

COMMONWEALTH OF VIRGINIA  
VIRGINIA GAS AND OIL BOARD HEARING  
MINUTES MAY 26, 2015

Pursuant to Sections 45.1-361.9B and 45.1361.22.B of the Code of Virginia, the Virginia Gas and Oil Board held its scheduled monthly hearing commencing at 9 a.m. on Tuesday, May 26, 2015 at the Russell County Government Conference Center, 139 Highland Drive, Lebanon, Virginia.

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

Also present were Paul Kugelman, Jr. (Senior Assistant Attorney General), Rick Cooper (Principal Executive to the Board), Sally Ketron (Division of Gas and Oil) and Sarah Gilmer (Division of Gas and Oil).

1. The Board opened the floor for public comments.

There were no public comments.

2. The First Bank and Trust Company, Escrow Agent for the Virginia Gas and Oil Board, appeared to address the Board on the Quarterly Report.

The quarterly report was presented to the Board for the months of January 2015 through March 2015. The Division of Gas and Oil will attempt to contact, by certified letter, the parties who's funds will be escheated to the State of Virginia in October 2015. These checks were received by the individuals having an interest in the unit but never cashed. This will be a final attempt by the VGOB to contact these individuals to make certain they are aware that if the checks are not cashed, their funds will be escheated to the State of Virginia.

3. A petition from CNX Gas Company, LLC, for Unit N41 for (1) re-pooling; (2) dismissal of certain coal claimants as conflicting claimants. Docket Number VGOB 93-0420-0359-03.

The docket item was approved. Escrowing required. Dismissal of coal claimants was not approved.

4. A petition from CNX Gas Company, LLC, for Unit N40 for (1) re-pooling; (2) dismissal of certain coal claimants as conflicting claimants. Docket Number VGOB 93-0420-0358-03.

The docket item was approved. Escrowing required. Dismissal of coal claimants was not approved.

5. A petition from CNX Gas Company, LLC, for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to Tracts 1A, 1F & 1G to the persons identified in the table using the percentages set forth in the table; (2) authorization to begin paying royalties directly to the parties to the agreement or court order; and (3) dismissal of coal owner(s)/claimant(s) named in the Notice of Hearing and identified in Exhibit B2 who were pooled by the Board as conflicting claimants. Unit FF-15. Docket Number VGOB 05-1018-1511-01.

The docket item was approved. Account continues. Authorization for direct payment of royalties. Dismissal of coal claimants was not approved. The checks for Kenneth & Kathy Street are to be made payable to Kenneth & Kathy Street, but mailed to T. Shea Cook, attorney.

6. A petition from CNX Gas Company, LLC, for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to Tract 1A to the persons identified in the table using the percentages set forth in the table; (2) authorization to begin paying royalties directly to the parties to the agreement or court order; and (3) dismissal of coal owner(s)/claimant(s) named in the Notice of Hearing and identified in Exhibit B2 who were pooled by the Board as conflicting claimants. Unit X-37. Docket Number VGOB 98-0324-0633-02.

The docket item was approved. Account continues. Authorization for direct payment of royalties. Dismissal of coal claimants was not approved. The check for Elmer Pruitt is to be made payable to Elmer Pruitt, but mailed to T. Shea Cook, attorney.

7. A petition from CNX Gas Company, LLC, for (1) refund of escrow payments heretofore deposited with the Board's Escrow Agent to reimburse overpayment of funds deposited with the Board's Escrow Agent, attributable to Unit BA112 to CNX Gas Company, LLC. (2) The disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to Tracts 3, 5, 7, & 8 to the persons identified in the table using the percentages set forth in the table; and (3) authorization to begin paying royalties directly to the parties to the agreement or court order (4) dismissal of coal owner(s)/claimant(s) named in the Notice of Hearing and identified in Exhibit B2 who were pooled by the Board as conflicting claimants. Docket Number VGOB 02-0416-1025-03.

The docket item was approved. Account continues. Authorization for direct payment of royalties. Dismissal of coal claimants was not approved.

8. A petition from CNX Gas Company, LLC, for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to Tracts 1C & 1D to the persons identified in the table using the percentages set forth in the table; (2) authorization to begin paying royalties directly to the parties to the agreement or court order; and (3) dismissal of coal owner(s)/claimant(s) named in the Notice of Hearing and identified in Exhibit B2 who were pooled by the Board as conflicting claimants. Unit X-36. Docket Number VGOB 98-0324-0628-02.

The docket item was approved. Account continues. Authorization for direct payment of royalties. Dismissal of coal claimants was not approved. The checks for Elmer Pruitt are to be made payable to Elmer Pruitt, but mailed to T. Shea Cook, attorney.

9. A petition from CNX Gas Company, LLC, for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent attributable to Tract 1A & 5A to the persons identified in the table using the percentages set forth in the table; (2) authorization to begin paying royalties directly to the parties to the agreement or court order; and (3) dismissal of coal owner(s)/claimant(s) named in the Notice of Hearing and identified in Exhibit B2 who were pooled by the Board as conflicting claimants. Unit W-37. Docket Number VGOB 98-0324-0632-01.

The docket item was approved. Account continues. Authorization for direct payment of royalties. Dismissal of coal claimants was not approved. The check for Elmer Pruitt is to be made payable to Elmer Pruitt, but mailed to T. Shea Cook, attorney.

