



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: AZ99

TRACT(S): A portion of 1B

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-04-0120-1250-08

APPLICANTS: Pocahontas Gas LLC on behalf of Wainoke Sanders

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 09/21/2004, Recorded on 09/23/2004, Deed Book/Instrument No. 603, Page 176, County BUCHANAN.
2. Supplemental Order, Recorded on 03/14/2005, Deed Book/Instrument No. 614, Page 66, County BUCHANAN.
3. Disbursement Order -01 Executed 05/24/2010, Recorded on 06/10/2010, Deed Book/Instrument No. 100001527, County BUCHANAN.
4. Disbursement Order -02 Executed 12/19/2011, Recorded on 01/11/2012, Deed Book/Instrument No. 120000050, County BUCHANAN.

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5. Disbursement Order -03 Executed 03/22/2017, Recorded on 04/12/2017, Deed Book/Instrument No. 17000711, County BUCHANAN.
6. Disbursement Order -04 Executed 10/18/2017, Recorded on 10/31/2017, Deed Book/Instrument No. 170002288, County BUCHANAN.
7. Disbursement Order -05 Executed 12/20/2017, Recorded on 01/10/2018, Deed Book/Instrument No. 18000077, County BUCHANAN.
8. Disbursement Order -06 Executed 07/31/2018, Recorded on 08/09/2018, Deed Book/Instrument No. 180001322, County BUCHANAN.

NOTICE:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) A portion of 1B identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 1B 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. Wainoke Sanders is the gas claimant(s) in a portion of Tr. 1B. As such Wainoke Sanders 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 04-0120-1250-04, it dismissed the coal claimant(s) H-W Financial LLC as a Respondent to these proceedings. Accordingly, H-W Financial 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 Wainoke Sanders and shall not escrow same. See Exhibit EE annexed hereto.

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RELIEF GRANTED:

VGOB Disbursement

Unit AZ99

VGOB-04-0120-1250-08

Table 1

Tracts: A portion of 1B

Item	Tract	Disbursement Table	Fractional Ownership		Net Acreage		Royalty		Escrowed		Percent of		Adjustment
			in Tract	Ownership	in Tract	Ownership	Split	Acres	Escrowed	Funds	Escrowed	Amount	
		Total acreage in escrow before disbursement								0.60800			
1B Tract 1B (total acreage)			25.5300										
1	1B	Wainoke Sanders\309 East Harmon Midwest City OK 73110	1/84	0.3039	100.00%	0.3039	49.9883%						

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:

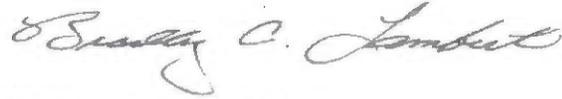
Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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.

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DONE AND EXECUTED this 9 day of January, 2020 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

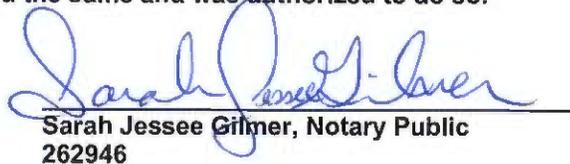
DONE AND PERFORMED this 9 day of January, 2020 by Order of the Virginia Gas and Oil Board.



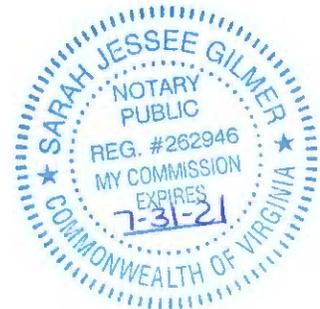
Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 9th day of January, 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 04-0120-1250-08

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 1B (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: AZ99

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(s) attributable to of Tract(s) portion of Tr. 1B as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Wainoke Sanders.

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. Wainoke Sanders is the gas claimant(s) in a portion of Tr. 1B. As such Wainoke Sanders 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 04-0120-1250-04, it dismissed the coal claimant(s) H-W Financial LLC as a Respondent to these proceedings. Accordingly, H-W Financial 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 Wainoke Sanders 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.

PROPERTY LINES SHOWN WERE TAKEN FROM ~~WELL PROVIDED~~
BY CNX LAND RESOURCES, INC. AND WERE NOT SURVEYED.

