

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EQT Production Company

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 09-1215-2646-01

**RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) A portion of 5
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES**

HEARING DATE: January 15, 2013

DRILLING UNIT: 536336

BUCHANAN COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is EQT Production Company, 225 North Shore Drive, Pittsburgh, PA 15212, (412)553-5700. Petitioner's counsel is James Kaiser, Wilhoit and Kaiser Law Firm, 220 Broad Street, Suite 210, Kingsport, TN 37660 .

2. Relief Sought

Supplemental Order for Disbursement of Escrowed Funds on behalf of Otis Gilbert and Edna Gilbert for Drilling Unit Number VC-536336 created by Board Order Dated 02/09/2010 VGOB 09/12/15-2646 in Buchanan County, Virginia. Requesting disbursement of escrowed funds for interest Otis and Edna Gilbert hold in Tract 5 of Drilling Unit Number VC-539896 located in Hurricane District of Buchanan County.

3. Legal Authority

Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. Type of Well(s)

Coalbed Methane

5. Factual basis for relief requested

Permanent Release of CBM Royalty letter dated November 26, 2012 from Range Resources-Pine Mountain, signed by Phil Horn, Land Manager, waiving any claim to past or future royalties attributable to Otis Gilbert and Edna Gilbert for coalbed methane gas interests on the R. W. Gilbert 65 acre tract. This is listed as Tract 5 on the plat for Well VC-536336.

6. Attestation

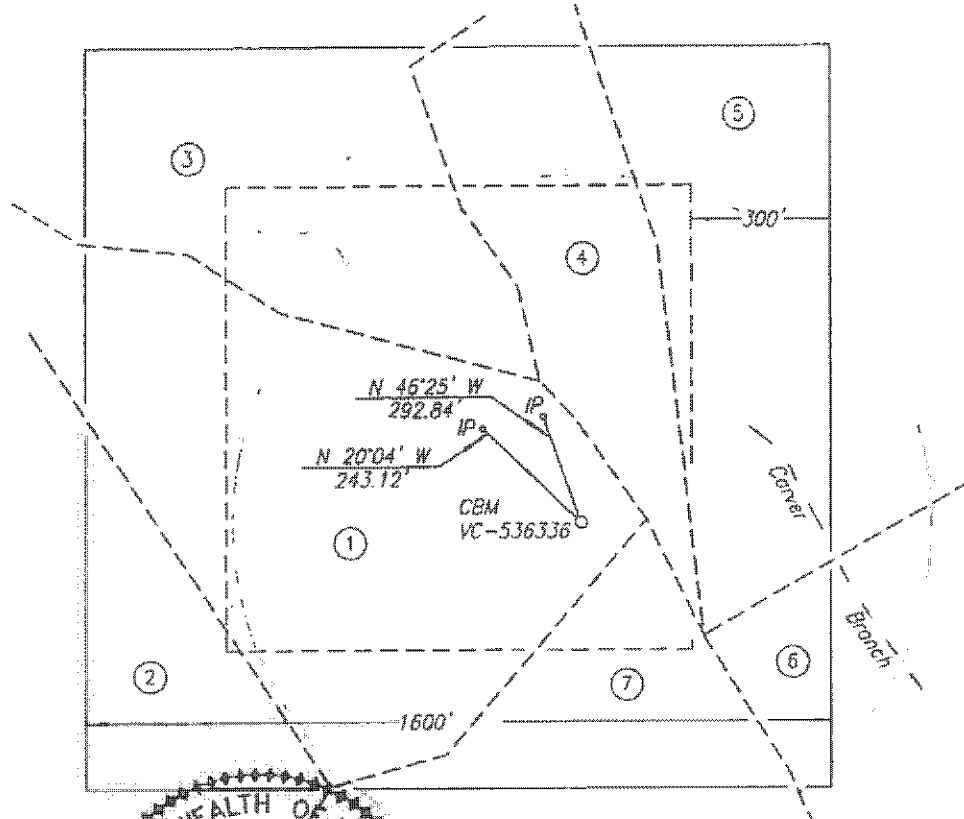
The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