10. A petition from Range Resources-Pine Mountain, Inc. (Formerly brought in front of the Board by EQT Production Company, LLC), for the disbursement of funds and authorization for direct payment on behalf of the known owners on Tracts 2 and 4 in Well VC-702846. Docket Number VGOB 93-0316-0343-03. Continued from September 2014. Continued from March 2015.

The docket item was approved. Account will close. Authorization for direct payment of royalties.

11. A petition from Range Resources-Pine Mountain, Inc. (Formerly brought in front of the Board by EQT Production Company, LLC), for the disbursement of funds and authorization for direct payment on behalf of known owners on Tracts 2, 4, 5, 6, 7, 8, and 9, in Well VC-703655. Docket Number VGOB 97-0520-0586-02. Continued from March 2014. Continued from November 2014. Continued from March 2015.

The docket item was approved. Account continues. Authorization for direct payment of royalties.

12. A petition from Range Resources-Pine Mountain, Inc. (Formerly brought in front of the Board by EQT Production Company, LLC), for disbursement and authorization for direct payment on behalf of all known owners in Tracts 1, 2, 5, 6, 8, 9, 10, 11, 12 and 13 in Well VC-504482. Docket Number VGOB 01-0619-0899-02. Continued from October 2014. Continued from November 2014. Continued from March 2015.

The docket item was continued to June, 2015.

13. A petition from Range Resources-Pine Mountain, Inc., for pooling of Well No. VC-539283-Nora Grid BD-63, Ervinton District, Dickenson County, Virginia. Docket Number VGOB 15-0421-4066. Continued from April 2015.

The docket item was approved. No escrowing required.

14. A petition from Range Resources-Pine Mountain, Inc., for disbursement and authorization for direct payment on behalf of known owners in Tract 2. Unit: Haysi 155. Docket Number VGOB 08-0916-2345-01.

The docket item was approved. Account continues. Authorization for direct payment of royalties.

15. A petition from Range Resources-Pine Mountain, Inc., for disbursement of funds and authorization for direct payment on behalf of known owners in Tracts 4 & 5. Well VC-537839. Docket Number VGOB 08-0617-2251-01.

The docket item was approved. Account will close. Authorization for direct payment of royalties.

16. A petition from Range Resources-Pine Mountain, Inc., for disbursement of funds and authorization for direct payment on behalf of known owners in Tracts 2 & 3. Well VC-535907. Docket Number VGOB 04-0420-1282-01.

The docket item was approved. Account continues. Authorization for direct payment of royalties.

17. A petition from Range Resources-Pine Mountain, Inc., for disbursement of funds and authorization for direct payment on behalf of known owners in Tract 1. Well VC-503308. Docket Number VGOB 04-0420-1283-04.

The docket item was approved. Account continues. Authorization for direct payment of royalties.

18. A petition from Range Resources-Pine Mountain, Inc., for disbursement of funds and authorization for direct payment on behalf of known owners in Tract 6. Well VC-537869. Docket Number VGOB 07-1016-2046-02.

The docket item was approved. Account continues. Authorization for direct payment of royalties.

19. A petition from Range Resources-Pine Mountain, Inc., for disbursement of funds and authorization for direct payment on behalf of known owners in Tract 2. Well VC-537011. Docket Number VGOB 08-0520-2227-01.

The docket item was approved. Account will close. Authorization for direct payment of royalties.

20. A petition from Range Resources-Pine Mountain, Inc., for disbursement of funds and authorization for direct payment on behalf of known owners in Tracts 2, 3 & 4. Well VC-537876. Docket Number VGOB 08-0617-2250-01.

The docket item was approved. Account will close. Authorization for direct payment of royalties.

21. A petition from Range Resources-Pine Mountain, Inc., for disbursement of funds and authorization for direct payment on behalf of known owners in Tract 2. Well Haysi 28. Docket Number VGOB 07-0717-1966-01.

The docket item was approved. Account continues. Authorization for direct payment of royalties.

22. A petition from Range Resources-Pine Mountain, Inc., to disburse funds and authorization for direct payment to Karen Bonk, in Tract 2. Buchanan County, Virginia. Well Haysi 29. Docket Number VGOB 07-0717-1967-01.

The docket item was approved. Account will continue. Authorization for direct payment of royalties.

23. A petition from Range Resources-Pine Mountain, Inc., to disburse funds and authorization for direct payment to the owners in Tracts 5 & 6. Dickenson County, Virginia. Well VC-536768. Docket Number VGOB 05-1115-1530-02.

The docket item was approved. Account will close. Authorization for direct payment of royalties.

24. A petition from Range Resources-Pine Mountain, Inc., to disburse funds and authorization for direct payment to the owners in Tract 5. Dickenson County, Virginia. Well VC-536772. Docket Number VGOB 05-1115-1531-02.

The docket item was approved. Account will close. Authorization for direct payment of royalties.

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

Mr. Cooper notified the Board that the Division of Gas and Oil's records now reflect the change of operator from EQT Production Company, LLC, to Range Resources-Pine Mountain, Inc. These transfers were approved at the April 2015 VGOB Hearing.

26. The Board reviewed the April 2015 minutes for approval.

The docket item was approved.

The hearing adjourned at 11:49 a.m.