



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

UNIT/WELL NAME: S52
TRACT(S): 3A
LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-99-1019-0757-02

APPLICANTS: Pocahontas Gas LLC on behalf of Margie Alice Reedy

HEARING DATE AND LOCATION: On June 16, 2015, the Virginia Gas and Oil Board, on its own motion, granted the Director of the Division of Gas and Oil the authority to process coal owner dismissal disbursements that have no pending deficiencies or issues. Code of Virginia Section 45.1-361.22:2. Effective date: July 1, 2015.

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

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 01/12/2000, Recorded on 01/31/2000, Deed Book/Instrument No. 501, Page 230, County BUCHANAN.
2. Supplemental Order Executed 05/02/2000, Recorded on 05/03/2000, Deed Book/Instrument No. 506, Page 670, County BUCHANAN.

NOTICE:

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- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 3A identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 3A relative to the interests of the Applicants identified in the attached petition.
- (3) Continue 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:

- a. Margie Alice Reedy is the gas claimant(s) in Tract(s) 3A. As such Margie Alice Reedy is entitled to 100% of the CBM royalties attributable to their gas claims that are now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2.A.
- b. That Pocahontas Gas LLC (formerly CNX Gas Company LLC) has previously given the notice(s) required by § 45.1-361.22:2.A to all conflicting coal claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That when the Board granted Petitioner's Miscellaneous Petition in VGOB 99-1019-0757-01, it dismissed the coal claimant(s) Pocahontas Resources LLC as a Respondent to these proceedings. Accordingly, Pocahontas Resources LLC was not provided further notice under § 45.1-361.19 and 22 of the hearing set on this Petition.
- d. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- e. That an Exhibit identified as Table 1 is annexed hereto, and it specifies how the disbursement(s) is to be calculated and paid by the escrow agent.
- f. That Va. Code Ann. § 45.1-361.22:2.A. further provides that the Operator shall pay such royalties as may hereafter be payable directly to the gas claimant(s) Margie Alice Reedy and shall not escrow same. See Exhibit EE annexed hereto.

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 continue 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.

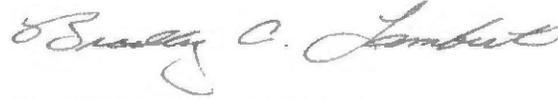
CONCLUSION:

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.

DONE AND EXECUTED this 7 day of May, 2019 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

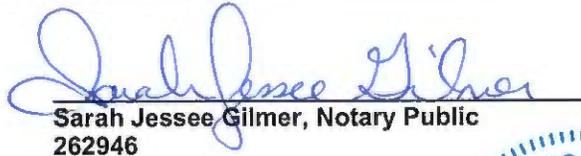
DONE AND PERFORMED this 7 day of May, 2019 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 7th day of May, 2019, 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 99-1019-0757-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 3A (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: On June 16, 2015, the Virginia Gas and Oil Board, on its own motion, granted the Director of the Division of Gas and Oil the authority to process coal owner dismissal disbursements that have no pending deficiencies or issues. Code of Virginia Section 45.1-361.22:2. Effective date: July 1, 2015.

DRILLING UNIT: S52

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 3A, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Margie Alice Reedy.

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)