Well Coordinates: (Geographic N27)
37.122676° -82.141505°

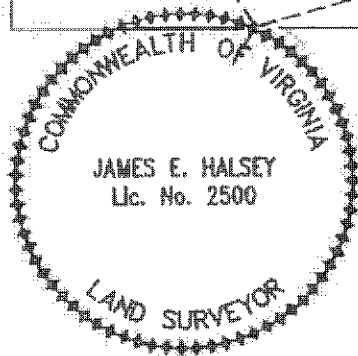
Latitude 37° 07' 30"

+

Note: See Attached Tract
Ownership Information Schedule



Longitude 82° 07' 30"



Well Coordinates: (VA St. Plane S. Zone,
NAD 83)
N 3,588,735.88 E 10,421,544.71

Well Coordinates: (VA St. Plane S. Zone,
NAD 27 Calculated from NAD 83)
N 307,858 E 938,559

Well Coordinates: (Clinchfield Coal Co.)
N 8,274.54 E 70,563.42

NOTE: Property Info
Provided by EPC

Well elevation determined by GPS
survey from HARN Monument P-424

Area of Unit = 58.77 Ac.

WELL LOCATION PLAT (Nora Grid AV-81)

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-536336
 TRACT NO. Is. No. 906889/TC-224 ELEVATION 2,121.83' QUADRANGLE Duty
 COUNTY Buchanan DISTRICT Hurricane SCALE 1" = 400' DATE 9-26-2008

This Plat is a new plat x; an updated plat _____; or a final location plat _____

+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

James E. Halsey
Licensed Professional Engineer or Licensed Land Surveyor

VC-536336

TRACT OWNERSHIP INFORMATION SCHEDULE

9/26/2008

- 1 . Lease No. 906889 / TC-224
John H. Duty
321.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - (CBM)
Unleased
R. W. & Mary Gilbert Heirs, et al - surface, oil & gas (CBM)
P/O 65 Acres
Gas 18.57 Ac. 31.60%

- 2 . Lease No. 906889 / TC-224
John H. Duty
321.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - (CBM)
Unleased 909219
Joyce Ornduff - oil & gas (CBM)
28 Acres
Gas 4.86 Ac. 8.27%

- 3 . Lease No. 241909L
Geneva Owens (Life Estate) - oil & gas (CBM)
Lease No. 241909L
Gary Roger Hurley and Agnes Hurley (Remainder) - oil & gas (CBM)
98 Acres
Lease No. 906889 / TC-224
John H. Duty
321.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - (CBM)
Gas 10.44 Ac. 17.76%

- 4 . Lease No. 906889 / TC-224
John H. Duty
321.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - (CBM)
Unleased
Roger Hurley, et al - surface, oil & gas (CBM)
8 Acres
Gas 7.44 Ac. 12.66%

- 5 . Lease No. 906889 / T-595
L.D. Jackson
100.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - oil, gas & CBM
Gas 10.13 Ac. 17.24%
- 6 . Lease No. 906889 / T-598
J. R. Lester
125.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - oil, gas & CBM
Gas 1.81 Ac. 3.08%
- 7 . Lease No. 906889 / TC-224
John H. Duty
321.00 Acres
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Range Resources-Pine Mountain, Inc. - (CBM)
Lease No. 907162
Michael Carson Price - oil & gas (CBM)
70.72 Acres (p/o 107 acres)
Gas 5.52 Ac. 9.39%

