

210000356



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: CC36

TRACT(S): 3B

LOCATION: BUCHANAN, TAZEWELL County, Virginia

TAX ID NUMBERS: Tax Map Identification Numbers for all parcels affected by this order are shown on: Tract Identification Sheet

DOCKET NUMBER: VGOB-02-0716-1041-03

APPLICANTS: Pocahontas Gas LLC on behalf of Commonwealth of VA Department of Transportation

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 07/11/2003, Recorded on 07/14/2003, Deed Book/Instrument No. 573, Page 306, County BUCHANAN.
- 2. Original Pooling Order Executed 07/11/2003, Recorded on 07/14/2003, Deed Book/Instrument No. 883, Page 724, County TAZEWELL.
- 3. Supplemental Order Executed 11/07/2003, Recorded on 11/17/2003, Deed Book/Instrument No. 581, Page 395, County BUCHANAN.

4. Supplemental Order Executed 11/07/2003, Recorded on 11/17/2003, Deed Book/Instrument No. 895, Page 337, County TAZEWELL.
5. Supplemental Order Executed 11/07/2003, Recorded on 11/17/2004, Deed Book/Instrument No. 895, Page 337, County BUCHANAN.
6. Supplemental Order -01 Executed 11/14/2014, Recorded on 12/12/2014, Deed Book/Instrument No. 140002060, County BUCHANAN.
7. Supplemental Order -01 Executed 11/14/2014, Recorded on 12/12/2014, Deed Book/Instrument No. 2014, Page 1918, County TAZEWELL.
8. Modification Order -02 Executed 10/26/2020, Recorded on 11/09/2020, Deed Book/Instrument No. 200001256, County BUCHANAN.
9. Modification Order -02 Executed 10/26/2020, Recorded on 12/07/2020, Deed Book/Instrument No. 200003312, County TAZEWELL.
10. Supplemental Order -02 Executed 01/26/2021, Recorded on 02/03/2021, Deed Book/Instrument No. 210000114, County BUCHANAN.
11. Supplemental Order -02 Executed 01/26/2021, Recorded on 02/16/2021, Deed Book/Instrument No. 210000489, County TAZEWELL.

NOTICE:

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

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- a. Commonwealth of VA, Dept of Transportation is the gas claimant in Tract(s) 3B. As such Commonwealth of VA, Dept of Transportation is entitled to 100% of the CBM royalties 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 given the notice(s) required by § 45.1-361.22:2.A to all conflicting claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That none of the conflicting claimants noticed have provided, within 45 days of the notice(s) given as provided in b. above, the Board, its designated agent the Director of the Division of Gas and Oil, the Operator and/or the Applicant evidence of either an agreement regarding the escrowed funds/royalties or a proceeding regarding same.
- 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 Commonwealth of VA, Dept of Transportation and 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 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 9 day of March, 2021 by a majority of the Virginia Gas and Oil Board.

Interim Chairman, Donald L. Ratliff

DONE AND PERFORMED this 9 day of March, 2021 by Order of the Virginia Gas and Oil Board.

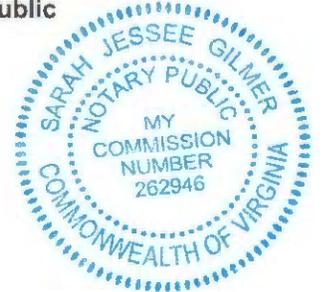
James P. Skorupa
Principal Executive to the staff,
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 9th day of March, 2021, personally before me a notary public in and for the Commonwealth of Virginia, appeared Donald L. Ratliff, being duly sworn did depose and say that he is the Interim Chairman of the Virginia Gas and Oil Board and appeared James P. Skorupa, 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 02-0716-1041-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 3B (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: CC36

BUCHANAN, TAZEWELL 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 3B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Commonwealth of VA, Dept of Transportation; (3) Dismissal of Coal Owner(s): Coal Mountain Mining Co.

