

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Pocahontas Gas LLC

DIVISION OF GAS AND OIL
DOCKET NO.: VGOB# 20-1020-4231

RELIEF SOUGHT: POOLING

LOCATION: SEE EXHIBITS "A" AND "A1"

HEARING DATE: October 20, 2020

UNIT NUMBER: CC-34
IN THE OAKWOOD COALBED METHANE GAS FIELD I

BUCHANAN/RUSSELL COUNTY(IES), VIRGINIA

APPLICATION

1. **Applicant and its counsel:** Applicant is **Pocahontas Gas LLC**, 128 Glenwood Street, Cedar Bluff, Virginia 24609, 276/596-5143. Applicant's counsel is Mark A. Swartz, Hilliard & Swartz, LLP., 122 Capitol Street, FL2, Charleston, WV 25301.

2. **Relief sought:** Pooling under Oakwood Coalbed Methane Gas Field I.

3. **Legal Authority:** Va. Code Ann. §45.1-361.1 et seq. 4 VAC 25-160-10 et seq. and relevant Virginia Gas and Oil Board Orders heretofore promulgated pursuant to law including OGCB 3-90; VGOB-91-1119-162; VGOB 92/02/16-0336; and VGOB 93/03/16-0349.

4. **Type of well(s):** Coalbed methane, including increased density wells as required by mining plans.

5. **Permit numbers, if any:** CC34 Permit #4986; CC34A Permit #6207

6. **Plat:** Annexed hereto are Exhibit A and the Tract Identifications for Exhibit A. The Plat shows the size and shape of the unit and the boundaries of the tracts within the unit. The plat is certified by a licensed professional engineer and is attested by the undersigned on behalf of the applicant to be in conformity with existing orders issued by the Board.

7. **Status of interests to be pooled and Applicant's standing:** The respondents whose interests are sought to be pooled by the Applicant are:

Ruie McGlothlin Heirs including; Johnny Dwight McGlothlin, Bernie Gene Adams, Michael Adams, Shelby Finney, and Mary R. Barnett

Further, said respondents are listed in Exhibit B-3 hereto which describes their interests/claims. The respondents and others whose interests are subject to escrow under §45.1-361.21.D. are identified at Exhibit E. The annexed Exhibit A, page 2, sets forth the total interest(s) held by Applicant in the unit.

8. **Formation(s) to be produced and estimates:** All coal seams and associated strata below the Tiller seam of coal all as more particularly described in the annexed proposed order. The estimated total production from subject unit is **125 to 550** MMCF. The estimated amount of reserves from the subject drilling unit is **125 to 550** MMCF. These figures concerning estimated production and the amount of reserves are, however, estimates only that are not based

upon actual production and should not be relied upon for any purpose. It should not be assumed that final production before plugging and abandonment will equal estimated reserves.

9. **Estimate of allowable costs:** \$779,527 (Wells CC34 \$430,460; CC34A \$349,067)

See Exhibit C which estimates/reports the costs associated with two frac well(s).

10. **Attestation:** The foregoing application, to the best of my knowledge, information, and belief, is true and correct.

Pocahontas Gas LLC

Applicant

By: Sherri R. Scott

Sherri R. Scott

Manager-Pooling, DOI, Land Records

CNX Land LLC

128 Glenwood Street

Cedar Bluff, VA 24609

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Pocahontas Gas LLC

DIVISION OF GAS AND OIL
DOCKET NO. VGOB 20-1020-4231

RELIEF SOUGHT: POOLING

UNIT NUMBER: CC-34

NOTICE OF HEARING

HEARING DATE: October 20, 2020
PLACE: Russell County Conference Center
135 Highlands Drive
Lebanon, Virginia 24266
TIME: 9:00 AM

COMMONWEALTH OF VIRGINIA:

To: *Ruie McGlothlin Heirs including; Johnny Dwight McGlothlin, Bernie Gene Adams, Michael Adams, Shelby Finney, and Mary R. Barnett*

1. **Applicant and its counsel:** Applicant is **Pocahontas Gas LLC**, 128 Glenwood Street, Cedar Bluff, Virginia, 24609. Applicant's counsel is Mark A. Swartz, Hilliard & Swartz, LLP, 122 Capitol Street, FL 2, Charleston, WV 25301.

