

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:** Z7

**TRACT(S):** 5

**LOCATION:** BUCHANAN County, Virginia

**DOCKET NUMBER:** VGOB-02-0416-1020-01

**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 07/01/2002, Recorded on 07/15/2002, Deed Book/Instrument No. 550, Page 366, County BUCHANAN.
2. Supplemental Order Executed 02/18/2003, Recorded on 02/21/2003, Deed Book/Instrument No. 563, Page 509, County BUCHANAN.
3. Supplemental Order, Recorded on 04/25/2006, Deed Book/Instrument No. 652, Page 190, 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) 5 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 5 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

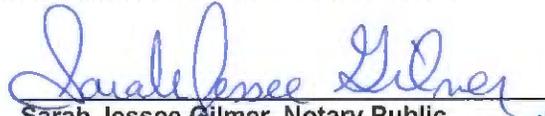
DONE AND PERFORMED this 18 day of June, 2020 by Order of the Virginia Gas and Oil Board.



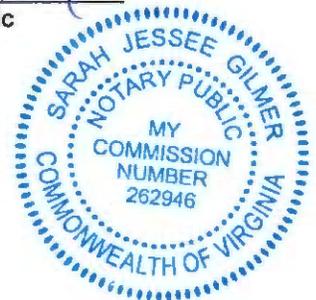
Rick Cooper  
Principal Executive to the  
staff, Virginia Gas and Oil Board

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 02-0416-1020-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 5 (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: Z7

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 5, 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.

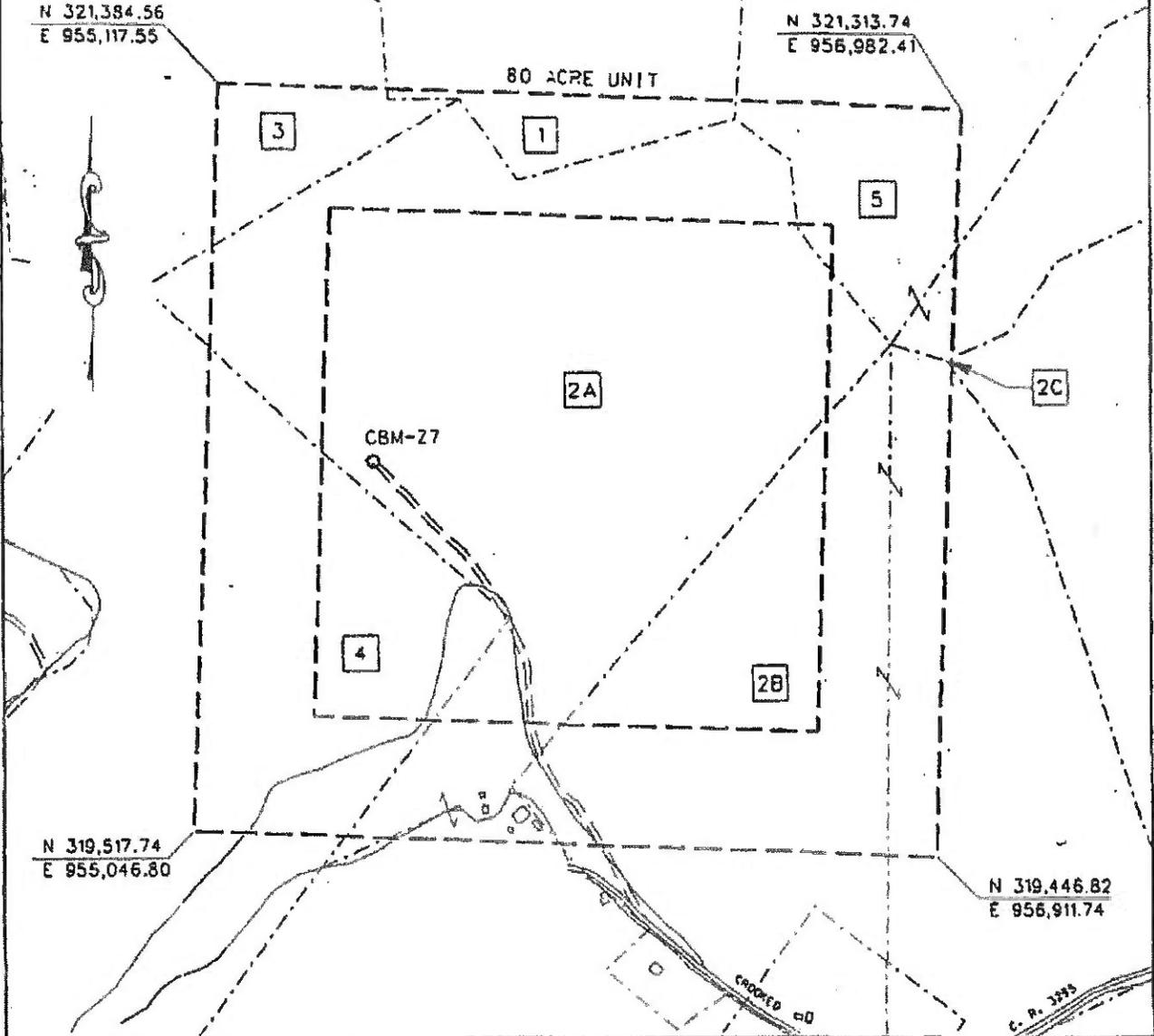
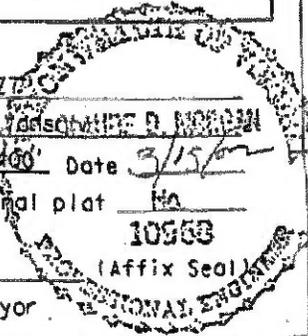


