



**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:** AX112

**TRACT(S):** 1C

**LOCATION:** RUSSELL County, Virginia

**DOCKET NUMBER:** VGOB-03-1118-1220-03

**APPLICANTS:** Pocahontas Gas LLC on behalf of Alan F. Stacy, Buckhorn Coal Company, Fayne E. Stacy, Jr., Gerald K. Stacy, Karen L. Cole

**HEARING DATE AND LOCATION:** Russell County Government Center, Lebanon, Virginia  
July 20, 2021

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

**PRIOR PROCEEDINGS:**

1. Original Pooling Order Executed 03/22/2004, Recorded on 04/02/2004, Deed Book/Instrument No. 605, Page 924, County RUSSELL.
2. Supplemental Order, Recorded on 03/14/2005, Deed Book/Instrument No. 627, Page 146, County RUSSELL.
3. Supplemental Order, Recorded on 09/13/2011, Deed Book/Instrument No. 739, Page 0215, County RUSSELL.
4. Disbursement Order -01 Executed 04/17/2012, Recorded on 06/05/2012, Deed Book/Instrument No. 748, Page 0759, County RUSSELL.

**NOTICE:**

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the July 20, 2021 hearing and 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) 1C identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1C 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:

Fayne E. Stacy, Jr., Gerald K. Stacy, Karen Cole, and Alan Stacy are entitled to 100% of the CBM royalties awarded under Case No. CL20-1116, Opinion dated May 27, 2021. 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. Buckhorn Coal Co & Karen Cole (interest inherited from Janice Shortridge) have entered into royalty split agreement (s). Said royalty split agreement 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 divided and paid.

**RELIEF GRANTED:**

VGOB Disbursement  
Unit AX112

VGOB-03-1118-1220-03

Table 1  
Tracts: 1C

| Item                        | Tract | Disbursement Table   | Fractional Ownership | Net Acreage Ownership | Royalty Split | Escrowed Acres | Percent of Escrowed Funds | Adjustment Amount |
|-----------------------------|-------|--|----------------------|-----------------------|---------------|----------------|---------------------------|-------------------|
|                             |       |  |                      |                       |               |                |                           |                   |
|                             |       |  |                      |                       |               |                |                           |                   |
|                             |       | Total acreage in escrow before disbursement                |                      |                       |               | 1.37500        |                           |                   |
|                             |       |  |                      |                       |               |                |                           |                   |
| 1C Tract 1C (total acreage) |       |  | 1.2700               |                       |               |                |                           |                   |
| 1                           | 1C    | Fayne E. Stacy, Jr.11 Clarks Court Johnson City TN 37604   | 1/6                  | 0.2117                | 100.00%       | 0.2117         | 15.3939%                  |                   |
| 2                           | 1C    | Gerald K. Stacy\3540 Pauls Path Road LaGrange NC 28551     | 1/6                  | 0.2117                | 100.00%       | 0.2117         | 15.3939%                  |                   |
| 3                           | 1C    | Karen L. Cole\8404 Gatwick Terrace Glen Allen VA 22030     | 1/12                 | 0.1058                | 50.00%        | 0.0529         | 3.8485%                   |                   |
| 4                           | 1C    | Buckhorn Coal Company\PO Box 187 Tazewell VA 24651         | 1/12                 | 0.1058                | 50.00%        | 0.0529         | 3.8485%                   |                   |
| 5                           | 1C    | Karen L. Cole\8404 Gatwick Terrace Glen Allen VA 22030     | 1/12                 | 0.1058                | 50.00%        | 0.0529         | 3.8485%                   |                   |
| 6                           | 1C    | Buckhorn Coal Company\PO Box 187 Tazewell VA 24651         | 1/12                 | 0.1058                | 50.00%        | 0.0529         | 3.8485%                   |                   |
| 7                           | 1C    | Karen L. Cole\8404 Gatwick Terrace Glen Allen VA 22030     | 1/12                 | 0.1058                | 50.00%        | 0.0529         | 3.8485%                   |                   |
| 8                           | 1C    | Buckhorn Coal Company\PO Box 187 Tazewell VA 24651         | 1/12                 | 0.1058                | 50.00%        | 0.0529         | 3.8485%                   |                   |
| 9                           | 1C    | Karen L. Cole\8404 Gatwick Terrace Glen Allen VA 22030     | 1/12                 | 0.1058                | 50.00%        | 0.0529         | 3.8485%                   |                   |
| 10                          | 1C    | Buckhorn Coal Company\PO Box 187 Tazewell VA 24651         | 1/12                 | 0.1058                | 50.00%        | 0.0529         | 3.8485%                   |                   |
| 11                          | 1C    | Alan F. Stacy\818 Lamp Post Circle SE Albuquerque NM 87123 | 1/3                  | 0.4233                | 100.00%       | 0.4233         | 30.7879%                  |                   |

**Adjustment Comments:**

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 21 day of July, 2021 by a majority of the Virginia Gas and Oil Board.