2. **Relief sought:** Pooling

3. **Proposed provisions of order:** (a) Pooling all the interests and estates of the persons named above in coalbed methane in the unit in question; (b) Establishing a procedure whereby each respondent shall have the right to make elections; (c) Providing that any respondent who does not make a timely election shall be deemed to have leased or assigned his coalbed methane gas interests to the applicant at a rate to be established by the Board; (d) Designating Pocahontas Gas LLC as Unit Operator; (e) Making any necessary provisions for the escrow of funds; (f) Granting such other relief as is merited by the evidence and is just and equitable, whether or not such relief has been specifically requested herein.

4. **Legal Authority:** Va. Code Ann. §45.1-361.1 et seq. 4 VAC 25-160-10 et seq. and relevant Virginia Gas and Oil Board Orders heretofore promulgated pursuant to law including OGCB 3-90; VGOB-91-1119-162; VGOB 92/02/16-0336; and VGOB 93/03/16-0349.

5. **Type of well(s):** Coalbed methane.

6. **Plat:** Annexed hereto are Exhibit A, Exhibit A1 and the Tract Identifications for Exhibit A. The Plat shows the size and shape of the unit and the boundaries of the tracts within the unit. The Tract Identification page shows the percentage of acreage in each tract. The plat is certified by a licensed professional engineer and is attested by the undersigned on behalf of the applicant to be in conformity with existing orders issued by the Board.

7. **Your interest or claim sought to be pooled by this Application pertains to coalbed methane gas.**

8. **Formation(s) to be produced and estimates:** All coal seams and associated

strata below the Tiller seam of coal all as more particularly described in the annexed proposed order. The estimated total production from subject unit is 125 to 550 MMCF. The estimated amount of reserves from the subject drilling unit is 125 to 550 MMCF. These figures concerning estimated production and the amount of reserves are, however, estimates only that are not based upon actual production and should not be relied upon for any purpose. It should not be assumed that final production before plugging and abandonment will equal estimated reserves.

9. **Estimate of allowable costs:** \$779,527 (Wells CC34 \$430,460; CC34A \$349,067)

10. **Attestation:** The foregoing application to the best of my knowledge, information, and belief is true and correct.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence before the Board at 9:00 AM, on **October, 2020**, at the Russell County Government Conference Center, 139 Highlands Drive, Lebanon, Virginia 24266, and that notice will be published as required by law and the Rules of the Board.

NOTICE IS FURTHER GIVEN that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. For further information or a copy of the Application and Exhibits, either contact the Virginia Gas and Oil Board, State Oil and Gas Inspector, Department of Mines, Minerals and Energy, the Division of Gas and Oil, 135 Highland Drive, Lebanon, Virginia 24266, 276/415-9650 or the Applicant at the address shown below.

