

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EQT Production Company

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 01-0821-0919-03

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

HEARING DATE: November 19, 2013

DRILLING UNIT: VC-504484

DICKENSON 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

A petition for the disbursement of funds on behalf of Eva Mae Adkins in Tract 2 in Drilling Unit VC -504484, VGOB 01/08/21-0919.

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 2 as created by Board Order VGOB 01/08/21-0919. 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. The court ruling, Case No. 1:11-cv-00031 found the Adkins to be the owner of the CBM and resolved the conflict.

6. Attestation

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

EXHIBIT "B"
VC-504484
VGOB 01/08/21-0919
Revised 9/23/2013

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT	NET REVENUE INTEREST	
<u>Gas Estate Only</u>						
1 Tax ID 13018	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC	89.230000%	52.4400	0.11153750	RI
Tract 1 Totals	Equitable Production Company		89.230000%	52.44	0.78076250	WI
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2 Tax ID 4145	Imogene Adkins Box 266 Clintwood, VA 24228	Unleased	0.299167%	0.1758	0.00037396	RI
	Dudley Redden Unknown	Unleased	0.099722%	0.0586	0.00012465	RI
	Tim Redden Unknown	Unleased	0.099722%	0.0586	0.00012465	RI
	Angela Redden Unknown	Unleased	0.099722%	0.0586	0.00012465	RI
	Edith A. Goodman, widow Unknown	Unleased	0.299167%	0.1758	0.00037396	RI
	Bruce Adkins and Norma Adkins, H/W Unknown	Unleased	0.299167%	0.1758	0.00037396	RI
	Curtis Bise and Mable Bise, H/W 4218 Highway 144 South Glen Rose, TX 76043	Deemed Leased	1.196667%	0.7033	0.00149583	RI
	Lorene Wells and Ralph Wells, W/H Unknown	Unleased	1.196667%	0.7033	0.00149583	RI
	Larry Houston, single 2055 Devault Bridge Road, #28 Piney Flats, TN 37686	Deemed Leased	1.196667%	0.7033	0.00149583	RI

EXHIBIT "B"
VC-504484
VGOB 01/08/21-0919
 Revised 9/23/2013

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT	NET REVENUE INTEREST
2 Tax ID 11760	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 244792L TC-153	10.770000%	6.3300	0.01346250 RI
Tract 2 Totals	Equitable Production Company		10.770000%	6.3300	0.09423750 WI 0.10770000
TOTAL COAL ESTATE			100.000000%	58.7700	1.00000000

EXHIBIT "E"
VC-504484
VGOB 01/08/21-0919
Revised 9/23/2013

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
<u>Gas Estate Only</u>				
2	Imogene Adkins Box 266 Clintwood, VA 24228	Unleased	0.299167%	0.1758
	Dudley Redden Unknown	Unleased	0.099722%	0.0586
	Tim Redden Unknown	Unleased	0.099722%	0.0586
	Angela Redden Unknown	Unleased	0.099722%	0.0586
	Edith A. Goodman, widow Unknown	Unleased	0.299167%	0.1758
	Bruce Adkins and Norma Adkins, H/W Unknown	Unleased	0.299167%	0.1758
	Lorene Wells and Ralph Wells, W/H Unknown	Unleased	1.196667%	0.7033
	Selma Adkins Unknown	Unleased	1.196667%	0.7033
	Bill Nash, Single Unknown	Unleased	1.196667%	0.7033
	Donald R. Hilton and Carolyn Hilton, H/W 404 Punch Run Road Front Royal, VA 22630	Leased-EPC 245752L 02	1.196667%	0.7033
	E. C. Adkins and Cloria M. Adkins Burnside their Heirs Successors and Assigns Unknown	Unleased	0.217576%	0.1279
			6.200909%	3.6446

EXHIBIT "E"
VC-504484
VGOB 01/08/21-0919
Revised 9/23/2013

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
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Coal Estate Only

2 Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 244792L TC-153	6.200909%	3.6446
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EXHIBIT "EE"

VC-504484

VGOB 01/08/21-0919

Revised 9/23/2013

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	
<u>Disbursement -01</u>					
	<u>Gas Estate Only</u>				
2	Welford Dotson, single Route 2, Box 315 Coeburn, VA 24230	Leased-EPC 245752L 01	0.897500%	0.5275	75%
	<u>Coal Estate Only</u>				
	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 244792L TC-153	0.491668%	0.1758	25%
	Total Subsequent to RR-PM Split		0.01389168	0.7033	
<u>Disbursement -02</u>					
	<u>Gas Estate Only</u>				
2	Curtis Bise and Mable Bise, H/W 4218 Highway 144 South Glen Rose, TX 76043	Leased	1.196667%	0.7033	100%
	Larry Houston, single 2055 Devault Bridge Road, #28 Piney Flats, TN 37686	Deemed Leased	1.196667%	0.7033	100%
	TOTAL SUBSEQUENT TO RANGE WAIVER		2.39333400%	1.40660000	

