

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF VIRGINIA  
ABINGDON DIVISION**

EDNA GILBERT, individually and on behalf of  
all others similarly situated,

Plaintiff,

v.

EQT PRODUCTION COMPANY,

Defendant.

Case No. 1:10-cv-37

**CLASS ACTION SETTLEMENT AGREEMENT**

This CLASS ACTION SETTLEMENT AGREEMENT ("SETTLEMENT AGREEMENT") is entered by, between, and among, Edna Gilbert ("Plaintiff"), on behalf of herself and as class representative for the Settlement Class defined below; and EQT Production Company ("Defendant").

This Settlement Agreement is entered to effect a full and final settlement and dismissal with prejudice of the Settled Claims, as defined below, against Defendant in the above-captioned litigation on the terms set forth below, subject to the approval of the Court.

**RECITALS**

A. Plaintiff and the members of the Settlement Class are coalbed methane gas ("CBM") claimants who were identified by EQT in filings with the Virginia Gas and Oil Board as unleased owners of CBM estate interests and for whom EQT has applied, as of May 29, 2018, pursuant to Virginia Code § 45.1-361.22:2(A), for the release of funds held in escrow or internally, and all such gas claimants who have received distributions from escrow or directly from EQT as a result of a judicial determination of ownership or agreement between June 15, 2010 and April 1, 2018. "Gas claimants" is as defined by Virginia Code § 45.1-361.1. Excluded from the Class are (a) EQT, (b) any person who serves as a judge in this civil action and his/her spouse, (c) any individuals who have received a Court-supervised accounting of EQT's CBM royalty payments into escrow or internal suspense, and (d) any person who operates a CBM well in Virginia and any person who holds a working interest in a CBM well operated by EQT in Virginia.

B. Class Counsel and Defendant have engaged in arm's length negotiations to resolve this dispute without the need for further litigation. Plaintiff and Class Counsel have concluded that it would be in the best interests of Plaintiff and the Settlement Class to enter into this Settlement Agreement to avoid the uncertainties of litigation, particularly complex litigation such as this, and to assure to the Settlement Class Members a benefit that is fair and reasonable

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under the circumstances. Similarly, Defendant has concluded that, despite its belief that it is not liable for the claims asserted and has good defenses thereto, and without admission of any wrongdoing of any kind, it will enter into this Settlement Agreement in order to avoid the time, expense and uncertainty of protracted litigation.

C. While Defendant believes this Settlement Agreement can and should be approved to avoid the time, expense and uncertainty of protracted litigation, in the event that this Settlement Agreement does not receive final and binding approval from the Court or is terminated according to its terms, Defendant expressly reserves the right to challenge class certification and reserves any other defenses.

D. In light of the investigations undertaken and conclusions reached by the Parties and discussed above, Plaintiff and Defendant have agreed, subject to approval by the Court, to fully and finally compromise, settle, extinguish and resolve the Settled Claims and to dismiss this case (referred to here as the “*Adair* case”) under the terms and conditions set forth in this Settlement Agreement.

### **AGREEMENT FOR SETTLEMENT PURPOSES ONLY**

This Settlement Agreement is for settlement purposes only, and neither the fact of, nor any provision contained in, this Settlement Agreement, nor any negotiations or proceedings related thereto, nor any action taken hereunder shall constitute, or be construed as, any admission of the validity of any claim or any fact alleged by Plaintiff in the *Adair* case or of any wrongdoing, fault, violation of law, or liability of any kind on the part of Defendant or any admission by Defendant of any claim or allegation made in any action or proceeding against Defendant or as a waiver of any applicable defense, including, without limitation, any applicable statute of limitations. This Settlement Agreement and its exhibits shall not be offered or be admissible in evidence against Plaintiff or Defendant or the Settlement Class Members in any action or proceeding in any forum for any purpose whatsoever, except any action or proceeding brought to enforce its terms.

### **AGREEMENT**

In consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Defendant and Plaintiff, on behalf of himself and as the class representative of the Settlement Class, hereby contract, covenant and agree that the Settled Claims be fully resolved, settled, compromised, extinguished and dismissed on the merits and with prejudice, subject to the approval of the Court, on the following terms and conditions:

1. **Definitions.** When used in this Settlement Agreement and any of its exhibits, unless otherwise specifically indicated, the following terms shall have the respective meanings assigned to them in this paragraph 1:

1.1 “Administrative Costs” means expenses incurred in carrying out the terms of the Settlement Agreement, including fees and expenses of any notice experts or claims administrators who may present affidavits or testimony at the preliminary approval hearing and/or final fairness hearing; and fees and expenses of the Settlement Administrator in

administering and carrying out the terms of the Settlement Agreement, including expenses for printing and mailing of the Settlement Notice, post office box rental costs, responding to inquiries by persons receiving or reading the Settlement Notice, and implementing the Plan of Administration, and fees of the Tax Administrator. Administrative Costs shall not include Litigation Expenses, nor fees of Class Counsel or other attorneys.

1.2 “Virginia” means the Commonwealth of Virginia.

1.3 “EQT” means EQT Production Company.

1.4 “Class Counsel” means the following attorneys:

Larry D. Moffett  
Daniel Coker Horton  
& Bell, P.A.  
P. O. Box 1396  
Oxford, MS 38655-1396

Don Barrett  
Barrett Law Group  
Post Office Drawer 927  
Lexington, MS 39095

David S. Stellings  
Daniel E. Seltz  
Lieff, Cabraser, Heimann &  
Bernstein, L. L. P.  
250 Hudson St., 8<sup>th</sup> Floor  
New York, NY 10013

Peter G. Glubiak  
Glubiak Law Office  
P.O. Box 27  
King William, VA 23086

Jackson S. White, Jr.  
The White Law Office  
P. O. Box 286  
Abingdon, VA 24212

1.5 “Court” means the United States District Court for the Western District of Virginia.

1.6 “Defendant” means EQT Production Company.

1.7 “Defendant’s Counsel” means the following attorneys:

Wade Massie  
Penn, Stuart & Eskridge  
P.O. Box 2288  
Abingdon, VA 24212

1.8 “Effective Date” shall be the date when each and all of the following conditions have occurred:

1.8.1 The Settlement Agreement has been fully executed by all the Parties and their counsel;

1.8.2 The Notice Approval Order has been entered by the Court, granting initial approval of this Settlement Agreement, and approving the Settlement Notice;

1.8.3 The Court-approved Settlement Notice has been mailed as ordered by the Court;

1.8.4 The Court has approved and entered the Final Judgment, thereby approving this Settlement Agreement and dismissing the Settled Claims with prejudice; and

1.8.5 That Final Judgment becomes Final as defined in paragraphs 1.12 and 1.13.

1.9 [Reserved]

1.10 [Reserved]

1.11 “Excluded Member” means any member of the Settlement Class who elects to be excluded from the Settlement Class and submits a valid Request for Exclusion.

1.12 “Final” means that (a) the Final Judgment is a final, appealable judgment order; and (b) either (i) no appeal has been filed from the Final Judgment as of the date on which the date to file such an appeal therefrom has expired, or (ii) an appeal or other review proceeding of the Final Judgment having been commenced, such appeal or other review is finally concluded and no longer is subject to review by any court, whether by appeal, petitions for rehearing or argument, petitions for rehearing en banc, petitions for writ of certiorari, or otherwise, and such appeal or other review has been finally resolved in such manner that affirms the Final Judgment in all material respects.

1.13 “Final Judgment” means the Final Judgment and Order of Dismissal to be entered by the Court in the form attached hereto as Exhibit C upon final approval of the Settlement, as provided in paragraph 6 of this Settlement Agreement. It is understood and agreed that the Final Judgment shall have no *res judicata*, collateral estoppel, or other preclusive effect as to any claims other than the Settled Claims and the claims of the plaintiff that were dismissed prior to this Settlement Agreement.

1.14 “Incentive Award Payment” means the amount of any class representative incentive award granted by the Court to Plaintiff.

1.15 “Including” and “include(s)” mean “including or include(s), without limitation.”

1.16 “Litigation Expenses” means expenses incurred by Plaintiff or Class Counsel in pursuing the *Adair* case and/or preparing and presenting to the Court the Settlement Agreement, including expert witness fees, consultant fees, investigation expenses, deposition

expenses, copying charges, long distance telephone calls, fax charges, computer research charges, travel expenses, and court costs.

1.17 “*Adair*” and “*Adair case*” means the civil action styled *Edna Gilbert v. EQT Production Company*, Civil Action No. 1:10-cv-00037, on the docket of the United States District Court for the Western District of Virginia.

1.18 “Parties” means Plaintiff and Defendant.

1.19 “Plaintiff” means Edna Gilbert.

1.20 “Plan of Administration” means the Plan of Administration and Distribution as set forth in Exhibit D hereto, describing the specific procedures and processes for the administration, allocation, and distribution of the Settlement Payment.