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)

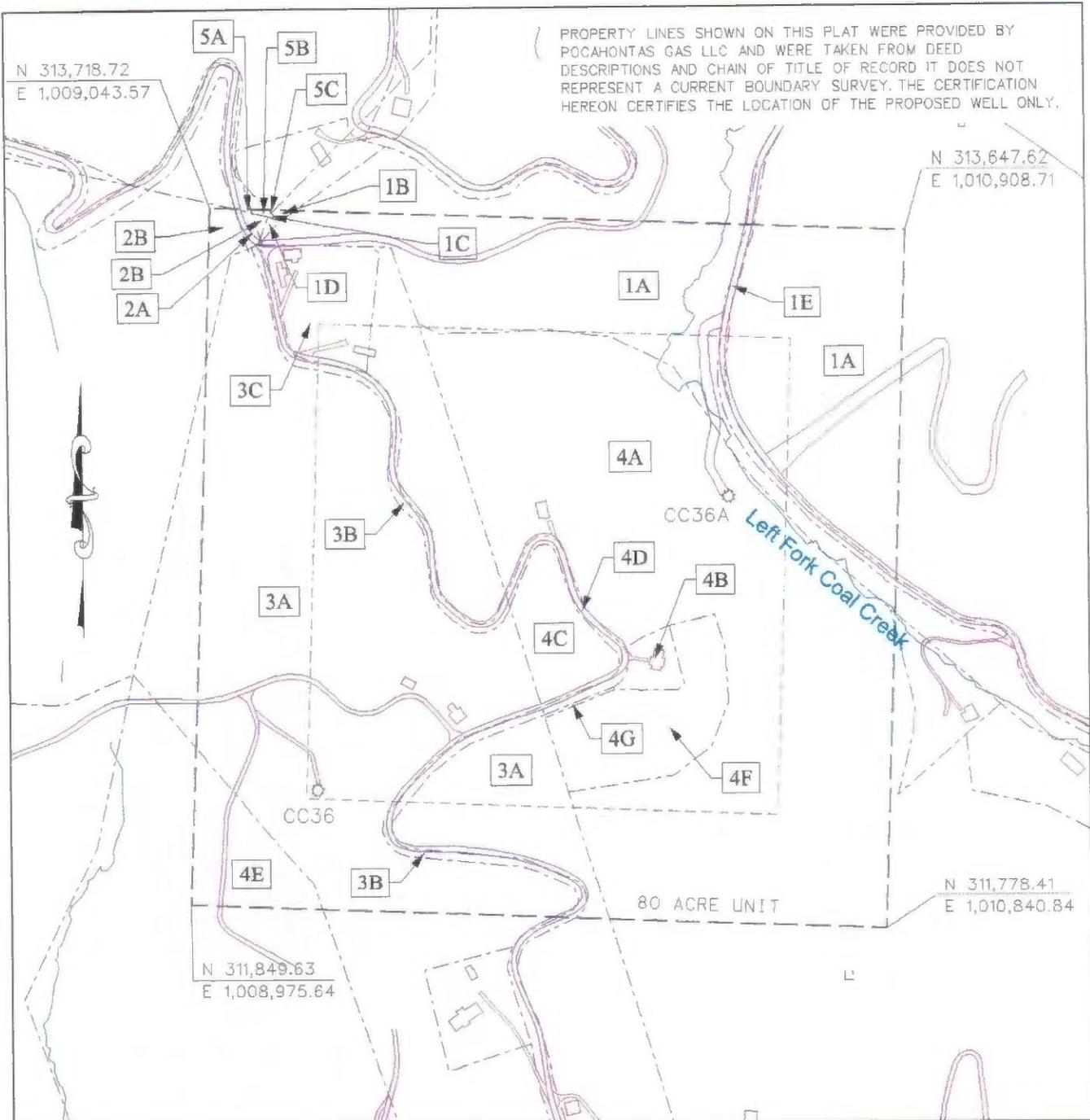
Coalbed Methane

5. Factual basis for relief requested

- a. Commonwealth of VA, Dept of Transportation is the gas claimant in Tract(s) 3B. As such Commonwealth of VA, Dept of Transportation is entitled to 100% of the CBM royalties 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 given the notice(s) required by § 45.1-361.22:2.A to all conflicting claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That none of the conflicting claimants noticed have provided, within 45 days of the notice(s) given as provided in b. above, the Board, its designated agent the Director of the Division of Gas and Oil, the Operator and/or the Applicant evidence of either an agreement regarding the escrowed funds/royalties or a proceeding regarding same.
- 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 Commonwealth of VA, Dept of Transportation and 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.



PROPERTY LINES SHOWN ON THIS PLAT WERE PROVIDED BY POCAHONTAS GAS LLC AND WERE TAKEN FROM DEED DESCRIPTIONS AND CHAIN OF TITLE OF RECORD IT DOES NOT REPRESENT A CURRENT BOUNDARY SURVEY. THE CERTIFICATION HEREON CERTIFIES THE LOCATION OF THE PROPOSED WELL ONLY.