Interim Chairman, Donald L. Ratliff

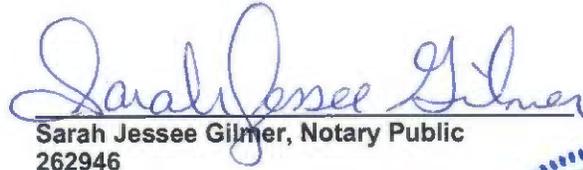
DONE AND PERFORMED this 21 day of July, 2021 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 21<sup>st</sup> day of July, 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, 2025



**BEFORE THE VIRGINIA GAS AND OIL BOARD**

**PETITIONER:** Pocahontas Gas LLC

**DIVISION OF GAS AND OIL**

**DOCKET NO:** VGOB 03-1118-1220-03

**RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1C (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:** July 20, 2021

**DRILLING UNIT:** AX112

**RUSSELL 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 1C, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the parties to the prevailing plaintiffs: Fayne E. Stacy, Jr., Gerald K. Stacy, Karen Cole, and Alan Stacy; authorization to begin paying royalties directly to the parties to the royalty split between Buckhorn Coal Co & Karen Cole (executed by Janice Shortridge).

**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**

Fayne E. Stacy, Jr., Gerald K. Stacy, Karen Cole, and Alan Stacy are entitled to 100% of the CBM royalties awarded under Case No. CL20-1116, Opinion dated May 27, 2021. 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.

Buckhorn Coal Co & Karen Cole (interest inherited from Janice Shortridge) have entered into royalty split agreement(s). Said royalty split agreement 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 divided and paid.

