

Instrument prepared by:
VIRGINIA GAS AND OIL BOARD

Order recorded under:
CODE OF VIRGINIA
§ 45.1-361.26

BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF SOUGHT: An Order for Disbursement of Escrowed Funds (and Authorization for Direct Payment of Royalties)

JURISDICTION: Code of Virginia § 45.1-351. (et seq) AND § 45.1-361.22 (et seq) AND § 45.1-361.22:2

UNITWELL NAME: Z8

TRACT(S): 2

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-91-0430-0114-02

APPLICANTS: Pocahontas Gas LLC on behalf of H-W Financial LLC

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
March 17, 2020 and June 16, 2020

APPEARANCES: Mark A. Swartz on behalf of Pocahontas Gas LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 05/31/1991, Recorded on 05/31/1991, Deed Book/Instrument No. 375, Page 439, County BUCHANAN.
2. Supplemental Order Executed 10/01/1993, Recorded on 10/08/1993, Deed Book/Instrument No. 414, Page 478, County BUCHANAN.
3. Disbursement Order -01 Executed 02/18/2003, Recorded on 02/21/2003, Deed Book/Instrument No. 563, Page 1, County BUCHANAN.
4. Supplemental Order Executed 02/18/2003, Recorded on 02/21/2003, Deed Book/Instrument No. 563, Page 1, County BUCHANAN.

NOTICE:

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The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the March 17, 2020 hearing and was continued to June 16, 2020 where the Board considered whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 2 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2 relative to the interests of the Applicants identified in the attached petition.
- (3) Close the escrow account under this docket number.

FINDINGS: Code of Virginia § 45.1-361.22 AND § 45.1-361.22:2

Applicant has certified and represented to the Board that:

H-W Financial, LLC is entitled to 100% of the CBM royalties awarded under Case No. CL12-736, Opinion dated December 9, 2019. Said decision allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Table, further, specifies how said royalties are to be paid.

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.
2. The Escrow Agent is ordered to close the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

APPEALS:

Appeals of this Order are governed by the provisions of the Code of Virginia § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

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DONE AND EXECUTED this 18 day of June, 2020 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

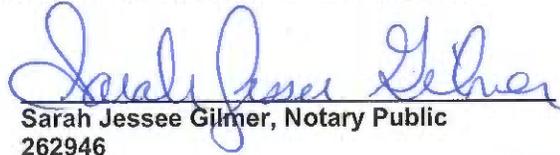
DONE AND PERFORMED this 18 day of June, 2020 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 18th day of June, 2020, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.



Sarah Jessee Gilmer, Notary Public
262946

My Commission expires: July 31, 2021



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: Pocahontas Gas LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 91-0430-0114-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2 (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES (3) AND DISMISSAL OF COAL OWNERS PURSUANT TO CODE OF VIRGINIA SECTION 45.1-361.22:2.

HEARING DATE: March 17, 2020

DRILLING UNIT: Z8

BUCHANAN COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is Pocahontas Gas LLC, PO Box 570, Pounding Mill, VA 24637, 276-596-5075.
Petitioner's counsel is Mark A. Swartz, Hillard & Swartz, LLP, 122 Capital Street, Suite 201,
Charleston, WV 25301.

2. Relief Sought

(1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to Tract 2, as depicted upon the annexed table and (2) authorization to begin paying royalties directly to H-W Financial, LLC.

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

H-W Financial, LLC is entitled to 100% of the CBM royalties awarded under Case No. CL12-736, Opinion dated December 9, 2019. Said decision allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Table, further, specifies how said royalties are to be paid.