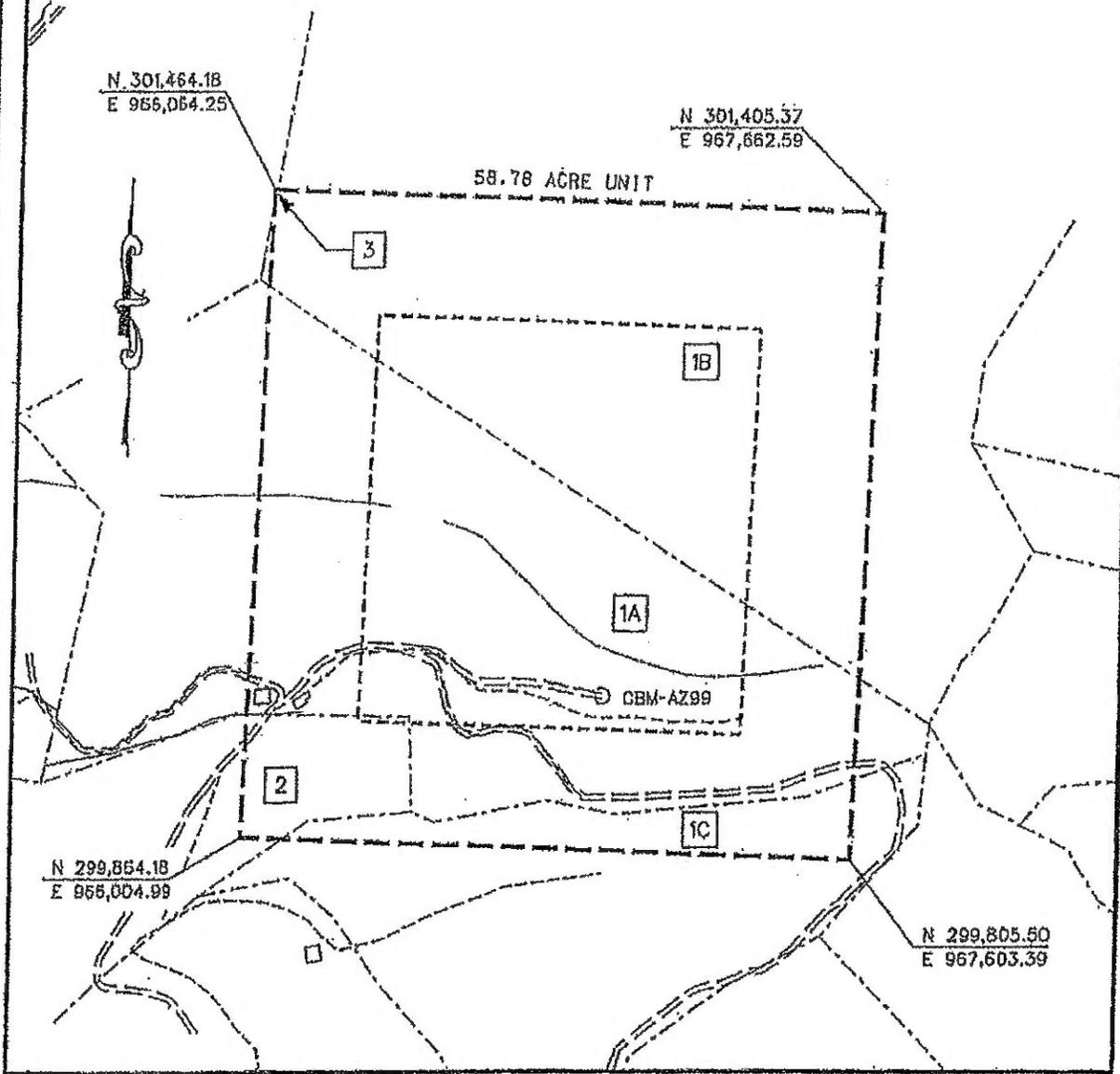


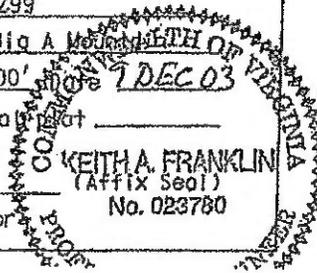
EXHIBIT A
 NORA FIELD
 UNIT AZ-99
 FORCE POOLING
 VGOB-04-0120-1250 ✓

Company CNX Gas Company LLC Well Name and Number UNIT AZ99
 Tract No. _____ Elevation _____ Quadrangle Big A
 County Buchanan District Hurricane Scale: 1" = 400'
 This plot is a new plot X an updated plot _____ or a final plat _____