DATED: 9/24/2020

POCAHONTAS GAS LLC
BY ITS PROFESSIONAL MANAGER
POCAHONTAS GAS LLC, PETITIONER

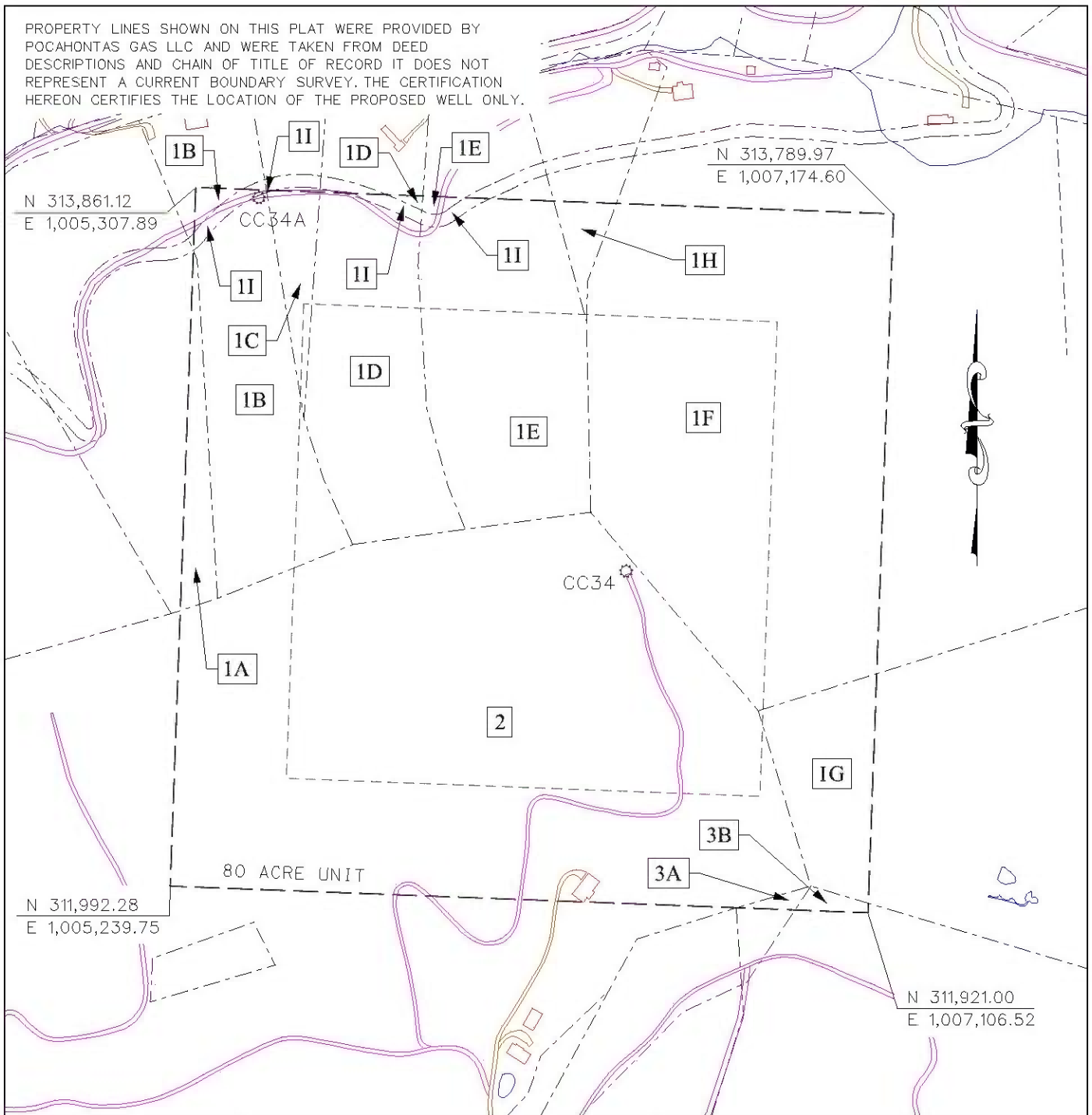
By: Sherri R. Scott

Sherri R. Scott

Manager-Pooling, DOI, Land Records

128 Glenwood Street
Cedar Bluff, Virginia 24609

PROPERTY LINES SHOWN ON THIS PLAT WERE PROVIDED BY POCAHONTAS GAS LLC AND WERE TAKEN FROM DEED DESCRIPTIONS AND CHAIN OF TITLE OF RECORD IT DOES NOT REPRESENT A CURRENT BOUNDARY SURVEY. THE CERTIFICATION HEREON CERTIFIES THE LOCATION OF THE PROPOSED WELL ONLY.



- ⊙ CBM WELL
- ⊙ PROPOSED CBM WELL

EXHIBIT A
OAKWOOD FIELD
UNIT CC34
FORCE POOLING
VGOB-20-1020-4231

Company POCAHONTAS GAS LLC

Well Name and Number UNIT CC34

Tract No. _____

Location _____

Quadrangle Keen Mountain

Date _____

County Buchanan/Russell

District Garden New Garden

Scale: 1" = 400'

This plat is a new plat ☒ or a final plat

ALLEN MITCHELL
Lic. No. 002289

Digitally signed by
ALLEN MITCHELL
Date: 2020.09.24
08:38:44 -0400

Form DGO-GO-7
Rev. 9/91

9/24/20
Licensed Professional Engineer or Licensed Land Surveyor

Pocahontas Gas LLC
UNIT CC34
Tract Identifications

1. Coal Mountain Mining Company, LLP (160 Acres Tract 34) – Minerals
Buchanan Mining Company LLC – Below Drainage Coal Leased
RAMACO Resources Land Holdings, LLC – Coal in the Tiller and Above Leased
Pocahontas Gas LLC – Oil, Gas, and CBM Leased
47.35 Acres 59.1875%