6. Attestation

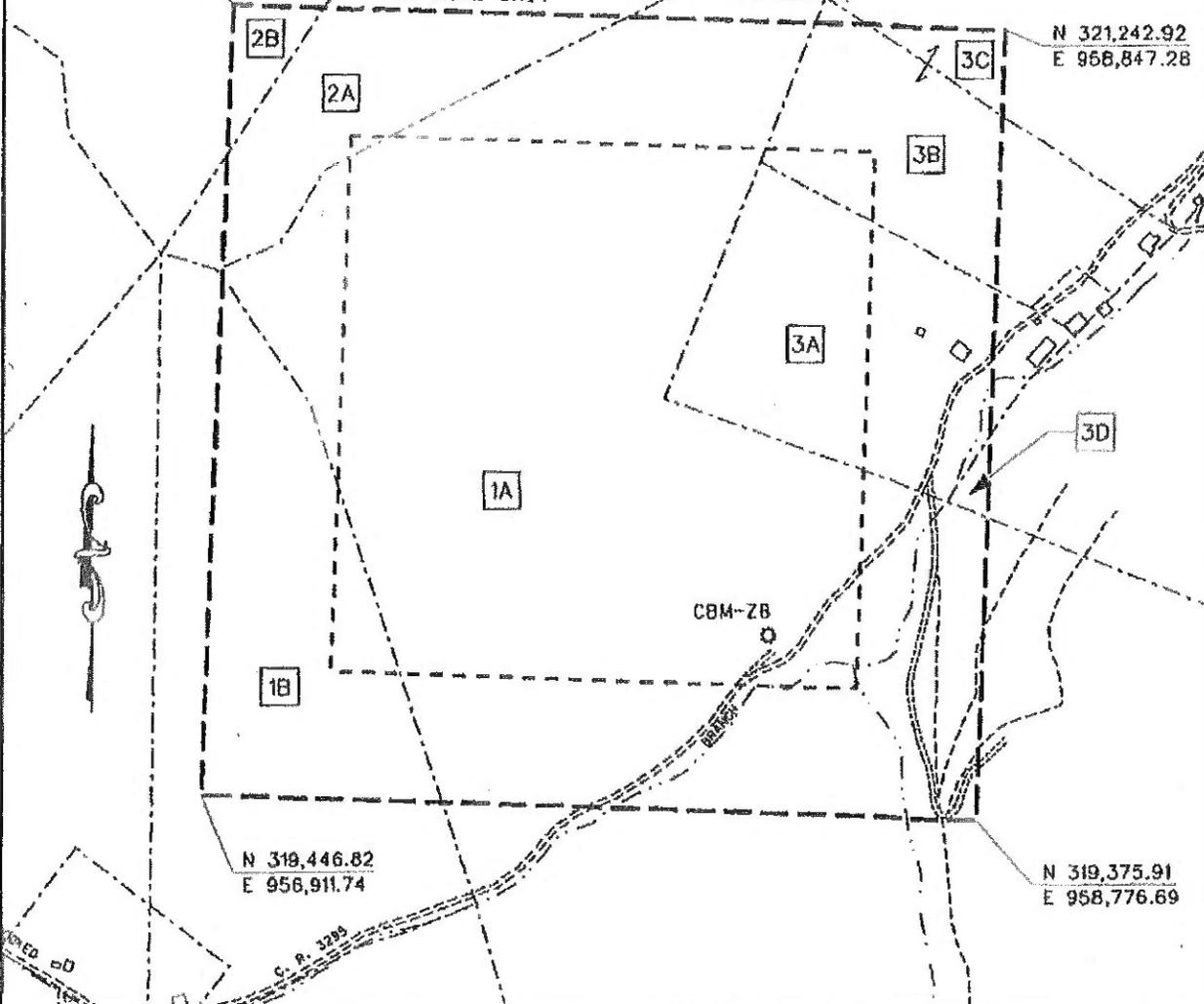
The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

N 321,313.74
E 956,982.41

80 ACRE UNIT

N 321,242.92
E 956,847.28



N 319,446.82
E 956,911.74

N 319,375.91
E 958,776.69

EXHIBIT A
DAKWOOD FIELD UNIT Z-8
FORCE PODLING
VGOB-91-0430-0114-01

Company CONSOL Energy Inc. Well Name and Number UNIT Z8
 Tract No. _____ Elevation _____ Quadrangle Vasant
 County Buchanan District Prater Scale: 1" = 400' Date: 8/15/02
 This plot is a new plot ; an updated plat _____ ; or a final plat _____

Form DGO-GO-7 _____ (Affix Seal)
 Rev. 9/91 Charles C. Meyer
 Licensed Professional Engineer or Licensed Land Surveyor

PermitPlat\FPOOL\Z8POOL.dgn 08/15/2002 08:59:48 AM

CONSOL Energy, Inc.
UNIT Z-8
 Tract Identifications

- 1A. Harrison – Wyatt, LLC (Big Axe Tr. 39) - Coal
 Island Creek Coal Company/Consolidation Coal Co. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 Wellmore Coal Company - Jawbone and Tiller Seams Leased
 Buchanan Production Company - CBM Leased
 Robert A. Rash - Surface, Oil and Gas
 Buchanan Production Company - Oil, Gas and CBM Leased
 49.53 acres 61.9125%
- 1B. Harrison – Wyatt, LLC (Big Axe Tr. 39) - Coal
 Island Creek Coal Company/Consolidation Coal Co. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 Wellmore Coal Company - Jawbone and Tiller Seams Leased
 Buchanan Production Company - CBM Leased
 Lonzo Hodge, et ux - Surface, Oil and Gas
 Buchanan Production Company - Oil, Gas and CBM Leased
 9.42 acres 11.7750%
2. Harrison-Wyatt, L.L.C. (Big Axe) Tr. 37 - Coal
 Island Creek Coal Co./Consolidation Coal Co. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Co. - Coal Above Jawbone Leased
 Wellmore Coal Co. - Jawbone and Tiller Seams Leased
 Buchanan Production Co. - CBM Leased
 Heirs, devisees, Successors or Assigns of Frank Howard - Oil and Gas (50%)
 Heirs, devisees, Successors or Assigns of James A. Tiller - Oil and Gas (50%)
 6.13 acres 7.6625%
- 2A. Unknown Surface Owner
 2B. Unknown Surface Owner
3. Harrison-Wyatt, L.L.C. (Big Axe) Tr. 51 - Coal, Oil & Gas
 Island Creek Coal Co./Consolidation Coal Co. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Co. - Coal Above Jawbone Leased
 Wellmore Coal Co. - Jawbone and Tiller Seams Leased
 Buchanan Production Co. - CBM Leased
 Buchanan Production Co. - Oil & Gas Leased
 14.92 acres 18.6500%
- 3A. Unknown Surface Owner
 3B. Unknown Surface Owner
 3C. Unknown Surface Owner
 3D. Unknown Surface Owner