1.21 “Plan of Allocation” means the methodology pursuant to which the Settlement Payment will be allocated among the Settlement Class Members as provided by the Plan of Administration.

1.22 “Notice Approval Order” means the order entered by the Court pursuant to paragraph 3 below and in the form attached as Exhibit A, approving the form and manner of the Settlement Notice, and setting a date certain for the settlement fairness hearing.

1.23 “Request for Exclusion” means a timely and properly submitted written request to be excluded from the Settlement Class. A request for exclusion is not timely and properly submitted unless it is in writing, is signed by the person or entity requesting exclusion, is mailed in a postage-paid envelope to the Settlement Administrator, postmarked no later than the due date established by the Court in the Notice Approval Order, and otherwise complies with the instructions contained in the Settlement Notice. The request for exclusion must be personally signed by any natural person requesting exclusion; it cannot be signed by that person’s lawyer or other agent, unless the person is incapacitated. If the entity requesting exclusion is a corporation, partnership, or other legal entity, the request must be personally signed by a duly-authorized officer, partner, or managing agent. A request for exclusion is also not properly submitted or valid if it requests a qualified or partial exclusion or any other qualification.

1.24 “Royalty” means deemed lessor royalty interests, and does not include overriding royalty interests.

1.25 “Settled Claims” means any and all claims and causes of action related to the deduction of severance taxes from royalty payments made by Defendant to the Plaintiff and Settlement Class Members, and claims related to the prices on which Defendant based its royalty payments. “Settled Claims” does not include claims and causes of action that were not certified for class treatment, including but not limited to claims and causes of action relating to alleged late or delayed payments into escrow. “Settled Claims” does not include claims and causes of action relating to royalty payments due to be made by EQT after the Effective Date.

1.26 “Settlement” means the settlement embodied in this Settlement Agreement and the Final Judgment.

1.27 “Settlement Administrator” means the person or persons retained by Class Counsel and appointed by the Court to administer the Settlement in accordance with the provisions of this Settlement Agreement.

1.28 “Settlement Agreement” means this Settlement Agreement, including all exhibits hereto.

1.29 “Settlement Class” means all coalbed methane gas (“CBM”) claimants who were identified by EQT in filings with the Virginia Gas and Oil Board as unleased owners of CBM estate interests and for whom EQT has applied, as of May 29, 2018, pursuant to Virginia Code § 45.1-361.22:2(A), for the release of funds held in escrow or internally, and all such gas claimants who have received distributions from escrow or directly from EQT as a result of a judicial determination of ownership or agreement between June 15, 2010 and April 1, 2018. “Gas claimants” is as defined by Virginia Code § 45.1-361.1. Excluded from the Class are (a) EQT, (b) any person who serves as a judge in this civil action and his/her spouse, (c) any individuals who have received a Court-supervised accounting of EQT’s CBM royalty payments into escrow or internal suspense, and (d) any person who operates a CBM well in Virginia and any person who holds a working interest in a CBM well operated by EQT in Virginia. The members of the Settlement Class are listed on the Appendix to this Settlement Agreement.

1.30 “Settlement Class Member” means every member of the Settlement Class who does not submit a valid Request for Exclusion.

1.31 “Settlement Funds” means the Settlement Payment.

1.32 “Settlement Notice” means the notice substantially in the form attached as Exhibit B, or such other comparable notice(s) approved by the Court, which is to be given to the Settlement Class as provided in paragraph 4 below. The Settlement Notice as determined to be appropriate and approved by the Court and meeting the criteria in paragraph 4, below, shall be regarded as and is the best notice practicable under the circumstances.

1.33 “Settlement Payment” means the sum of Three Hundred Thousand Dollars (\$300,000). The Settlement Payment will not be reduced on a pro rata or other basis by virtue of the submission of the Requests for Exclusion. However, the obligation by EQT to make the Settlement Payment is subject to Walk-Away Rights as stated in paragraph 5.5 below.

2. Reasonable Efforts to Garner Settlement’s Approval. The Parties and Class Counsel agree to recommend that the Court approve the Settlement and further agree to undertake their reasonable efforts, including all steps and efforts contemplated by this Settlement Agreement and any other reasonable steps and efforts that may be necessary or appropriate to implement the terms of this Settlement Agreement. Defendant agrees that it will not take any steps, directly or through any intermediary or third party, to suggest or recommend that any Settlement Class Member should opt out of or elect to be excluded from this Settlement Agreement.

3. Motion for Initial Approval. Plaintiff shall submit to the Court a motion for entry of the Notice Approval Order in the form attached hereto as Exhibit A. The motion shall also include the proposed Settlement Notice in the form attached hereto as Exhibit B. The Parties

expressly reserve the right to terminate this Settlement Agreement in the event the Court denies Plaintiff's motion.

4. Class Notice. Within thirty (30) days after the Court's entry of the Notice Approval Order or a date otherwise established by the Court, the Settlement Administrator shall provide the Settlement Notice to the Settlement Class in the manner approved by the Court, which Settlement Notice shall include mailing the Settlement Notice by first-class mail, postage pre-paid, to individuals and entities who are in the Settlement Class. The Parties reserve the right to extend or otherwise amend this time frame as set forth in this Settlement Agreement. To the extent that any Settlement Notices are returned because an individual or entity who is in the Settlement Class does not reside at the address provided, the Settlement Administrator shall take reasonable steps to obtain a valid address and re-mail the Settlement Notice. Defendant shall send a timely and proper notice(s) of this Settlement to all appropriate federal and state officials as required by the Class Action Fairness Act of 2005 ("CAFA"), including under 28 U.S.C. § 1715.

5. Payment of Settlement Payment and Provision of Information. Defendant shall make the following payment:

5.1 Within ten (10) days of the Effective Date, Defendant shall deposit the Settlement Payment into the account established by the Settlement Administrator to receive the Settlement Funds.

5.1.1 Defendant shall take no position on any application for attorneys' fees and Litigation Expenses that may be filed by Class Counsel or anyone else in this matter, provided the Defendant shall have no liability to the Settlement Class Members or Class Counsel to pay any funds in addition to the Settlement Funds.

5.2 The members of the Settlement Class are listed in the Appendix to this Settlement Agreement, and Defendant has provided addresses and disbursements made to the members. The Parties agree that the Settlement Administrator may use this information for notice and allocations to Settlement Class Members.

5.3 Upon depositing the Settlement Payment into the account established by the Settlement Administrator for purposes of receiving the Settlement Funds, Defendant shall have no further payment obligations to the Settlement Class Members or Class Counsel under this Settlement Agreement.

5.4 Defendant shall have no obligation whatsoever to pay any attorneys' fees or Litigation Expenses of Plaintiff, Class Counsel, or Settlement Class Members, any and all of whom shall look exclusively to the Court for an award of attorneys' fees or Litigation Expenses from the Settlement Funds. Likewise, Defendant shall have no obligation to pay Administrative Costs and all such costs shall be paid from the Settlement Funds.

5.5 Walk-Away Rights. In the event the Settlement Administrator receives Requests for Exclusion from Settlement Class Members who collectively would have received under the Plan of Administration ten percent or more of the Settlement Payment, Defendant shall

have the right, within fifteen (15) days after the Request for Exclusion deadline, to terminate this Settlement Agreement.

6. Within ten (10) days of the Effective Date, EQT shall file a stipulation of dismissal, without prejudice, of its counterclaim against Plaintiff. EQT covenants, however, not to initiate a suit for similar claims against Plaintiff as found in its counterclaim except as a counterclaim in litigation asserted against EQT.

7. Order, Final Judgment, and Dismissal. If the Court finally approves this Settlement Agreement, then the Parties jointly and promptly shall seek entry of the Final Judgment in the form attached hereto as Exhibit C. The Parties intend that the language in the Final Judgment shall conform to the language in this Settlement Agreement, and the Parties will modify Exhibit C if necessary to ensure such conformity. Nevertheless, the Parties expressly reserve the right to terminate this Settlement Agreement in the event the Court or any appellate Court (i) makes changes to Exhibit C that either party, in their sole discretion, deems to be material, or (ii) approves Exhibit C on the condition that changes be made to it that either party, in their sole discretion, deems to be material changes.

8. Conditions Precedent to Agreement's Effect. This Settlement Agreement shall become final, binding and effective upon the Effective Date, and not before then.

9. Modifications. Any modification to this Settlement Agreement or its exhibits, whether modified by the Parties or any court, must be approved in writing signed by the Parties or their authorized representatives to be binding.