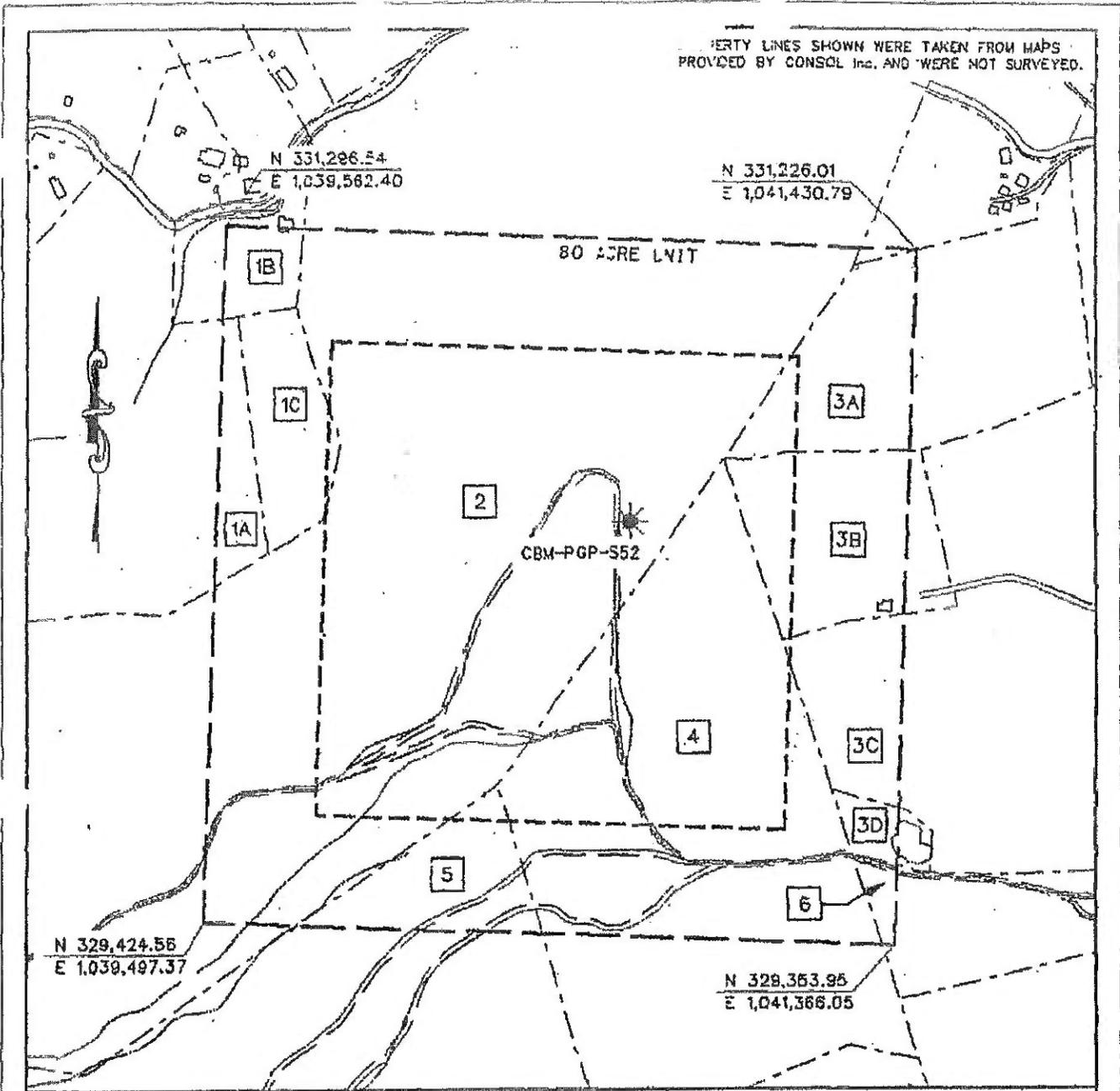
Coalbed Methane

5. Factual basis for relief requested

- a. Margie Alice Reedy is the gas claimant(s) in Tract(s) 3A. As such Margie Alice Reedy is entitled to 100% of the CBM royalties attributable to their gas claims that are now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2.A.
- b. That Pocahontas Gas LLC (formerly CNX Gas Company LLC) has previously given the notice (s) required by § 45.1-361.22:2.A to all conflicting coal claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That when the Board granted Petitioner's Miscellaneous Petition in VGOB 99-1019-0757-01, it dismissed the coal claimant(s) Pocahontas Resources LLC as a Respondent to these proceedings. Accordingly, Pocahontas Resources LLC was not provided further notice under § 45.1-361.19 and 22 of the hearing set on this Petition.
- d. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- e. That an Exhibit identified as Table 1 is annexed hereto, and it specifies how the disbursement (s) is to be calculated and paid by the escrow agent.
- f. That Va. Code Ann. § 45.1-361.22:2.A. further provides that the Operator shall pay such royalties as may hereafter be payable directly to the gas claimant(s) Margie Alice Reedy and shall not escrow same. See Exhibit EE annexed hereto.

