

COMMONWEALTH OF VIRGINIA  
VIRGINIA GAS AND OIL BOARD HEARING  
MINUTES NOVEMBER 21, 2023

Pursuant to Sections 45.2-1609.C and 45.2-1624.B of the Code of Virginia, the Virginia Gas and Oil Board held its scheduled monthly hearing commencing at 10 a.m. on Tuesday, November 21, 2023. Those who wish to call-in to the meeting may do so by dialing 1-434-230-0065, Conference ID: 753948247#.

Board members present were Bill Harris (Public Representative), Bruce A. Prather (Oil and Gas Industry Representative), Donald Lewis Ratliff (Coal Industry Representative), Gus W. Janson (Public Representative), Rita Surratt (Public Representative) and Willart Cochran (Virginia Energy Representative).

Also present were Bradley Boyd (Gas and Oil Operations Manager), Eric M. Lansing (Assistant Attorney General), Jackson Brown (Assistant Attorney General), Lydia Sinemus (Program Administration Manager II), Phil Skorupa (Director, Division of Gas and Oil) and Sarah Gilmer (Division of Gas and Oil).

1. The Board will review/approve the remote attendance resolution for any board member(s) that will be attending the meeting remotely.

The docket item was approved.

2. The Board received public comments.

There were no public comments.

3. The First Bank and Trust Company, Escrow Agent for the Virginia Gas and Oil Board, will appear to address the Board on the Quarterly Report (July-September 2023).

The Quarterly Report was presented to the Board by Jody Maney with First Bank and Trust Company. The Board voted to renew the First Bank and Trust contract for one more year.

4. A petition from Keyrock Energy, LLC, for (1) Establishment of Keyrock #3, a sealed gob production unit consisting of 401.983 +/- acres for the drilling, development and production of coalbed methane gas from the sealed gob sometimes referred to herein as the "Subject Formation", pursuant to Va. Code § 45.2-1620, which drilling unit is further described and depicted in the "Exhibit A" annexed hereto and which is further described in the application filed with Virginia Energy. (2) Pooling of interests in subject unit pursuant to Va. Code § 45.2-1622, for the production of sealed coalbed methane gob gas from de-stressed formations associated with full-seam mining of coal (herein referred to as "Gob Gas"); and (3) Designate the applicant as the unit operator for the subject unit. Unit Keyrock #3. Docket Number VGOB 23-0919-4273. Continued from September 2023.

The docket item was approved. Escrowing required.

5. A petition from Keyrock Energy, LLC, for Well Location Exception, pursuant to Virginia Code § 45.2-1616 for unit Keyrock #3, located in the Nora Quad, Ervinton Magisterial District of Dickenson County, Virginia. Applicant requests the Virginia Gas and Oil Board to enter an order to enable Well No. Keyrock #3 to be drilled as depicted on the plat attached as "Exhibit A" and that applicant be granted the right to produce methane gas from the mined-out Jawbone Coal Seam in the Contura Deep Mine 41 which appear on the well work permit submitted to the Inspector. Unit Keyrock #3. Docket Number VGOB 23-0919-4274. Continued from September 2023.

The docket item was approved.

6. A petition from Pocahontas Gas, LLC, for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to Tracts 3, 5, 6, 6A, & 7, as depicted upon the annexed table; (2) authorization to release royalty to the parties pursuant to the royalty split between Chisos LTD, Rockport Oil & Gas LLC (Previously Torch Energy Advisors), and Pocahontas Gas, LLC (Previously Consolidation Coal Company), and (3) Dismissal of coal owners: Theodore Blaine Mullins, Cornelia Maurice Mullins, Marilyn Mullins, George W. Mullins, Sr., Elizabeth Barker, Thomas Joseph Barker, Timothy John Barker, Jennifer Wheeler, Stephanie Mullins-Williams, John David Mullins, Brandon Mullins, Heather L. Dawson, Sandra Gerende, Karla Jones Mullins, Thomas L. Mullins, Jr., and Madeline Hunt.  
(Royalties currently being paid under VP8SGU1, Docket #VGOB 95-1024-0526). Unit Y20. Docket Number VGOB 92-0721-0234-02.

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

7. 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 2 and a portion of Tract 13, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to John J. Whitt, Robert Cline, Heather Tobin, Pardee Royalty LLC, White Wolfe LLC, Evelyn Louse Greer, Doris Marie Todd Hopkins, Troy Dale Smith, Harlan William Smith, James Christian, Jr., Roy Christian, Teresa L. Coleman, Christine Summers, Rhonda Porter, Helen Delores Altizer, Jackie Smith, Mack Smith, Mary Jeanette Keen, Wilma Cupp, Russell Dale Webb, Larry David Webb and Melinda Hailey. Unit V47. Docket Number VGOB 99-0518-0720-02.

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

8. A petition from EnerVest Operating, LLC, for a Well Location Exception located in the Pound Quadrangle, Wise County, Virginia. Unit V-530607. Docket Number VGOB 23-1121-4275.

The docket item was approved.

9. A petition from EnerVest Operating, LLC, for a pooling. Unit V-530607. Docket Number VGOB 23-1121-4276.

The docket item was approved. Escrowing required.

10. A petition from EnerVest Operating, LLC, for a pooling. Unit VCI-530583. Docket Number VGOB 23-1121-4278.

The docket item was approved. No escrowing required.

11. The Board received an update of Board and Division activities from the staff.

There were no updates from the staff.

12. The Board will review the September 2023 minutes for approval.

The docket item was approved.

The hearing adjourned at 11:19 a.m.