CBM WELL
 PROPOSED CBM WELL

EXHIBIT A
 OAKWOOD FIELD
 UNIT CC36
 FORCE POOLING
 VGOB-02-0716-1041-02

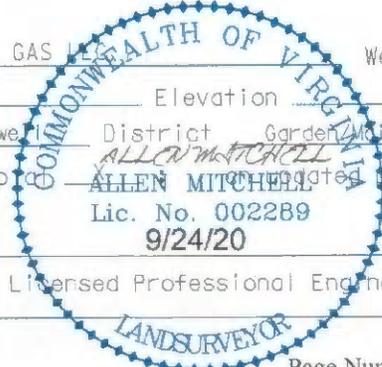
Company POCAHONTAS GAS LLC Well Name and Number UNIT CC36

Tract No. _____ Elevation _____ Quadrangle Keen Mountain

County Buchanan/Tazewell District Garden Mounds Springs Scale: 1" = 400' Date _____

This plat is a new plat or a modified plat _____ or a final plat _____

Form DGO-GO-7
Rev. 9/91



Digitally signed by
ALLEN MITCHELL
 Date: 2020.09.24
 08:07:39 -04'00'

Licensed Professional Engineer or Licensed Land Surveyor

Pocahontas Gas LLC
UNIT CC36
Tract Identifications

1. Commonwealth Coal Corporation (1497.625 Acre Tract) – Minerals
 Buchanan Mining Company LLC – Below Drainage Coal Leased
 RAMACO Resources Land Holdings, LLC – Coal in Tiller and Above Leased
 Pocahontas Gas LLC – Oil, Gas and CBM
 (Map 84A, Parcel 122A)
 16.32 Acres 20.4000%

- 1A. Commonwealth Coal Corporation – Surface
- 1B. Unknown Surface Owner
- 1C. Unknown Surface Owner
- 1D. Unknown Surface Owner
- 1E. Commonwealth of Virginia - Surface

2. Coal Mountain Mining Company, LLP (160 Acres Tract 34) – Minerals
 Buchanan Mining Company LLC – Below Drainage Coal Leased
 RAMACO Resources Land Holdings, LLC – Coal in the Tiller and Above Leased
 Pocahontas Gas LLC – Oil, Gas, and CBM Leased
 0.56 Acres 0.7000%

- 2A. Commonwealth of Virginia (SR 618) – Surface
- 2B. CNX Gas Company LLC, et al (GW McGlothlin 56 Acre tract) - Surface

- 3A. Coal Mountain Mining Company, LLP (40 Acres Tract 37) – Coal
 Buchanan Mining Company LLC – Below Drainage Coal Leased
 RAMACO Resources Land Holdings, LLC – Coal in the Tiller and Above Leased
 CNX Gas Company LLC, et al (GW McGlothlin 37 Acre Tract)– Surface, Oil, and Gas (98.5119% Owned)
 (Map 63A, Parcel 3)
 27.63 Acres 34.5375%

- 3B. Coal Mountain Mining Company, LLP (40 Acres Tract 37) – Coal
 Buchanan Mining Company LLC – Below Drainage Coal Leased
 RAMACO Resources Land Holdings, LLC – Coal in the Tiller and Above Leased
 Commonwealth of Virginia (SR 618) – Surface, Oil, and Gas
 (Map 63A, Parcel 0)
 1.38 Acres 1.7250%

(This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)

Pocahontas Gas LLC
UNIT CC36
Tract Identifications

- 3C. Coal Mountain Mining Company, LLP (40 Acres Tract 37) – Coal
 Buchanan Mining Company LLC – Below Drainage Coal Leased
 RAMACO Resources Land Holdings, LLC – Coal in the Tiller and Above Leased
 Jimmy Lee McGlothlin – Surface, Oil, and Gas
 (Map 63A, Parcel 2)
 1.84 Acres 2.3000%
4. Coal Mountain Mining Company, LLP (319 Acres Tract 38) – Minerals
 Buchanan Mining Company LLC – Below Drainage Coal Leased
 RAMACO Resources Land Holdings, LLC – Coal in the Tiller and Above Leased
 Pocahontas Gas LLC – Oil, Gas, and CBM Leased
 (Map 63A, Parcel 5)
 32.24 Acres 40.3000%
- 4A. CNX Gas Company LLC (James Absher Tract) – Surface
 4B. Unknown Surface Owner
 4C. Unknown Surface Owner
 4D. Commonwealth of Virginia (SR 618) – Surface
 4E. Harold McGlothlin, et al – Surface
 4F. Unknown Surface Owner
 4G. Unknown Surface Owner
5. Coal Mountain Mining Company, LLP (122 Acres Tract 33) – Minerals
 Buchanan Mining Company LLC – Below Drainage Coal Leased
 RAMACO Resources Land Holdings, LLC – Coal in the Tiller and Above Leased
 0.03 Acres 0.0375%
- 5A. Unknown Surface Owner
 5B. Unknown Surface Owner
 5C. Unknown Surface Owner

