

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EQT Production Company

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 05-0920-1498-01

**RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 3
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES**

HEARING DATE: November 19, 2013

DRILLING UNIT: VC-536531

WISE 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

Petition for the disbursement of escrowed funds on behalf of Eva Mae Adkins for Tract 3 in Drilling Unit VC-536531, VGOB 05/09/20-1498.

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)

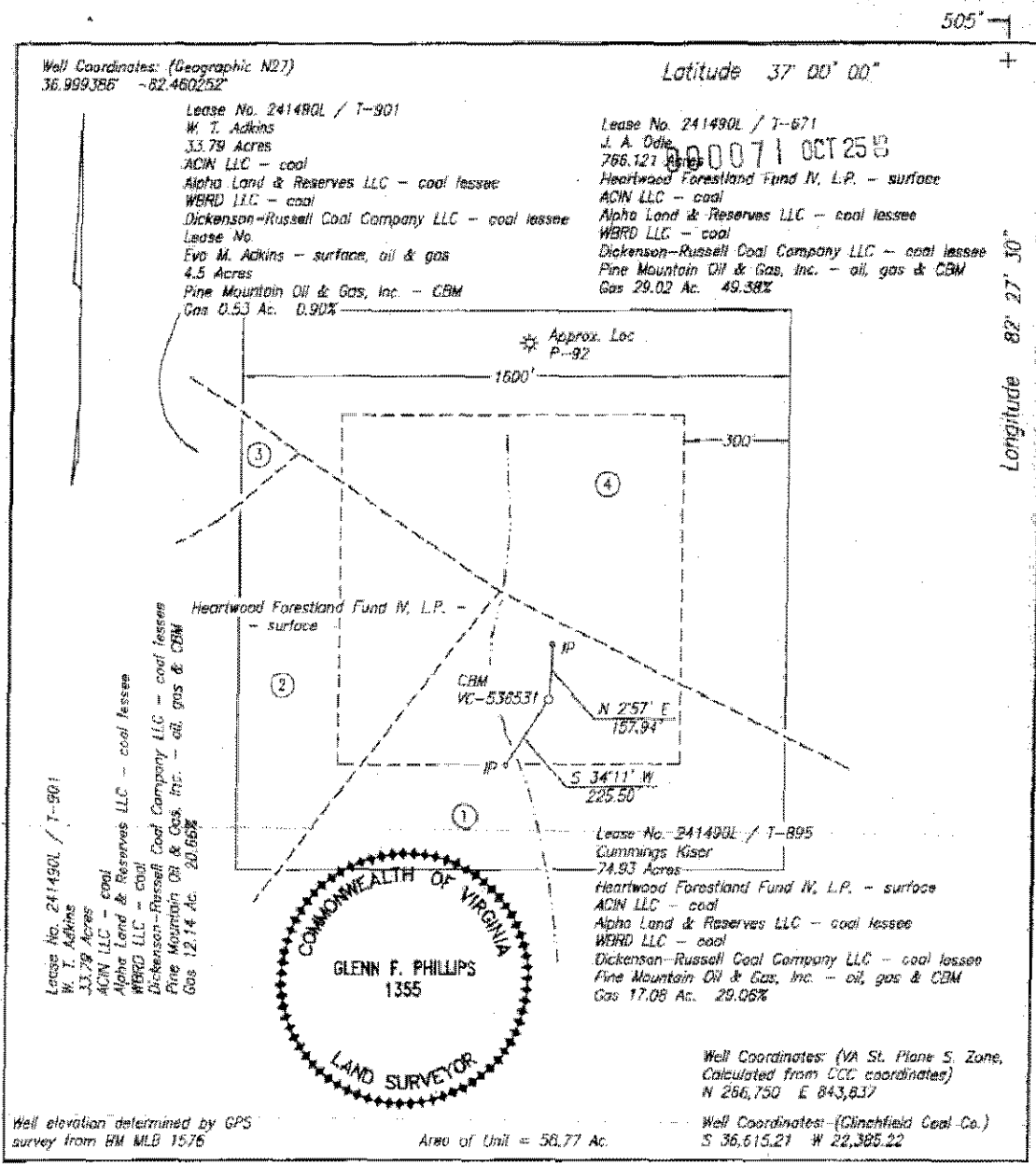
Coalbed Methane

5. Factual basis for relief requested

Range Resources-Pine Mountain was a conflicting claimant with Eva Mae Adkins with regard to Tract 3 as created by Board Order VGOB 05/09/20-1498. To resolve this conflict, an Order entered September 4, 2013 by the United States District Court for the Western District of Virginia is attached hereto which states that all monies in escrow and all past and future royalties belong to the Adkins. Case No. 1:11-cv-00031.

