 **Tim Scott**: And you assisted in the preparation of the application. Is that also correct?

9 **Gus Janson**: I did.

10 **Tim Scott**: What's the proposed depth of this well?

11 **Gus Janson**: The proposed depth is 5,417 feet.

12 **Tim Scott**: And what are the estimated reserves on this unit?

13 **Gus Janson**: 525 million cubic feet of gas.

14 **Tim Scott**: Are you also familiar with the well cost?

15 **Gus Janson**: Yes.

16 **Tim Scott**: What's the estimated dry hole cost?

17 **Gus Janson**: The dry hole cost is \$261,638.00.

18 **Tim Scott**: And the estimated completed well cost?

19 **Gus Janson**: \$593,747.00.

20 **Tim Scott**: Now you did sign the AFE, is that right?

21 **Gus Janson**: That is correct.

22 **Tim Scott**: And does the AFE include a charge for supervision?

23 **Gus Janson**: Yes it does.

24 **Tim Scott**: Do you consider that charge to be reasonable?

25 **Gus Janson**: Yes I do.

1 **Tim Scott**: In your opinion if the Board grants our application today, would it prevent waste,  
2 promote conservation and protect correlative rights. Is that also correct?

3 **Gus Janson**: That is correct.

4 **Tim Scott**: That's all I have for Mr. Janson.

5 **William Harris**: Mr. Scott, let me just ask you a question. I noticed when you made  
6 presentations you always ask about supervision, is there a...

7 **Tim Scott**: The reason we do that is because it is a figure that sometimes gets a little fluffed so  
8 we just want to make sure...

9 **William Harris**: So that's the reason you ask about the reasonableness of it.

10 **Tim Scott**: Yes. That's the reason for that. We found that at least I have in my practice that a  
11 lot of times when operators take over wells they will automatically super vent the charges in  
12 order to bump up the bottom line. That's why we ask that question.

13 **William Harris**: I understand. Thank you. I appreciate that. Any questions for Mr. Janson?  
14 [No Response] You may continue.

15 **Tim Scott**: That's all I have Mr. Chairman.

16 **William Harris**: Okay. Do we have a motion for this item?

17 **Donnie Rife**: Motion made for approval Mr. Chairman.

18 **Mary Quillen**: Second.

19 **William Harris**: Thank you. All in favor say yes.

20 **Board**: Yes.

21 **William Harris**: Opposed, no. [No Response]

22 **Bruce Prather**: I abstain.

23 **William Harris**: Okay. One abstention Mr. Prather. The motion did pass and we have approval  
24 for that.

25 **Tim Scott**: Thank you Mr. Chairman.

26

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1 **Item Number 31**

2 **William Harris:** Item Number 31. A petition from Range Resources-Pine Mountain, for  
3 pooling of Well No. V-530350, Kenady District, Dickenson County, Virginia. Docket Number  
4 VGOB 14-0415-4042. We'd ask that all parties who wish to speak to this item, please come  
5 forward.

6 **Tim Scott:** Tim Scott, Aaron Anderson and Gus Janson for Range Resources-Pine Mountain,  
7 Inc.

8 **William Harris:** There are no others, you may proceed.

9 **Tim Scott:** Thank you. Mr. Anderson one more time your name, by whom you are employed  
10 and your job description.

11 **Aaron Anderson:** Aaron Anderson, I'm employed by Range Resources-Pine Mountain, Inc.,  
12 and I am a Land Tech.

13 **Tim Scott:** And we are seeking to establish a unit and pool this unit. Is that right?

14 **Aaron Anderson:** That's correct.

15 **Tim Scott:** How many acres does this unit contain?

16 **Aaron Anderson:** 112.69.

17 **Tim Scott:** And Range has a significant portion of this unit under lease, is that correct?

18 **Aaron Anderson:** That's correct.

19 **Tim Scott:** Are there any respondents listed on Exhibit B3 that we are going to dismiss today?

20 **Aaron Anderson:** Yes. The Trivett Living Trust, Michael Trivett, Successor Trustee, Carol  
21 Clark and Ramona Keene.

22 **Tim Scott:** I believe that the revised Exhibit B and B3 were just passed out to the Board  
23 members and those were uploaded into the system on Monday. Is that correct?

24 **Aaron Anderson:** That is correct.

25 **Tim Scott:** Have you attempted to reach an agreement with the other parties listed on Exhibit  
26 B3?

27 **Aaron Anderson:** Yes.

1 **Tim Scott**: And as a result of your leasing efforts, what percentage of this unit does Range have  
2 under lease?

3 **Aaron Anderson**: 52.42415179%.

4 **Tim Scott**: And how was notice of this hearing provided to the parties listed on Exhibit B?

5 **Aaron Anderson**: By certified mail and notice was published in *The Dickenson Star*.

6 **Tim Scott**: And what date was it published?

7 **Aaron Anderson**: March 26, 2014.

8 **Tim Scott**: And we don't have any unknown parties in this unit is that right?

9 **Aaron Anderson**: That is correct.

10 **Tim Scott**: And we've provided the proof of mailing and proof of publication to the Board, is  
11 that correct?

12 **Aaron Anderson**: Yes.

13 **Tim Scott**: Okay. Range is authorized to conduct business in the Commonwealth. Is that  
14 correct?

15 **Aaron Anderson**: Yes.

16 **Tim Scott**: And there's a blanket bond on file?

17 **Aaron Anderson**: Yes.

18 **Tim Scott**: If you were able to reach an agreement with the parties listed on Exhibit B3 what  
19 terms would you offer?