SUPPLEMENT "B"
VC-536336
 Revised 02/23/11

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
<u>GAS ESTATE ONLY</u>						
1	Roger Hurley and Agnes Hurley, h/w 5428 Murphy Road Vansant, VA 24656	Leased 917038	8.070750%	4.743000	0.01008844	RI
	Tina Hurley 5428 Murphy Road Vansant, VA 24656	Leased 917038	1.424250%	0.837000	0.00178031	RI
	EQT Production				0.08308125	WI
Tract 1 Totals			<u>9.495000%</u>	<u>5.580000</u>	<u>0.09495000</u>	
2	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T-595	17.240000%	10.130000	0.02155000	RI
	EQT Production				0.15085000	WI
Tract 2 Totals			<u>17.240000%</u>	<u>10.130000</u>	<u>0.17240000</u>	
3	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T-598	3.080000%	1.810000	0.00385000	RI
	EQT Production				0.02695000	WI
Tract 3 Totals			<u>3.080000%</u>	<u>1.810000</u>	<u>0.03080000</u>	
4	Michael Carson Price P.O. Box 27 Davenport, VA 24239	Leased 907162	9.390000%	5.520000	0.01173750	RI
	EQT Production				0.08216250	WI
Tract 4 Totals			<u>9.390000%</u>	<u>5.520000</u>	<u>0.09390000</u>	
5	<u>R.W. & Mary Gilbert Heirs, et al.</u>					
	Imogene Boyd P.O. Box 2366 Lebanon, VA 24266	Leased 910915	0.802540%	0.471619	0.00100317	RI
	Donnie C. Turner and Shelia Turner, h/w 6124 Windsor Dr. Columbus, GA 31908	Leased	0.401270%	0.235810	0.00050159	RI
	Kathleen Boyd Caskey 2216 Rustic Road Dayton, OH 45405	Leased 910915	0.802540%	0.471619	0.00100317	RI
	Arlene Deel 2184 Greenbriar Road Haysi, VA 24256	Unleased	11.536508%	6.779524	0.01442063	RI

	Arthur F. Boyd 1523 Indian Grave Gap Road Vansant, VA 24656	Leased 910915	0.802540%	0.471619	0.00100317	RI
	Amanda Brooke Robinette c/o Ginger Robinette 2480 Horton Ridge Road Swords Creek, VA 24649	Leased 910915	0.802540%	0.471619	0.00100317	RI
	Beth Eversman and David A. Eversman (w/h) P.O. Box 8682 Columbus, GA 31908	Unleased	0.401270%	0.235810	0.00050159	RI
	Otis Shey Gilbert and Edna Gilbert (h/w) 1824 Hollow Poplar Road Davenport, VA 24239	Leased 910915	12.038095%	7.074286	0.01504762	RI
	LeRoy Trivett Unknown/Unlocatable	Unleased	2.006349%	1.179048	0.00250794	RI
	James Trivett Unknown/Unlocatable	Unleased	2.006349%	1.179048	0.00250794	RI
	EQT Production				0.27650000	WI
Tract 5 Totals			31.600000%	18.570000	0.31600000	
6	MGM Methane Corp. Attn: James Rasnake P.O. Box 830 Grundy, VA 24614	Leased 909219	8.270000%	4.860000	0.01033750	RI
	EQT Production				0.07236250	WI
Tract 6 Totals			8.270000%	4.860000	0.08270000	
7	Geneva Owens (Life Estate) 193 Don Stevens Drive Honaker, VA 24260-7265	Leased 241909	17.760000%	10.440000	0.02220000	RI
	Roger Hurley and Agnes Hurley, h/w 5428 Murphy Road Vansant, VA 24656 (Remainder)					
	EQT Production				0.15540000	WI
Tract 7 Totals			17.760000%	10.440000	0.17760000	
Total Gas Estate			96.835000%	56.910000	0.96835000	
	Percentage of Unit Leased		80.884524%			
	Percentage of Unit Unleased		15.950476%			
	Acreage in Unit Leased			47.5365710		
	Acreage in Unit Unleased			9.373429		

COAL ESTATE ONLY

1	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham	Leased 906889	3.165000%	1.860000	0.00395625	RI
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P.O. Box 2136 TC-224
 Abingdon, VA 24212

Tract 1 Totals		EQT Production			0.02769375	WI
			3.165000%	1.860000	0.03165000	
2	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T-595	17.240000%	10.130000	0.02155000	RI
Tract 2 Totals		EQT Production			0.15085000	WI
			17.240000%	10.130000	0.17240000	
3	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T-598	3.080000%	1.810000	0.00385000	RI
Tract 3 Totals		EQT Production			0.02695000	WI
			3.080000%	1.810000	0.03080000	
4	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	9.390000%	5.520000	0.01173750	RI
Tract 4 Totals		EQT Production			0.08216250	WI
			9.390000%	5.520000	0.09390000	
5	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	31.600000%	18.570000	0.03950000	RI
Tract 5 Totals		EQT Production			0.27650000	WI
			31.600000%	18.570000	0.31600000	
6	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	8.270000%	4.860000	0.01033750	RI
Tract 6 Totals		EQT Production			0.07236250	WI
			8.270000%	4.860000	0.08270000	
7	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	17.760000%	10.440000	0.02220000	RI
Tract 7 Totals		EQT Production			0.15540000	WI
			17.760000%	10.440000	0.17760000	
Total Coal Estate			90.505000%	53.190000	0.90505000	
Percentage of Unit Leased			100.000000%			
Percentage of Unit Unleased			0.000000%			
Acreage in Unit Leased				58.770000		
Acreage in Unit Unleased				0.000000		