6. Attestation

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



COMPANY Equitable Production Company WELL NAME AND NUMBER VC-536531
 TRACT NO. T-895 ELEVATION 2,224.91' QUADRANGLE Coeburn
 COUNTY Wise DISTRICT Lias SCALE 1" = 400' DATE 8-12-2005

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.

Glenn F. Phillips
 Licensed Professional Engineer or Licensed Land Surveyor

EXHIBIT "B"
VC-536531
VGOB 05/09/20-1498

<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 ID 039465	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490L T-895	29.060000%	17.0800	0.03632500	RI
	Equitable Production Company				0.25427500	WI
Tract 1 Totals			29.060000%	17.0800	0.29060000	
2 ID 039465	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	T-901 241490L T-895	20.660000%	12.1400	0.02582500	RI
	Equitable Production Company				0.18077500	WI
Tract 2 Totals			20.660000%	12.1400	0.20660000	
3 ID 006061	Eva Mae Adkins P.O. Box 1966 Coeburn, VA 24230-1966	Unleased	0.900000%	0.5300	0.00112500	RI
	Equitable Production Company				0.00787500	WI
Tract 3 Totals			0.900000%	0.5300	0.00900000	
4 ID 13089	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490L Tract T2-261	49.380000%	29.0200	0.06172500	RI
	Equitable Production Company				0.43207500	WI
Tract 4 Totals			49.380000%	29.0200	0.49380000	
TOTAL GAS ESTATE			100.000000%	58.7700	1.00000000	

Coal Estate Only

1 ID 039465	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490L Tract T-895	29.060000%	17.0800	0.03632500	RI
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	Equitable Production Company				0.25427500	WI
Tract 1 Totals			29.060000%	17.0800	0.29060000	
2 ID 008736	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490L Tract T-901	20.660000%	12.1400	0.02582500	RI
	Equitable Production Company				0.18077500	WI
Tract 2 Totals			20.660000%	12.1400	0.20660000	
3 ID 008736	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490L Tract T-901	0.900000%	0.5300	0.00112500	RI
	Equitable Production Company				0.00787500	WI
Tract 3 Totals			0.900000%	0.5300	0.00900000	
4 ID 039480	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490L Tract T-671	49.380000%	29.0200	0.06172500	RI
	Equitable Production Company				0.43207500	WI
Tract 4 Totals			49.380000%	29.0200	0.49380000	
TOTAL COAL ESTATE			100.000000%	58.7700	1.00000000	

EXHIBIT "E"
VC-536531

N/A - All Interest Disbursed

EXHIBIT "EE"
VC-536531

<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>		
3	Eva Mae Adkins P.O. Box 1966 Coeburn, VA 24230-1966	Unleased	0.900000%	0.5300
	TOTAL SUBSEQUENT TO ORDER		0.900000%	0.5300

EXHIBIT J
VC-536531
VGOB 05/09/20-1498


Pmt Date	Pmt Amount
07/10/2007	\$29.86
10/12/2007	\$26.60
12/12/2007	\$15.88
03/10/2008	\$30.46
06/09/2008	\$35.43
08/07/2008	\$31.86
10/10/2008	\$31.30
12/10/2008	\$21.50
03/10/2009	\$25.62
09/10/2009	\$25.72
12/09/2009	\$10.31
01/13/2010	\$4.75
02/10/2010	\$4.28
03/09/2010	\$8.35
04/14/2010	\$5.37
05/10/2010	\$5.08
06/08/2010	\$3.61
07/13/2010	\$4.39
08/10/2010	\$4.19
09/10/2010	\$4.83
10/11/2010	\$4.90
11/11/2010	\$3.37
12/09/2010	\$3.60
01/13/2011	\$2.89
02/11/2011	\$4.22
03/11/2011	\$4.40
04/12/2011	\$3.71
05/11/2011	\$3.67
06/11/2011	\$3.96
07/13/2011	\$3.92
08/10/2011	\$4.16
09/12/2011	\$4.23
10/12/2011	\$4.31
11/10/2011	\$3.47
12/09/2011	\$3.41
01/17/2012	\$3.15
02/10/2012	\$3.01
03/12/2012	\$2.59
04/13/2012	\$1.89
05/11/2012	\$1.79
06/12/2012	\$1.30
07/11/2012	\$1.31
08/10/2012	\$1.66
09/12/2012	\$2.09
10/10/2012	\$2.28
11/09/2012	\$1.76
12/12/2012	\$2.18
01/10/2013	\$2.53
02/11/2013	\$2.89
03/13/2013	\$2.47
04/10/2013	\$2.05
05/10/2013	\$2.48
06/10/2013	\$2.77
07/08/2013	\$3.14
	\$430.95