- 1A. Buchanan Mining Company LLC – Surface
- 1B. Unknown Surface Owner
- 1C. Unknown Surface Owner
- 1D. Unknown Surface Owner
- 1E. Unknown Surface Owner
- 1F. Unknown Surface Owner
- 1G. CNX Gas Company LLC, et al (GW McGlothlin 56 Acre Tract)
- 1H. Unknown Surface Owner
- 1I. Unknown Surface Owner

2. Coal Mountain Mining Company, LLP (181 Acres Tract 35) – Minerals
Buchanan Mining Company LLC – Below Drainage Coal Leased
RAMACO Resources Land Holdings, LLC – Coal in the Tiller and Above Leased
Pocahontas Gas LLC – Oil, Gas, and CBM Leased
Unknown Surface Owner
32.35 Acres 40.4375%

- 3A. Coal Mountain Mining Company, LLP (160 Acres Tract 36) – Coal
Buchanan Mining Company LLC – Below Drainage Coal Leased
RAMACO Resources Land Holdings, LLC – Coal in the Tiller and Above Leased
CNX Gas Company, et al (GW McGlothlin 100 Acre Tract) –Oil and Gas (88.0952% Owned)
Harold McGlothlin, et al - Surface
0.12 Acres 0.1500%

- 3B. Coal Mountain Mining Company, LLP (160 Acres Tract 36) – Coal
Buchanan Mining Company LLC – Below Drainage Coal Leased
RAMACO Resources Land Holdings, LLC – Coal in the Tiller and Above Leased
CNX Gas Company, et al (GW McGlothlin 100 Acre Tract) – Surface, Oil, and Gas (88.0952% Owned)
0.18 Acres 0.2250%

(This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)

Exhibit B
Unit CC-34
Wells CC34 (4/24/2002) & CC34A (11/1/2004)
VGOB# 20-1020-4231
List of All Owners/Claimants

	Net Acres in Unit	Interest in Unit
I. COAL OWNERSHIP		
<u>Tract #1, 47.35 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 34 (160 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	47.35 acres	59.1875%
<u>Tract #2, 32.35 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 35 (181 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	32.35 acres	40.4375%
<u>Tract #3A, 0.12 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 36 (160 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	0.12 acres	0.1500%
<u>Tract #3B, 0.18 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 36 (160 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	0.18 acres	0.2250%
II. OIL & GAS OWNERSHIP		
<u>Tract #1, 47.35 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 34 (160 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	47.35 acres	59.1875%
<u>Tract #2, 32.35 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 35 (181 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	32.35 acres	40.4375%
<u>Tract #3A, 0.12 acres</u>		
(1) CNX Gas Company, LLC, et al <i>(100 Acre Tract)</i>	0.12 acres	0.1500%
(a) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	0.1057 acres 37/42 of 0.12 acres	0.1321%
(b) Ruie McGlothlin Heirs, Devisees, Successors, or Assigns		
(b.1) Junior C. McGlothlin Heirs, Devisees, Successors, or Assigns		
(b.1.1) Janet E. McGlothlin Heirs, Devisees, Successors, or Assigns		

Exhibit B
Unit CC-34
Wells CC34 (4/24/2002) & CC34A (11/1/2004)
VGOB# 20-1020-4231
List of All Owners/Claimants