20 **Aaron Anderson**: \$25 an acre for a five year paid up lease with a 1/8 royalty.

21 **Tim Scott**: And this is a reasonable amount for a lease in this area, is that right?

22 **Aaron Anderson**: That is correct.

23 **Tim Scott**: So what percentage of the oil and gas estate is Range seeking to pool here?

24 **Aaron Anderson**: 47.57584821%.

25 **Tim Scott**: And Mr. Anderson, we have the same conflict in this unit as we did in the previous  
26 unit. Is that right?

1 **Aaron Anderson**: That is correct.

2 **Tim Scott**: Would you please tell the Board what tracts were involved and what the percentage  
3 of units are subject to escrow.

4 **Aaron Anderson**: That's Tracts 11, 12, 13 and 14. And that involves 25.43% of the unit.

5 **Tim Scott**: And that is reflected on our Exhibit E is that correct?

6 **Aaron Anderson**: That is correct.

7 **Tim Scott**: And we are asking the Board to pool the unleased parties listed on the Exhibit B3?

8 **Aaron Anderson**: That is correct.

9 **Tim Scott**: And that Range be named operator of this unit. Is that also correct?

10 **Aaron Anderson**: Yes.

11 **Tim Scott**: When we send out our election letter, if the Board approves our application, what  
12 would be the address for any correspondence for making an election?

13 **Aaron Anderson**: 406 West Main Street, Abingdon, Virginia, 24210.

14 **Tim Scott**: And that is the address for any communication. Is that correct?

15 **Aaron Anderson**: That's correct.

16 **Tim Scott**: That's all I have for Mr. Anderson.

17 **William Harris**: Any questions from Board members for Mr. Anderson?

18 **Mary Quillen**: Just one.

19 **William Harris**: Yes, Mrs. Quillen.

20 **Mary Quillen**: Would you repeat the tracts again that are unleased?

21 **Aaron Anderson**: That's Tracts 11, 12, 13 and 14.

22 **Mary Quillen**: Thank you.

23 **Tim Scott**: That's the escrowed tracts.

24 **Aaron Anderson**: That's the escrowed tracts.

25 **Mary Quillen**: Yes. That's the escrowed tracts.

1 **William Harris**: Other questions? [No Response] You may continue.

2 **Tim Scott**: Thank you. Mr. Janson, your name, by whom you are employed and your job  
3 description please.

4 **Gus Janson**: My name is Gus Janson, I'm employed by Range Resources-Pine Mountain, Inc.,  
5 as the Manager of Geology.

6 **Tim Scott**: You participated with the preparation of this application, is that right?

7 **Gus Janson**: That is correct.

8 **Tim Scott**: What's the proposed depth of this well?

9 **Gus Janson**: The proposed depth is 4,267 feet.

10 **Tim Scott**: And what are the estimated reserves?

11 **Gus Janson**: 525 million cubic feet of gas.

12 **Tim Scott**: And you've signed the AFE is that right?

13 **Gus Janson**: That is correct.

14 **Tim Scott**: What's the estimated dry hole cost?

15 **Gus Janson**: The dry hole cost is \$221,289.00.

16 **Tim Scott**: And the completed well cost?

17 **Gus Janson**: \$540,881.00.

18 **Tim Scott**: And you assisted in the preparation of the AFE, is that correct?

19 **Gus Janson**: That is correct.

20 **Tim Scott**: Attached is our Exhibit C.

21 **Gus Janson**: Correct.

22 **Tim Scott**: And there is a charge for supervision?

23 **Gus Janson**: There is.

24 **Tim Scott**: Do you consider that charge to be reasonable?

25 **Gus Janson**: Yes I do.

1 **Tim Scott**: If the Board grants our application today, would it prevent waste, promote  
2 conservation and protect correlative rights. Is that also correct?

3 **Gus Janson**: That is correct.

4 **Tim Scott**: That's all I have for Mr. Janson.

5 **William Harris**: Questions from Board members? [No response] Do you have anything else?

6 **Tim Scott**: That's all I have Mr. Chairman.

7 **William Harris**: I'll entertain a motion.

8 **Donnie Rife**: Motion made for approval Mr. Chairman.

9 **Mary Quillen**: Second.

10 **William Harris**: Thank you. Any further discussion? [No Response] All in favor say yes.

11 **Board**: Yes.

12 **William Harris**: Opposed, no. [No Response]

13 **William Harris**: Thank you that has been approved.

14

15 **Item Number 32**

16 **William Harris**: Number 32. A petition from Range Resources-Pine Mountain, for pooling of  
17 Well No. 900137, Prater District, Buchanan County, Virginia. The Docket Number VGOB 14-  
18 0415-4043. We'd ask that all parties who wish to speak to this item, please come forward.

19 **Tim Scott**: Tim Scott, Aaron Anderson and Gus Janson for Range Resources-Pine Mountain,  
20 Inc.

21 **William Harris**: There are no others, you may proceed.

22 **Tim Scott**: Thank you. Again, Mr. Anderson one more time, your name, by whom you are  
23 employed and your job description.

24 **Aaron Anderson**: Aaron Anderson, I'm employed by Range Resources-Pine Mountain, Inc.,  
25 and I am a Land Tech.

26 **Tim Scott**: Can you tell the Board what kind of a unit we have here?

27 **Aaron Anderson**: It is a horizontal unit.

1 **Tim Scott**: How many acres does this unit contain?

2 **Aaron Anderson**: 180.

