

COMMONWEALTH OF VIRGINIA  
VIRGINIA GAS AND OIL BOARD HEARINGS  
MINUTES MAY 20, 2014

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 20, 2014 at the Russell County Government Conference Center, 139 Highland Drive, Lebanon, Virginia.

Board members present were Bill Harris (Public Representative), Bruce A. Prather (Oil and Gas Industry Representative), Donnie W. Rife (Public Representative), Mary Addington Quillen (Public Representative), Rita Surratt (Public Representative)

Also present were Diane Davis (Division of Gas and Oil), Rick Cooper (Principal Executive to the Board), Sarah Gilmer (Division of Gas and Oil), Tristan W. Gillespie (Assistant Attorney General) and Matthew Gooch, Assistant Attorney General

1. The Board will receive public comments.

The petition was Accepted. Juanita Sneeuwjagt and Martha Guilliams provided comments related to unknowns/unlocatables and how more effort should be made to find them.

2. A petition from EQT Production Company for disbursement of funds and authorization for direct payment on behalf of known owners on tracts 2, 4, 5, 6, 7, 8, and 9. VGOB 97-05-20-0586. Docket Number VGOB 97-0520-0586-01. Continued from March 2014.

The petition was Continued to June, 2014. Continuance requested by the applicant.

3. A petition from EQT Production Company for the disbursement of funds and authorization for direct payment on behalf of the known owners on Tracts 1, 2, 3, 4, and 6 in Well VC-504637. VGOB 01-10-16-0968. Docket Number VGOB 01-1016-0968-05.

The petition was Continued to June, 2014. Continuance requested by the applicant.

4. A petition from EQT Production Company for disbursement of funds and authorization for direct payment on behalf of Stephen Mullins as to Tracts 3 and 4 in Well VC-537113, VGOB 07-05-15-1934 in Dickenson County, VA. Docket Number VGOB 07-0515-1934-03.

The petition was Continued to June, 2014. Continuance requested by the applicant.

5. A petition from EQT Production Company for disbursement of funds and authorization for direct payment on behalf of Stephen Mullins as to Tracts 1 and 2 in Well VC-537108, VGOB 09-04-21-2515 in Dickenson County, VA. Docket Number VGOB 09-0421-2515-04.

The petition was Continued to June, 2014. Continuance requested by the applicant.

6. A petition from EQT Production Company for the disbursement of funds and authorization for direct payment on behalf of the known owners on tracts 1, 2, and 3 in Well VC-702966. VGOB 94-08-16-0467. Docket Number VGOB 94-0816-0467-03.

The petition was Continued to June, 2014. Continuance requested by the applicant.

7. A petition from EQT Production Company for the disbursement of funds and authorization for direct payment on behalf of the known owners on tracts 3, 4, 9, and 10 in Well VC-503042. VGOB 04-12-14-1373. Docket Number VGOB 04-1214-1373-05.

The petition was Continued to June, 2014. Continuance requested by the applicant.

8. A petition from EQT Production Company for the disbursement of funds and authorization for direct payment on behalf of the known owners on tracts 2 and 3 in Well VC-704511. VGOB 00-06-20-0813. Docket Number VGOB 00-0620-0813-03.

The petition was Continued to June, 2014. Continuance requested by the applicant.

9. A petition from EQT Production Company for the disbursement of funds and authorization for direct payment on behalf of all known owners as to Tract 5 in Well VC-2975, VGOB 97-07-15-0593. Docket Number VGOB 97-0715-0593-03.

The petition was Continued to June, 2014. Continuance requested by the applicant.

10. A petition from EQT Production Company for disbursement of funds and authorization for direct payment on behalf of Lois Phillips, Virginia Turner, James A Counts, Marvin Counts, Glenda Sue Taylor and Hancle Counts as to Tract 4 in Well VC-702835, VGOB 98-03-24-0642 in Russell County, VA. Docket Number VGOB 98-0324-0642-04.

The petition was Continued to June, 2014. Continuance requested by the applicant.

11. A petition from EQT Production Company for disbursement of funds and authorization for direct payment on behalf of the known owners on Tracts 1 and 3 in Well VC-505241. VGOB 04-08-17-1325. Docket Number VGOB 04-0817-1325-04.

The petition was Continued to June, 2014. Continuance requested by the applicant.