	Net Acres in Unit	Interest in Unit
(b.1.1.1) Johnny Dwight McGlothlin 820 Baptist Valley Road Cedar Bluff, VA 24609	0.00143 acres 1/84 of 0.12 acres	0.00179%
(b.2) Helen Adams Heirs, Devisees, Successors, or Assigns <i>(Documentation Pending)</i>	0.00429 acres 1/28 of 0.12 acres	0.00536%
(b.2.1) Bernie Gene Adams 14309 Phoenix Road Phoenix, MD 21131		
(b.2.2) Michael Adams 595 S Sandlake Ct Mount Dora, FL 32757		
(b.3) Ruby Lee Zwald Heirs, Devisees, Successors, or Assigns		
(b.4.1) Walter Lawrence Finney Heirs, Devisees, Successors, or Assigns		
(b.4.1.1) Shelby Ann Finney 195 Finney Drive Cedar Bluff, VA 24609	0.00429 acres 1/28 of 0.12 acres	0.00536%
(b.4) Mary R. Barnett 170 Charleston Place Daleville, VA 24083	0.00429 acres 1/28 of 0.12 acres	0.00536%
<u>Tract #3B, 0.18 acres</u>		
(1) CNX Gas Company, LLC, et al <i>(100 Acre Tract)</i>	0.18 acres	0.2250%
(a) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	0.1586 acres 37/42 of 0.18 acres	0.1982%
(b) Ruie McGlothlin Heirs, Devisees, Successors, or Assigns		
(b.1) Junior C. McGlothlin Heirs, Devisees, Successors, or Assigns		
(b.1.1) Janet E. McGlothlin Heirs, Devisees, Successors, or Assigns		
(b.1.1.1) Johnny Dwight McGlothlin 820 Baptist Valley Road Cedar Bluff, VA 24609	0.00214 acres 1/84 of 0.18 acres	0.00268%
(b.2) Helen Adams Heirs, Devisees, Successors, or Assigns <i>(Documentation Pending)</i>	0.00643 acres 1/28 of 0.18 acres	0.00804%
(b.2.1) Bernie Gene Adams 14309 Phoenix Road Phoenix, MD 21131		

Exhibit B
Unit CC-34
Wells CC34 (4/24/2002) & CC34A (11/1/2004)
VGOB# 20-1020-4231
List of All Owners/Claimants

	Net Acres in Unit	Interest in Unit
(b.2.2) Michael Adams 595 S Sandlake Ct Mount Dora, FL 32757		
(b.3) Ruby Lee Zwald Heirs, Devisees, Successors, or Assigns		
(b.4.1) Walter Lawrence Finney Heirs, Devisees, Successors, or Assigns		
(b.4.1.1) Shelby Ann Finney 195 Finney Drive Cedar Bluff, VA 24609	0.00643 acres 1/28 of 0.18 acres	0.00804%
(b.4) Mary R. Barnett 170 Charleston Place Daleville, VA 24083	0.00643 acres 1/28 of 0.18 acres	0.00804%

Exhibit B-3
Unit CC-34
VGOB Docket # 20-1020-4231
List of All Unleased Owners/Claimants
(80.00 Acre Unit)

	Net Acres in Unit	Interest in Unit
II. OIL & GAS OWNERSHIP		
<u>Tract #3A, 0.12 acres</u>		
(1) CNX Gas Company, LLC, et al (100 Acre Tract)	0.12 acres	0.1500%
(b) Ruie McGlothlin Heirs, Devisees, Successors, or Assigns		
(b.1) Junior C. McGlothlin Heirs, Devisees, Successors, or Assigns		
(b.1.1) Janet E. McGlothlin Heirs, Devisees, Successors, or Assigns		
(b.1.1.1) Johnny Dwight McGlothlin 820 Baptist Valley Road Cedar Bluff, VA 24609	0.00143 acres 1/84 of 0.12 acres	0.00179%
(b.2) Helen Adams Heirs, Devisees, Successors, or Assigns (Documentation Pending)	0.00429 acres 1/28 of 0.12 acres	0.00536%
(b.2.1) Bernie Gene Adams 14309 Phoenix Road Phoenix, MD 21131		
(b.2.2) Michael Adams 595 S Sandlake Ct Mount Dora, FL 32757		
(b.3) Ruby Lee Zwald Heirs, Devisees, Successors, or Assigns		
(b.4.1) Walter Lawrence Finney Heirs, Devisees, Successors, or Assigns		
(b.4.1.1) Shelby Ann Finney 195 Finney Drive Cedar Bluff, VA 24609	0.00429 acres 1/28 of 0.12 acres	0.00536%
(b.4) Mary R. Barnett 170 Charleston Place Daleville, VA 24083	0.00429 acres 1/28 of 0.12 acres	0.00536%
Total Acres	0.0143	
Total Percentage	0.0179%	
<u>Tract #3A, 0.18 acres</u>		
(1) CNX Gas Company, LLC, et al (100 Acre Tract)	0.18 acres	0.2250%
(b) Ruie McGlothlin Heirs, Devisees, Successors, or Assigns		
(b.1) Junior C. McGlothlin Heirs, Devisees, Successors, or Assigns		
(b.1.1) Janet E. McGlothlin Heirs, Devisees, Successors, or Assigns		