EXHIBIT "E"
VC-536336
Revised 12/03/2012

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Gas Estate Only</u>				
4	Michael Carson Price P.O. Box 27 Davenport, VA 24239	Leased 907162	9.390000%	5.520000
5	<u>R.W. & Mary Gilbert Heirs, et al.</u>			
	Imogene Boyd P.O. Box 2366 Lebanon, VA 24266	Leased 910915	0.802540%	0.471619
	Donnie C. Turner and Shelia Turner, h/w 6124 Windsor Dr. Columbus, GA 31908	Leased	0.401270%	0.235810
	Kathleen Boyd Caskey 2216 Rustic Road Dayton, OH 45405	Leased 910915	0.802540%	0.471619
	Arlene Deel 2184 Greenbriar Road Haysi, VA 24256	Unleased	11.536508%	6.779524
	Arthur F. Boyd 1523 Indian Grave Gap Road Vasant, VA 24656	Leased 910915	0.802540%	0.471619
	Amanda Brooke Robinette c/o Ginger Robinette 2480 Horton Ridge Road Swords Creek, VA 24649	Leased 910915	0.802540%	0.471619
	Beth Eversman and David A. Eversman (w/h) P.O. Box 8682 Columbus, GA 31908	Unleased	0.401270%	0.235810
	LeRoy Trivett Unknown/Unlocatable	Unleased	2.006349%	1.179048

James Trivett Unknown/Unlocatable	Unleased	2.006349%	1.179048
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TOTAL		28.951905%	17.0157
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Coal Estate Only

4	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	9.390000%	5.520000
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5	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	19.561905%	11.495714
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TOTAL		28.951905%	17.0157
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EXHIBIT "EE"
VC-536336
Revised 12/03/2012

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Gas Estate Only</u>				
1	Roger Hurley and Agnes Hurley, h/w 5428 Murphy Road Vansant, VA 24656	Leased 917038	8.070750%	4.743000
	Tina Hurley 5428 Murphy Road Vansant, VA 24656	Leased 917038	1.424250%	0.837000
6	MGM Methane Corp. Attn: James Rasnake P.O. Box 830 Grundy, VA 24614	Leased 909219	6.202500%	3.645000
7	Geneva Owens (Life Estate) 193 Don Stevens Drive Honaker, VA 24260-7265	Leased 241909	13.320000%	7.830000
	Roger Hurley and Agnes Hurley, h/w 5428 Murphy Road Vansant, VA 24656 (Remainder)			
	TOTAL		29.017500%	17.055000
<u>Coal Estate Only</u>				
1	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	3.165000%	1.860000
6	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 TC-224	2.067500%	1.215000
7	Range Resources-Pine Mountain, Inc Attn: Jerry Grantham	Leased 906889	4.440000%	2.610000

P.O. Box 2136
Abingdon, VA 24212

TC-224

TOTAL	9.672500%	5.685000
Total after 75/25 royalty Split Agreement	38.69000000%	22.740000

Disbursement 01

5	Otis Shey Gilbert and Edna Gilbert (h/w) 1824 Hollow Poplar Road Davenport, VA 24239	Leased 910915	12.038095%	7.074286
TOTAL			12.03809500%	7.074286

