

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

UNIT/WELL NAME: Y7

TRACT(S): 6

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-01-0821-0918-02

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 12/18/2001, Recorded on 01/11/2002, Deed Book/Instrument No. 537, Page 575, County BUCHANAN.
2. Supplemental Order Executed 02/18/2003, Recorded on 02/21/2003, Deed Book/Instrument No. 563, Page 325, County BUCHANAN.
3. Disbursement Order -01 Executed 05/11/2016, Recorded on 05/19/2016, Deed Book/Instrument No. 160000895, County BUCHANAN.

**NOTICE:**

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:

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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) 6 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 6 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

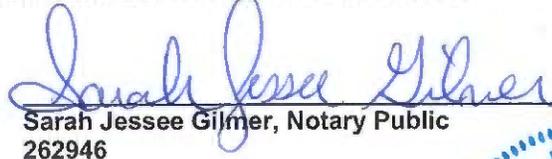
DONE AND PERFORMED this 18 day of June, 2020 by Order of the Virginia Gas and Oil Board.



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

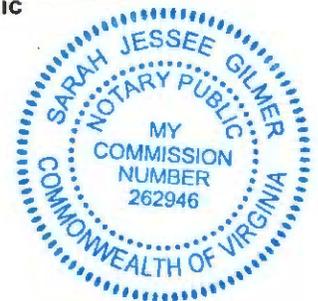
COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 18<sup>th</sup> 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 01-0821-0918-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 6 (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: Y7

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 6, 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.