Exhibit B-2
 Unit Z-8
 Docket #VGOB 91-0430-0114-02
 List of Respondents to be Dismissed

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	Acres in Unit	Percent of Unit	Reason for Dismissal
II. OIL & GAS FEE OWNERSHIP			
<u>Tract #2, 6.13 Acres</u>			
(1) <i>Parties known and/or unknown who may be heirs of Riddle Colley, Frank Howard, Amanda Howard, James A. Tiller, and Louisa (or Luvinia) H. Tiller; including but not limited to the following:</i>	6.13 acres	7.66250%	Not owners
<p>Irene R. Simpkins 221 Sunny Drive Princeton, WV 24740</p> <p>Fairy P. Colley 4908 Cochise Trail Richmond, VA 23237</p> <p>Gary Clay Colley 5195 US BSN Highway 340 Stanley, VA 22851</p> <p>Dair E. Colley 1165 East Main Street Stanley, VA 22851</p> <p>Graham A. Colley 2973 Vaughn Summit Road Luray, VA 22835</p> <p>Donna J. Chavers 137 Nez Perce Way Chester Gap, VA 22623</p> <p>John Edward Hayes II 12560 Erroll Lane Bristow, VA 20136</p> <p>Lelsha Howard 2877 River Mountain Road Lebanon, VA 24266</p> <p>Pamela Cherly Colley Johnson 43 Pendergrass Road Bristol, VA 24201</p> <p>Brenda Lee Jamison 402 Worthville Street Randleman, NC 27317</p> <p>Denise Colley 20718 Lamoreaux Landing Square Ashburn, VA 20148</p> <p>Richard William Colley 20718 Lamoreaux Landing Square Ashburn, VA 20148</p> <p>Amos R. Colley 46877 Ducksprings Way Sterling, VA 20164</p> <p>Bobbie Kean Mussomele 3503 Alberta Drive Fredericksburg, VA 22408</p> <p>Rhonda Sue Tucker 606 S. Alder Avenue Orlando, FL 32807</p>			

Exhibit B-2
Unit Z-8
Docket #VGOB 91-0430-0114-02
List of Respondents to be Dismissed

200000657

	Acres in Unit	Percent of Unit	Reason for Dismissal
Kenneth Wayne Colley 1936 Oldgate Lane Garland, TX 75042			
Ina Fern Colley 1703 McCody Circle, Apt 110 Port Angeles, WA 98326			
Jeffery James Colley 9502 Tower Street Manassas, VA 20110			
Betty Colley 1192 Nelson Lane Amissville, VA 20106			

Exhibit E
Unit Z-8
Docket #VGOB 91-0430-0114-02
List of Conflicting Owners/Claimants that require escrow

200000657

Acres in Unit

Percent
of Unit

Escrowing no longer required

Exhibit EE
Unit Z-8
Docket #VGOB 91-0430-0114-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #1A - 49.53 acres</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) H-W Financial, LLC, Tr. 39 P.O. Box 11000 Danville, VA 24543	49.53 acres	61.9125%	n/a
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Robert Russell Rash 519 Richardson Drive Tazewell, VA 24651	49.53 acres	61.9125%	n/a
<u>Tract #1B - 9.42 acres</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) H-W Financial, LLC, Tr. 39 P.O. Box 11000 Danville, VA 24543	9.42 acres	11.7750%	n/a
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Lonzo Hodge, et ux.		<i>Conveyed by deed dated 7/15/2005. DB 621/155</i>	
(a) H-W Financial, LLC P.O. Box 11000 Danville, VA 24543	9.42 acres	11.7750%	n/a
<u>Tract #2 - 6.13 acres</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) H-W Financial, LLC, Tr. 37 P.O. Box 11000 Danville, VA 24543	6.13 acres	7.6625%	n/a
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) H-W Financial, LLC, Tr. 37 P.O. Box 11000 Danville, VA 24543	6.13 acres	7.6625%	100.00% Court Order
<i>Prevailing plaintiff under Case No. CL12-736 Awarded 100% of the CBM royalty.</i>			
	Total Acres Resolved	65.08	
	Total Percentage Resolved	81.3500%	

INSTRUMENT 200000657
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY CIRCUIT COURT ON
JULY 13, 2020 AT 03:49 PM
BEVERLY S. TILLER, CLERK
RECORDED BY: GGB