3 **Tim Scott**: And this is subject to a prior Board order, is that right?

4 **Aaron Anderson**: Yes.

5 **Tim Scott**: Are we going to dismiss any parties listed on Exhibit B3 today?

6 **Aaron Anderson**: No.

7 **Tim Scott**: And the parties that are listed on Exhibit B3 that are unleased, have you attempted to  
8 reach an agreement with those individuals?

9 **Aaron Anderson**: We have.

10 **Tim Scott**: And presently what percentage of the unit does Range have under lease?

11 **Aaron Anderson**: 99.888333%.

12 **Tim Scott**: And how was notice of this hearing provided to the parties listed on Exhibit B?

13 **Aaron Anderson**: By certified mail and notice was published in *The Bluefield Daily Telegraph*.

14 **Tim Scott**: And what date was it published?

15 **Aaron Anderson**: March 21, 2014.

16 **Tim Scott**: Do we have any unknowns in this unit?

17 **Aaron Anderson**: Yes.

18 **Tim Scott**: And have you provided Mr. Cooper with a letter indicating our efforts to find those  
19 parties?

20 **Aaron Anderson**: We have.

21 **Tim Scott**: And do you believe that due diligence was exercised in doing so?

22 **Aaron Anderson**: Yes sir.

23 **Tim Scott**: And we've provided the proof of mailing and proof of publication to the Board, is  
24 that correct?

25 **Aaron Anderson**: Yes.

26 **Tim Scott**: And again, Range is authorized to conduct business in the Commonwealth. Right?

1 **Aaron Anderson**: That is correct.

2 **Tim Scott**: And there's a blanket bond on file?

3 **Aaron Anderson**: That is correct.

4 **Tim Scott**: If you were able to reach an agreement with the parties listed on Exhibit B3, what  
5 terms would you offer?

6 **Aaron Anderson**: \$30 an acre for a five year paid up lease with a 1/8 royalty.

7 **Tim Scott**: Do you consider that amount to be reasonable?

8 **Aaron Anderson**: Yes.

9 **Tim Scott**: So what percentage of the oil and gas estate is Range seeking to pool here?

10 **Aaron Anderson**: .1116667%.

11 **Tim Scott**: You just indicated that we have some unknowns. Is that correct?

12 **Aaron Anderson**: That is correct.

13 **Tim Scott**: And what tract or tracts are involved?

14 **Aaron Anderson**: Tract number 5 involving .00766667% of the unit.

15 **Tim Scott**: And we are asking the Board to pool the unleased parties listed on the Exhibit B3?

16 **Aaron Anderson**: That is correct.

17 **Tim Scott**: And that Range be named operator of this unit. Is that also correct?

18 **Aaron Anderson**: Yes.

19 **Tim Scott**: If the Board grants our application letter today and election letters are sent out to the  
20 parties listed on Exhibit B3, what address should they use in making an election?

21 **Aaron Anderson**: 406 West Main Street, Abingdon, Virginia, 24210.

22 **Tim Scott**: And again, this should be the address for all communications. Is that correct?

23 **Aaron Anderson**: That's correct.

24 **Tim Scott**: That's all I have for Mr. Anderson.

25 **William Harris**: Any questions from Board members?

1 **Matthew Gooch**: One question, what did you do to locate the unknown?

2 **Aaron Anderson**: We looked through court house documents...

3 **Tim Scott**: You used the internet too, did you not Mr. Anderson?

4 **Aaron Anderson**: We used internet as well.

5 **Tim Scott**: There are a number of internet services ancestry.com, social security administration  
6 website...you use all of those facilities. Is that correct?

7 **Aaron Anderson**: That is correct.

8 **Tim Scott**: Thank you.

9 **William Harris**: Other questions? [No Response] You may continue.

10 **Tim Scott**: Thank you. Mr. Janson, your name, by whom you are employed and your job  
11 description please.

12 **Gus Janson**: My name is Gus Janson, I'm employed by Range Resources-Pine Mountain, Inc.,  
13 as the Manager of Geology.

14 **Tim Scott**: And I believe that Mr. Anderson testified that this unit contains 180 acres. Is that  
15 right?

16 **Gus Janson**: That is correct.

17 **Tim Scott**: What's the proposed total depth of this well?

18 **Gus Janson**: Yes, again this is a horizontal well that the proposed depth is 9,342 feet.

19 **Tim Scott**: And what are the estimated reserves?

20 **Gus Janson**: 1200 million cubic feet of gas.

21 **Tim Scott**: And you are familiar with the wells costs. Is that right?

22 **Gus Janson**: Yes.

23 **Tim Scott**: What's the estimated dry hole cost for this well?

24 **Gus Janson**: The dry hole cost is \$445,103.

25 **Tim Scott**: And the completed well cost?

26 **Gus Janson**: \$592,879.

1 **Tim Scott**: And you assisted in the preparation of the AFE, is that right?

2 **Gus Janson**: I did.

3 **Tim Scott**: And again there is a charge for supervision on here?

4 **Gus Janson**: Yes there is.

5 **Tim Scott**: Do you consider that charge to be reasonable?

6 **Gus Janson**: Yes.

7 **Tim Scott**: In your opinion, if the Board grants our application today, would it prevent waste,  
8 promote conservation and protect correlative rights. Is that also correct?

9 **Gus Janson**: Yes it would.

10 **Tim Scott**: That's all I have for Mr. Janson.

11 **William Harris**: Mr. Janson, it appears from the plat that this well is on the pad shared with  
12 other wells?