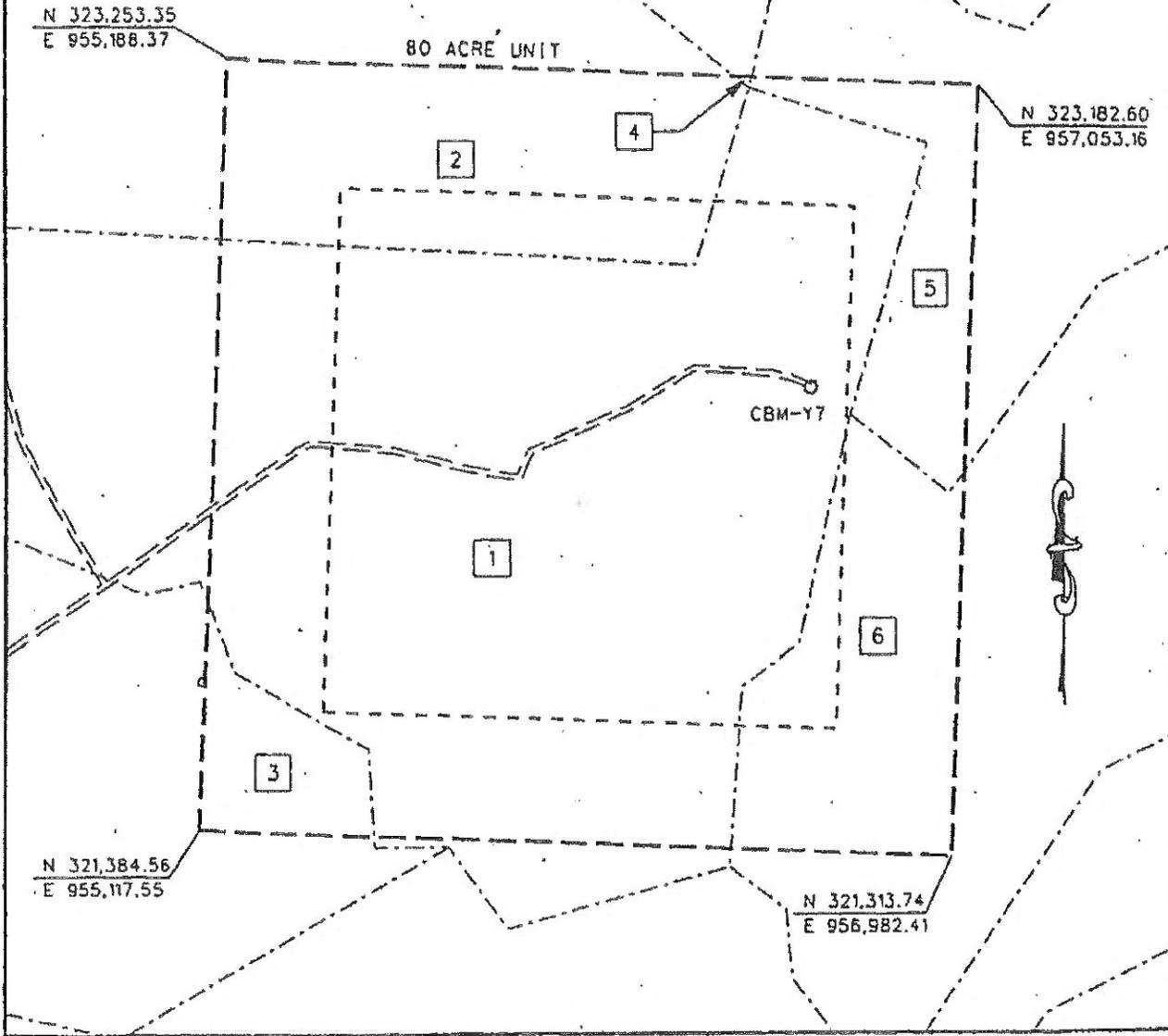


EXHIBIT A  
OAKWOOD FIELD UNIT Y-7  
FORCE POOLING  
VGOB-01-0821-0918

Company CONSOL Energy Inc. Well Name and Number UNIT Y7  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle Vansant  
 County Buchanan District Prater Scale: 1" = 400' Date 7/16/01  
 This plot is a new plot X ; an updated plot \_\_\_\_\_ ; or a final plat \_\_\_\_\_

Form DGD-GD-7  
Rev. 9/91

*Claude O. May*  
 Licensed Professional Engineer or Licensed Land Surveyor

**CONSOL Energy INC.**  
**UNIT Y-7**  
 Tract Identifications

1. **Levisa Coal Corporation Tr. 65 – Coal**  
 Island Creek Coal Company/Consolidation Coal Company - Coal below Tiller Seam Leased  
 Jewell Smokeless Coal Company. - Tiller and Above Coal Leased  
 John W. Pobst, Jr., et al. – All Minerals except Coal  
 Buchanan Production Company - CBM Leased  
 Buchanan Production Company - Oil and Gas Leased  
 Henry Barton - Surface  
 49.23 acres                      61.5375 %
  
2. **Harrison-Wyatt, L.L.C. (Big Axe) Tr. 25 – All Minerals**  
 Island Creek Coal Company/Consolidation Coal Company - Coal Below Tiller Seam Leased  
 Jewell Smokeless Coal Company - Coal Above Jawbone Seam Leased  
 Buchanan Production Company - CBM Leased  
 Buchanan Production Company - Oil and Gas Leased  
 Unknown Surface Owner  
 12.64 acres                      15.8000 %
  
3. **Harrison-Wyatt, L.L.C. (Big Axe) Tr. 48 – All Minerals**  
 Island Creek Coal Company/Consolidation Coal Company - Coal Below Tiller Seam Leased  
 Jewell Smokeless Coal Company - Coal Above Jawbone Leased  
 Buchanan Production Company - CBM Leased  
 Buchanan Production Company - Oil and Gas Leased  
 Henry Barton - Surface  
 3.18 acres                      3.9750 %
  
4. **Harrison-Wyatt, L.L.C. (Big Axe) Tr. 23 - Coal**  
 Island Creek Coal Company/Consolidation Coal Company - Coal Below Tiller Seam Leased  
 Jewell Smokeless Coal Co. - Coal Above Jawbone Leased  
 Buchanan Production Company - CBM Leased  
 Buchanan Production Company - Oil and Gas Leased  
 Harris Crumpton, et ux. – Surface and All Minerals except Coal  
 0.01 acres                      0.0125 %
  
5. **Harrison-Wyatt, L.L.C. (Big Axe) Tr. 27 - Coal**  
 Island Creek Coal Company/Consolidation Coal Company - Coal Below Tiller Seam Leased  
 Jewell Smokeless Coal Co. - Coal Above Jawbone Leased  
 Buchanan Production Company - CBM Leased  
 Buchanan Production Company - Oil and Gas Leased  
 Buchanan Production Company – Surface and All Minerals except Coal  
 5.09 acres                      6.3625 %
  
6. **Harrison-Wyatt, L.L.C. (Big Axe) Tr. 37 - Coal**  
 Island Creek Coal Company/Consolidation Coal Company - Coal Below Tiller Seam Leased  
 Jewell Smokeless Coal Company - Coal Above Jawbone Leased  
 Buchanan Production Company - CBM Leased  
 Buchanan Production Company - Oil and Gas Leased  
 Heirs, devisees, Successors or Assigns of Frank Howard – All Minerals except Coal (50%)  
 Heirs, devisees, Successors or Assigns of James A. Tiller – All Minerals except Coal (50%)  
 Riddle Colley Heirs - Surface