12. A petition from CNX Gas Company, LLC for Unit AX110, Garden District, Russell Co., VA. for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 4 & 7 as depicted upon the annexed Table 1; and (2) Vacate current order due to all parties being leased and all conflicts resolved. Docket Number VGOB 01-0320-0872-02.

The petition was Granted. Close account. Vacate order.

13. A petition from CNX Gas Company, LLC for Unit AW112, Honaker Quadrangle, Buchanan and Russell County, VA for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 4 & 5 as depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Buckhorn Coal Company and Gent Enterprises, LLC; Buckhorn Coal Company and CNX Gas Company LLC. Docket Number VGOB 01-0116-0856-01.

The petition was Granted. Account continues. Authorization for direct payment of royalties.

14. A petition from CNX Gas Company, LLC fo Unit AX111, Honaker Quadrangle, Russell County, VA for (1) Division of Tract 1 due to a title update resulting in two tracts labeled on the revised Exhibit A ("Plat") and Tract Identification Page as Tract 1 and new Tract 5; and (2) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 1, 4, & 5 as depicted upon the annexed Table 1; and (3) authorization to begin paying royalties directly to the parties to the royalty split between Buckhorn Coal Company and Gent Enterprises, LLC; Buckhorn Coal Company and CNX Gas Company LLC. Docket Number VGOB 01-0320-0873-02.

The petition was Granted. Account continues. Authorization for direct payment of royalties.

15. A petition from CNX Gas Company, LLC for Unit AY110, Honaker Quadrangle, Russell County, VA for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 3 & 7 as depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Buckhorn Coal Company and Gent Enterprises, LLC. Docket Number VGOB 01-0320-0875-02.

The petition was Granted. Account continues. Authorization for direct payment of royalties.

16. A petition from CNX Gas Company, LLC for Unit DD28, Keen Mountain Quadrangle, Buchanan County, VA for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to a portion of Tract(s) 1 and 4 as depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Torch Oil & Gas Company and Faith Helbing, Anna Willis, Patricia Graves, Anna Ambellan, Barbara Roberts, David Walker, Roby Hylton & Cleo Moreland; Coal Mountain Mining Company Limited Partnership and Ricky B. Rose, Charline Henderhan, Charles Sisk, & Keith Sisk. Docket Number VGOB 01-0918-0921-03.

The petition was Granted. Account continues. Authorization for direct payment of royalties.

17. A petition from CNX Gas Company, LLC for Unit X10, Vansant Quadrangle, Buchanan County, VA for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 2C as depicted upon the annexed Table 1. (Royalties currently being paid under VP8SGU3, VGOB 06-0321-1598) (2) Vacate current order due to all parties being leased and all conflicts resolved. Docket Number VGOB 90-0905-0014-03.

The petition was Granted. Account closed.

18. A petition from CNX Gas Company, LLC for Unit X20, Vansant Quadrangle, Buchanan County, VA for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 6 & 7 as depicted upon the annexed Table 1. (Royalties currently being paid under VP8SGU1, VGOB 95-1024-0526) . Docket Number VGOB 92-0721-0235-01.

The petition was Granted. Account continues, royalties being paid into VP8SGU1, Docket Number VGOB 92-0721-0235-01.

19. A petition from CNX Gas Company, LLC for Unit X37, Keen Mountain Quadrangle, Buchanan County, VA for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 1C & 1D as depicted upon the annexed Table 1 and (2) authorization to begin paying royalties directly to the parties to the royalty split between Hurt McGuire Land Trust and Donald Ray Young and (3) Division of Tract 1A due to a title update resulting in two tracts labeled on the revised Exhibit A ("Plat") and Tract Identification Page as Tract 1A and new Tract 1H. Docket Number VGOB 98-0324-0633-01.

The petition was Granted. Account continues. Authorization for direct payment of royalties.

20. A petition from CNX Gas Company, LLC for Unit AY111, Honaker Quadrangle, Russell County, VA for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 3 as depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Buckhorn Coal Company and Gent Enterprises, LLC. Docket Number VGOB 01-0320-0876-01.

The petition was Granted. Account continues. Authorization for direct payment of royalties.

21. A petition from CNX Gas Company, LLC for Unit AW111, Honaker Quadrangle, Buchanan and Russell Counties for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 3 as depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Buckhorn Coal Company and Gent Enterprises, LLC. Docket Number VGOB 01-0320-0871-02.

