

COMMONWEALTH OF VIRGINIA  
VIRGINIA GAS AND OIL BOARD HEARING  
MINUTES JANUARY 19, 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, January 19, 2016 at the Russell County Government Conference Center, 139 Highland Drive, Lebanon, Virginia.

Board members present were Bradley C. Lambert (Chairman), Bruce A. Prather (Oil and Gas Industry Representative), Donnie W. Rife (Public Representative) and Mary Addington Quillen (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 will receive public comments.

There were no public comments.

2. The First Bank and Trust Company, Escrow Agent for the Virginia Gas and Oil Board, will appear to address the Board on the Quarterly Report/End of Year Report.

The quarterly report/end of year report was presented to the Board by Jody Maney with First Bank and Trust Company.

3. A petition from T. Shea Cook, Attorney for Wilderness Tabernacle Church, requesting the VGOB to direct CNX Gas Company to provide a detailed accounting of Unit U-36 (Tract 4C) VGOB 98-0421-0648, Unit V-36 (Tracts 2A, 4B and 4C) VGOB 98-0324-0638, Unit Buchanan No. 1, SGU2 (Tracts 23R, 24D, 24E and 24F) VGOB 08-1118-2367, for the interest of Wilderness Tabernacle Church only. Docket Number VGOB 16-0119-4083.

The docket item was dismissed.

4. A petition from T. Shea Cook, Attorney for Jimmy D. Goins, requesting the VGOB to direct CNX Gas Company, to correct orders showing incorrect ownership for Tract 2N, in dockets 13-1217-4027 and 13-1217-4027-01, current owner is Jimmy D. Goins (former owner Eva Goins Wright), and other relief requested in the Motion to Reconsider. Unit AW146 & AW146A. Docket Number VGOB 16-0119-4084.

The docket item was dismissed.

5. A petition from T. Shea Cook, Attorney for Jimmy Harris requesting the VGOB to order CNX Gas Company, to provide a detailed accounting and justification as to how the state's discrepancy in escrow payments occurred as well as to not unilaterally withhold royalties for monies received per the distribution order of the VGOB. Unit BA-100. Docket Number VGOB 16-0119-4085.

The docket item was dismissed.

6. A petition from EQT Production Company, for disbursement of funds and authorization for direct payment on behalf of the known owners in Tract 1, Unit VC-508899. Docket Number VGOB 02-0115-1000-02.

The docket item was approved. Mr. Jim Kaiser, counsel for EQT Production Company, was unable to attend the meeting and requested that the item be continued until the February 16, 2016, hearing. Ms. Jen Shaver spoke on behalf of the payees and requested the Board to allow the DGO to process internally instead of bringing back before the Board in February 2016, as a continuance. Mr. Jim Kaiser responded to the DGO that he approves that the order be processed internally instead of bringing back before the Board.

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 3, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the following parties: Harrison Wyatt, LLC, Eddie Dwight Blankenship and Danny Carlos Blankenship. Unit S15. Docket Number VGOB 92-0721-0237-02.

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 Tract 3C, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the following parties: Mary Ann Bartram, Thelma Jean Kline, Leslie K. Cook, Mamie K. Cook, Nancy C. Duty, Betty Lawonne Gibson, Kathy Diane Murray, Francis C. Hinchee Stearns, Harold V. Cooke and Torch Oil and Gas Company. Unit V20. Docket Number VGOB 92-0721-0243-03.

The docket item was approved. The account will continue. Authorization for direct payment of royalties. The disbursement is for Tract 3C only. It does not include Tracts 3A & 4 as previously stated in the publication.

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 5, and a portion of 13, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the following parties: Garden Realty Corporation, Kendris Harman, Henry F. Harman & Walter L. Keen. Unit V29. Docket Number VGOB 96-0116-0531-01.

The docket item was withdrawn.

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 of Tracts 6, 7, & 10A, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to CNX Gas Company LLC, Harrison-Wyatt LLC, VDOT, and Buchanan County, Virginia. Unit W9. Docket Number VGOB 97-0121-0562-02.

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 of Tracts 8 & 16B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to CNX Gas Company LLC, Harrison-Wyatt LLC, Eddie Dwight Blankenship, & Danny Carlos Blankenship. Unit VP8SGU2. Docket Number VGOB 97-0617-0587-03.

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 Tract 3, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to CNX Gas Company, LLC. Unit FF22. Docket Number VGOB 97-0715-0596-02.

The docket item was approved. The account will close. 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 Tracts 3A, 3B, & 3C, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to CNX Gas Company, LLC. Unit AV110. Docket Number VGOB 01-0320-0870-04.

The docket item was approved. The account will close. 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 1B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to CNX Gas Company LLC. Unit AW108. Docket Number VGOB 01-0821-0908-01.

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

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 1B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to CNX Gas Company, LLC. Unit AW109. Docket Number VGOB 01-0821-0909-02.

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

16. 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, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the following parties: CNX Gas Company, LLC. Unit AX107. Docket Number VGOB 01-0821-0910-01.

The docket item was continued to February, 2016.

17. 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 1B & 1F, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to CNX Gas Company, LLC. Unit AX108. Docket Number VGOB 01-0821-0911-01.

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

18. 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 CNX Gas Company, LLC. Unit AX109. Docket Number VGOB 01-0821-0912-02.

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

19. 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 & 2G, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the parties to the prevailing plaintiffs: Paul Eugene Richardson, Shelby Ruth Richardson & Loretta Mae Richardson. Unit FF35. Docket Number VGOB 02-0820-1057-03.

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

20. 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 2A, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the following parties: Edward V. Tiller, Loeita Austin, Betty Sue Fletcher, Chester Sanders, Dave Sanders, Norman Sanders, Harley Sanders, Jerry Sanders and Allen Sanders. Unit AZ98. Docket Number VGOB 04-0316-1261-01.

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

21. 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 1E, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the following parties: Swords Creek Land Partnership, Daniel Lee Keen, Raymond Slate, Jr., Ralph Roten, Linda Jane Miller, Donald Lee Myers, James Alan Myers and Jean Miller. Unit AZ123. Docket Number VGOB 05-0315-1415-03.

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

22. 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 the parties to the royalty split between Swords Creek Land Partnership and Raymond P. Slate, Shelia Slate Lofton and Virginia Resources, LLC. Unit BE121. Docket Number VGOB 05-0419-1427-01.

The docket item was continued to February, 2016.

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

Mr. Cooper reported to the Board that the Division of Gas and Oil is currently working on clearing up the "Unfunded" Bank Spreadsheet.

24. The Board reviewed the December 2015 minutes for approval.

The docket item was approved.

The hearing adjourned at 11:40 a.m.