

COMMONWEALTH OF VIRGINIA  
VIRGINIA GAS AND OIL BOARD HEARING  
MINUTES OCTOBER 20, 2020

Pursuant to Sections 45.1-361.9B and 45.1-361.22.B of the Code of Virginia, the Virginia Gas and Oil Board held its scheduled monthly hearing commencing at 9 a.m. on Tuesday, October 20, 2020. This will be a virtual call-in meeting only. Those wishing to call in please dial 1-866-845-1266 (Passcode: 52769596#)

Board members present were Bradley C. Lambert (Chairman), Bill Harris (Public Representative), Bruce A. Prather (Oil and Gas Industry Representative), Donald Lewis Ratliff (Coal Industry Representative), Mary Addington Quillen (Public Representative) and Rita Surratt (Public Representative).

Also present were Jerald Hess (Assistant Attorney General), Rick Cooper (Principal Executive to the Board), Sally Ketron (Division of Gas and Oil) and Sarah Gilmer (Division of Gas and Oil).

1. The First Bank and Trust Company, Escrow Agent for the Virginia Gas and Oil Board, will address the Board on the 2nd and 3rd Quarter Reports.

The 2nd and 3rd Quarterly Report was presented to the Board by Jody Maney with First Bank and Trust Company. The Board also approved the renewal of the First Bank and Trust Contract for an additional year.

2. A petition from Virtex Eastern Producing Company LLC, for disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent for the Page Heirs that were recently identified. Unit Sherman 042801. Docket Number VGOB 07-0320-1902-01.

The docket item was approved. The account will close. Authorization for direct payment of royalties.

3. A petition from Diversified Production, for the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to Tract 3, as depicted upon the annexed table. Unit V-536200. Docket Number VGOB 05-1018-1516-04.

The docket item was approved. The account will close. Authorization for direct payment of royalties.

4. A petition from DGO - on behalf of Cheryl Keen Tucker, representing the interest of Mary R. Barnett, appealing the decision of the Director issued on August 25, 2020, for IFFH Number 1015 (Application Number 38515), from Pocahontas Gas LLC, for proposed Well CBM CC35B W/PL, located in the Maiden Spring Magisterial District, Tazewell County, Virginia. Unit CC35B. Docket Number VGOB 20-1020-4234.

The docket item was affirmed.

5. A petition from Pocahontas Gas LLC, for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to a portion of Tract 1 and a portion of Tract 3, as depicted upon the annexed table; and (2) Dismissal of Coal Owner: Harrison-Wyatt LLC (Royalties currently being paid under VP8SGU3, Docket #VGOB 06-0321-1598 and VP8SGU5, Docket #VGOB 07-1113-2083). Unit W9. Docket Number VGOB 97-0121-0562-04.

The docket item was approved. The account will continue. Authorization for direct payment of royalties.

6. A petition from Pocahontas Gas LLC, for re-pooling under Oakwood Coalbed Methane Gas Fields I & II to address mapping changes. Unit W32. Docket Number VGOB 96-1015-0557-01.

The docket item was approved. No escrowing required.

7. A petition from Pocahontas Gas LLC, for Re-Pooling under Oakwood Coalbed Methane Gas Field I. Unit CC36. Docket Number VGOB 02-0716-1041-02.

The docket item was approved. Escrowing required. Cheryl Keene Tucker spoke on behalf of the following G. W. McGlothlin Heirs: Mary R. Barnett, Shelby Finney, Michael Adams, Bernie Gene Adams & Johnny D. McGlothlin.

8. A petition from Pocahontas Gas LLC, for re-pooling under Oakwood Coalbed Methane Gas Field I. Unit EE34. Docket Number VGOB 02-0820-1055-03.

The docket item was approved. No escrowing required. Cheryl Keene Tucker spoke on behalf of the following G. W. McGlothlin Heirs: Mary R. Barnett, Shelby Finney, Michael Adams, Bernie Gene Adams & Johnny D. McGlothlin.

9. A petition from Pocahontas Gas LLC, for re-pooling under Oakwood Coalbed Methane Gas Field I. Unit DD36. Docket Number VGOB 02-0917-1073-02.

The docket item was approved. Escrowing required. Cheryl Keene Tucker spoke on behalf of the following G. W. McGlothlin Heirs: Mary R. Barnett, Shelby Finney, Michael Adams, Bernie Gene Adams & Johnny D. McGlothlin.

10. A petition from Pocahontas Gas LLC, for pooling under Oakwood Coalbed Methane Gas Field I. Unit CC34. Docket Number VGOB 20-1020-4231.

The docket item was approved. No escrowing required. Cheryl Keene Tucker spoke on behalf of the following G. W. McGlothlin Heirs: Mary R. Barnett, Shelby Finney, Michael Adams, Bernie Gene Adams & Johnny D. McGlothlin.

11. A petition from Pocahontas Gas LLC, for pooling under Oakwood Coalbed Methane Gas Field I. Unit DD34. Docket Number VGOB 20-1020-4232.

The docket item was approved. No escrowing required. Cheryl Keene Tucker spoke on behalf of the following G. W. McGlothlin Heirs: Mary R. Barnett, Shelby Finney, Michael Adams, Bernie Gene Adams & Johnny D. McGlothlin.

12. A petition from Pocahontas Gas LLC, for pooling under Oakwood Coalbed Methane Gas Field I. Unit DD35. Docket Number VGOB 20-1020-4233.

The docket item was approved. No escrowing required. Cheryl Keene Tucker spoke on behalf of the following G. W. McGlothlin Heirs: Mary R. Barnett, Shelby Finney, Michael Adams, Bernie Gene Adams & Johnny D. McGlothlin.

13. The Board will receive an update of Board and Division activities from the staff.

Mr. Cooper updated the Board on the disbursements that have been made out of the VGOB Escrow Account thus far. Since the House Bill 2058 was enacted in 2015, \$21,759,767.78 has been disbursed for coal dismissals. A total of \$1,135,927.80, has been disbursed to the Department of Treasury for Unknown/Unlocatable owners.

Mr. Cooper sought approval from the Board to close the George account found at the bottom of the escrow summary sheet in green. The funds for this particular account 8888111 should be moved into the account for docket 0711. The Board approved to move these funds into the proper account.

Mr. Cooper discussed that there is 7.6 million dollars remaining in the escrow account. Of which, two million are for Unknown/Unlocatable owners, two million for Cloud on Title, and a little over three million is for unprocessed Coal Dismissals.

Mr. Lambert gave the Board an update of how DMME is dealing with COVID-19 and how DMME is following the CDC Guidelines adhering to the COVID-19 precautions (wearing masks, social distancing, etc.) There is a limited amount of employees in the offices at one time. Usually no more that 2-3 people each day. All employees are available and are teleworking. At this time, there has not been a determination as to when the office will reach full capacity again.

14. The Board will review the June 2020 minutes for approval.

The docket item was approved.

The hearing adjourned at 12:10 p.m.