Exhibit B-3
Unit CC-34
VGOB Docket # 20-1020-4231
List of All Unleased Owners/Claimants
(80.00 Acre Unit)

	Net Acres in Unit	Interest in Unit
(b.1.1.1) Johnny Dwight McGlothlin 820 Baptist Valley Road Cedar Bluff, VA 24609	0.00214 acres 1/84 of 0.18 acres	0.00268%
(b.2) Helen Adams Heirs, Devisees, Successors, or Assigns <i>(Documentation Pending)</i>	0.00643 acres 1/28 of 0.18 acres	0.00804%
(b.2.1) Bernie Gene Adams 14309 Phoenix Road Phoenix, MD 21131		
(b.2.2) Michael Adams 595 S Sandlake Ct Mount Dora, FL 32757		
(b.3) Ruby Lee Zwald Heirs, Devisees, Successors, or Assigns		
(b.4.1) Walter Lawrence Finney Heirs, Devisees, Successors, or Assigns		
(b.4.1.1) Shelby Ann Finney 195 Finney Drive Cedar Bluff, VA 24609	0.00643 acres 1/28 of 0.18 acres	0.00804%
(b.4) Mary R. Barnett 170 Charleston Place Daleville, VA 24083	0.00643 acres 1/28 of 0.18 acres	0.00804%
Total Acres	0.0214	
Total Percentage	0.0268%	
<u>TOTAL UNLEASED:</u>		
Acreage in Unit	0.0357	
Percentage of Unit		0.0446%

Company: **Pocahontas Gas LLC**

Virginia Gas And Oil Template – Estimated Authorization For Expenditure (AFE)

AFE #	N/A	Property #	N/A	Version #	
Well Name:	CBM CC34	Field:	Oakwood	Completed By:	R.E. Staton
Location:	Buchanan County	Operator:	Pocahontas Gas Company	Date:	
Expected Pay Zones:	coal seams below Tiller Incl. Poca 3	Estimated Total Depth:	2,350 ft	AAPG Class:	CBM
Proposed Work:	To drill, complete, and produce	Participant(s):	N/A	W.I.	Amount
					\$0

Gen	Sub	Description	Casing Point	Completion	Total Cost
		Leasehold Costs	\$1,000	\$0	\$1,000
		Permit / Title Opinion / Survey / Insurance	\$4,700	\$0	\$4,700
		Building Location	\$35,000	\$0	\$35,000
		Roads / Stone / Culverts	\$25,000	\$0	\$25,000
		Surface Damages	\$0	\$0	\$0
		Drilling - Footage	\$96,000	\$0	\$96,000
		Drilling - Mobilization	\$0	\$0	\$0
		Drilling - Dayrate	\$0	\$0	\$0
		Mud & Chemicals (Drilling)	\$0	\$0	\$0
		Fuel	\$0	\$0	\$0
		Cement Surface casing	\$8,000	\$0	\$8,000
		Cement Intermediate casing	\$22,000	\$0	\$22,000
		Open Hole Logging & Testing	\$4,000	\$0	\$4,000
		Trucking / Dozer (Drilling)	\$0	\$0	\$0
		Rental Tools & Equipment (Drilling)	\$0	\$0	\$0
		Drilling - Bits	\$0	\$0	\$0
		Technical Supervision (Drilling)	\$0	\$0	\$0
		Fresh Water Hauling (Drilling)	\$0	\$0	\$0
		Overhead Rate	\$0	\$0	\$0
		Misc. & Contingencies	\$0	\$3,000	\$3,000
		Location Rds/Stone/Culverts	\$0	\$0	\$0
		Trucking / Dozer (Completion)	\$0	\$0	\$0
		Technical Supervision (Completion)	\$0	\$0	\$0
		Cased Hole Logging / Perforating	\$0	\$0	\$0
		Stimulation / Fracturing	\$0	\$89,000	\$89,000
		Completion Rig	\$0	\$0	\$0
		Reclamation & Damages	\$0	\$0	\$0
		Haul Pit Water / Disposal	\$0	\$0	\$0
		Cement Production Casing	\$0	\$11,000	\$11,000
		Rental Tools & Equipment (Completion)	\$0	\$0	\$0
		Fresh Water Hauling (Completion)	\$0	\$0	\$0
		Roustabout Labor	\$0	\$5,000	\$5,000
		TOTAL INTANGIBLES	\$193,700	\$0	\$301,700