10. Release.

10.1 Release by Plaintiff and Class Members. As of the Effective Date Plaintiff and the Settlement Class Members, and each of them, for themselves and their respective heirs, agents, officers, directors, shareholders, employees, consultants, joint venturers, partners, members, legal representatives, successors and assigns, hereby expressly agree that they shall fully and forever release and discharge Defendant and those owning a working interest in its wells (including Range Resources-Pine Mountain, Inc.) and their parents, present and former subsidiaries and affiliated entities, and their predecessors, successors and assigns, and each of their present, former and future officers, directors, employees, agents, successors, assigns, attorneys and legal representatives (collectively, "Releasees") from any and all of the Settled Claims, except for the rights and obligations created by this Settlement Agreement, and covenant and agree that they will not commence, participate in, prosecute or cause to be commenced or prosecuted against the Releasees any action or other proceeding based upon any of the Settled Claims released pursuant to this Settlement Agreement.

10.1.1 This Release also covers, without limitation, any and all claims for attorneys' fees, costs, or disbursements incurred by Class Counsel or any other counsel representing Plaintiff or Settlement Class Members or by Plaintiff or the Settlement Class Members, or any of them, in connection with or related in any manner to the *Adair* case, the settlement of the *Adair* case, the administration of this Settlement and/or the Settled Claims except to the extent otherwise specified in the Settlement Agreement.

10.2 No Release of Non-Parties. Nothing herein shall operate or be construed to release any claims the Plaintiff and Class Members may have against any person or entity who is not a Party hereto except as provided for in Sections 10.1 and 10.1.1.

11. Authority and Capacity to Execute. Each person signing this Settlement Agreement on behalf of a Party represents that such signatory has the full and complete power, authority and capacity to execute and deliver this Settlement Agreement and any documents to be executed pursuant hereto, that all formalities necessary to authorize execution of this Settlement Agreement so as to bind the principal, limited liability company, trust, partnership or corporation have been undertaken, and that upon the occurrence of the Effective Date, this Settlement Agreement will constitute the valid and legally binding obligation of each such Party hereto, enforceable by and against that Party in accordance with its terms.

12. Predecessors, Successors and Assigns. This Settlement Agreement is binding upon and will inure to the benefit of each of the Parties hereto and their respective agents, officers, directors, shareholders, employees, consultants, heirs, devisees, legal representatives, attorneys, predecessors, successors and assigns.

13. Construction. The language of all parts of this Settlement Agreement and its exhibits will in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any Party. All Parties have participated in the preparation of this Settlement Agreement and its exhibits and no presumptions or rules of interpretation based upon the identity of the Party preparing or drafting this Settlement Agreement or its exhibits, or any part thereof, shall be applied or invoked.

14. Disputed Claims. It is understood that this Settlement Agreement constitutes a compromise of highly disputed claims, and that neither (a) the consideration provided for herein, (b) the entry into the Settlement Agreement or stipulation to the Final Judgment, nor (c) any recital contained herein, will be construed, interpreted, or admissible as an admission of liability by or on behalf of any Party hereto, all such liability being expressly denied, regardless of whether this Settlement Agreement becomes Final. In the event that the Settlement Agreement does not become Final, then this Settlement Agreement shall be of no force or effect, except as otherwise provided in paragraph 5, and the Settlement Agreement and any and all negotiations, documents and discussions associated with it shall be without prejudice to the rights of any Party, shall not be deemed or construed to be an admission or evidence of any liability or wrongdoing by EQT or of the truth of any of the claims or allegations contained in the amended complaint or any other pleading, and evidence thereof shall not be discoverable or used directly or indirectly, in any way, whether in the *Adair* case or in any other action or proceeding. The Parties expressly reserve all of their respective rights, claims and defenses if this Settlement Agreement does not become final.

15. Survival of Covenants and Representations. All covenants and representations contained in this Settlement Agreement are contractual in nature, are not mere recitals, and will survive the execution of this Settlement Agreement.

16. Miscellaneous.

16.1 Governing Law. This Settlement Agreement is and will be governed by the laws of the Commonwealth of Virginia.

16.2 Severability. In the event that a court of competent jurisdiction enters a final judgment or decision holding invalid any nonmaterial provision of this Settlement Agreement, the remainder of this Settlement Agreement will be fully enforceable.

16.3 Counterparts. This Settlement Agreement may be executed by facsimile or electronic signatures and in counterparts, all of which will have full force and effect between the Parties, subject to all conditions precedent and subsequent set forth herein.

16.4 Integration. This Settlement Agreement and its exhibits constitute the entire agreement of the Parties and a complete merger of all prior negotiations and agreements.

16.5 Headings. The headings of the paragraphs and subparagraphs herein are intended solely for convenience or reference and will not control or influence the meaning or interpretation of any of the provisions of this Settlement Agreement.

16.6 Gender and Number. Whenever applicable, the pronouns designating the feminine, masculine and neuter will equally apply to the feminine, masculine and neuter genders; the singular will include the plural and the plural will include the singular.

16.7 Fees and Costs. Defendant shall bear its own costs, expenses, and attorneys' fees incurred in connection with the *Adair* case, this Settlement, and performance of the obligations imposed hereunder. Defendant shall have no obligation to pay the Litigation Expenses or attorneys' fees or Administrative Costs of any Settlement Class Member or of Class Counsel. Class Counsel will request reimbursement of Litigation Expenses and an award of attorneys' fees to be paid from the net Settlement Funds after reimbursement of Litigation Expenses. Class Counsel may also request Court approval for the payment of an Incentive Award Payment to Plaintiff in an amount up to Two Thousand Five Hundred Dollars (\$2,500.00) from the Settlement Payment. Defendant will take no position on any requests for an award of attorneys' fees to Class Counsel, for reimbursement of Litigation Expenses to Class Counsel, or for an Incentive Award Payment to Plaintiff.

16.8 Extensions of Time. The Parties reserve the right, subject to the Court's approval, to mutually agree to any reasonable extension of time that might be necessary to carry out any of the provisions of this Settlement Agreement.

16.9 Notice. All notices called for by this Settlement Agreement shall be sent to Class Counsel on behalf of Plaintiff and all Settlement Class Members; and to Defendant's Counsel on behalf of the Defendants. Such notice shall become effective when placed in the United States mail, prepaid first-class postage affixed, addressed to the addresses listed in paragraph 1 above. It is the responsibility of each Party to notify all other Parties of any change in any of these addresses. The Party giving notice shall make reasonable efforts also to provide copies of any notices by electronic mail or telephonic facsimile at the same time notice is placed in the mail.

16.9.1 Class Counsel, or any person acting on behalf of Class Counsel, shall not publish any form of written notice except as provided for herein without prior written approval of the content of such notice by Defendant, other than any information provided to any Court in furtherance of this Settlement Agreement.

16.9.2 It shall be the responsibility of the Settlement Administrator and Class Counsel, or their designees, to respond to all inquiries from members of the Settlement Class.

16.9.3 Plaintiff agrees that he shall not elect or seek to opt out or exclude himself from the Settlement Class.

16.9.4 Plaintiff, Class Counsel, and Defendant hereby agree not to initiate, nor respond to, any communications with the media or press, on the Internet, or in any public forum, orally or in writing, that relate to this Settlement or the *Adair* case that would be viewed to cast Plaintiff, Class Counsel, or Defendant in an unfavorable light or otherwise be inconsistent with the Settlement Notice, the Settlement Agreement, and the court papers filed by the parties in connection with the Settlement Agreement.

AGREED TO AND DATED AS OF THE 5<sup>th</sup> DAY OF April, 2019

Edna Gilbert / Son  
EDNA GILBERT, on behalf of *with*  
herself and all others similarly situated *permission*

Natalie Jefferis  
Natalie Jefferis, Vice President,  
Land & Title, on behalf of EQT Production  
Company

Approved:

Daniel Seltz / Son  
David S. Stellings  
Daniel Seltz *with*  
Lieff, Cabraser, Heimann *permission*  
& Bernstein, LLP  
250 Hudson St., 8th Floor  
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Approved:

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Counsel for Plaintiff

# EXHIBIT A

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF VIRGINIA  
ABINGDON DIVISION**

EDNA GILBERT, individually and on behalf of  
all others similarly situated,

Plaintiff,

v.

EQT PRODUCTION COMPANY,

Defendant.

Case No. 1:10-cv-37

**ORDER APPROVING ISSUANCE OF NOTICE**

This matter comes before the Court on Plaintiff's unopposed motion for issuance of notice and initial approval of the proposed class action settlement ("Motion").