Form D60-60-7
 Rev. 9/91

Licensed Professional Engineer or Licensed Land Surveyor

Keith A. Franklin



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CNX Gas Company LLC

UNIT AZ-99

Tract Identifications
(58.78 Acre Unit)

- 1A. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
CNX Gas Company LLC - CBM Leased
Gregory D. Austin, et ux - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
27.08 acres 46.0701%
- 1B. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
CNX Gas Company LLC - CBM Leased
Fielden Sanders Heirs, et al. - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased (85%)
25.53 acres 43.4331%
- 1C. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
CNX Gas Company LLC - CBM Leased
Dallis James, et ux - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
3.40 acres 5.7843%
2. Harrison-Wyatt, L.L.C. (Big Axe Tr. 8) - All Minerals
Jewell Smokeless Coal Corp. - Coal in Tiller and Above Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
Chester McGlothlin - et ux
2.76 acres 4.6955%
3. Harrison-Wyatt, L.L.C. (Big Axe Tr. 2) - All Minerals
Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
Unknown Surface Owner
0.01 acres 0.0170%

Exhibit E
Unit AZ-99
VGOB# 04-0120-1250-08
List of Respondents that require escrow
(58.78 Acre Unit)

20000054

	Acres in Unit	Percent of Unit
<u>Tract #1B - 25.53 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) H-W Financial, LLC (Blg Axe Tr.4) P.O. Box 11000 Danville, VA 24543	25.53 acres	43.4331% <i>Dismissed under -03 petition</i>
<u>OIL & GAS OWNERSHIP</u>		
(f) Fielden Sanders Heirs, Devisees, Successors or Assigns, et al.	25.53 acres	43.4331%
<i>Outstanding W-9/Affidavit</i>		
(g) Wade Sanders Heirs, Devisees, Successors or Assigns		
(g.4) Terry Sanders 271 Pleasant Ridge Road Franklinville, NC 27248	0.3039 acres 1/84 of 25.53 acres	0.5171%
Total Acres in Escrow	0.3039	
Total Percentage		0.5171%

Exhibit EE
Unit AZ-99
Docket #VGOB 04-0120-1250-08
List of Respondents with Royalty Split Agreements/Court Order/HB2058
(58.78 Acre Unit)

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	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #1A - 27.08 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) H-W Financial, LLC (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	27.08 acres	46.0701%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Gregory D. & Diana F. Austin, et ux. 4654 Old Grissom Honaker, VA 24260	27.08 acres	46.0701%	n/a
<u>Tract #1B - 25.53 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) H-W Financial, LLC (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	25.53 acres	43.4331%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Fielden Sanders Heirs, Devisees, Successors or Assigns, et al.	25.53 acres	43.4331%	
(1) Ora Sanders Heirs, Devisees, Successors or Assigns			
(a) Oma Sanders Tiller Heirs, Devisees, Successors or Assigns			
(a.1) Loeita Austin 74 Hillcrest Court Lebanon, VA 24266	0.6079 acres 1/42 of 25.53 acres	1.0341%	n/a
(a.2) Edward Tiller 7491 Red Bud Hwy Honaker, VA 24260	0.6079 acres 1/42 of 25.53 acres	1.0341%	n/a
(b) Leafy Sanders Tiller Heirs, Devisees, Successors or Assigns			
(b.1) Christa Hess 3319 Wayfield Drive Johnson City, TN 37601	0.6079 acres 1/42 of 25.53 acres	1.0341%	n/a
(b.2) Ronnie Tiller 7918 Gold Leaf Circle Spotsylvania, VA 22551	0.6079 acres 1/42 of 25.53 acres	1.0341%	n/a
(c) Lena Sanders Sutorka 751 Forest Hill Road Gordonville, VA 22942	1.2157 acres 1/21 of 25.53 acres	2.0682%	n/a
(d) Daniel Sanders Heirs, Devisees, Successors or Assigns			
(d.1) Orle Wangler 105418 S 3310 Road Mcloud, OK 74851	0.3039 acres 1/84 of 25.53 acres	0.5171%	n/a
(d.2) Wainoke Sanders 309 East Harmon Midwest City, OK 73110	0.3039 acres 1/84 of 25.53 acres	0.5171%	50.0000% HB2058
(d.3) La'Trenda Sanders 105230 S 3310 Road Mcloud, OK 74851	0.3039 acres 1/84 of 25.53 acres	0.5171%	n/a