**6. Attestation**

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

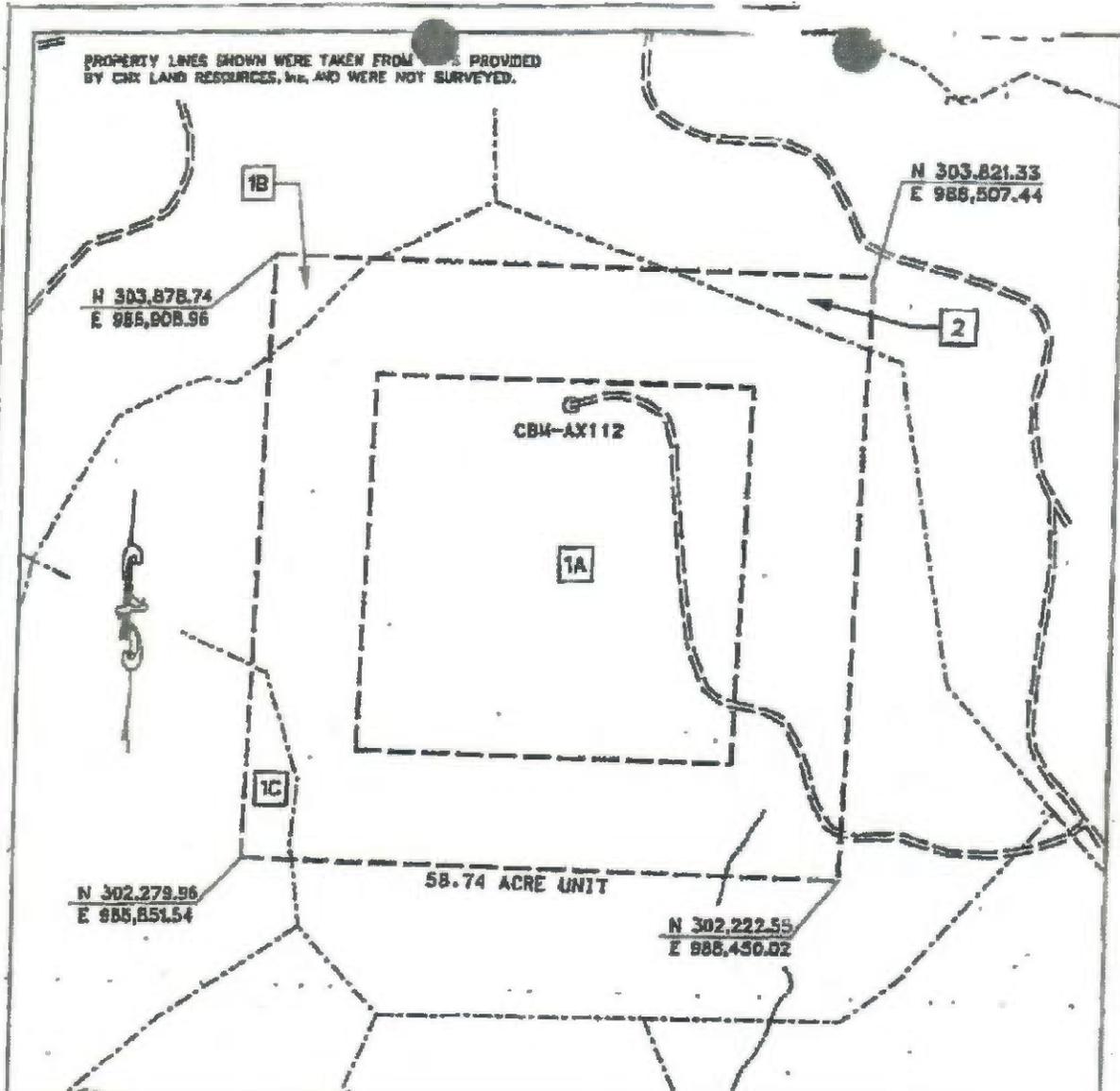


EXHIBIT A  
MIDDLE RIDGE 1 FIELD  
UNIT AX-112  
FORCE POOLING  
VGOB-03-1118-1220

Company CNX Gas Company LLC Well Name and Number UNIT AX112

Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Duodangle \_\_\_\_\_ Horary \_\_\_\_\_

County Russell District New Garden Scale: 1" = 400' Date 10/23/05

This plot is a new plot  ; an updated plot \_\_\_\_\_ ; or a final plot \_\_\_\_\_

Form DGO-60-7 \_\_\_\_\_  
Rev. 9/91 Charles A. May  
Licensed Professional Engineer or Licensed Land Surveyor (Affiliated)

Force Pooling\0012\POOL\fig 10\12200 02:12:19 PM

**CNX GAS COMPANY LLC**

**Unit AX-112**

**Tract Identifications**

**(58.74 Acre Unit)**

- 1A. Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) - Coal  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
CNX Gas Company LLC - Surface and All Minerals except Coal  
55.39 acres 94.2969%
- 1B. Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) - Coal  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Earl Whitte OR Heirs, devisees, Successors or Assigns of Dr. L. M. Harrison -  
Surface and All Minerals except Coal (1/8)  
Earl Whitte OR Gent Enterprises, LLP. - Surface and All Minerals except Coal (7/8)  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
0.84 acres 1.4300%
- 1C. Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) - Coal  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Earl Whitte OR Elijah Stacy Heirs - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
1.27 acres 2.1621%
2. Buckhorn Coal Company (Corns & Fletcher Tract) - Coal  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Heirs, devisees, Successors or Assigns of B. W. Stras, et al. OR Heirs, devisees,  
Successors or Assigns of S. J. Corn and Susan E. Corn OR Heirs, devisees  
Successors or Assigns of David Keane OR CNX Gas Company LLC,  
Swain Perkins, OR Lincous Perkins and Dorothy Perkins - All Minerals except  
Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased (Swain Perkins Interest Only)  
Dottie Gay Robinette Miller - Surface  
1.24 acres 2.1110%

Exhibit E  
Unit AX-112  
Docket #VGOB 03-1118-1220-03  
List of Conflicting Owners/Claimants that require escrow  
(58.74 Acre Unit)

|   | Acres in Unit                   | Interest in Unit |
|---|---------------------------------|------------------|
| <u>Tract #1B, 0.84 acres</u>  |                                 |                  |
| <i>Escrow due to title conflict</i>   |                                 |                  |
| <b>COAL OWNERSHIP</b>   |                                 |                  |
| (1) Buckhorn Coal Company<br><i>(Jacob Fuller 453 Acre Tract)</i><br>P. O. Box 187<br>Tazewell, VA 24651  | 0.84 acres                      | 1.4300%          |
| <b>OIL &amp; GAS OWNERSHIP</b>  |                                 |                  |
| (1) Gent Enterprises, et al<br><i>(Previously listed as a title conflict between Michael Whited, et al, Dr L.M. Harrison Heirs, or Gent Enterprises, LLC)</i> | 0.84 acres                      | 1.4300%          |
| (a) Dr. L.M. Harrison, Heirs, Devisees,<br>Successors or Assigns<br><i>Heirs / Addresses Unknown</i>  | 0.11 acres<br>1/8 of 0.84 acres | 0.1788%          |
| -OR-  |                                 |                  |
| (a) Gent Enterprises, LLC.<br>P.O. Box 330<br>Honaker, VA 24260   | 0.11 acres<br>1/8 of 0.84 acres | 0.1788%          |
| <b>Total Acres in Escrow</b>  |                                 | 0.11             |
| <b>Total Percentage in Escrow</b>   |                                 | 0.1788%          |