13 **Gus Janson**: That is correct. Yes sir.

14 **William Harris**: And these are 900136. I don't know if we need to give that information  
15 but...okay.

16 **Gus Janson**: So it is a shared pad where we would drill an imposium lateral on the south west  
17 pad.

18 **William Harris**: Okay, sounds good. Thank you. Other questions from Board members?

19 **Mary Quillen**: Just a comment.

20 **William Harris**: Mrs. Quillen...

21 **Mary Quillen**: Using the new 20 acre plats, that looks really good.

22 **Gus Janson**: I appreciate that. We've had a positive response from putting those together.

23 **Mary Quillen**: Very good. You've done a good job on that.

24 **William Harris**: Other questions? [No Response] You many continue.

25 **Tim Scott**: That's all I have Mr. Chairman.

26 **William Harris**: I'll entertain a motion.

1 **Mary Quillen**: Motion to approve.  
2 **Bruce Prather**: Second.  
3 **William Harris**: Thank you. All in favor say yes.  
4 **Board**: Yes.  
5 **William Harris**: Opposed, say no. [No Response]  
6 **William Harris**: Fine. That has been approved.

7

8 **Item Number 33**

9 **William Harris**: Number 33. A petition from Range Resources-Pine Mountain, for a Well  
10 Location Exception for Well No. V-530377, Kenady District, Dickenson County, Virginia. The  
11 Docket Number is VGOB 14-0415-4044. We would ask that all parties that wish to speak to this  
12 item to please come forward.

13 **Tim Scott**: Tim Scott, Gus Janson and Aaron Anderson for Range Resources-Pine Mountain,  
14 Inc.

15 **William Harris**: There are no others, you may proceed.

16 **Tim Scott**: Thank you. Mr. Anderson, your name, by whom you are employed and your job  
17 description please.

18 **Aaron Anderson**: Aaron Anderson, I'm employed by Range Resources-Pine Mountain, Inc.,  
19 and I am a Land Tech.

20 **Tim Scott**: And you are familiar with this application, is that right?

21 **Aaron Anderson**: I am.

22 **Tim Scott**: Are you familiar with the ownership of the minerals underlying this unit?

23 **Aaron Anderson**: Yes.

24 **Tim Scott**: And those owners are set out on Exhibit B, is that right.

25 **Aaron Anderson**: They are.

26 **Tim Scott**: We have three wells for which the location exception is requested today, V-537557,  
27 VH-530086 and V-530378. Who operates those wells?

1 **Aaron Anderson**: EQT operates the wells but Range has an interest.

2 **Tim Scott**: But you believe that Range is both the owner and operator on this unit, is that right?

3 **Aaron Anderson**: That is correct.

4 **Tim Scott**: And how was notice of this hearing provided to the parties listed on Exhibit B?

5 **Aaron Anderson**: By certified mail.

6 **Tim Scott**: And you have provided proof of mailing to the Board, is that right?

7 **Aaron Anderson**: That's correct.

8 **Tim Scott**: That's all I have for Mr. Anderson.

9 **William Harris**: Other questions or any questions from Board members? [No Response] You  
10 may proceed.

11 **Bruce Prather**: Mr. Chairman, I've got a question.

12 **William Harris**: Mr. Prather.

13 **Bruce Prather**: On your plat here, it looks like on the west edge of your circle here you've got  
14 two wells I assume....are those both horizontal wells because they've both got a....

15 **Gus Janson**: Yes sir. We will discuss that during my testimony.

16 **Bruce Prather**: And one of them is a short lateral?

17 **Gus Janson**: No they are essentially almost the same laterals. One is in the big lime formation  
18 and one is in the lower huron formation. They are labeled on the exhibit that I handed out to  
19 you.

20 **Bruce Prather**: Okay.

21 **William Harris**: I am assuming you are going to address that when you....

22 **Gus Janson**: Yes.

23 **William Harris**: Other questions? [No Response] You may continue.

24 **Tim Scott**: Mr. Janson, your name, by whom you are employed and your job description please.

25 **Gus Janson**: My name is Gus Janson, I'm employed by Range Resources-Pine Mountain, Inc.,  
26 as the Manager of Geology.

1 **Tim Scott**: And you are familiar with this application, is that correct?

2 **Gus Janson**: I am.

3 **Tim Scott**: And will you please explain to the Board why we are seeking this well location  
4 exception today?

5 **Gus Janson**: We actually held this hearing for this location in February of this year, as a result  
6 of the permit review by Mr. Cooper's staff, we adhered to the recommendation from the  
7 inspector to relocate the well approximately 150 feet away from its original plan location due to  
8 a drainage area in this hollow that we've got the well proposed. So we've actually moved the  
9 well just a very slight amount and that's why we are here again today, to review this new  
10 location where we had to go through a modification process to the permit. So with that being  
11 said, the testimony is essentially what it was back in February since we only moved the well a  
12 slight distance. This location exception was being sought for two reasons. One was because of  
13 topographic constraint where we were limited to where we could place this well in relationship  
14 to the offsetting wells. And also with regard to the offsetting horizontal wells that have been  
15 drilled both to the northeast and to the southwest of this proposed vertical well.

16 **Mary Quillen**: Just one question Mr. Janson, did you move this...I'm trying to figure out from  
17 the location, did you move this to the east or to the west?

18 **Gus Janson**: The well site itself? The well pad? The well bore?

19 **Mary Quillen**: That's what you had to move, right?

20 **Gus Janson**: Right. We moved the well bore just slightly.

21 **Mary Quillen**: To the west?