The Court, having reviewed and considered the Motion, the memorandum in support of the Motion, the Class Action Settlement Agreement ("Settlement Agreement"), the proposed Notice of Class Settlement, and pertinent portions of the entire record in this litigation to date, finds as follows:

1. The original Plaintiff filed his original Complaint on June 15, 2010, and ultimately filed a Second Amended Complaint ("Complaint") on March 28, 2012. Plaintiff's Complaint alleged claims for declaratory judgment and for various tort claims relating to the alleged underpayment of royalties based on Defendant's production of coalbed methane. The Complaint sought both declaratory and monetary relief. Thereafter, the Court dismissed certain claims and allowed other claims to remain in the case. ECF Nos. 177 and 234.
2. The parties have negotiated a class settlement ("Class Settlement Agreement," Exhibit 1 to the Motion for Approval of Proposed Manner and Form of Notice to be

Disseminated in Connection with Proposed Class Action Settlement (“Preliminary Motion”). Through this Class Settlement Agreement, Defendant will fully and completely satisfy the Settled Claims of Class Members relating to the claims that this Court certified for class treatment through a payment of \$300,000. Attorneys’ fees and costs of Class Counsel and all Administrative Costs will be paid from the settlement fund. By entering into the Class Settlement Agreement, neither Plaintiff nor Defendant make any admissions relating to the claims and defenses raised in this lawsuit.

3. The Settlement Class, as defined in the Settlement Agreement (Ex. 1 at ¶ 1-29), includes the following:

All coalbed methane gas (“CBM”) claimants who were identified by EQT in filings with the Virginia Gas and Oil Board as unleased owners of CBM estate interests and for whom EQT has applied, as of May 29, 2018, pursuant to Virginia Code § 45.1-361.22:2(A), for the release of funds held in escrow or internally, and all such gas claimants who have received distributions from escrow or directly from EQT as a result of a judicial determination of ownership or agreement between June 15, 2010 and April 1, 2018. “Gas claimants” is as defined by Virginia Code § 45.1-361.1. Excluded from the Class are (a) EQT, (b) any person who serves as a judge in this civil action and his/her spouse, (c) any individuals who have received a Court-supervised accounting of EQT’s CBM royalty payments into escrow or internal suspense, and (d) any person who operates a CBM well in Virginia and any person who holds a working interest in a CBM well operated by EQT in Virginia.

4. Pursuant to Rule 23(e)(1) of the Federal Rules of Civil Procedure, the Court finds that the Settlement Agreement between the Settlement Class and the Defendant appears likely to be found to be fair, reasonable, and adequate after a hearing.

5. In determining that the proposed Settlement Agreement appears likely to be found to be fair, reasonable and adequate under Rule 23(e)(2), the Court has considered the following:

(a) the class representative and class counsel have adequately represented the class; (b) the

proposed Settlement Agreement has been fairly and honestly negotiated, including in several in-person and telephonic mediation sessions overseen by Magistrate Judge Sargent; (c) sufficient questions of law and fact exist that make the outcome of a trial on the merits uncertain; (d) the value of the proposed Settlement Agreement is reasonable, given the possible outcome of protracted and expensive litigation; (e) the parties and their attorneys, who are very experienced in class action royalty underpayment litigation, believe that the Settlement Agreement is fair and adequate, and recommend that the Court approve the issuance of notice to the Settlement Class; (f) the net settlement proceeds can be distributed directly and efficiently to individual class members, with no claims process; (g) the settlement treats class members equitably relative to each other; (h) class counsel's anticipated attorneys' fees request appears reasonable.

6. The parties entered into the Settlement Agreement only after engaging in a meaningful exchange of information, and with full knowledge of the critical factual and legal issues. The Settlement Agreement is the product of non-collusive, arm's-length bargaining.

7. The Class Settlement avoids the time and expense of continuing this litigation for an indeterminate period of time, with attendant risks, costs, and delay for both sides.

8. Class members will receive substantial benefits from the Settlement Agreement. Defendant has agreed to make a Settlement Payment to the Settlement Class in the amount of Three Hundred Thousand Dollars (\$300,000.00).

9. Defendant also benefits from the Settlement Agreement, through the avoidance of protracted and expensive litigation, the final resolution of disputes with the Settlement Class members, and the promotion of a mutually productive business relationship with the Settlement Class members.

10. The Settlement Class is essentially identical to the class that this Court previously held, in the litigation context, satisfies the prerequisites of Rule 23 of the Federal Rules of Civil Procedure. Pursuant to Rule 23(e)(1), and for the purposes of effectuating the Settlement, the Court finds that it will be likely to find that the Settlement Class satisfies the requirements of Rule 23, and to certify the Settlement Class, and finds as follows.

11. The Settlement Class is sufficiently numerous to satisfy Rule 23(a)'s numerosity requirement because it includes more than one hundred people, and joinder of their claims would be impracticable.

12. Plaintiff's claims are typical of the Settlement Class Members' claims, in that he and all other Settlement Class members were allegedly subject to Defendant's alleged improper royalty payment practices. Plaintiff is an adequate class representative who has no conflicts with the Settlement Class members, and his counsel have significant experience litigating gas royalty class actions. Therefore, Plaintiff satisfies the typicality and adequacy requirements of Rule 23(a), and Class Counsel satisfy the requirements of Rule 23(g).

13. There are factual issues common to all Settlement Class members, and those common issues predominate over issues that are individual to the Settlement Class members. Plaintiff asserts that the common issues include, but are not limited to, whether EQT improperly deducted severance taxes from royalties owed to Settlement Class members, and whether EQT based royalty payments owed to Settlement Class Members on prices that were improperly low. The commonality requirement of Rule 23(a) and the predominance requirement of Rule 23(b)(3) are satisfied.

14. Treatment of this litigation as a class action is superior to resolution through thousands of separate individual lawsuits, because important issues in the case are common to all

Settlement Class members, and class treatment enhances judicial efficiency. Therefore, the superiority element of Rule 23(b)(3) is satisfied.

15. The Notice of Class Settlement to be mailed to the members of the Settlement Class (attached to the Motion as Exhibit 2 (“Settlement Notice”)) adequately informs the Settlement Class members of the following: (1) the nature of this class action lawsuit; (2) the definition of the proposed Settlement Class; (3) the subject of the Settlement Class members' claims; (4) that a Settlement Class member may enter an appearance through an attorney if the Settlement Class member so desires; (5) that the Court will exclude from the Settlement Class any member who timely requests exclusion; (6) the time and manner for requesting exclusion; (7) a description of the terms of the Settlement Agreement, including information about the Settlement Class members' right to obtain a copy of the Settlement Agreement; (8) the right of any Settlement Class member to object to the proposed Settlement Agreement, and the deadline for any such objections; and (9) the binding effect of the Settlement Agreement on Settlement Class members who do not elect to be excluded from the Settlement Class.

### **ORDER**

In light of the Court's findings, and pending further consideration of the proposed Class Settlement at the final approval hearing, **IT IS HEREBY ORDERED THAT:**

1. The Court approves the retention of JND Legal Administration to serve as Settlement Administrator.
2. Within ten calendar days after the proposed settlement is filed in Court, Defendant shall provide notice of the Settlement Agreement by first class mail to the appropriate federal and state officials, as required by the Class Action Fairness Act, 28 U.S.C. § 1715.

3. The Court approves as reasonable and adequate under Rule 23 of the Federal Rules of Civil Procedure the form and the content of the Settlement Notice attached to the Motion as Exhibit 2.

4. The Settlement Administrator shall complete the mailing of the Settlement Notice to the Settlement Class members no later than **30 days from the date of this Order**.

5. The parties shall file motions and memoranda in support of final approval of the Class Settlement, and Class Counsel shall file their request for attorneys' fees, expense reimbursements, and an Incentive Award Payment for the Plaintiff, no later than **60 days from the date of this order**.

6. Any member of the Settlement Class who wishes to object to or comment on the proposed Settlement Agreement, or to object to Class Counsel's request for attorneys' fees, expense reimbursements, and an Incentive Award Payment for the Plaintiff, must postmark and mail such objections or comments on or before **75 days from the date of this Order**. In accordance with the procedures set forth in the Settlement Notice, any such objections or comments must be mailed to Class Counsel, Defendant's counsel, and the Court.

7. Any member of the Settlement Class who wishes to exclude herself from the Settlement Agreement must postmark and mail the exclusion request to the Settlement Administrator no later than **75 days from the date of this Order**.

8. Any Settlement Class member who wishes to appear and be heard at the final approval hearing must postmark and mail notice of such intention on or before **ten days before the date of the final approval hearing**. Notice of such intention must be mailed to Class Counsel, to Defendant's counsel, and to the Court.

9. On or before a date **14 days after the deadline** to mail or submit objections or comments to the proposed Settlement, Class Counsel and Defendant may file a response to any Settlement Class member's objections or comments. A copy of such response shall be mailed to all Settlement Class members who have submitted timely objections or comments.

10. The Court will conduct a hearing to consider final approval of the proposed Settlement Agreement, and Class Counsel's request for attorneys' fees, expense reimbursements, and an Incentive Award Payment for Plaintiff, beginning at \_\_\_\_\_ .m. on [ADD], or the next available date thereafter. The purpose of the final fairness hearing will be to determine whether the Settlement Agreement is fair, adequate, and reasonable; whether Class Counsel's application for an award of attorneys' fees, expense reimbursements, and an incentive award for Plaintiff should be approved; and whether this Court should approve the Settlement Agreement and enter a final judgment and order of dismissal.