6. Attestation

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



LEGEND

- ← TRACT LAND HOOK
- [2] TRACT LAND ID'S

EXHIBIT A
OAKWOOD FIELD UNIT S-52
FORCE POOLING
VGOB-99-1019-0757

Company Pocahontas Gas Partnership Well Name and Number UNIT S52
 Tract No. _____ Elevation _____ Quadrangle Jewell Ridge
 County Buchanan District Garden Scale: 1" = 400' Date 9/10/99
 This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DGO-GO-7
Rev. 9/91

Claude B. Moy
10352 (Aff. Seal)
Licensed Professional Engineer or Licensed Land Surveyor

**POCAHONTAS GAS PARTNERSHIP
UNIT S-52
Tract Identifications**

1. Pocahontas Mining Company . Tr 21 - Coal, Oil & Gas
Coal Lessees
Reserve Coal Properties - P-3 Seam and 250'above
Jewell Ridge Coal Corp.- Tiller Seam and above
Pocahontas Gas Partnership - CBM Leased
5.30 acres 6.6250%
- 1A. Willard Reed, Et ux - Surface
1B. Leonard Reed - Surface
1C. George Pruitt - Surface
2. Pocahontas Mining Company . Tr "D" - Fee
Coal Lessees
Reserve Coal Properties - P-3 Seam and 250'above
Jewell Ridge Coal Corp.- Tiller Seam and above
Pocahontas Gas Partnership - CBM Leased
42.28 acres 52.8500%
- 3A. Pocahontas Mining Company . Tr "C" - Coal
Coal Lessees
Reserve Coal Properties - P-3 Seam and 250'above
Jewell Ridge Coal Corp.- Tiller Seam and above
Pocahontas Gas Partnership - CBM Leased
Wanda Reedy, Et ux - Surface, Oil & Gas
3.80 acres 4.7500%
- 3B. Pocahontas Mining Company . Tr "C" - Coal
Coal Lessees
Reserve Coal Properties - P-3 Seam and 250'above
Jewell Ridge Coal Corp.- Tiller Seam and above
Pocahontas Gas Partnership - CBM Leased
Fred McGlothlin Jr. & Dorothy McGlothlin - Surface, Oil & Gas
4.40 acres 5.5000%
- 3C. Pocahontas Mining Company . Tr "C" - Coal
Coal Lessees
Reserve Coal Properties - P-3 Seam and 250'above
Jewell Ridge Coal Corp.- Tiller Seam and above
Pocahontas Gas Partnership - CBM Leased
Fred McGlothlin Jr. & Dorothy McGlothlin - Surface, Oil & Gas
2.68 acres 3.3500%