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**CONSOL Energy INC.**  
**UNIT Y-7**  
Tract Identifications  
12.3125 %

9.85 acres

Exhibit B-2  
Unit Y-7  
Docket #VGOB 01-0821-0918-02  
List of Respondents to be Dismissed

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	Acres in Unit	Percent of Unit	Reason for Dismissal
<b>II. OIL &amp; GAS FEE OWNERSHIP</b>			
<u>Tract #6, 9.85 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 Luvina) H. Tiller; including but not limited to the following:</i>	9.85 acres	12.31250%	Not owners
Irene R. Simpkins 221 Sunny Drive Princeton, WV 24740			
Fairy P. Colley 4908 Cochise Trail Richmond, VA 23237			
Gary Clay Colley 5195 US BSN Highway 340 Stanley, VA 22851			
Dair E. Colley 1165 East Main Street Stanley, VA 22851			
Graham A. Colley 2973 Vaughn Summit Road Luray, VA 22835			
Donna J. Chavers 137 Nez Perce Way Chester Gap, VA 22623			
John Edward Hayes II 12560 Erroll Lane Bristow, VA 20136			
Leisha Howard 2877 River Mountain Road Lebanon, VA 24266			
Pamela Cherly Colley Johnson 43 Pendergrass Road Bristol, VA 24201			
Brenda Lee Jamison 402 Worthville Street Randleman, NC 27317			
Denise Colley 20718 Lamoreaux Landing Square Ashburn, VA 20148			
Richard William Colley 20718 Lamoreaux Landing Square Ashburn, VA 20148			
Amos R. Colley 46877 Ducksprings Way Sterling, VA 20164			
Bobbie Kean Mussomele 3503 Alberta Drive Fredericksburg, VA 22408			
Rhonda Sue Tucker 606 S. Alder Avenue Orlando, FL 32807			

Exhibit B-2  
Unit Y-7  
Docket #VGOB 01-0821-0918-02  
List of Respondents to be Dismissed

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<u>Acres in Unit</u>	<u>Percent of Unit</u>	<u>Reason for Dismissal</u>
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		

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Exhibit E  
Unit Y-7  
Docket #VGOB 01-0821-0918-02  
List of Owners/Claimants that require escrow

Acres in Unit	Percent of Unit
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*Escrowing no longer required*

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Exhibit EE  
 Unit Y-7  
 Docket #VGOB 01-0821-0918-02  
 List of Respondents with Royalty Split Agreements/Court Order/HB2058

	Acres in Unit	Percent of Unit	Percent of Unit
<u>Tract #4 - 0.01 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) H-W Financial, LLC, Tr. 23 P.O. Box 11000 Danville, VA 24543	0.01 acres	0.0125%	n/a
<u>OIL &amp; GAS OWNERSHIP</u>			
(1) Deborah Crumpton P.O. Box 72 Oakwood, VA 24631	0.01 acres	0.0125%	n/a
<u>Tract #5 - 5.09 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) H-W Financial, LLC, Tr. 27 P.O. Box 11000 Danville, VA 24543	5.09 acres	6.3625%	n/a
<u>OIL &amp; GAS OWNERSHIP</u>			
(1) CNX Gas Company LLC 1000 Consol Energy Blvd Canonsburg, PA 15317	5.09 acres	6.3625%	n/a
<u>Tract #6 - 9.85 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) H-W Financial, LLC, Tr. 37 P.O. Box 11000 Danville, VA 24543	9.85 acres	12.3125%	n/a
<u>OIL &amp; GAS OWNERSHIP</u>			
(1) H-W Financial, LLC, Tr. 37 P.O. Box 11000 Danville, VA 24543	9.85 acres	12.3125%	100.00% Court Order
<i>Prevailing plaintiff under Case No. CL12-736 Awarded 100% of the CBM royalty.</i>			
<u>TOTALS:</u>			
Total Acreage Resolved in Unit	14.9500		
Total Percentage Resolved of Unit		18.6875%	

INSTRUMENT 200000662  
 RECORDED IN THE CLERK'S OFFICE OF  
 BUCHANAN COUNTY CIRCUIT COURT ON  
 JULY 13, 2020 AT 03:56 PM  
 BEVERLY S. TILLER, CLERK  
 RECORDED BY: GGB