Pmt Date	Deck	Distrib		Own Net
		Dcmi	Dcmi	
5/11/2011		0.03315999	0.03316	49.77
5/11/2011		0.03315999	0.03316	62.75
5/11/2011		0.03315999	0.03316	22.82
5/11/2011		0.03315999	0.03316	248.76
5/11/2011		0.03315999	0.03316	79.57
5/11/2011		0.03315999	0.03316	193.53
5/11/2011		0.03315999	0.03316	196.71
5/11/2011		0.03315999	0.03316	231.34
5/11/2011		0.03315999	0.03316	95.83
5/11/2011		0.03315999	0.03316	138.81
5/11/2011		0.03315999	0.03316	175.24
5/11/2011		0.03315999	0.03316	61.1
5/11/2011		0.023675	0.02368	87.23
5/11/2011		0.023675	0.02368	110.58
5/11/2011		0.023675	0.02368	39.92
6/11/2011		0.023675	0.02368	84.61
6/11/2011		0.023675	0.02368	109.08
6/11/2011		0.023675	0.02368	37.34
7/13/2011		0.023675	0.02368	106.63
7/13/2011		0.023675	0.02368	90.79
7/13/2011		0.023675	0.02368	44.18
8/10/2011		0.023675	0.02368	87.56
8/10/2011		0.023675	0.02368	103.26
8/10/2011		0.023675	0.02368	41.92
9/12/2011		0.023675	0.02368	86.25
9/12/2011		0.023675	0.02368	105.37
9/12/2011		0.023675	0.02368	42.28
10/12/2011		0.023675	0.02368	85.34
10/12/2011		0.023675	0.02368	42.37
10/12/2011		0.023675	0.02368	102.15
11/10/2011		0.023675	0.02368	69.18
11/10/2011		0.023675	0.02368	83.31
11/10/2011		0.023675	0.02368	36.75
12/9/2011		0.023675	0.02368	31.56
12/9/2011		0.023675	0.02368	66.91
12/9/2011		0.023675	0.02368	86.83
1/17/2012		0.023675	0.02368	78.35
1/17/2012		0.023675	0.02368	59.75
1/17/2012		0.023675	0.02368	28.03
2/10/2012		0.023675	0.02368	57.22
2/10/2012		0.023675	0.02368	24.74
2/10/2012		0.023675	0.02368	76.45
3/12/2012		0.023675	0.02368	20.46
3/12/2012		0.023675	0.02368	50.14
3/12/2012		0.023675	0.02368	68.02
4/13/2012		0.023675	0.02368	35.02
4/13/2012		0.023675	0.02368	47.7
4/13/2012		0.023675	0.02368	13.33
5/11/2012		0.023675	0.02368	43.59
5/11/2012		0.023675	0.02368	33.57
5/11/2012		0.023675	0.02368	15.98
6/12/2012		0.023675	0.02368	11.09
6/12/2012		0.023675	0.02368	30.66
6/12/2012		0.023675	0.02368	23.56
7/11/2012		0.023675	0.02368	30.94
7/11/2012		0.023675	0.02368	24.18
7/11/2012		0.023675	0.02368	12.05
8/10/2012		0.023675	0.02368	40.81
8/10/2012		0.023675	0.02368	31.79
8/10/2012		0.023675	0.02368	15.79
9/12/2012		0.023675	0.02368	40.12
9/12/2012		0.023675	0.02368	17.63
9/12/2012		0.023675	0.02368	53.55
10/10/2012		0.023675	0.02368	18.29
10/10/2012		0.023675	0.02368	43.68
10/10/2012		0.023675	0.02368	58.92
11/9/2012		0.023675	0.02368	34.94
11/9/2012		0.023675	0.02368	43.83
11/9/2012		0.023675	0.02368	18.66

4540.47

	<u>Unit Name</u>	<u>Docket #</u>	<u>Unit Operator</u>	<u>Beginning Market</u> <u>Value</u>	<u>Deposit</u> <u>Type</u>	<u>Deposits</u>	<u>Money Mkt</u> <u>Interest</u>	<u>CDARS</u> <u>Interest</u>	<u>Fees for</u> <u>09/2012</u>	<u>Distributions</u>	<u>Audit Costs</u>	<u>Corrections*</u>	<u>Ending Market</u> <u>Value</u>
8002646	VC536336	2646	EQT	\$4,454.32		\$97.43	\$0.78	\$0.00	(\$0.37)		(\$0.44)		\$4,551.72