22 **Gus Janson**: I believe it was moved to the east.

23 **Mary Quillen**: To the east, okay because it looks in the original that there wasn't any overlap  
24 with these and that's the reason it looked like maybe you've moved it from west to east.

25 [Inaudible]

26 **Gus Janson**: Yes. I believe both of those wells were originally in the first application too, I  
27 believe.

28 **Mary Quillen**: Oh well, maybe I missed it. Okay...okay that's okay.

29 **Bruce Prather**: Mr. Chairman, I've got a question.

30 **William Harris**: Yes, Mr. Prather has a question.

1 **Bruce Prather**: I assume that the new location of the 377 is that going to be a big lime well?

2 **Gus Janson**: Yes.

3 **Bruce Prather**: Because you've got a lower huron well that's deeper that's...

4 **Gus Janson**: Right. The depth of this well, the first vertical well will only go through the big  
5 lime formation.

6 **Bruce Prather**: Okay.

7 **Gus Janson**: And what this is, is basically a test to determine...to help us to better define the  
8 spacing [inaudible] of our horizontal wells and see if we are in the [inaudible] reservoir area  
9 here. But we also have other target formations vertically that we will be targeting with this well  
10 too.

11 **Bruce Prather**: Okay. But it won't be drilled in the lower huron?

12 **Gus Janson**: No sir.

13 **William Harris**: Other questions? [No Response] Okay, you may continue.

14 **Tim Scott**: Mr. Chairman, I want to...as a housekeeping issue here, on Exhibit B, to the  
15 application, we show the well depth of 4,624 when in fact, it is 4,641, so we need to provide the  
16 Board with a revised Exhibit B and we can upload that. I just noticed that just a minute ago.

17 **William Harris**: So you are saying that it is correctly 4,641.

18 **Tim Scott**: I will have Mr. Janson to testify to that. Yes sir.

19 **William Harris**: Okay.

20 **Tim Scott**: Alright Mr. Janson, your name, by whom you are employed and your job description  
21 please. I'm sorry, what is the proposed depth of this well Mr. Janson?

22 **Gus Janson**: 4,641 feet.

23 **Tim Scott**: And what are the potential loss of reserves if the application is not granted?

24 **Gus Janson**: 525 million cubic feet of gas.

25 **Tim Scott**: In your opinion, if the Board grants our application today, would it prevent waste,  
26 promote conservation and protect correlative rights?

27 **Gus Janson**: Yes it would.

1 **Tim Scott**: And we will provide a revised Exhibit B with the correct well depth on there. That's  
2 all I have for Mr. Janson.

3 **William Harris**: Thank you. Any further questions for either of the folks here? [No Response]  
4 I will entertain a motion for this item.

5 **Donnie Rife**: Motion made for approval Mr. Chairman.

6 **Bruce Prather**: Second.

7 **William Harris**: Thank you. All in favor say yes.

8 **Board**: Yes.

9 **William Harris**: Opposed, no. [No Response]

10 **William Harris**: Fine. That petition has been approved.

11

12

### **Item Number 34**

13 **William Harris**: We will move on to Item Number 34. A petition from Range Resources-Pine  
14 Mountain, for pooling of Well No. V-530387, Gladeville District, Wise County, Virginia. The  
15 Docket Number is VGOB 14-0520-4047. We'd ask that all parties who wish to speak to this  
16 item, to please come forward.

17 **Tim Scott**: Again, Tim Scott, Gus Janson and Aaron Anderson for Range Resources-Pine  
18 Mountain, Inc.

19 **William Harris**: There are no others, so you may proceed.

20 **Tim Scott**: Thank you. Mr. Anderson your name, by whom you are employed and your job  
21 description please.

22 **Aaron Anderson**: Aaron Anderson, I'm employed by Range Resources-Pine Mountain, Inc.,  
23 and I am a Land Tech.

24 **Tim Scott**: You are familiar with this application are you not?

25 **Aaron Anderson**: I am.

26 **Tim Scott**: And we are seeking to establish a unit and pool this unit. Is that correct?

27 **Aaron Anderson**: That's correct.

28 **Tim Scott**: How many acres does this unit contain?

1 **Aaron Anderson**: 112.69.

2 **Tim Scott**: Are there any respondents listed on B3 that we are going to dismiss today?

3 **Aaron Anderson**: No sir.

4 **Tim Scott**: The parties who are listed on B3 who have not leased to Range, you have attempted  
5 to reach an agreement with those individuals?

6 **Aaron Anderson**: Yes we have.

7 **Tim Scott**: And what percentage does Range have under lease presently?

8 **Aaron Anderson**: 97.2%

9 **Tim Scott**: And how was notice of this hearing provided to the parties listed on Exhibit B?

10 **Aaron Anderson**: By certified mail and the notice of the hearing was published in *The*  
11 *Coalfield Progress*.

12 **Tim Scott**: What day was that publication?

13 **Aaron Anderson**: April 25, 2014.

14 **Tim Scott**: And we don't have any unknown owners in this unit, is that right?

15 **Aaron Anderson**: No sir.

16 **Tim Scott**: And we've provided the proof of mailing and proof of publication to the Board is  
17 that right?

18 **Aaron Anderson**: Yes.

19 **Tim Scott**: And again, Range is authorized to conduct business in the Commonwealth.

20 **Aaron Anderson**: That's correct.

21 **Tim Scott**: And there's a blanket bond on file is that also correct?

22 **Aaron Anderson**: Yes.