Exhibit EE
Unit AZ-99
Docket #VGOB 04-0120-1250-08
List of Respondents with Royalty Split Agreements/Court Order/HB2058
(58.78 Acre Unit)

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	Acres in Unit	Percent of Unit	Percent of Escrow
(d.4) La'Mona Sanders Roach 8220 NW 112th Street Oklahoma City, OK 73162	0.3039 acres 1/84 of 25.53 acres	0.5171%	n/a
(e) Julia Sanders O'Quinn 1232 Green Cook Road Sunbury, OH 43074	1.2157 acres 1/21 of 25.53 acres	2.0682%	n/a
(f) Ellis Sanders Heirs, Devisees, Successors or Assigns			
(f.1) Beatrice Jane MacCormac 102 Lance Street Ranson, WV 25438	0.6079 acres 1/42 of 25.53 acres	1.0341%	n/a
(f.2) Betty Sue Sanders Fletcher 1281 Old Grissom Creek Rd. Honaker, VA 24260	0.6079 acres 1/42 of 25.53 acres	1.0341%	n/a
(g) Wade Sanders Heirs, Devisees, Successors or Assigns			
(g.1) Nadine Sanders Hurley 1219 Swords Creek Road Honaker, VA 24260	0.3039 acres 1/84 of 25.53 acres	0.5171%	n/a
(g.2) Adrine Sanders Horn c/o Mary Ilene Stanley PO Box 324 Richlands, VA 24641	0.3039 acres 1/84 of 25.53 acres	0.5171%	n/a
(g.3) Roger Sanders P.O. Box 82 Pilgrims Knob, VA 24634	0.3039 acres 1/84 of 25.53 acres	0.5171%	n/a
(2) Fielden Sanders Heirs, Devisees, Successors or Assigns			
(a) Chester Sanders 408W Dartmouth Avenue Melbourne, FL 32901	4.2550 acres 1/6 of 25.53 acres	7.2389%	n/a
(b) Dave Sanders 590 Bailey Switch Rd. Bluefield, VA 24605	4.2550 acres 1/6 of 25.53 acres	7.2389%	n/a
(c) Norman Sanders Heirs, Devisees, Successors or Assigns			
(c.1) Shirley Sanders 2013 Otterdale Road Midlothian, VA 23112	4.2550 acres 1/6 of 25.53 acres	7.2389%	n/a
(d) Estil Sanders Heirs, Devisees, Successors or Assigns			
(d.1) Goldie Sanders Heirs, Devisees, Successors or Assigns			
(d.1.1) James Sanders Heirs, Devisees, Successors, or Assigns <i>(documentation pending)</i>	0.2026 acres 1/126 of 25.53 acres	0.3447%	n/a
(d.1.1.1) David Sanders 324 Pruner Street Lebanon, VA 24266			

**Note: 1/18 interest divided among heirs listed below - Heir will be paid for Goldie's portion because she had a Royalty Split agreement, but their original 1/63 interest will remain escrowed. Unless an individual agreement has been signed*

Exhibit EE
Unit AZ-99
Docket #VGOB 04-0120-1250-08

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List of Respondents with Royalty Split Agreements/Court Order/HB2058
(58.76 Acre Unit)