536531 Escrow Agent Summary 07/2013

<u>Unit Name</u>	<u>Docket #</u>	<u>Unit Operator</u>	<u>Beginning Market Value</u>	<u>Deposit Type</u>	<u>Deposits</u>	<u>Money Mkt Interest</u>	<u>CDARS Interest</u>	<u>Fees for 06/2013</u>	<u>Distributio ns</u>	<u>Audit Costs</u>	<u>Corrections *</u>	<u>Ending Market Value</u>
VC536531	1498	EQT	\$429.84		3.14	0.07	0.00	(0.04)				433.01

CLERK'S OFFICE U.S. DIST. COURT
AT ABINGDON, VA
FILED

SEP 04 2013

JULIA C. DOOLEY, CLERK
BY: 
DEPUTY CLERK

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA

EVA MAE ADKINS, on behalf of herself and all
others similarly situated, :

Plaintiff, :

Case No. 1:11-cv-00031

v. :

EQT PRODUCTION COMPANY, et al., :

Defendants. :

ORDER

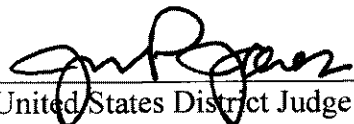
THIS CAUSE having come before the Court on Interpleader Defendant Range Resources - Pine Mountain, Inc.'s ("Range Resources") Motion for Judgment on the Pleadings, and by agreement of Plaintiff/Interpleader Defendant Eva Mae Adkins ("Adkins") and Defendant/Interpleader Plaintiff EQT Production Company ("EQT") the Court hereby:

1. Finds that Adkins is the owner of coalbed methane ("CBM") interests on the lands identified in Paragraph 10 of Adkins' Amended Class Action Complaint (Doc. No. 139) (the "Adkins Lands"), and Range Resources is not the owner of the CBM interests on the Adkins Lands;
2. Finds that the alleged conflicting claims to CBM royalties between Adkins and Range Resources is hereby resolved in favor of Adkins in accordance with Va. Code § 45.1-361.22;
3. Finds that the money denoted by EQT as the "Suspense Fund" in its Interpleader Complaint (Doc. No. 103) and deposited by EQT into the registry of the Court is the property of Adkins;

4. Finds that the money in the Virginia Gas and Oil Board's escrow account attributable to Adkins' interest is the property of Adkins;
5. Finds that Adkins is entitled to all past and future royalties, including money held in the Virginia Gas and Oil Board's escrow account attributable to her interest and the Suspense Fund, from EQT's production of CBM on the Adkins Lands; and
6. Having adjudicated the alleged conflicting claims identified by EQT to the CBM on the Adkins Lands, hereby orders the Clerk of Court to pay the Suspense Fund to Adkins within 30 days of entry of this Order, and directs the parties to take all necessary steps to have all money held in the Virginia Gas and Oil Board's escrow account attributable to Adkins' interest disbursed and paid to Adkins, and further orders that all future royalties associated with CBM production on the Adkins Lands be paid to Adkins, as no conflicting claims remain.

This Order shall constitute a Final Judgment of EQT's Interpleader Claim (ECF No. 103) pursuant to Federal Rule of Civil Procedure 54(b). Range Resources' Motion for Judgment on the Pleadings (ECF No. 246) is terminated. Range Resources is terminated as a party to this action. The judgment shall be without prejudice to any other claims Adkins may have against EQT. The parties shall bear their own costs.

SO ORDERED on this the 4th day of September, 2013


United States District Judge