23 **Tim Scott**: Now for the parties that you were not able to reach an agreement with on Exhibit B3  
24 what lease terms would you offer those parties if you could reach an agreement?

25 **Aaron Anderson**: \$25 an acre for a five year paid up lease with a 1/8 royalty.

26 **Tim Scott**: And do you consider this to be a reasonable offer for a lease in this area?

1 **Aaron Anderson**: Yes.

2 **Tim Scott**: And what percentage of the oil and gas estate is Range seeking to pool?

3 **Aaron Anderson**: 2.8 percent.

4 **Tim Scott**: And again, we have an escrow requirement, do we not?

5 **Aaron Anderson**: That is correct.

6 **Tim Scott**: And what is the reason for that?

7 **Aaron Anderson**: Because of conflict between EQT and ACIN.

8 **Tim Scott**: Which is what we have seen twice before, is that correct?

9 **Aaron Anderson**: That's correct.

10 **Tim Scott**: What tract or tracts are involved and what's the percentage of the unit is involved?

11 **Aaron Anderson**: Tract 3 with 1.89%.

12 **Tim Scott**: And that's listed on Exhibit E, is that right?

13 **Aaron Anderson**: Yes.

14 **Tim Scott**: And you are requesting the Board to pool the parties listed on Exhibit B3?

15 **Aaron Anderson**: Yes.

16 **Tim Scott**: And that Range be named operator of this unit?

17 **Aaron Anderson**: Yes.

18 **Tim Scott**: Now if when we send out our election letters, if the Board approves our application  
19 today, what would be the address used for any elections that are made by the parties responding?

20 **Aaron Anderson**: 406 West Main Street, Abingdon, Virginia, 24201.

21 **Tim Scott**: Is that the address for all communications?

22 **Aaron Anderson**: Yes.

23 **Tim Scott**: That's all I have for Mr. Anderson.

24 **William Harris**: Questions from Board members? [No Response] You may proceed.

1 **Tim Scott**: Thank you. Mr. Janson I won't make you do this twice, what's your name, by  
2 whom you are employed and your job description?

3 **Gus Janson**: My name is Gus Janson, I'm the Manager of Geology employed by Range  
4 Resources-Pine Mountain, Inc.

5 **Tim Scott**: And you participated in the preparation of the application. Is that also right?

6 **Gus Janson**: That is correct.

7 **Tim Scott**: So you are familiar with it, is that correct?

8 **Gus Janson**: I am.

9 **Tim Scott**: What's the proposed depth of this well?

10 **Gus Janson**: 4,112 feet.

11 **Tim Scott**: And the estimated reserves on this unit?

12 **Gus Janson**: 525 million cubic feet of gas.

13 **Tim Scott**: And your signature is on the AFE which we attached as Exhibit C. Is that right?

14 **Gus Janson**: That is correct.

15 **Tim Scott**: What is the estimated dry hole cost for this unit?

16 **Gus Janson**: The estimated dry hole cost is \$257,829.

17 **Tim Scott**: And the completed well cost?

18 **Gus Janson**: \$581,618.

19 **Tim Scott**: And the AFE that was submitted was attached as Exhibit C to our application, is that  
20 right?

21 **Gus Janson**: That is correct.

22 **Tim Scott**: And again, you did sign that, is that right?

23 **Gus Janson**: Correct.

24 **Tim Scott**: And does the AFE provide for a supervision cost?

25 **Gus Janson**: Yes.

26 **Tim Scott**: Do you consider that cost to be reasonable?

1 **Gus Janson**: Yes.

2 **Tim Scott**: In your opinion, if the Board grants our application today, would it prevent waste,  
3 promote conservation and protect correlative rights?

4 **Gus Janson**: Yes it would.

5 **Tim Scott**: That's all I have for Mr. Janson.

6 **William Harris**: Thank you. Questions from the Board members? [No Response] You may  
7 continue.

8 **Tim Scott**: That's all I have Mr. Chairman.

9 **William Harris**: Fine. Thank you. I will entertain a motion for this petition?

10 **Donnie Rife**: Motion made for approval Mr. Chairman.

11 **Mary Quillen**: Second.

12 **William Harris**: Thank you. All in favor say yes.

13 **Board**: Yes.

14 **William Harris**: Opposed, no.

15 **Bruce Prather**: One abstention.

16 **William Harris**: One abstention Mr. Prather. So that has been approved.

17

18 **Item Number 35**

19 **William Harris**: We will move to Item 35. A petition from Range Resources-Pine Mountain,  
20 for pooling of Well No. V-530349, Kenady District, Dickenson County, Virginia. The Docket  
21 Number is VGOB 14-0520-4048. We'd ask that all parties who wish to speak to this item to  
22 please come forward.

23 **Tim Scott**: Tim Scott, Gus Janson and Aaron Anderson for Range Resources-Pine Mountain,  
24 Inc.

25 **William Harris**: Fine and there are no others so you may proceed.

26 **Tim Scott**: Mr. Anderson one final time, your name, by whom you are employed and your job  
27 description please.

1 **Aaron Anderson**: Aaron Anderson, I'm employed by Range Resources-Pine Mountain, Inc.,  
2 and I am a Land Tech.

3 **Tim Scott**: And we are seeking to establish a unit and pool this unit. Is that right?

4 **Aaron Anderson**: That's correct.

5 **Tim Scott**: How many acres does this unit contain?

6 **Aaron Anderson**: 112.69.

7 **Tim Scott**: Now on Exhibit B3, we have our parties listed that we are seeking to pool today, is  
8 that right?