The petition was Granted. Account continues. Authorization for direct payment of royalties.

22. A petition on behalf of T. Shea Cook, Attorney for Link Smith appealing the decision of the Director issued on January 22, 2014, for IFFH 227 regarding an application from CNX Gas Company for proposed well TA-131 w/PL, located in Maiden Springs Magisterial District, Tazewell County, Virginia. Docket Number VGOB 14-0318-4036.

The petition was Continued to June, 2014. Continuance requested by the applicant.

23. A petition on behalf of T. Shea Cook, Attorney for Link Smith appealing the decision of the Director issued on January 22, 2014, for IFFH 228 regarding an application from CNX Gas Company for proposed well TA-144 w/PL, located in Maiden Spring Magisterial District, Tazewell County, Virginia. Docket Number VGOB 14-0318-4037.

The petition was Continued to June, 2014. Continuance requested by the applicant.

24. A petition from CNX Gas Company, LLC for Pooling of Unit BB132 under the Middle Ridge I Coalbed Methane Gas Field Order Richlands Quadrangle, Tazewell County, VA. Docket Number VGOB 14-0520-4045.

The petition was Granted. No escrowing required.

25. A petition from CNX Gas Company, LLC for Pooling of Unit AA55 under the Oakwood Coalbed Methane Gas Field I Rules, Jewell Ridge Quadrangle, Tazewell County, VA. Docket Number VGOB 14-0520-4046.

The petition was Granted. Escrowing required.

26. A petition from CNX Gas Company, LLC for re-pooling of Unit B33 under Oakwood Field 1, Patterson Quadrangle, Buchanan County, VA. Docket Number VGOB 12-0417-3049-01.

The petition was Continued to June, 2014. Continuance requested by the applicant.

27. A petition from CNX Gas Company, LLC for re-pooling. Unit B41, Bradshaw Quadrangle, Buchanan County, VA. Docket Number VGOB 12-0417-3051-01.

The petition was Granted. Escrowing required.

28. A petition from CNX Gas Company, LLC for re-pooling Unit ZZZ32, Patterson Quadrangle, Buchanan County, VA. Docket Number VGOB 12-0515-3065-01.

The petition was Granted. Escrowing required.

29. A petition from Range Resources-Pine Mountain petition for pooling of Well No. V-530126, Kenady District, Dickenson County, Virginia. Docket Number VGOB 14-0415-4040.

The petition was Granted. No escrowing required.

30. A petition from Range Resources-Pine Mountain petition for pooling of Well No. V-530394, Gladeville District, Wise County, Virginia. Docket Number VGOB 14-0415-4041.

The petition was Granted. Escrowing required.

31. A petition from Range Resources-Pine Mountain for pooling of Well No. V-530350, Kenady District, Dickenson County, Virginia. Docket Number VGOB 14-0415-4042.

The petition was Granted. Escrowing required.

32. A petition from Range Resources-Pine Mountain petition for pooling of Well No. 900137, Prater District, Buchanan County, Virginia. Docket Number VGOB 14-0415-4043.

The petition was Granted. Escrowing required.

33. A petition from Range Resources-Pine Mountain petition for a Well Location Exception for Well No. V-530377, Kenady District, Dickenson County, Virginia. Docket Number VGOB 14-0415-4044.

The petition was Granted/Modification. Need revised Exhibit B with correct well depth.

34. A petition from Range Resources-Pine Mountain for pooling of Well No. V-530387, Gladeville District, Wise County, Virginia. Docket Number VGOB 14-0520-4047.

The petition was Granted. Escrowing required.

35. A petition from Range Resources-Pine Mountain for pooling of Well No. V-530349, Kenady District, Dickenson County, Virginia. Docket Number VGOB 14-0520-4048.

The petition was Granted. No escrowing required.

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

The petition was Accepted. Rick Cooper discussed the upcoming audit and that one bid was received from Robinson, Farmer and Cox Associates. The review committee requested that the bidder address their bid and remove \$14,000.00, for the model validation. This was not distributed to the Board Members until Monday, May 19, 2014. Mary Quillen suggested that the Board postpone the approval until Chairman Lambert returns and they have an opportunity to reiew the proposed changes.

37. The Board will review the March 2014 minutes for approval.

The petition was Approved. The Board approved the March 2014 minutes.

The hearing adjourned at 12:15 p.m.