EXHIBIT A  
 OAKWOOD FIELD UNIT Z-7  
 FORCE POOLING  
 VGDB-02-0416-1020

Company CONSOL Energy Inc. Well Name and Number UNIT Z-7  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle Johnson D. BOGREN  
 County Buchanan District Prater Scale: 1" = 400' Date 3/15/07  
 This plat is a new plat X ; an updated plat \_\_\_\_\_ ; or a final plat NO

Form DGO-GO-7 Charles P. May 10568  
 Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor (Affix Seal)



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

1. Levisa Coal Company Tr. 65 - Coal  
 John W. Pobst, Jr., et al. - Oil & Gas  
 Island Creek Coal Company/Consolidation Coal Company - Coal below Tiller Seam Leased  
 Jewell Smokeless Coal Corp. - Tiller and Above Coal Leased  
 Buchanan Production Company - CBM Leased  
 Buchanan Production Company - Oil & Gas Leased  
 Henry M. Barton, et ux. - Surface  
 2.14 acres                      2.6750 %
- 2A. Harrison - Wyatt, LLC (Big Axe) Tr. 39 - Coal  
 Island Creek Coal Company/Consolidation Coal Company - 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  
 Glen Charles, et ux. - Surface, Oil & Gas  
 Buchanan Production Company - Oil, Gas and CBM Leased  
 37.51 acres                      46.8875 %
- 2B. Harrison - Wyatt, LLC (Big Axe) Tr. 39 - Coal  
 Island Creek Coal Company/Consolidation Coal Company - 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 & Gas  
 Buchanan Production Company - Oil, Gas and CBM Leased  
 19.13 acres                      23.9125 %
- 2C. Harrison - Wyatt, LLC (Big Axe) Tr. 39 - Coal  
 Island Creek Coal Company/Consolidation Coal Company - 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 - Oil & Gas  
 Buchanan Production Company - Oil, Gas and CBM Leased  
 Unknown Surface Owner  
 0.01 acres                      0.0125 %
3. Harrison - Wyatt, LLC (Big Axe) Tr. 48 - Coal, Oil & Gas  
 Island Creek Coal Company/Consolidation Coal Company - Coal Below Tiller Seam Leased  
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Leased  
 Wellmore Coal Company - Jawbone and Tiller Seams Leased  
 Buchanan Production Company - CBM Leased  
 Buchanan Production Company - Oil & Gas Leased  
 Henry M. Barton, et ux. - Surface  
 2.92 acres                      3.6500 %