Current Disbursement -03

2	Eva Adkins Eva Adkins, H/W HC05, Box 662 Coeburn, VA 24230	Unleased	0.979090%	0.5755 100%
	TOTAL SUBSEQUENT TO RANGE WAIVER		0.979090%	0.5755

EXHIBIT J
VC-504484
VGOB 01/08/21-0919

Pmt Date	Pmt Amount
4/2/2002	\$52.57
5/24/2002	\$50.31
7/31/2002	\$61.11
9/27/2002	\$55.85
2/1/2003	\$76.98
4/2/2003	\$91.82
5/1/2003	\$86.19
7/1/2003	\$86.52
9/2/2003	\$84.00
11/3/2003	\$72.07
12/9/2003	\$34.61
2/2/2004	\$75.24
4/5/2004	\$94.98
6/2/2004	\$83.71
8/4/2004	\$100.71
10/4/2004	\$95.47
12/2/2004	\$83.37
1/6/2005	\$60.32
2/7/2005	\$66.34
4/5/2005	\$98.42
5/6/2005	\$52.99
6/7/2005	\$58.54
7/6/2005	\$53.78
9/8/2005	\$100.81
10/6/2005	\$58.23
11/8/2005	\$84.47
12/7/2005	\$113.09
1/6/2006	\$111.51
2/6/2006	\$87.98
3/8/2006	\$96.95
4/7/2006	\$62.42
5/10/2006	\$58.58
6/6/2006	\$55.59
7/11/2006	\$55.85
9/8/2006	\$93.99
10/9/2006	\$55.03
11/9/2006	\$55.13
12/19/2006	\$31.34
1/8/2007	\$55.68
2/8/2007	\$65.99
4/6/2007	\$99.31
5/9/2007	\$62.36
6/8/2007	\$59.27
7/10/2007	\$60.73
8/7/2007	\$58.92
9/10/2007	\$52.61
11/8/2007	\$90.00
12/10/2007	\$50.38
1/9/2008	\$56.67
2/8/2008	\$56.52
3/10/2008	\$57.12
4/8/2008	\$55.45
5/7/2008	\$62.45
6/9/2008	\$65.86
7/14/2008	\$81.74
8/7/2008	\$86.19
9/5/2008	\$101.50
10/10/2008	\$69.70

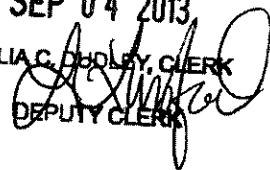
11/7/2008	\$110.97
12/9/2008	\$54.66
2/11/2009	\$89.81
4/9/2009	\$66.18
7/10/2009	\$61.67
10/12/2009	\$59.39
12/9/2009	\$37.30
1/13/2010	\$27.27
2/10/2010	\$24.58
3/9/2010	\$39.46
4/14/2010	\$30.28
5/10/2010	\$28.41
6/8/2010	\$20.18
7/13/2010	\$24.42
8/10/2010	\$23.22
9/10/2010	\$26.98
10/11/2010	\$26.47
11/11/2010	\$18.11
12/9/2010	\$19.56
1/13/2011	\$15.89
2/11/2011	\$24.40
3/11/2011	\$23.75
4/12/2011	\$20.69
5/11/2011	\$21.11
6/11/2011	\$22.41
7/13/2011	\$23.79
8/10/2011	\$23.98
9/12/2011	\$24.31
10/12/2011	\$24.24
11/10/2011	\$19.77
12/9/2011	\$19.62
1/17/2012	\$18.05
2/10/2012	\$17.22
3/12/2012	\$15.02
4/13/2012	\$10.63
5/11/2012	\$10.66
6/12/2012	\$7.63
7/11/2012	\$5.93
8/10/2012	\$7.86
9/12/2012	\$9.40
10/10/2012	\$10.08
11/9/2012	\$7.94
12/12/2012	\$10.07
1/10/2013	\$11.74
2/11/2013	\$13.02
3/13/2013	\$11.31
4/10/2013	\$9.68
5/10/2013	\$11.69
6/10/2013	\$13.49
7/8/2013	\$15.19
8/12/2013	\$14.85
9/13/2013	\$13.03
	\$5,442.69
	-\$413.61 Disbursement-01
	-\$1,898.00 Disbursement-02
	\$3,131.08

504484 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>Distributions</u>	<u>Audit Costs</u>	<u>Corrections*</u>	<u>Ending Market Value</u>
VC504484	0919	EQT	\$3,451.22		15.19	0.47	0.00	(0.29)				3,466.59

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, :

v. :

EQT PRODUCTION COMPANY, et al., :

Defendants. :

Case No. 1:11-cv-00031

ORDER

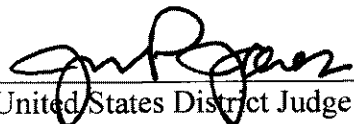
THIS CAUSE having come before the Court on Interpleader Defendant Range Resources - Pine Mountain, Inc.'s ("Range Resources") Motion for Judgment on the Pleadings, and by agreement of Plaintiff/Interpleader Defendant Eva Mae Adkins ("Adkins") and Defendant/Interpleader Plaintiff EQT Production Company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