9 **Aaron Anderson**: That's correct.

10 **Tim Scott**: Are we going to dismiss any of those parties?

11 **Aaron Anderson**: No sir.

12 **Tim Scott**: As to the parties that are currently listed on Exhibit B3, have you tried to reach an  
13 agreement with those individuals?

14 **Aaron Anderson**: We have.

15 **Tim Scott**: As a result of any leasing efforts that you would have made, what would be the  
16 percentage of the unit that Range has under lease?

17 **Aaron Anderson**: 75.49%.

18 **Tim Scott**: And how was notice of this hearing provided to the parties listed on Exhibit B?

19 **Aaron Anderson**: By certified mail and the notice of the hearing was published in *The*  
20 *Dickenson Star*.

21 **Tim Scott**: What day was that publication?

22 **Aaron Anderson**: April 30, 2014.

23 **Tim Scott**: And we don't have any unknown owners in this unit, is that right?

24 **Aaron Anderson**: That is correct.

25 **Tim Scott**: And we've provided the proof of mailing and proof of publication to the Board, is  
26 that right?

27 **Aaron Anderson**: Yes.

1 **Tim Scott**: And one more time, Range is authorized to conduct business in the Commonwealth.

2 **Aaron Anderson**: That's correct.

3 **Tim Scott**: And there's a blanket bond on file, is that right?

4 **Aaron Anderson**: Yes.

5 **Tim Scott**: If you would reach an agreement with the parties listed on Exhibit B3 what terms  
6 would you offer?

7 **Aaron Anderson**: \$25 an acre for a five year paid up lease with a 1/8 royalty.

8 **Tim Scott**: And again, do you consider this to be a reasonable offer for a lease in this area?

9 **Aaron Anderson**: Yes.

10 **Tim Scott**: And what percentage of the oil and gas estate is Range seeking to pool?

11 **Aaron Anderson**: 25.41%.

12 **Tim Scott**: And we have no escrow requirement, is that right?

13 **Aaron Anderson**: That is correct.

14 **Tim Scott**: Are you requesting the Board to pool the unleased parties listed on Exhibit B3?

15 **Aaron Anderson**: Yes.

16 **Tim Scott**: And that Range be named the operator?

17 **Aaron Anderson**: Yes.

18 **Tim Scott**: Now if the Board grants our application today, and elections are made pursuant to a  
19 letter with the enclosed order, what address would be used for making such elections?

20 **Aaron Anderson**: 406 West Main Street, Abingdon, Virginia, 24201.

21 **Tim Scott**: Is that the address for all communications in this matter?

22 **Aaron Anderson**: Yes.

23 **Tim Scott**: That's all I have for Mr. Anderson.

24 **William Harris**: Questions from Board members?

25 **Mary Quillen**: Yes. I have just one question.

1 **William Harris**: Mrs. Quillen.

2 **Mary Quillen**: Mr. Anderson, those tracts of the unleased owners will you repeat those for me?

3 **Aaron Anderson**: Tracts 3, 4, 5, 6 and 7, 8, 9, 13.

4 **Mary Quillen**: We don't have 4 on our Exhibit B and we have a different....

5 **Aaron Anderson**: I'm sorry 4 is leased.

6 **Mary Quillen**: Pardon?

7 **Aaron Anderson**: Tract 4 is leased. I apologize.

8 **Mary Quillen**: Okay. And the total amount, would you repeat that again of the unleased?

9 **Aaron Anderson**: The total amount is 25.41%.

10 **Mary Quillen**: We don't have that.

11 **Tim Scott**: I believe it is 24.51% Mr. Anderson based on the exhibit. Is that correct?

12 **Aaron Anderson**: Yes. Sorry.

13 **Tim Scott**: I'm sorry. Again the percentage that you are seeking to pool today is 24.51%.

14 **Aaron Anderson**: Yes.

15 **Tim Scott**: So that is a correct figure is that right?

16 **Aaron Anderson**: Yes.

17 **Mary Quillen**: 24.51 percent?

18 **Tim Scott**: Yes.

19 **Aaron Anderson**: Yes.

20 **Mary Quillen**: That's what we've got. Thank you very much.

21 **Aaron Anderson**: Sorry about my dyslexia.

22 **Mary Quillen**: That's okay.

23 **William Harris**: Further questions? [No Response] You may continue.

24 **Tim Scott**: Thank you. Mr. Janson, your name, by whom you are employed and your job  
25 description please?

1 **Gus Janson**: My name is Gus Janson, I'm the Manager of Geology employed by Range  
2 Resources-Pine Mountain, Inc.

3 **Tim Scott**: And you participated in the preparation of the application. Is that also right?

4 **Gus Janson**: I did.

5 **Tim Scott**: So you are familiar with it, is that correct?

6 **Gus Janson**: Correct.

7 **Tim Scott**: What's the proposed depth of this well?

8 **Gus Janson**: 4,349 feet.

9 **Tim Scott**: And what are the estimated reserves on this unit?

10 **Gus Janson**: 550 million cubic feet of gas.

11 **Tim Scott**: Are you also familiar with the proposed well cost?

12 **Gus Janson**: Yes I am.

13 **Tim Scott**: What is the estimated dry hole cost for this unit?

14 **Gus Janson**: The estimated dry hole cost is \$222,241.

15 **Tim Scott**: And the estimated completed well cost?

16 **Gus Janson**: \$530,098.

17 **Tim Scott**: And you participated in the preparation of the AFE, is that right?

18 **Gus Janson**: I did.