11. All pending pleading, discovery, and case management deadlines in this action are stayed until further order of this Court.

**IT IS SO ORDERED.**

---

JAMES P. JONES  
UNITED STATES DISTRICT JUDGE

Enter:

# EXHIBIT B

There is a Proposed Settlement in a class action brought against EQT Production Company on behalf of certain royalty owners who received distributions from escrow.

You may be able to obtain benefits

*A court authorized this notice. This is NOT a solicitation from a lawyer.*

A Proposed Settlement has been reached in a lawsuit against EQT Production Company (“EQT”). The lawsuit is about the alleged underpayment of royalty payments made by EQT on the production of coalbed methane gas in Virginia. EQT denies the Plaintiff’s allegations and intends to oppose such allegations in the absence of this settlement.

You are a member of the Settlement Class if you fall within the class definition described under Question 3, below.

A SUMMARY OF YOUR RIGHTS AND CHOICES	
<b>REMAIN A SETTLEMENT CLASS MEMBER</b>	To remain a member of the Settlement Class, you do not need to take any action. Class Members will be able to get money from the Proposed Settlement as outlined in Question 5. <b>Due Date: <u>Automatic Distribution</u></b>
<b>EXCLUDE YOURSELF FROM THE PROPOSED SETTLEMENT</b>	You can exclude yourself from (opt out of) the Proposed Settlement and not be bound by the Court’s rulings. You will also not share in the distribution of monetary relief. See Questions 7 and 8. <b>Due Date: <u>Post-marked on or before []</u></b>
<b>OBJECT OR COMMENT ON THE PROPOSED SETTLEMENT</b>	If you are a Settlement Class Member, you can appear and object to or comment on the Proposed Settlement in the lawsuit on your own or through your own lawyer. See Question 13. <b>Due Date: <u>Post-marked on or before []</u></b>

QUESTIONS? CALL 1-833-747-6672

## 1. Why did I receive this notice?

Records show that you (or someone in your family) are a gas claimant who has received a distribution from the escrow account that holds royalty payments attributable to the sale of coalbed methane gas from a EQT unit in Virginia. For more detail, please refer to Question 3 below.

The Court sent you this notice to inform you of a proposed settlement of a class action lawsuit styled *Gilbert v. EQT Production Company*, No. 1:10-cv-000037, United States District Court for the Western District of Virginia. This notice outlines the terms of the proposed Settlement, who is a Settlement Class Member, your right to remain a member of the Settlement Class, how Settlement funds will be paid, how to comment on or object to the Proposed Settlement, and how to exclude yourself from the Settlement Class.

Judge James P. Jones of the United States District Court for the Western District of Virginia is overseeing this class action.

The person who brought the Lawsuit is the “Plaintiff,” and the party being sued is the “Defendant.”

The term “royalties” in this notice means royalty payments made pursuant to Virginia Gas and Oil Board orders. The term “royalties” does not include overriding royalty interest payments.

## 2. What is this lawsuit about?

Plaintiff claims that EQT underpaid royalties relating to coalbed methane gas produced from wells located in Virginia. Plaintiff alleges that EQT inappropriately deducted from royalties severance taxes that they were not permitted to deduct, and based its royalty payments into escrow on prices that were lower than EQT could have or should have obtained. Plaintiff asked EQT to pay monetary damages and prejudgment interest and for other relief.

EQT contends that it did not underpay royalty payments. It denies Plaintiff’s claims but has agreed to settle the class action based on the time and expense of continuing the lawsuit.

A more complete description of the Lawsuit is available at [www.VaGasCases.com](http://www.VaGasCases.com), or in the file for the Lawsuit maintained by the United States District Court for the Western District of Virginia. See Question 17, below. Additionally, should you have questions regarding the Lawsuit, such questions can be submitted in writing to Class Counsel at the addresses provided under Question 13 of this Notice.

## 3. How do I know if I am part of the Settlement Class?

The Settlement Class is defined as all gas claimants who were identified by EQT in filings with the Virginia Gas and Oil Board as unleased owners of CBM estate interests and for whom EQT has applied, as of May 29, 2018, pursuant to Virginia Code § 45.1-361.22:2(A), for the release of funds held in escrow or internally, and all such gas claimants who have received distributions from escrow or directly from EQT as a result of a judicial determination of ownership or

QUESTIONS? CALL 1-833-747-6672

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agreement between June 15, 2010 and April 1, 2018. “Gas claimants” is as defined by Virginia Code § 45.1-361.1. Excluded from the Class are (a) EQT, (b) any person who serves as a judge in this civil action and his/her spouse, (c) any individuals who have received a Court-supervised accounting of EQT’s CBM royalty payments into escrow or internal suspense, and (d) any person who operates a CBM well in Virginia and any person who holds a working interest in a CBM well operated by EQT in Virginia.

Some corporations, partnerships, or other entities included in the Class definition may now be dissolved. If you have succeeded to the interest of such a dissolved corporation, partnership, or other entity, you should immediately contact the Settlement Administrator at the following address and/or phone number:

Virginia Gas Cases – Gilbert Class, c/o JND Legal Administration  
P.O. Box 91345  
Seattle, WA 98111

(833) 747-6672

**If you are a Settlement Class Member and the Judge approves the Proposed Settlement, you will be bound by all orders and judgments of the Court and by the Court’s final resolution of the Settlement Class claims in the Lawsuit. See Question 13 for your right to comment on or object to the Proposed Settlement.**

#### 4. How do I know if my well or lease is included in the Proposed Settlement?

You are included in the proposed Settlement if you fall within the Settlement Class definition described under Question 3, above, and you are not excluded from the Settlement Class for any of the reasons described under Question 3, above.

If you have any questions about whether you are part of the Settlement Class, please visit [www.VaGasCases.com](http://www.VaGasCases.com), or call (toll-free) 833-747-6672. You may also contact Class Counsel.

**Please do not contact the Court.**

#### 5. What does the Proposed Settlement provide?

The proposed Settlement provides monetary relief for Settlement Class Members relating to the calculation, payment, and/or reporting of coalbed methane gas royalty payments made during the Class Period by EQT.

Under the Settlement, EQT will make a payment to the Settlement Class of \$300,000. The payment will be distributed among the Class Members on a pro-rata basis, net of Court-awarded attorneys’ expenses and administrative costs, and in accordance with the Settlement Agreement’s Plan of Distribution.

QUESTIONS? CALL 1-833-747-6672

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In exchange for the benefits received by the Class, EQT will be released from claims the Settlement Class Members may have against EQT based on the deduction of severance taxes, and the prices on which EQT based royalty payments, in accordance with the Settlement Agreement. The settlement does not include claims relating to other deductions taken from royalty payments or alleged late or delayed payments into escrow. The release would extend to EQT and those having a working interest in its wells (including Range Resources-Pine Mountain, Inc.) and their parents, present and former subsidiaries and affiliated entities, and their predecessors, successors and assigns, and each of their present, former, and future officers, directors, employees, agents, successors, assigns, attorneys, and legal representatives.

The Settlement affects only EQT-related entities and does not affect how any other non-EQT related entity calculates and/or pays royalties. The Settlement does not affect any other case pending in the Western District of Virginia concerning the payment of coalbed methane royalties.

#### 6. What do I need to do to remain a Settlement Class Member?

If you want to remain a Settlement Class Member, **you do not need to take any action whatsoever**. Class Counsel will represent your interests as a member of the Settlement Class.

#### 7. Can I get out of the Settlement Class?

If you don't want to be in the Settlement Class and you want to keep the right to sue EQT about the same claims on your own, you must take steps to get out of the Settlement Class. This is called excluding yourself from or "opting out of" the Settlement Class. By excluding yourself, you keep the right to file your own lawsuit. If you exclude yourself from the Settlement Class, you will not receive any benefits from the Proposed Settlement.

#### 8. How do I get out of the Proposed Settlement?

To exclude yourself from ("opt out of") the Settlement Class, you must send a letter personally signed by you that includes all of the following:

Your name, address, and telephone number;

The following Civil Action Number: 1:10-cv-00037; and

A statement that you want to be excluded from the Settlement Class.

Your request for exclusion letter must be mailed first class, postage pre-paid, **postmarked on or before []**, to:

Virginia Gas Cases Exclusions – Gilbert Class  
c/o JND Legal Administration

QUESTIONS? CALL 1-833-747-6672

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P.O. Box 91345  
Seattle, WA 98111

You cannot exclude yourself from only part of the Settlement or Settlement Class. You must either remain a Settlement Class Member or exclude yourself from the entire Settlement. Also, please remember that you can't exclude yourself by phone or by sending an email.