(This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)

Exhibit E
Unit CC-36
VGOB Docket # 02-0716-1041-03
List of Owners/Claimants that Require Escrow
(80.00 Acre Unit)

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Net Acres in Unit	Interest in Unit
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Escrowing no longer required

Exhibit EE
Unit CC-36
VGOB Docket # 02-0718-1041-03
List of Respondents with Royalty Division Agreement/Court Order/HB2058
(80.00 Acre Unit)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #3A - 27.63 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, LLP <i>Tract 37 (40.00 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	27.63 acres	34.5375%	<i>n/a</i>
<u>OIL & GAS OWNERSHIP</u>			
(1) Pocahontas Gas LLC, et al	27.63 acres	34.5375%	
(a) Pocahontas Gas LLC 1000 Consol Energy Drive Canonsburg, PA 15317	27.2188 acres 331/336 of 27.63 acres	34.0235%	<i>n/a</i>
(b) Ruie McGlothlin Heirs, Devisees, Successors, or Assigns			
(b.1) Junior C. McGlothlin Heirs, Devisees, Successors, or Assigns			
(b.1.1) Janet E. McGlothlin Heirs, Devisees, Successors, or Assigns			
(b.1.1.1) Johnny Dwight McGlothlin 820 Baptist Valley Road Cedar Bluff, VA 24609	0.0411 acres 1/672 of 27.63 acres	0.0514%	<i>n/a</i>
(b.2) Heien Adams Heirs, Devisees, Successors, or Assigns <i>(Documentation requested)</i>	0.1233 acres 1/224 of 27.63 acres	0.1542%	<i>n/a</i>
(b.2.1) Bernie Gene Adams 14309 Phoenix Road Phoenix, MD 21131			
(b.2.2) Michael Adams 595 S Sandlake Ct Mount Dora, FL 32757			
(b.3) Ruby Lee Zwald Heirs, Devisees, Successors, or Assigns			
(b.4.1) Walter Lawrence Finney Heirs, Devisees, Successors, or Assigns			
(b.4.1.1) Shelby Ann Finney 195 Finney Drive Cedar Bluff, VA 24609	0.1233 acres 1/224 of 27.63 acres	0.1542%	<i>n/a</i>
(b.4) Mary R. Bamett 170 Charleston Place Daleville, VA 24083	0.1233 acres 1/224 of 27.63 acres	0.1542%	<i>n/a</i>
Total Acres	27.6300		
Total Percentage	34.5375%		

Tract #3B - 1.38 acres**COAL OWNERSHIP**

(1) Coal Mountain Mining Company, LLP <i>Tract 37 (40.00 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	1.38 acres	1.7250%	<i>n/a</i>
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Exhibit EE
Unit CC-36
VGOB Docket # 02-0716-1041-03
List of Respondents with Royalty Division Agreement/Court Order/HB2058
(80.00 Acre Unit)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>OIL & GAS OWNERSHIP</u>			
(1) Commonwealth of Virginia Virginia Department of Transportation 870 Bonham Rd Bristol, VA 24201	1.38 acres	1.7250%	100.00% HB2058
<u>Tract #3C - 1.84 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, LLP <i>Tract 37 (40.00 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	1.84 acres	2.3000%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) C.A. and Geridean McGlothlin <i>By deed dated November 19, 2010, C.A. McGlothlin and Geraldine (Geridean) McGlothlin conveyed all RTI to Jimmy Lee McGlothlin, reserving a life estate</i> <i>C.A. McGlothlin - Deceased 6/22/2012</i> <i>Geridean McGlothlin - Deceased 1/13/2019</i>			
(a) Jimmy Lee McGlothlin P.O. Box 987 Raven, VA 24639	1.84 acres	2.3000%	n/a
	<u>TOTAL:</u>		
	Acreage in Unit Percentage of Unit	30.85	38.5625%

INSTRUMENT 210001111
RECORDED IN THE CLERK'S OFFICE OF
TAEWELL COUNTY CIRCUIT COURT ON
APRIL 12, 2021 AT 02:23 PM
TAMMY B. ALLISON, CLERK
RECORDED BY: CBH

Crystal Hegner

INSTRUMENT 210000356
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY CIRCUIT COURT ON
MARCH 31, 2021 AT 03:51 PM
BEVERLY S. TILLER, CLERK
RECORDED BY: CXE