19 **Tim Scott**: And does the AFE provide for a supervision cost?

20 **Gus Janson**: Yes.

21 **Tim Scott**: Do you consider that supervision cost to be reasonable?

22 **Gus Janson**: Yes I do.

23 **Tim Scott**: In your opinion, if the Board grants our application today, would it prevent waste,  
24 promote conservation and protect correlative rights?

25 **Gus Janson**: Yes it would.

1 **Tim Scott**: That's all I have for Mr. Janson.

2 **William Harris**: Thank you. Questions from the Board members? [No Response] You may  
3 continue.

4 **Tim Scott**: That's all I have Mr. Chairman.

5 **William Harris**: Okay. I will entertain a motion for this petition.

6 **Mary Quillen**: Motion to approve.

7 **Bruce Prather**: Second.

8 **William Harris**: Thank you. Any further discussion? [No Response] All in favor say yes.

9 **Board**: Yes.

10 **William Harris**: Opposed, no. [No Response] Fine thank you. That petition is approved.

11 **Tim Scott**: Thank you Mr. Chairman.

12 **William Harris**: Thank you Mr. Scott.

13

14

### **Item Number 36**

15 **William Harris**: Item 36. The Board will receive an update of Board and Division activities  
16 from the staff.

17 **Rick Cooper**: Yes. I wanted to report to the Board as ordered in March that we did send out the  
18 request for proposal for the audit and it did go out. It went out to 1,050 vendors and that  
19 deadline closed on April 30<sup>th</sup> and we received two responses. One of those responses was eight  
20 days late so we could not accept it so we only had one eligible bid and that was Robinson,  
21 Farmer, Cox and Associates. I apologize, we did ask for a revision, we had a committee put  
22 together to review this, and we reviewed this last week and one thing that we had in there, the  
23 original proposal for the bid was \$59,926.25, and they had a \$14,000 charge in there to develop  
24 an algorithm program and we felt that with our escrow estimator that we have developed and our  
25 new process where the operators have to submit their monthly reports, that we have the majority  
26 of that covered. We requested that they remove that from the charges. And I did send you all  
27 the revised costs on that and the revised cost from Robinson, Farmer, & Cox was \$45,926.25.  
28 That's the same original cost subtracting \$14,000.00 for the program that they wanted us to  
29 purchase. The question is, I am bringing this information to you as a group, and I guess it is up  
30 to you whether we approve this and move forward, or we delay this. I guess that's the process  
31 that the Board needs to do at this time. Give us some direction on what we need to do with this.

1 **Mary Quillen**: Mr. Chairman.

2 **William Harris**: Mrs. Quillen.

3 **Mary Quillen**: In the absence of the chair, I would like to propose that we postpone or continue  
4 this until the next meeting hopefully in June. I believe that the chairman should be here for this  
5 vote.

6 **Donnie Rife**: Is there an extreme urgency in this matter?

7 **Rick Cooper**: No. I apologize but some of you may not have seen this, we had to get the  
8 revision back and I just got the estimate and I just sent it to you last night so I am sure that you  
9 haven't had time to do a full review of that. But that would be up to you if you want to wait until  
10 June to approve this.

11 **Bruce Prather**: That wouldn't affect the bid any would it?

12 **Rick Cooper**: It would not affect the bid, no. I guess the only thing that we will request is that  
13 when you review this is it reasonable, or do we need to rebid it? That would be the question that  
14 you would need to consider.

15 **Bruce Prather**: Is this the same bid for the original that we did three or four years ago or close  
16 to it?

17 **Rick Cooper**: No actually, he is doing this a little differently. He's doing a random selection  
18 but he is actually separating them and weighing the amount in the escrow differently, meaning  
19 that anything below \$10,000.00, and that's 532 of the accounts, he weighs them on one average  
20 and depending on the amount in the account is how he actually weighs those and he's got a  
21 program that will randomly select a number of items out of there to audit. So it is a little  
22 different than the one that he did a few years ago.

23 **Bruce Prather**: Well Rick, do you recommend this to the Board?

24 **Rick Cooper**: Our committee has recommended that he has met all of the categories, so our  
25 group, the committee that reviewed this, we do recommend that you approve this. That is our  
26 recommendation.

27 **William Harris**: Do we want to have a motion to delay?

28 **Mary Quillen**: I make the motion.

29 **William Harris**: Okay. We will make that a motion.

30 **Donnie Rife**: I second that we postpone to the June meeting.

1 **William Harris**: So there's a motion on the floor to table this until the June meeting. Any  
2 further discussion? [No Response] All in favor say yes.

3 **Board**: Yes.

4 **William Harris**: Opposed, no. [No Response] I guess that will be...

5 **Rick Cooper**: That will be fine. We will put that on the agenda for the next Board hearing.

6 **William Harris**: Anything else?

7

8

### **Item Number 37**

9 **Rick Cooper**: You need to approve the March minutes.

10 **William Harris**: I believe those are online, is that correct?

11 **Rick Cooper**: They are.

12 **William Harris**: Any discussion about the March minutes? [No Response] Do I hear a motion  
13 concerning such?

14 **Mary Quillen**: Motion to approve.

15 **Donnie Rife**: Second.

16 **William Harris**: Okay. All in favor of approving the March minutes as presented say yes.

17 **Board**: Yes.

18 **William Harris**: Opposed, no. [No Response] Fine, thank you. That motion passed. I assume,  
19 is that it?

20 **Rick Cooper**: Yes.

21 **William Harris**: I guess we stand adjourned.

22

23