#### 9. Do I have lawyers representing my interests in the case?

The Court has appointed the following law firms to represent the Class:

Larry D. Moffett  
Daniel Coker Horton & Bell, P.A.  
P. O. Box 1396  
Oxford, MS 38655-1396

David S. Stellings  
Daniel Seltz  
Lieff, Cabraser, Heimann  
& Bernstein, LLP  
250 Hudson St., 8<sup>th</sup> Floor  
New York, NY 10013

Jackson S. White, Jr., VSB #03677  
The White Law Office  
P. O. Box 286  
Abingdon, VA 24212

Don Barrett  
Barrett Law Group  
Post Office Drawer 927  
Lexington, MS 39095

Peter G. Glubiak  
Glubiak Law Office  
P.O. Box 27  
King William, VA 23086

These lawyers are called "Class Counsel." You do not have to directly pay Class Counsel. If you want your own lawyer, and to have that lawyer appear in court, you may hire one at your own expense.

#### 10. How will the lawyers be compensated?

Class Counsel will request that the Court award Class Counsel reimbursement of a portion (totaling no more than \$144,000) of their Litigation Expenses, and approve an Incentive Payment to the Class Representative. Class Counsel is not seeking an award of attorneys' fees. The Court, at its own discretion, may award less than these requested amounts without further notice to the Settlement Class Members. Any expense reimbursement and incentive payments awarded by the Court will be paid from the Settlement Funds. Again, if you choose to hire your own attorney, you will be responsible for that attorney's fees and expenses.

QUESTIONS? CALL 1-833-747-6672

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### 11. Should I get my own lawyer?

You don't need to hire your own lawyer but you may elect to do so. If you want your own lawyer to speak for you or to appear in Court, you or your lawyer must file a Notice of Appearance. (See question 16 to find out how to submit a Notice of Appearance). If you hire a lawyer to appear for you in the lawsuit, you will have to pay that lawyer on your own.

### 12. Who is the Class Representative and how is he compensated?

The Court has appointed the Plaintiff as Class Representative. The Class Representative works with Class Counsel on behalf of all Settlement Class Members to present the views of typical Settlement Class Members to Class Counsel and the Court. The Class Representative may be entitled to an Incentive Payment Award not to exceed \$2,500.

### 13. Can I object or comment on the Proposed Settlement?

If you have comments about, or disagree with, any aspect of the Proposed Settlement, including the requested attorneys' fees, you may express your views to the Court through a written response to the Proposed Settlement. Only Settlement Class Members who have not opted out can object or comment. The written comment or objection should include your name, address, and telephone number. In addition, any objection must include (a) a written statement of your objection, (b) a written statement of the grounds or reasons for your objection, and (c) copies of any papers, briefs, or other documents supporting your objection. The document must be signed to ensure the Court's review. In order to be considered by the Court, your comment or objection must be postmarked on or before [], and mailed to:

Clerk of the Court  
United States District Court, Western District of Virginia  
180 Main Street  
Abingdon, VA 24210

Your comment or objection must clearly state that it relates to the following Civil Action Number: 1:10-cv-00037.

The comment or objection must also be mailed to the following attorneys:

Counsel for the Class:

Larry D. Moffett  
Daniel Coker Horton & Bell, P.A.  
P. O. Box 1396  
Oxford, MS 38655-1396

Counsel for EQT:

Wade Massie  
Penn, Stuart & Eskridge  
P.O. Box 2288  
Abingdon, VA 24212

QUESTIONS? CALL 1-833-747-6672

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#### 14. Will there be a Hearing on the Proposed Settlement?

The Court will hold a Final Approval Hearing on [], to consider whether the Proposed Settlement is fair, reasonable, and adequate. The Hearing will be at the United States Courthouse, 180 Main Street, Abingdon, VA, 24210, at [] [].m. At the Hearing, the Court will decide whether to approve the Proposed Settlement and the motion for attorneys' fees and expenses. If comments or objections have been received, the Court will consider them at this time.

Note: The Hearing may be postponed to a different date without additional notice.

#### 15. Must I attend the hearing?

Attendance is not required, even if you properly mailed a written objection or comment. Class Counsel is prepared to answer the Court's questions, including concerning objections or comments. If you or your lawyer still want to attend the Hearing, you are welcome to come at your own expense. However, it is not necessary that you attend. If you filed an objection to or comment about the Settlement, as long as the objection or comment was postmarked before the deadline, the Court will consider it, regardless of whether you or your privately-retained attorney appear at the Hearing.

#### 16. May I speak at the Hearing?

If you want to speak or have your own lawyer speak at the Final Approval Hearing, you must give the Court a paper that is called a "Notice of Appearance." The Notice of Appearance must refer to *Gilbert v. EQT Production Company*, No. 1:10-cv-00037, United States District Court for the Western District of Virginia, and state that you or your lawyer wish to enter an appearance at the Final Approval Hearing. It must also include your name, address, telephone number, and signature. Your "Notice of Appearance" must be postmarked no later than []. You cannot speak at the Hearing if you asked to be excluded from the Proposed Settlement Class.

The Notice of Appearance must be filed with the Court at the address provided under Section 13 above and also mailed to the attorneys listed in Section 13 above.

In addition, your document must clearly state that it relates to the following Civil Action Number: 1:10-cv-00037.

#### 17. How do I get more information about the Proposed Settlement?

This notice summarizes the Proposed Settlement and your rights and options as a Settlement Class Member. To find out more information, call (833) 747-6672, or write to Virginia Gas Cases – Gilbert Class, c/o JND Legal Administration, P.O. Box 91345, Seattle, WA 98111

If you have a question about whether or not you are in the Settlement Class, or about your rights and options as a Settlement Class Member, you may contact the Class Counsel (see Question 9).

QUESTIONS? CALL 1-833-747-6672

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All court records, including the Settlement Agreement and other documents for the Lawsuit, may be examined in person and copied at the United States District Court, Western District of Virginia, United States Courthouse, 180 Main Street, Abingdon, VA 24210.

**PLEASE DO NOT TELEPHONE THE COURT, THE CLERK OF THE COURT,  
OR EQT.**

QUESTIONS? CALL 1-833-747-6672

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# EXHIBIT C

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF VIRGINIA  
ABINGDON DIVISION**

EDNA GILBERT, individually and on behalf of  
all others similarly situated,

Plaintiff,

v.

EQT PRODUCTION COMPANY,

Defendant.

Case No. 1:10-cv-37

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**FINAL JUDGMENT AND ORDER OF DISMISSAL**

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THIS MATTER comes before the Court upon the unopposed “Motion for Final Approval of the Class Settlement” filed by Plaintiff. The Court, being fully advised of the premises of the Motion, FINDS:

1. The original Plaintiff filed a Complaint on June 15, 2010, and ultimately filed a Second Amended Complaint on March 28, 2012. Plaintiff’s Second Amended Complaint alleged claims for declaratory judgment and for various tort claims relating to the alleged underpayment of royalties based on Defendant’s production of coalbed methane. The Second Amended Complaint sought both declaratory and monetary relief. Thereafter, the Court dismissed certain claims and allowed other claims to remain in the case. ECF Nos. 177 and 234. Plaintiff did not pursue the dismissed claims as either individual or putative class claims.

2. The parties have negotiated a class settlement (“Class Settlement Agreement,” Exhibit 1 to the Motion for Initial Approval of Class Action Settlement (“Initial Motion”)). Through this Class Settlement Agreement, Defendant will fully and completely satisfy the claims

of Class Members relating to the claims certified by this Court for class treatment, relating to the severance of taxes from royalty payments paid into escrow and the prices on which royalty payments were based, by paying Class Members a total payment of \$300,000. Attorneys' fees and costs of Class Counsel and Administrative Costs will be paid from the Settlement Fund. By entering into the Class Settlement Agreement, neither Plaintiff nor Defendant make any admissions relating to the claims and defenses raised in this lawsuit.

3. On \_\_\_\_, 2019, Plaintiff filed a motion seeking initial approval of a Settlement Agreement that resolves the claims of the Settlement Class against Defendant based on the deductions of severance taxes and the prices obtained.

4. The Settlement Class, as defined in the parties' Class Action Settlement Agreement (Ex. 1 at ¶ 1.29) (the "Agreement"), includes the following:

All coalbed methane gas ("CBM") claimants who were identified by EQT in filings with the Virginia Gas and Oil Board as unleased owners of CBM estate interests and for whom EQT has applied, as of May 29, 2018, pursuant to Virginia Code § 45.1-361.22:2(A), for the release of funds held in escrow or internally, and all such gas claimants who have received distributions from escrow or directly from EQT as a result of a judicial determination of ownership or agreement between June 15, 2010 and April 1, 2018. "Gas claimants" is as defined by Virginia Code § 45.1-361.1. Excluded from the Class are (a) EQT, (b) any person who serves as a judge in this civil action and his/her spouse, (c) any individuals who have received a Court-supervised accounting of EQT's CBM royalty payments into escrow or internal suspense, and (d) any person who operates a CBM well in Virginia and any person who holds a working interest in a CBM well operated by EQT in Virginia.