Code	Code	Description	Casing Point	Completion	Total Cost
		13 3/8" Conductor	420 Ft	\$0	\$42,000
		9 5/8" 26 lb/ft LS Surface Csg	625 Ft	\$0	\$4,544
		7" 19 lb/ft LS Intermediate Csg	720 Ft	\$0	\$8,518
		4 1/2" 9.5 lb/ft M-85 Production Csg	2,160 Ft	\$18,200	\$18,200
		4 1/2" 10.5 lb/ft M-85 Production Csg	Ft	\$0	\$0
		2-3/8" 4.7 lb/ft J55 Prod Production Tubing	2,200 Ft	\$9,394	\$9,394
		Wellhead Equipment / Fittings	\$0	\$9,000	\$9,000
		Tank Battery	\$0	\$0	\$0
		Separator / Heater / Treater	\$0	\$15,000	\$15,000
		Gas Lift Equipment	\$0	\$0	\$0
		Rods / Stuffing Box	\$0	\$14,700	\$14,700
		Downhole Pump	\$0	\$0	\$0
		Pumping Unit / Motor	\$0	\$9,405	\$9,405
		SS EQT-Packer, PF, FC, Nip	\$0	\$0	\$0
		Valves & Fittings	\$0	\$0	\$0
		Flow Line labor/material	\$0	\$0	\$0
		Sales line labor/mat/row	\$0	\$0	\$0
		TOTAL TANGIBLES			\$128,760

GRAND TOTAL WELL COST			\$193,700	\$0	\$430,460
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153	115	Plugging & Abandonment	\$25,000		
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Production Costs :			\$430,460	Dry Hole Costs :	\$218,700
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Prepared by: Bob Staton Title: Permit Agent Date: 9/23/20

THIS IS AN ESTIMATE OF PROJECTED WELL DRILLING, COMPLETION, EQUIPMENT AND PIPELINE COSTS. THESE ESTIMATES ARE PROJECTIONS ONLY AND ACTUAL BILLED COSTS MAY VARY FROM WELL TO WELL DEPENDING UPON ACTUAL FINAL DEPTH AND OTHER FACTORS INCLUDING, BUT NOT LIMITED TO, SEASONAL MATERIAL COSTS, WEATHER CONDITIONS, AND UNFORESEEN RIGHT-OF-WAY PROBLEMS.

Company: **Pocahontas Gas LLC**

Virginia Gas And Oil Template – Estimated Authorization For Expenditure (AFE)

AFE #	N/A	Property #	N/A	Version #	
Well Name:	CBM CC34A	Field:	Oakwood	Completed By:	R.E. Staton
Location:	Buchanan County	Operator:	Pocahontas Gas Company	Date:	
Expected Pay Zones:	coal seams below Tiller Incl. Poca 3	Estimated Total Depth:	2,015 R	AAPG Class:	CBM
Proposed Work:	To drill, complete, and produce	Participant(s):	N/A	W.I.	Amount