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

4. Levisa Coal Company Tr. 64 - Coal  
Island Creek Coal Company/Consolidation Coal Company - Coal Below Tiller Seam Leased  
Jewell Smokeless Coal Corp. - Tiller and Above Coal Leased  
John W. Pobst, Jr., et al. - Oil & Gas  
Buchanan Production Company - CBM Leased  
Buchanan Production Company - Oil & Gas Leased  
Buchanan County Board of Supervisors - Surface  
13.32 acres                      16.6500 %
5. Harrison - Wyatt, LLC (Big Axe) Tr. 37 - Coal  
Island Creek Coal Company/Consolidation Coal Company - Coal Below Tiller Seam Leased  
Jewell Smokeless Coal Corp. - Coal Above Jawbone Leased  
Wellmore Coal Company - Jawbone and Tiller Seams Leased  
Buchanan Production Company - CBM Leased  
Buchanan Production Company - Oil & Gas Leased  
Heirs, Devisees, Successors or Assigns of Frank Howard - Oil & Gas (50%)  
Heirs, Devisees, Successors or Assigns of James A. Tiller - Oil & Gas (50%)  
Riddle Colley Heirs - Surface  
4.97 acres                      6.2125 %

Exhibit B-2  
Unit Z-7  
Docket #VGOB 02-0416-1020-01  
List of Respondents to be Dismissed

200000664

	Acres in Unit	Percent of Unit	Reason for Dismissal
<b>II. OIL &amp; GAS FEE OWNERSHIP</b>			
<u>Tract #5, 4.97 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>	4.97 acres	6.21250%	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 Z-7  
Docket #VGOB 02-0416-1020-01  
List of Respondents to be Dismissed

200000664

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 Amisville, VA 20106		

Exhibit E  
Unit Z-7  
Docket #VGOB 02-0416-1020-01  
List of Conflicting Owners/Claimants that require escrow

200000664

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

Exhibit EE  
Unit Z-7

200000664

Docket #VGOB 02-0416-1020-01

List of Respondents with Royalty Split Agreements/Court Order/HB2058

	Acres in Unit	Percent of Unit	Percent of Escrow
<b><u>Tract #1 - 2.14 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Levisa Coal Company <i>Tract 65 (78.04 Acre Tract)</i> c/o John C. Irvin 4710 Hunterwood Circle Richmond, TX 77406	2.14 acres	2.6750%	n/a
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) John W. Pobst, Jr., et al. <i>(78.04 Acre Tract)</i>	2.14 acres	2.6750%	
(a) Fairview Limited Partnership c/o John C. Irvin 4710 Hunterwood Circle Richmond, TX 77406	0.54 acres 1/4 of 2.14 acres	0.6688%	n/a
(b) Carol C. Irvin	<i>Conveyed by Deed of Gift dated 11/1/2012 - Instrument No. 120002651</i>		
(b.1) CIPL, LP c/o John C. Irvin 4710 Hunterwood Circle Richmond, TX 77406	0.18 acres 1/12 of 2.14 acres	0.2229%	n/a
(c) F.H. Combs Testamentary Trust P.O. Box 841 Tazewell, VA 24651	0.18 acres 1/12 of 2.14 acres	0.2229%	n/a
(d) Martha E. Combs Trust P.O. Box 1404 Abingdon, VA 24212	0.18 acres 1/12 of 2.14 acres	0.2229%	n/a
(e) John W. Pobst, Jr. PO Box 86 Revere, PA 18953	0.18 acres 1/12 of 2.14 acres	0.2229%	n/a
(f) Virginia Lee Llnwick 4324 South Ball Road Veradale, WA 99037	0.18 acres 1/12 of 2.14 acres	0.2229%	n/a
(g) Mary Katherine Pobst 39 Waterside Drive SE Cartersville, GA 30121	0.13 acres 1/16 of 2.14 acres	0.1672%	n/a
(h) Meredith Jennings 3110 Spyglass Drive Maryville, TN 37801	0.36 acres 1/6 of 2.14 acres	0.4458%	n/a

**Tract #2A - 37.51 acres**

**COAL OWNERSHIP**

(1) H-W Financiat, LLC ( <i>Big Axe Tr.22</i> ) <i>Oxy Tr. 39 (435 Acre Tract)</i> P.O. Box 11000 Danville, VA 24543	37.51 acres	46.8875%	n/a
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**OIL & GAS OWNERSHIP**