5. Attached as Exhibit "1" to the Initial Approval Motion is the Agreement describing the claims that are being settled on behalf of the Class (defined as the "Settled Claims"), setting forth the terms of the Parties' settlement, and incorporating the terms of this Final Judgment And Order of Dismissal (the "Final Judgment"). The Agreement and its terms,

including the definitions, are incorporated into this Final Judgment as if fully set forth herein.

The Agreement and Final Judgment shall be referred to collectively herein as the “Settlement.”

6. This Court entered an Order dated [\_\_\_\_\_, 2019] (the “Notice Approval Order”) directing that notice of the proposed Settlement be mailed to the Settlement Class. The Court also set a hearing for \_\_\_\_\_, 2019, to determine whether the proposed Settlement should be approved as fair, reasonable and adequate.

7. In accordance with the Court’s Notice Approval Order, the Settlement Administrator caused to be mailed to potential members of the Settlement Class (for whom Defendant had addresses available from their accounting records) a notice (the “Settlement Notice”) in the form approved by the Court in the Notice Order. Attached as Exhibit \_\_\_ to the Memorandum in Support of Plaintiff’s Unopposed Motion for Final Approval of Class Settlement (“Final Approval Memorandum”) is the Affidavit of \_\_\_ which provides additional information concerning the mailing of notice. The Court finds that the Settlement Notice provided to potential members of the Settlement Class constituted the best and most practicable notice under the circumstances and included individual notice to all members of the Settlement Class who could be identified by reasonable efforts, thereby complying fully with due process and Rule 23 of the Federal Rules of Civil Procedure.

8. Defendant caused to be mailed to the appropriate federal and state officials the materials required to be submitted by the Class Action Fairness Act, 28 U.S.C. § 1711, *et seq.* (“CAFA”), and filed a Notice with the Court informing the Court of the completion of this mailing. Accordingly, the Court finds that CAFA’s notice requirements have been satisfied.

9. On \_\_\_\_\_, 2019, the Court held a hearing on the proposed Settlement, at which time all interested persons were given an opportunity to be heard. Furthermore, the Court

has read and considered all submissions in connection with the Settlement. Having done so, the Court has determined that approval of the Settlement will bestow a substantial economic benefit on the Settlement Class, result in substantial savings in time and money to the litigants and the Court and will further the interests of justice, and that the Settlement is the product of good-faith arm's length negotiations between the Parties.

NOW, THEREFORE, GOOD CAUSE APPEARING, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

10. The Agreement, including all of the terms defined therein including but not limited to the definitions of "Settled Claims," is incorporated herein. Any terms used in this Final Judgment are governed by their definitions in the Agreement. The Court has jurisdiction over the subject matter of this litigation and all parties to this litigation, including all members of the Settlement Class.

11. The certified Settlement Class is defined for purposes of the Agreement and this Final Judgment as set forth in Paragraph 4 above.

12. The Settlement was made in good faith and its terms are fair, reasonable, and adequate as to the Settlement Class. Therefore, the Settlement is approved in all respects, and shall be binding upon, and inure to the benefit of, all members of the Settlement Class.

13. The Settlement Class Excluded Entities are not bound by either the Agreement or this Final Judgment. The persons and entities identified by Exhibit \_\_ are the Settlement Class Members, and the persons and entities identified on Exhibit \_\_ to this Final Judgment are Settlement Class Excluded Entities. The Settlement Class Excluded Entities may pursue their own individual remedies, if any, as to any of the Settled Claims.

14. As of the Effective Date, Plaintiff and the Settlement Class Members, and each of them, for themselves and their respective heirs, agents, officers, directors, shareholders, employees, consultants, joint venturers, partners, members, legal representatives, successors and assigns, shall fully and forever release and discharge the Defendant and those owning a working interest in its wells (including Range Resources-Pine Mountain, Inc.), and their parents, subsidiaries, affiliated entities, predecessors, successors and assigns and each of their present, former and future officers, directors, employees, agents, any third party payment processors, independent contractors, successors, assigns, attorneys and legal representatives (collectively, “Defendant Releasees”) from any and all of the Settled Claims, except for the rights and obligations created by the Agreement, and shall not commence, participate in, prosecute or cause to be commenced or prosecuted against the Defendant Releasees any action or other proceeding based upon any of the Settled Claims released pursuant to the Agreement. The relief afforded under the Agreement fully and completely satisfies the Settlement Class Members’ Settled Claims, as defined in the Settlement Agreement. This Release also covers, without limitation, any and all claims for attorneys’ fees, costs, or disbursements incurred by Class Counsel or any other counsel representing Plaintiff or Settlement Class Members or by Plaintiff or the Settlement Class Members, or any of them, in connection with or related in any manner to this case, the settlement of this case, the administration of this Settlement and/or the Settled Claims except to the extent otherwise specified in the Agreement. The Final Judgment shall not, however, operate or be construed to release any claims the Parties may have against any person or entity who is not a Party to the Agreement except as provided above.

15. All claims of the plaintiff that were previously dismissed by the Court remain dismissed for the reasons stated by the Court. All Settled Claims are hereby dismissed with

prejudice. All other claims are hereby dismissed without prejudice.

16. Within ten calendar days of the Effective Date, Defendant shall deposit the Settlement Payment into the account established by the Settlement Administrator for purposes of receiving the Settlement Payment.

17. Neither this Final Judgment, the Agreement nor any document referred to herein nor any action taken pursuant to—or to carry out—the Settlement may be used as an admission by or against Defendant of any fact, claim, assertion, matter, contention, fault, culpability, obligation, wrongdoing or liability whatsoever.

18. The Plan of Administration attached as Exhibit D to the Agreement, including the plans for allocation and distribution set forth therein, is hereby approved and shall be implemented by using the best reasonably available data and using the most practicable method under the circumstances.

19. The Court has, by separate order, granted Class Counsel's "Motion for an Award of Attorneys' Fees and Expenses and for an Incentive Award Payment to Class Representatives." The amount of attorneys' fees and Litigation Expenses awarded to Class Counsel shall be distributed to Class Counsel by the Settlement Administrator from the Settlement Funds.

20. The Court reserves jurisdiction over this matter, the Parties, and all counsel herein, without affecting the finality of this Final Judgment, including over (a) implementing, administering and enforcing this Settlement and any award or distribution from the Settlement Funds; (b) disposition of the Settlement Funds; and (c) other matters related or ancillary to the foregoing.

21. Nothing set forth in this Final Judgment shall be construed to modify or limit the terms of the Agreement, but rather, the Agreement and this Final Judgment are to be construed

together as one Settlement between the Parties.

22. The Settlement and this Final Judgment shall have no *res judicata*, collateral estoppel, or other preclusive effect as to any claims other than the previously dismissed claims of the plaintiff and the Settled Claims.

Enter: \_\_\_\_\_, 2019.

BY THE COURT:

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James P. Jones  
United States District Court Judge

# EXHIBIT D

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF VIRGINIA  
ABINGDON DIVISION**

EDNA GILBERT, individually and on behalf of  
all others similarly situated,

Plaintiff,

v.

EQT PRODUCTION COMPANY,

Defendant.

Case No. 1:10-cv-37

**PLAN OF ADMINISTRATION AND DISTRIBUTION**

1. Plan of Allocation.

Each Settlement Class Member's allocated share of the Settlement Payment will be a pro-rata share, which will be calculated based on (i) the total dollar amount of distributions made to a Settlement Class Member a) from the state escrow account as a result of applications by EQT to the Virginia Gas and Oil Board pursuant to Virginia Code § 45.1-361.22:2(A), as of May 29, 2018, and b) from escrow or directly from EQT as a result of a judicial determination of ownership or agreement between June 15, 2010 and April 1, 2018 as a percentage of (ii) the total dollar amount of a) distributions made to Settlement Class Members from the state escrow account as a result of such applications by EQT to the Virginia Gas and Oil Board between September 23, 2010 and May 29, 2018, and b) from escrow or directly from EQT as a result of a judicial determination of ownership or agreement between June 15, 2010 and April 1, 2018.

2. Distribution of Settlement Proceeds

(a) Within thirty (30) days after the Effective Date, the Settlement Administrator shall make a determination as to the amounts owed to each Settlement Class Member and shall issue checks to each Settlement Class Member to whom a payment is owed.

(b) The amount of money to be disbursed to each Settlement Class Member will be the Settlement Class Member's allocated share of the Settlement Funds as calculated in accordance with the Plan of Allocation, including any interest earned thereon, reduced by his or her proportionate share of Court-approved Litigation Expenses and Attorneys' Fees and administrative costs, and any interest earned thereon.