Exhibit EE  
Unit AX112  
Docket #VGOB 03-1118-1220-03  
List of Owners/Claimants with Royalty Split Agreements/Court Order/HB2058  
(58.74 Acre Unit)

|  | Acres in Unit                   | Interest in Unit | Percent of Escrow                         |
|--|---------------------------------|------------------|---|
| <b><u>Tract #1A, 55.39 acres</u></b>   |                                 |                  |   |
| <b><u>COAL OWNERSHIP</u></b>   |                                 |                  |   |
| (1) Buckhorn Coal Company<br>(Jacob Fuller 453 Acre Tract)<br>P. O. Box 187<br>Tazewell, VA 24651  | 55.39 acres                     | 94.2969%         | n/a                                       |
| <b><u>OIL &amp; GAS OWNERSHIP</u></b>  |                                 |                  |   |
| (1) Pocahontas Gas LLC<br>1000 Consol Energy Drive<br>Canonsburg, PA 15317   | 55.39 acres                     | 94.2969%         | n/a                                       |
| <b><u>Tract #1B, 0.84 acres</u></b>  |                                 |                  |   |
| <b><u>COAL OWNERSHIP</u></b>   |                                 |                  |   |
| (1) Buckhorn Coal Company<br>(Jacob Fuller 453 Acre Tract)<br>P. O. Box 187<br>Tazewell, VA 24651  | 0.84 acres                      | 1.4300%          | n/a                                       |
| <b><u>OIL &amp; GAS OWNERSHIP</u></b>  |                                 |                  |   |
| (1) Gent Enterprises, et al<br><i>(Previously listed as a title conflict between Michael Whited, et al, Dr L.M. Harrison Heirs, or Gent Enterprises, LLC)</i>  | 0.84 acres                      | 1.4300%          |   |
| (2) Gent Enterprises, LLC.<br>P.O. Box 330<br>Honaker, VA 24260  | 0.74 acres<br>7/8 of 0.84 acres | 1.2513%          | n/a                                       |
| <i>Under Case #CL10000662-00, executed May 12, 2011, the Court of Russell County clarified the conveyances from the Rasnakes to the Gents in DB 223/ PG 53, dated 10/26/70 included all right, title in and to the oil, gas, (including coalbed methane gas and deep gas), minerals (other than coal), etc.</i>  |                                 |                  |   |
| <i>Royalties can be paid based on the royalty agreement between Buckhorn / Gent Enterprises</i>  |                                 |                  |   |
| <b><u>Tract #1C, 1.27 acres</u></b>  |                                 |                  |   |
| <b><u>COAL OWNERSHIP</u></b>   |                                 |                  |   |
| (1) Buckhorn Coal Company<br>(Jacob Fuller 453 Acre Tract)<br>P. O. Box 187<br>Tazewell, VA 24651  | 1.27 acres                      | 2.1621%          | 15.3939%<br>Royalty Division<br>Agreement |
| <b><u>OIL &amp; GAS OWNERSHIP</u></b>  |                                 |                  |   |
| <i>Final Order entered in Case No. CL20-1116 entered May 27, 2021, adjudged, ordered, and decreed that the Plaintiffs listed below are the owners of the mineral estate, including the gas estate, relative to the subject tract. Plaintiffs are due 100% of escrowed funds, subject to Royalty Division Agreements previously signed. Plaintiffs listed below are represented by T. Shea Cook</i> |                                 |                  |   |
| (1) Elijah & Zella Stacy Heirs, Devisees,<br>Successors or Assigns<br><i>(Previously listed as a title conflict between Michael Whited, or Elijah Stacy Heirs)</i>   | 1.27 acres                      | 2.1621%          |   |
| (a) Fayne E. Stacy Heirs, Devisees, Successors,<br>or Assigns  |                                 |                  |   |
| (a.1) Gladys Madeline Crouse Stacy Heirs, Devisees,<br>Successors, or Assigns  |                                 |                  |   |
| (a.1.1) Fayne E. Stacy, Jr.<br>1 Clarks Court<br>Johnson City, TN 37604  | 0.21 acres<br>1/6 of 1.27 acres | 0.3603%          | 15.3939%<br>Court Order                   |