(1) Glen Charles Heirs, Devises, Successors, or Asslgn			
(a) Hattie Marie Charles PO Box 440 Vansant, VA 24656	37.51 acres	46.8875%	n/a

Exhibit EE  
Unit Z-7  
Docket #VGOB 02-0416-1020-01  
List of Respondents with Royalty Split Agreements/Court Order/HB2058

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	Acres in Unit	Percent of Unit	Percent of Escrow
<b><u>Tract #2C - 0.01 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) H-W Financial, LLC ( <i>Big Axe Tr.22</i> <i>Oxy Tr. 39 (435 Acre Tract)</i> P.O. Box 11000 Danville, VA 24543	0.01 acres	0.0125%	<i>n/a</i>
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Robert Russell Rash P.O. Box 614 Tazewell, VA 24651	0.01 acres	0.0125%	<i>n/a</i>
<b><u>Tract #4 - 13.32 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Levisa Coal Company <i>Tract 64 (485.50 Acre Tract)</i> c/o John C. Irvin 4710 Hunterwood Circle Richmond, TX 77406	13.32 acres	16.6500%	<i>n/a</i>
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) John W. Pobst, Jr., et al. <i>(485.50 Acre Tract)</i>	13.32 acres	16.6500%	
(a) Fairview Limited Partnership c/o John C. Irvin 4710 Hunterwood Circle Richmond, TX 77406	3.33 acres 1/4 of 13.32 acres	4.1625%	<i>n/a</i>
(b) Carol C. Irvin	<i>Conveyed by Deed of Gift dated 11/1/2012 - Instrument No. 120002851</i>		
(b.1) CIPL, LP c/o John C. Irvin 4710 Hunterwood Circle Richmond, TX 77406	1.11 acres 1/12 of 13.32 acres	1.3875%	
(c) F.H. Combs Testamentary Trust P.O. Box 841 Tazewell, VA 24651	1.11 acres 1/12 of 13.32 acres	1.3875%	
(d) Martha E. Combs Trust P.O. Box 1404 Abingdon, VA 24212	1.11 acres 1/12 of 13.32 acres	1.3875%	
(e) John W. Pobst, Jr. PO Box 86 Revere, PA 18953	1.11 acres 1/12 of 13.32 acres	1.3875%	
(f) Virginia Lee Linwck 4324 South Bell Drive Veradale, WA 99037	1.11 acres 1/12 of 13.32 acres	1.3875%	
(g) Mary Katherine Pobst 39 Waterside Drive SE Cartersville, GA 30121	2.22 acres 1/6 of 13.32 acres	2.7750%	
(h) Meredith Jennings 3110 Spyglass Drive Maryville, TN 37801	2.22 acres 1/6 of 13.32 acres	2.7750%	

Exhibit EE  
Unit Z-7  
Docket #VGOB 02-0416-1020-01  
List of Respondents with Royalty Split Agreements/Court Order/HB2058

200000664

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #5 - 4.97 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) H-W Financial, LLC ( <i>Big Axe Tr. 15</i> ) <i>Oxy Tr. 37 (105 Acre Tract)</i> P.O. Box 11000 Danville, VA 24543	4.97 acres	6.2125%	<i>n/a</i>
<u>OIL &amp; GAS OWNERSHIP</u>			
(1) H-W Financial, LLC ( <i>Big Axe Tr. 15</i> ) <i>Oxy Tr. 37 (105 Acre Tract)</i> P.O. Box 11000 Danville, VA 24543	4.97 acres	6.2125%	<b>100.00%</b> Court Order
<i>Prevailing plaintiff under Case No. CL12-736 Awarded 100% of the CBM royalty.</i>			
	<b>Total Acres Resolved</b>	57.95	
	<b>Total Percentage Resolved</b>	72.4375%	

INSTRUMENT 200000664  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY CIRCUIT COURT ON  
JULY 13, 2020 AT 03:59 PM  
BEVERLY S. TILLER, CLERK  
RECORDED BY: GBB