(c) The Settlement Administrator shall, not less than one year after the Effective Date, determine for the Court the total dollar amount of the distribution checks which were payable to Settlement Class Members but which were not negotiated by the Settlement

Class Members for any reason, for example, because a Settlement Class Member could not be located or a Settlement Class Member failed or refused to negotiate his distribution check. All such unclaimed monies shall be transferred to a charitable organization agreed to by Plaintiff and Defendant.

3. Disputed Claims. Any dispute between persons who are, or who purport to be, Settlement Class Members concerning the distribution of a portion of the Settlement Funds will be submitted to the Court for resolution. The persons involved in such dispute must submit their dispute to the Court within ninety (90) days after the Effective Date. Such dispute shall not in any way affect, delay, or interfere with, the approval of the settlement or any distribution to any persons not involved in the dispute, including any distribution to other Settlement Class Members or Class Counsel.

4. Claims Based Upon Distributions. No Settlement Class Member shall have any claim against the Class Representative, Class Counsel, the Settlement Administrator, or Defendant based upon distributions made substantially in accordance with the Settlement Agreement, the Plan of Administration and Distribution, or orders of the Court, or in good faith reliance on any public records or records provided by Defendant or any other person or entity.

5. Final Report of Distribution by Settlement Administrator. Within thirty (30) days after completing full distribution of the Settlement Funds, unless otherwise ordered by the Court, the Settlement Administrator shall file with the Court a Final Report (together with a proposed order approving such report and discharging the Settlement Administrator) indicating that the Settlement Funds have been distributed in accordance with the terms of the Settlement Agreement and the Court's prior orders.

6. Settlement Administrator. As used herein and in the exhibits hereto, the term "Settlement Administrator" means JND Legal Administration, the entity agreed by the Parties to administer the Settlement in accordance with the Settlement Agreement, Final Judgment, and this Plan of Administration and Distribution.

7. Definitions. All terms defined in the Settlement Agreement shall have the same meaning when used in this Plan of Administration and Distribution except as otherwise specified herein.

APPENDIX

*Edna Gilbert v. EQT Production Company*, No. 1:10-cv-00037 (W.D. Va.)

SETTLEMENT CLASS MEMBERS

Bobby Adkins  
Eva Mae Adkins  
Cindy Ashworth  
Don Ashworth  
Halbert Ashworth  
Peggy Ashworth  
Frederick Austin  
Tina Austin  
Jerry Franklin Baker  
Virginia Mullins Baker  
Barbara Gayle Barton  
Pam Agnus Barton  
Peggy R. Barton  
Ricky Lane Barton  
Steve Barton  
Terry Lorenzen Barton  
Tessie M. Bates  
Chandra Cheryl Bostic  
Kenny Bostic  
Janet D. Breeding  
Loretta Burton  
C & R Associates c/o Lowell Counts  
Richard Clark  
Sherry Pamela Clark  
Joyce Neil Phillips Cloud  
Laura Cole  
Leroy Cole  
Patricia Colley  
Patricia Ann Compton  
Hazel Craft  
Johnny Craft  
Carl Crawford  
Gladys Crawford  
Elaine H. Cummins  
Lenora K. Davis  
Ronald Wayne Day  
Brenda Deel

APPENDIX

*Edna Gilbert v. EQT Production Company*, No. 1:10-cv-00037 (W.D. Va.)

SETTLEMENT CLASS MEMBERS

Carter Deel  
Charles Deel  
Mario Deel  
Mary Deel  
Susie Deel  
Irene Fields  
Jack Fields  
Donald Gibson  
Glynis Gibson  
Oliver Gibson  
Peggy Gibson  
Edna Gilbert  
Otis Shey Gilbert  
Michael Greene  
Wendy Greene  
Melinda C. Grim  
Paul Grim  
David Brownlow Grizzel  
Jackie Darrell Grizzel  
Linda Grizzle  
Teddy Ray Grizzel  
Travis E. Grizzle  
Lee Grizzle  
Retha Grizzle  
Elizabeth Winegard Hancock  
Frank Hancock  
Gary Hardin Hancock  
Isaac I. Hancock  
Jessica N. Hancock  
Shane Christopher Hancock  
Stephanie Hancock  
Ada Karen Bryan Hayes  
Clarence Hayes  
Edgar Hill  
Sheila Hill  
Debra A. Herring  
James P. Herring  
Jonathon Keith Herring

## APPENDIX

*Edna Gilbert v. EQT Production Company*, No. 1:10-cv-00037 (W.D. Va.)

### SETTLEMENT CLASS MEMBERS

Perry Anthony Herring  
Ricky Holle  
Glenda Jo Houston  
Larry Houston  
Eva L. Hunsucker  
Jerry Hunsucker  
Danny Burton Jessee  
Gerald R. Jessee  
Peggy Jessee  
Phillip Raymond Jessee  
Ronald S. Jessee  
Cary Johnson  
Mitchell Johnson  
Theodore Johnson  
Marie Keel  
George Keel  
Carole G. Kiser  
Edward I. Kiser  
Jackson L. Kiser  
Linda Kiser  
Jeff Kittle  
Katrina Kittle  
Diana Knight  
Pete Knight  
John M. Lamie, Esq., Trustee for Yellow  
Poplar Lumber Company  
Autumn D. Lee  
Danny E. Lee  
Sandra Lee  
Spencer D. Lee  
Gregory Lott  
Greta Lott (Griffin)  
Ronnie Lott  
Jane Carolyn Harris Manhatten  
James H. McAllister  
N. Gay McAllister  
Quentin M. McCoy  
Carla McClellan

APPENDIX

*Edna Gilbert v. EQT Production Company*, No. 1:10-cv-00037 (W.D. Va.)

SETTLEMENT CLASS MEMBERS

Allen Meade  
Delmer E. Meade  
Harold Meade  
Wilma Meade  
Sandra Hancock Miles  
Dennis Miller  
Donna Miller  
Carolyn Genette Mullins  
Claudiette Karen Mullins-Mason  
Dennis Mullins  
Joan Mullins  
Jerry Mullins  
Linda Mullins  
Lois Jean Mullins  
Mae Mullins  
Michael Mullins  
Randy Mullins  
Stephen Mullins  
Virginia Sutherland Mullins  
Anna Murphy  
James R. Murphy  
Allie Musick  
Hubert Musick  
Kerry E. Musick  
Andrew Naudzunas  
Kyle O'Quinn  
Oakley Eugene Perkins  
Susan K. Perry  
William Perry  
Joe Peters  
Karen Peters  
Jewleen Phillips  
Larry Phillips  
Paul Phipps  
Mae Phipps  
Gregory Poulos  
Jason Poulos  
Karen Poulos

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*Edna Gilbert v. EQT Production Company*, No. 1:10-cv-00037 (W.D. Va.)

SETTLEMENT CLASS MEMBERS

Pamela Poulos  
Trulah F. Powers  
Edward L. Preacher  
Sharon Preacher  
Donnie Lee Presley  
Albert Tivis Rasnake, Jr.  
James Rasnake  
Timothy Redden  
Edith Redden  
Anne Rogers  
Derek Rogers  
Katherine Rogers  
Kevin Rogers  
Nadine Rogers  
Shaun Rogers  
Talmage G. Rogers III  
Tracey Rogers  
Angela Rose  
Anthony W. Rose  
Barbara Rose  
Claude H. Rose  
H. Jack Rose  
Lily Texas Rose  
Rob Roy Rose  
Tammy Rose  
Gwendlyn M. Roth  
Dollie B. Scott  
Robert Smallwood  
Carla Smallwood  
Bernard Trigg Smith  
Carolyn Sue Smith  
Diane Smith  
Harry Wayne Smith  
Richard Edison Stevens  
Melanie Stevens  
Adalee Stevens  
Bruce Stidham  
David Stidham (KY)

APPENDIX

*Edna Gilbert v. EQT Production Company*, No. 1:10-cv-00037 (W.D. Va.)

SETTLEMENT CLASS MEMBERS

David Stidham (NC)  
Laura K. Stidham  
Sandra Powers Strickfadden (now Sandra G. Sarbacher)  
Christopher Jason Sturgill  
Dorothy Sutphin  
Betty Tiller  
Graham Tiller  
Billy Howard Vance  
Roger Von Deel  
Cathy Walden  
Clarence L. Walden  
Jody Weaver  
Johnny Wayne Weaver  
Teresa Mullins Wendle  
William Wendle  
Weyerhaeuser Company  
Donna Lynn Willis  
Gary Willis  
Betty J. Wise  
Hugh Allen Wise  
Larry D. Wise, Sr.  
Linda C. Wise  
Shirley W. Wise  
Julia Hancock Wood  
Randall Lee Woodruff  
Eula Yates