	Acres in Unit	Percent of Unit	Percent of Escrow
(d.1.2) Judy Sanders Israel 5136 Drill Road Honaker, VA 24260	0.2026 acres 1/126 of 25.53 acres	0.3447%	n/a
(d.1.3) Harley Sanders 172 Vantage Drive Tazewell, VA 24651	0.2026 acres 1/126 of 25.53 acres	0.3447%	n/a
(d.1.4) Jerry Sanders Heirs, Devisees, Successors, or Assigns			
(d.1.4.1) Joyce R. Wallace PO Box 789 Honaker, VA 24260	0.0507 acres 1/504 of 25.53 acres	0.0862%	n/a
(d.1.4.2) Evelyn Calhoun 101 Briarwood Hills Drive Lebanon, VA 24266	0.0507 acres 1/504 of 25.53 acres	0.0862%	n/a
(d.1.4.3) Jerri Vance PO Box 839 Honaker, VA 24260	0.0507 acres 1/504 of 25.53 acres	0.0862%	n/a
(d.1.4.4) Timothy Sanders PO Box 839 Honaker, VA 24260	0.0507 acres 1/504 of 25.53 acres	0.0862%	n/a
(d.1.5) Larry Sanders P.O. Box 996 Honaker, VA 24260	0.2026 acres 1/126 of 25.53 acres	0.3447%	n/a
(d.1.6) Allen Sanders P.O. Box 2254 Lebanon, VA 24266	0.2026 acres 1/126 of 25.53 acres	0.3447%	n/a
(d.1.7) Evelyn Sanders Nash 19 Heritage Drive Honaker, VA 24260	0.2026 acres 1/126 of 25.53 acres	0.3447%	n/a
(d.2) James Sanders Heirs, Devisees, Successors, or Assigns (documentation pending)	0.4052 acres 1/63 of 25.53 acres	0.6894%	n/a
(d.2.1) David Sanders 324 Pruner Street Lebanon, VA 24266			
(d.3) Judy Sanders Israel 5136 Drill Road Honaker, VA 24260	0.4052 acres 1/63 of 25.53 acres	0.6894%	n/a
(d.4) Harley Sanders 172 Vantage Drive Tazewell, VA 24651	0.4052 acres 1/63 of 25.53 acres	0.6894%	n/a
(d.5) Jerry Sanders Heirs, Devisees, Successors, or Assigns			
(d.5.1) Joyce R. Wallace PO Box 789 Honaker, VA 24260	0.1013 acres 1/252 of 25.53 acres	0.1724%	n/a
(d.5.2) Evelyn Calhoun 101 Briarwood Hills Drive Lebanon, VA 24266	0.1013 acres 1/252 of 25.53 acres	0.1724%	n/a
(d.5.3) Jerri Vance PO Box 839 Honaker, VA 24260	0.1013 acres 1/252 of 25.53 acres	0.1724%	n/a

Exhibit EE
Unit AZ-99
Docket #VGOB 04-0120-1250-08
List of Respondents with Royalty Split Agreements/Court Order/HB2058
(58.78 Acre Unit)

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	Acres in Unit	Percent of Unit	Percent of Escrow
(d.5.4) Timothy Sanders PO Box 839 Honaker, VA 24260	0.1013 acres 1/252 of 25.53 acres	0.1724%	n/a
(d.6) Larry Sanders P.O. Box 996 Honaker, VA 24260	0.4052 acres 1/63 of 25.53 acres	0.6894%	n/a
(d.7) Allen Sanders P.O. Box 2254 Lebanon, VA 24266	0.4052 acres 1/63 of 25.53 acres	0.6894%	n/a
(d.8) Evelyn Sanders Nash 19 Heritage Drive Honaker, VA 24260	0.4052 acres 1/63 of 25.53 acres	0.6894%	n/a
Total Tract Acres	25.2261		
Total Tract Percentage	42.9161%		

Tract #1C - 3.40 acres

COAL OWNERSHIP

(1) H-W Financial, LLC (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	3.40 acres	5.7843%	n/a
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OIL & GAS OWNERSHIP

(1) Velma Carol James 4565 Old Grissom Creek Rd. Honaker, VA 24260	3.40 acres	5.7843%	n/a
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Total Conflicts Resolved	28.6261		
Total Percentage	48.7004%		

INSTRUMENT 200000054
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY CIRCUIT COURT ON
JANUARY 16, 2020 AT 09:34 AM
BEVERLY S. TILLER, CLERK
RECORDED BY: GGB