

COMMONWEALTH OF VIRGINIA  
VIRGINIA GAS AND OIL BOARD HEARING  
MINUTES MARCH 15, 2016

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, March 15, 2016 at the Russell County Government Conference Center, 139 Highland Drive, Lebanon, Virginia.

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

There were no public comments.

2. 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 3, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the parties of the prevailing plaintiffs Ira Gordon Ratliff & Connie Marie Ratliff. Unit T18. Docket Number VGOB 95-0321-0494-01.

The docket item was continued to April, 2016.

3. 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 1E, 1F, & 1G, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Mitchell Counts, Sandra Dowdy, Gary Davis, Patrick Counts, CNX Gas Company LLC, Grady McGlothlin & Pauline Jerline McGlothlin; (3) Dismissal of Coal Owner: Hurt McGuire Land Trust. Unit X37. Docket Number VGOB 98-0324-0633-03.

The docket item was approved. The account will continue. Authorization for direct payment of royalties. The checks for Mitchell Counts, Sandra Dowdy and Patrick Counts are to be made out to the landowners, C/O T. Shea Cook, and mailed to T. Shea Cook, P.C.

4. 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 4, 7, 9, 10, 11 & 12, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Donna C. Stevenson, Michael A. Stevenson, Danny H. Stevenson, Tommy Stevenson, Pardee Royalty, LLC, Pardee Minerals, LLC, White Wolfe Energy, Inc., & Shannon Dean Joyce. Unit V46. Docket Number VGOB 98-1020-0690-02.

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

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, 1B, and a portion of 2B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Buckhorn Coal Company, Anita Helton, Norma Jean Street, Connie Torres, Nancy Tiller, Christine Lester, Lucas Blankenship & Dorothy Dotson; (3) Dismissal of coal owner: Buckhorn Coal Company. Unit AY107. Docket Number VGOB 01-0821-0913-01.

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

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 Tracts 2B & 4, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the parties of the prevailing plaintiffs: Paul Eugene Richardson, Shelby Ruth Richardson & Loretta Mae Richardson, and authorization to begin paying royalties directly to the party that was previously identified as "unlocatable" Clarence Randall McGlothlin. Unit EE35. Docket Number VGOB 02-0820-1056-01.

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

7. 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 1B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Buckhorn Coal Company, Lowie Perkins, Ernest & Nancy Perkins; (3) Dismissal of Coal owner: Buckhorn Coal Company. Unit AZ110. Docket Number VGOB 02-0917-1070-04.

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

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 2A & 2B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Mattie Marie Shortridge, Anna Mae Pack, Harrison-Wyatt, LLC, Wesley D. Hatfield, Judy Jenkins Rollins, Harry Hatfield, Arvil Blankenship, Jr., Peggy Phillips, Patricia A. Key, Lynda G. Mooney, Elizabeth Santos, Micky Hale, Ronnie Christopher Hale, Roy R. Shortridge, Linda C. Hale, Joann Lambert & Jennie Martin. Unit AX102. Docket Number VGOB 03-0318-1127-02.

The docket item was withdrawn.

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 1C, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Swords Creek Land Partnership, Daniel Lee Keen, Raymond Slate, Jr., Ralph Roten, Donald Myers, James Alan Myers, Jean H. Miller, Stanley E. Keen; (3) Dismissal of Coal Owner: Swords Creek Land Partnership. Unit AX124. Docket Number VGOB 03-1118-1226-03.

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

10. 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, 1B, 1C, 1D, 1E, 1F, 1H, 1I, 1J, 1K, 1L & 1M, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Gent Enterprises LLP, Otis J. Fields, et ux, Anita Helton, Norma Jean Street, Connie Torres, Nancy Tiller, Christine Lester, Lucas Blankenship, Dorothy Dotson, Hazel Goad, Patricia Hurt, Barbara Adams, Robert C. Fields, Diane Fields & Maggie Lee Dye; (3) Dismissal of Coal Owner: Buckhorn Coal Company. Unit AZ109. Docket Number VGOB 03-1118-1227-02.

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

11. 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 999, 999A, 1H, 3A, 3B, 3C, 3E & 3F, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Catherine Caldwell, Buckhorn Coal Company, Cathy Ward, Claude E. Dye, Doris E. Corns, Rita Hess, Deborah Hess, Jeffrey Dye, Doris Dye, Dolphas Dye, Cecil Dye, Connie Richardson, Danny Lee Dye, Wanda S. Richardson, Ronnie Dye, Michael Whited, Ferrell Whited, Herald Whited, Marty Whited & Melissa Skeens; (3) Dismissal of Coal owner: Buckhorn Coal Company. Unit AZ112. Docket Number VGOB 03-1216-1240-02.

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

12. 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 1D, 1E, 1F, 1G & 1I, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to James P. Blankenship, Gent Enterprises, LLP, Anita Helton, Norma Jean Street, Connie Torres, Nancy Tiller, Christine Lester, Lucas Blankenship, Dorothy Dotson, Otis Fields, & Patricia Hurt; (3) Dismissal of Coal Owner: Buckhorn Coal Company. Unit AZ108. Docket Number VGOB 04-0217-1256-02.

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

13. A petition from CNX Gas Company, LLC, for 1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to a portion of Tracts 3B, 3C, 3E, 3F & 3G, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Anita Helton, Norma Jean Street, Connie Torres, Nancy Tiller, Christine Lester, Lucas Blankenship, Dorothy Dotson, Otis Fields, Patricia Hurt, Barbara Adams & Evelyn Nygaard. (3) Dismissal of coal owner: Buckhorn Coal Company. Unit BA108. Docket Number VGOB 04-0217-1257-02.

