

COMMONWEALTH OF VIRGINIA
VIRGINIA GAS AND OIL BOARD HEARING
MINUTES JUNE 19, 2018

Pursuant to Sections 45.1-361.9B and 45.1361.22.B of the Code of Virginia, the Virginia Gas and Oil Board held its scheduled monthly hearing commencing at 9 a.m. on Tuesday, June 19, 2018 at the Russell County Government Conference Center, 139 Highland Drive, Lebanon, Virginia.

Board members present were Bradley C. Lambert (Chairman), Bill Harris (Public Representative), Donald Lewis Ratliff (Coal Industry Representative), Donnie W. Rife (Public Representative), Mary Addington Quillen (Public Representative) and Rita Surratt (Public Representative).

Also present were Paul Kugelman, Jr. (Senior 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 Board received public comments.

There were no public comments.

2. A petition from CNX Gas Company, LLC, for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to Tract 4A, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to: Colona K. Wood Residuary TUW, United Bank & Capital Trust Co, Trustee. Unit BUN1. Docket Number VGOB 91-0716-0135-05.

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

3. A petition from CNX Gas Company, LLC, for (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to Tracts 2, 3, 5, 8, 9 and a portion of Tract 13, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Alice Lee Smith, John J. Whitt, Debra Young, Pardee Royalty LLC, Pardee Minerals LLC, White Wolf Energy Inc, Sandra Darlene Stanley, Geneva Joanne Wilcher, Donna Cottle, Michael Stevenson, Danny Stevenson, Victoria Elkin, Charles Stevenson, Tommy Stevenson, Sandra Shope, Patricia Orton, Claude Smith, Theodore T. Smith Jr, Jack Geichman, Evelyn Greer, Janet Daniel, Lloyd G. Taylor, Roger Dean Taylor, Dorothy M. Dye, Kermit Allen Dye, Ronald D. Dye, Virginia M. Smith, George Selix, Dienese Baniak, Betty Smith, Peggy Cornwell, James Alvin Smith, CNX Gas Company LLC, Joanna Louise Smith, Doris Sue Smith, John W. Smith, David Ray Smith, Homer Carlos Smith, Dorothy Delsalvo, Charlie Dale Smith, Roy Lee Smith, Taren Dean Neville, Geneva Tarbet, Charles Akers, Margaret Snell, Debbie Cole, Ethel Ward, Gary Hunter Smith, James Arrington, Elizabeth Scott Barker, Douglas Ray Keele, Kenneth Keele, William Keele, Norma Jean Godsey, Ralph Elswick, Jr., Joann Hobbs, Dorothy Keen, Nancy Keen, Lucille McGlothlin, Ruby Cantrell, Dorothy Satterfield, Deborah Guthrie, Michael W. Kinder, Timothy A. Kinder, Ivory J. Sims, Roger Short, Connie Stiltner, Valerie Roberts, Rodney Ward, Melissa Keen Simmons, Amos D. Keene, Anthony Keene, Thomas G. Ball, Geneva Melvin, Mark S. Boyd, Roberta A. Boyd, Ethel Whitt, Harold Clayton Kinder, Roger Kinder, Alma Smith, Wilma Smith, Aaron Brewster, Delma Kidd, Everett Leo Ward, Anita C. Waddell, Anna Jane Vencill, Jeanette Wakefield, Lisa Craig, Michael Taylor, Patricia Dunn, Stella Louise Luck, Betty Sue Stanley, Marie Dye, John L. Coleman, Larry Coleman, Joseph Reece Brown, Ivory A. Brown, Edward Allen Wells, Judy Senter, Peggy Cornett, Anita Boland, Roy Sluder, Otis Doughten, Roy Mitchell Hicks III, Tammy Rhoton, Angela M. Hicks, Raymond A. Hicks, Raymond B. Shrader, Brenda Buono, Aileen V. Mahoney, Vivian Beach, Freida Tench, Wanda F. Cameron, Shelby Harris, Karen Bowman, Allen Vencill, Gary Vencill, Randall Vencill, Timothy Vencill, Jacqueline Smith, Edward G. Smith, Barbara Baxter, Billie Trent, Evette White, Kevin Fletcher, Steve Fletcher, Claude Smith, Sandra Verbridge, Hazel Smith, and Nell Lyons; (3) Dismissal of Coal Owners: Pardee Royalty LLC, Pardee Minerals LLC, White Wolf Energy Inc, and Buchanan Mining Co LLC (formerly Reserve Coal Properties Company). Unit V47. Docket Number VGOB 99-0518-0720-01.

The docket item was approved. The account will continue. Authorization for direct payment of royalties. Nell Lyons spoke about questions that she had with the unit. CNX to re-mail the notice to the parties that did not originally receive their notification (Marie Dye, Shelby Harris, Anthony Keene, Patricia Orton, Alice Lee Smith and John J. Whitt).

4. A petition from CNX Gas Company, LLC, for Re-pooling under Oakwood Coalbed Methane Gas Field I. Unit K37. Docket Number VGOB 02-1119-1093-02.
The docket item was approved. No escrowing required.
5. A petition from EnerVest Operating, LLC, for a Well Location Exception for Well No. 900151. Docket Number VGOB 18-0515-4172.
The docket item was approved.
6. A petition from EnerVest Operating, LLC, for a Well Location Exception for Well No. 900150. Docket Number VGOB 18-0515-4173.
The docket item was approved.
7. A petition from EnerVest Operating, LLC, for a Well Location Exception for Well No. 900152. Docket Number VGOB 18-0515-4174.
The docket item was approved.
8. A petition from EnerVest Operating, LLC, for a Well Location Exception for Well No. 900153. Docket Number VGOB 18-0515-4175.

The docket item was approved.

9. A petition from EnerVest Operating, LLC, for Pooling of Well No. VCI-539783. Docket Number VGOB 18-0515-4176.

The docket item was approved. No escrowing required.

10. A petition from EnerVest Operating, LLC, for Pooling of Well Haysi 118. Docket Number VGOB 18-0619-4178.

The docket item was approved. No escrowing required.

11. A petition from EnerVest Operating, LLC, for Pooling of Well Haysi 110. Docket Number VGOB 18-0619-4179.

The docket item was approved. No escrowing required.

12. A petition from EnerVest Operating, LLC, for Pooling of Well No. VCI 538630. Docket Number VGOB 18-0619-4180.

The docket item was approved. No escrowing required.

13. A petition from EnerVest Operating, LLC, for Pooling of Well No. 900104. Docket Number VGOB 18-0619-4181.

The docket item was approved. No escrowing required.

14. A petition from EnerVest Operating, LLC, for Pooling of Well No. 900105. Docket Number VGOB 18-0619-4182.

The docket item was approved. No escrowing required.

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

Mr. Cooper reported to the Board an update of the Escrow Project that the Division of Gas & Oil has been working on. He presented a list of 20 accounts that need to be closed, and the money refunded to the company that operates the well(s). The Board reviewed and approved for the accounts be closed and the money to be refunded to the operator.

Mr. Cooper reported to the Board an update of funds remaining in the escrow account (\$10,488,039.87) as of May 2018. Approximately \$19,344,672.05 has been disbursed since the house bill was passed.

Mr. Cooper discussed the "No W-9" accounts that are set up for people that did not submit their W-9's to the operator. The Division of Gas and Oil will mail a letter to each individual listed on the "No W-9 List" and encourage the individuals to submit their W-9's to the escrow agent so that the funds can be disbursed to them.

16. The Board reviewed the April 2018 minutes for approval.

The docket item was approved.

The hearing adjourned at 11:31 a.m.