Exhibit EE  
Unit AX112  
Docket #VGOB 03-1118-1220-03  
List of Owners/Claimants with Royalty Split Agreements/Court Order/HB2058  
(58.74 Acre Unit)

|   | Acres in Unit                    | Interest in Unit | Percent of Escrow                                     |
|---|----------------------------------|------------------|---|
| (a.1.2) Gerald K. Stacy<br>3540 Pauls Path Road<br>LaGrange, NC 28551   | 0.21 acres<br>1/6 of 1.27 acres  | 0.3603%          | 15.3939%<br>Court Order                               |
| (b) Neednam Edis Stacy <i>Pre-Deceased (DOD 3/15/1975)</i>              |                                  |                  |   |
| (b.1) Janice Shortridge Heirs, Devisees, Successors, or Assigns         |                                  |                  |   |
| (b.1.1) Karen Cole<br>8404 Gatwick Terrace<br>Glen Allen, VA 22030      | 0.11 acres<br>1/12 of 1.27 acres | 0.1802%          | 3.8485%<br>Court Order/<br>Royalty Division Agreement |
| (b.1.2) Deborah L. Shortridge Heirs, Devisees, Successors, or Assigns   |                                  |                  |   |
| (b.1.2.1) Karen Cole<br>8404 Gatwick Terrace<br>Glen Allen, VA 22030    | 0.11 acres<br>1/12 of 1.27 acres | 0.1802%          | 3.8485%<br>Court Order/<br>Royalty Division Agreement |
| (b.2) Nancy C. Stacy Heirs, Devisees, Successors, or Assigns            |                                  |                  |   |
| (b.2.1) Janice Shortridge Heirs, Devisees, Successors, or Assigns       |                                  |                  |   |
| (b.2.1.1) Karen Cole<br>8404 Gatwick Terrace<br>Glen Allen, VA 22030    | 0.11 acres<br>1/12 of 1.27 acres | 0.1802%          | 3.8485%<br>Court Order/<br>Royalty Division Agreement |
| (b.2.1.2) Deborah L. Shortridge Heirs, Devisees, Successors, or Assigns |                                  |                  |   |
| (b.2.1.2.1) Karen Cole<br>8404 Gatwick Terrace<br>Glen Allen, VA 22030  | 0.11 acres<br>1/12 of 1.27 acres | 0.1802%          | 3.8485%<br>Court Order/<br>Royalty Division Agreement |
| (c) Pearl Whitt Stacy <i>Pre-Deceased (DOD 9/20/1976)</i>               |                                  |                  |   |
| (c.1) Alan Stacy<br>818 Lamp Post Circle S.E.<br>Albuquerque, NM 87123  | 0.42 acres<br>1/3 of 1.27 acres  | 0.7207%          | 30.7879%<br>Court Order                               |
| Total Tract Acres   |                                  | 1.27             |   |
| Total Tract Percentage  |                                  | 2.1621%          |   |

**Tract #2, 1.24 acres**

**COAL OWNERSHIP**

|  |            |         |     |
|--|------------|---------|-----|
| (1) Buckhorn Coal Company, Tr. 8<br>( <i>Corn &amp; Fletcher 89.50 Acre Tract</i> )<br>P. O. Box 187<br>Tazewell, VA 24651 | 1.24 acres | 2.1110% | n/a |
|--|------------|---------|-----|

**OIL & GAS OWNERSHIP**

|  |            |         |     |
|--|------------|---------|-----|
| (1) Pocahontas Gas LLC<br>1000 Consol Energy Drive<br>Canonsburg, PA 15317 | 1.24 acres | 2.1110% | n/a |
|--|------------|---------|-----|

*Pursuant to Case 16-1165, Order entered July 3, 2019, a settlement has been reached amongst parties with potential ownership and CNX Gas Company LLC. All amounts in escrow are to be delivered to David Grant Altizer for delivery to the attorneys and parties, as set forth in the Order. In exchange, the plaintiffs will execute deeds for all potential interests to CNX Gas Company LLC, with the result being that CNX Gas Company LLC owns 100% of the gas and oil under the 55.5 acre tract.*

**Total Acres Resolved** 58.64  
**Total Percentage Resolved** 99.8212%

**2101784**

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, Aug 3, 2021. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 10:00 o'clock A.M., after payment of \$            tax imposed by Sec. 58.1-802.

TESTE: ANN S. McREYNOLDS, CLERK  
BY: *Ann S. McReynolds* D. CLERK

Original returned this date to: DWME