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

14. 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 1D, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Kenneth & Kathy Street. Unit AV101. Docket Number VGOB 04-0921-1328-01.

The docket item was approved. The account will continue. Authorization for direct payment of royalties. The checks for Kenneth and Kathy Street are to be made out to Kenneth and Kathy Street, C/O T. Shea Cook, and mailed to T. Shea Cook, P. C.

15. 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 4, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Swords Creek Land Partnership and Buckhorn Coal Company. Unit BF118. Docket Number VGOB 04-1019-1348-01.

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

16. A petition from EnerVest Operating, LLC, for a 90 day extension request from April 1, 2016, in order to properly disburse escrowed funds from certain units. Docket Number VGOB 16-0315-4087.

The docket item was approved.

17. A petition from EnerVest Operating, LLC, for (1) Modification of the Nora Coalbed Methane Gas Field Rules, to allow one additional coalbed gas well to be drilled within each of the 58.77 acre Nora units identified hereto. (2) For an administrative order providing that additional well permits may be issued in the Nora Field after this application is filed and while it is pending. Units 78AQ, 79AQ, 80AQ, 78AR, 79AR, 80AR, 78AS, 79AS, 80AS, 61BC, 58BD, 59BD, 60BD, 61BD, 64BD, 58BE, 59BE, 60BE, 61BE, 58BF & 35BQ. Docket Number VGOB 89-0126-0009-86.

The docket item was approved. Gus Janson with EnerVest testified to the Board that unit 35BQ will not be included in this request.

18. A petition from EnerVest Operating, LLC, to withdraw the previously approved petition, originally submitted by EQT Production Company, and heard by the Board on June 17, 2014. Unit VC-702966. Docket Number VGOB 94-0816-0467-04.

This item was originally heard utilizing the 03 docket number, however, the correct docket number is the 04. The Board voted to hold the 04 Disbursement Order and not distribute until after a court case is resolved.

19. A petition from EnerVest Operating, LLC, to disburse funds from the escrow account for Well V-550323, to all known owners in Tract 1. Unit V-550323. Docket Number VGOB 03-1021-1215-01.

The docket item was continued to April, 2016.

20. A petition from EnerVest Operating, LLC, requesting the Virginia Gas and Oil Board to enter an order re-pooling all unleased interest or estates of all persons or entities owning oil, gas and coalbed methane interests in the formations underlying the tracts encompassed by the drilling unit supporting Well Numbers 536593 and 538606. Unit BU-42. Docket Number VGOB 07-1016-2050-01.

The docket item was approved.

21. A petition from EnerVest Operating, LLC, to disburse funds and authorization for direct payment of royalties on behalf of all known owners in Tracts 3, 4, 5, 6, 7, 8 and 9. Unit VC-537811. Docket Number VGOB 08-0415-2205-01.

The docket item was approved. The account will continue. Authorization for direct payment of royalties. This item was originally brought before the Board by EQT Production Company on September 16, 2014. Two parties on the petition did not submit W-9 forms to the bank and were unable to be paid out of the account. EnerVest brought back before the Board to remove the two parties (Dean Defraties and the Heirs of Loretta Bartley) from the petition and place them back on the Exhibit E and continue to escrow their money until they provide a W-9 form to the bank.

22. A petition from EnerVest Operating, LLC, requesting the Virginia Gas and Oil Board to enter an order re-pooling all unleased interests or estates of all persons or entities owning oil, gas and coalbed methane interests in the formations underlying the tracts encompassed by the drilling unit supporting Well Numbers 536421 and 538674. Unit BU-41. Docket Number VGOB 08-0415-2211-01.

The docket item was approved.

23. A petition from EnerVest Operating, LLC, requesting the Virginia Gas and Oil Board to enter an order re-pooling all unleased interest or estates of all persons or entities owning oil, gas and coalbed methane interests in the formations underlying the tracts encompassed by the drilling unit supporting Well Numbers 536422 and 538743. Unit BV-41. Docket Number VGOB 08-0520-2228-01.

The docket item was approved.

24. A petition from EnerVest Operating, LLC, to disburse funds from the escrow account for well VC-536636, to all known owners in Tract 2. VGOB 09-1117-2635-02. Unit VC-536636. Docket Number VGOB 09-1117-2635-02.

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

25. A petition from EnerVest Operating, LLC, for pooling of Well No. VCI-538558, New Garden District, Russell County, Virginia. Docket Number VGOB 16-0315-4088.

The docket item was approved.

26. A petition from EnerVest Operating, LLC, for pooling of Well No. VCI-531502, New Garden District, Russell County, Virginia. Docket Number VGOB 16-0315-4089.

The docket item was approved.

27. The Board received an update of Board and Division activities from the staff.

Mr. Cooper updated the Board on the amount of disbursements that have taken place as to date. Mr. Cooper also updated the Board on the division's attempt to contact people whose funds are to be escheated in the future. Chairman Lambert announced that the May 2016 VGOB Hearing has been changed to Tuesday, May 10, 2016.

28. The Board reviewed the February 2016 minutes for approval.

The docket item was approved. Ms. Rita Surratt and Ms. Mary Quillen spoke about the nominations for the STEM (Science, Technology, Engineering & Mathematics) program and the awards that are to be presented next month in Richmond.

The hearing adjourned at 12:42 p.m.