**POCAHONTAS GAS PARTNERSHIP
UNIT S-52
Tract Identifications**

- 3D. Pocahontas Mining Company . Tr "C" - Coal
Coal Lessees
Reserve Coal Properties - P-3 Seam and 250'above
Jewell Ridge Coal Corp.- Tiller Seam and above
Pocahontas Gas Partnership - CBM Leased
Jewell Ridge Coal Corp. - Surface, Oil & Gas
0.52 acres . 0.6500%
- 3E. Pocahontas Mining Company . Tr "C" - Coal
Coal Lessees
Reserve Coal Properties - P-3 Seam and 250'above
Jewell Ridge Coal Corp.- Tiller Seam and above
Pocahontas Gas Partnership - CBM Leased
Fred McGlothlin Jr. & Dorothy McGlothlin - Oil & Gas
Wanda Reedy 6/11 - Surface
Alice Reedy 5/11 - Surface
0.08 acres 0.1000%
4. Pocahontas Mining Company . Tr 10 - Fee
Coal Lessees
Reserve Coal Properties - P-3 Seam and 250'above
Jewell Ridge Coal Corp.- Tiller Seam and above
Pocahontas Gas Partnership - CBM Leased
17.47 acres 21.8375%
5. Pocahontas Mining Company . Tr 9 - Fee
Coal Lessees
Reserve Coal Properties - P-3 Seam and 250'above
Jewell Ridge Coal Corp.- Tiller Seam and above
Pocahontas Gas Partnership - CBM Leased
3.08 acres 3.8500%
6. Pocahontas Mining Company . Tr "C" - Fee
Coal Lessees
Reserve Coal Properties - P-3 Seam and 250'above
Jewell Ridge Coal Corp.- Tiller Seam and above
Pocahontas Gas Partnership - CBM Leased
0.39 acres 0.4875%

Exhibit E
Unit S-52
Docket #VGOB-99-1019-0757-02
List of Respondents that require escrow

	Net Acres in Unit	Interest in Unit
<u>TRACT #3B - 4.40 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Pocahontas Resources LLC P. O. Box 1837 Abingdon, VA 24212	4.40 acres	5.5000% <i>Dismissed under (01) petition</i>
<u>OIL & GAS FEE OWNERSHIP</u>		
<i>Outstanding W9/Affidavits</i>		
(1) Fred & Dorothy McGlothlin 1204 Gracefulview Rd Jewell Ridge, VA 24622	4.40 acres	5.5000%
<u>TRACT #3C - 2.68 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Pocahontas Resources LLC P. O. Box 1837 Abingdon, VA 24212	2.68 acres	3.3500% <i>Dismissed under (01) petition</i>
<u>OIL & GAS FEE OWNERSHIP</u>		
<i>Outstanding W9/Affidavits</i>		
(1) Fred & Dorothy McGlothlin 1204 Gracefulview Rd Jewell Ridge, VA 24622	2.68 acres	3.3500%
<u>TRACT #3E - 0.08 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Pocahontas Resources LLC P. O. Box 1837 Abingdon, VA 24212	0.08 acres	0.1000% <i>Dismissed under (01) petition</i>
<u>OIL & GAS FEE OWNERSHIP</u>		
<i>Outstanding W9/Affidavits</i>		
(1) Fred & Dorothy McGlothlin 1204 Gracefulview Rd Jewell Ridge, VA 24622	0.08 acres	0.1000%
Total Acres Remaining in Escrow	7.16	
Total Percentage Remaining in Escrow	8.9500%	

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Exhibit EE
Unit S-52
Docket #VGOB-99-1019-0757-02
List of Respondents with Royalty Division Agreement/Court Order/HB2058

	Net Acres in Unit	interest in Unit	Percent of Escrow
<u>TRACT #3A - 3.80 acres</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Pocahontas Resources LLC P. O. Box 1837 Abingdon, VA 24212	3.80 acres	4.7500%	n/a
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Wanda Reedy Heirs, Devisees, Successors, or Assigns			
(a) Margie A. Reedy 9502 Brown Mountain Road Jewell Ridge, VA 24622	3.80 acres	4.7500%	34.6715% HB2058
<u>TRACT #3D - 0.52 acres</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Pocahontas Resources LLC P. O. Box 1837 Abingdon, VA 24212	0.52 acres	0.6500%	n/a
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Jewell Ridge Coal Corp. 1801 Bayberry Ct, Suite 400 Richmond, VA 23226	0.52 acres	0.6500%	n/a
	Total Acres Resolved	4.32	
	Total Percentage Resolved	5.4000%	

INSTRUMENT 190000633
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY CIRCUIT COURT ON
MAY 21, 2019 AT 12:49 PM
BEVERLY S. TILLER, CLERK
RECORDED BY: GXE