Gen	Sub	Description	Casing Point	Completion	Total Cost
		Leasehold Costs	\$1,000	\$0	\$1,000
		Permit / Title Opinion / Survey / Insurance	\$4,700	\$0	\$4,700
		Building Location	\$30,000	\$0	\$30,000
		Roads / Stone / Culverts	\$23,000	\$0	\$23,000
		Surface Damages	\$0	\$0	\$0
		Drilling - Footage	\$86,000	\$0	\$86,000
		Drilling - Mobilization	\$0	\$0	\$0
		Drilling - Dayrate	\$0	\$0	\$0
		Mud & Chemicals (Drilling)	\$0	\$0	\$0
		Fuel	\$0	\$0	\$0
		Cement Surface casing	\$6,000	\$0	\$6,000
		Cement Intermediate casing	\$15,000	\$0	\$15,000
		Open Hole Logging & Testing	\$4,000	\$0	\$4,000
		Trucking / Dozer (Drilling)	\$0	\$0	\$0
		Rental Tools & Equipment (Drilling)	\$0	\$0	\$0
		Drilling - Bits	\$0	\$0	\$0
		Technical Supervision (Drilling)	\$0	\$0	\$0
		Fresh Water Hauling (Drilling)	\$0	\$0	\$0
		Overhead Rate	\$0	\$0	\$0
		Misc. & Contingencies	\$0	\$3,000	\$3,000
		Location Rds/Stone/Culverts	\$0	\$0	\$0
		Trucking / Dozer (Completion)	\$0	\$0	\$0
		Technical Supervision (Completion)	\$0	\$0	\$0
		Cased Hole Logging / Perforating	\$0	\$0	\$0
		Stimulation / Fracturing	\$0	\$87,000	\$87,000
		Completion Rig	\$0	\$0	\$0
		Reclamation & Damages	\$0	\$0	\$0
		Haul Pit Water / Disposal	\$0	\$0	\$0
		Cement Production Casing	\$0	\$11,000	\$11,000
		Rental Tools & Equipment (Completion)	\$0	\$0	\$0
		Fresh Water Hauling (Completion)	\$0	\$0	\$0
		Roustabout Labor	\$0	\$6,000	\$6,000
		TOTAL INTANGIBLES	\$169,700	\$0	\$275,700

Code	Code	Description	Casing Point	Completion	Total Cost
		13 3/8" Conductor 16 Ft	\$1,800	\$0	\$1,800
		9 5/8" 28 lb/ft LS Surface Csg 0 Ft	\$0	\$0	\$0
		7" 19 lb/ft LS Intermediate Csg 222 Ft	\$2,626	\$0	\$2,626
		4 1/2" 9.5 lb/ft M-85 Production Csg 1,780 Ft	\$0	\$13,350	\$13,350
		4 1/2" 10.5 lb/ft M-85 Production Csg Ft	\$0	\$0	\$0
		2-3/8" 4.7 lb/ft J55 8rd Production Tubing 1,800 Ft	\$0	\$7,686	\$7,686
		Wellhead Equipment / Fittings	\$0	\$9,000	\$9,000
		Tank Battery	\$0	\$0	\$0
		Separator / Heater / Treater	\$0	\$15,000	\$15,000
		Gas Lift Equipment	\$0	\$0	\$0
		Rods / Stuffing Box	\$0	\$14,700	\$14,700
		Downhole Pump	\$0	\$0	\$0
		Pumping Unit / Motor	\$0	\$9,405	\$9,405
		SS EQT-Packer, PF, FC, Nip	\$0	\$0	\$0
		Valves & Fittings	\$0	\$0	\$0
		Flow Line labor/material	\$0	\$0	\$0
		Sales line labor/mat/row	\$0	\$0	\$0
		TOTAL TANGIBLES			\$73,367

GRAND TOTAL WELL COST			\$169,700	\$0	\$349,067
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153	115	Plugging & Abandonment	\$25,000		
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Production Costs :		\$349,067	Dry Hole Costs :		\$194,700
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Prepared by: Bob Staton Title: Permit Agent Date: 9/23/20

THIS IS AN ESTIMATE OF PROJECTED WELL DRILLING, COMPLETION, EQUIPMENT AND PIPELINE COSTS. THESE ESTIMATES ARE PROJECTIONS ONLY AND ACTUAL BILLED COSTS MAY VARY FROM WELL TO WELL DEPENDING UPON ACTUAL FINAL DEPTH AND OTHER FACTORS INCLUDING, BUT NOT LIMITED TO, SEASONAL MATERIAL COSTS, WEATHER CONDITIONS, AND UNFORESEEN RIGHT-OF-WAY PROBLEMS.

N/A

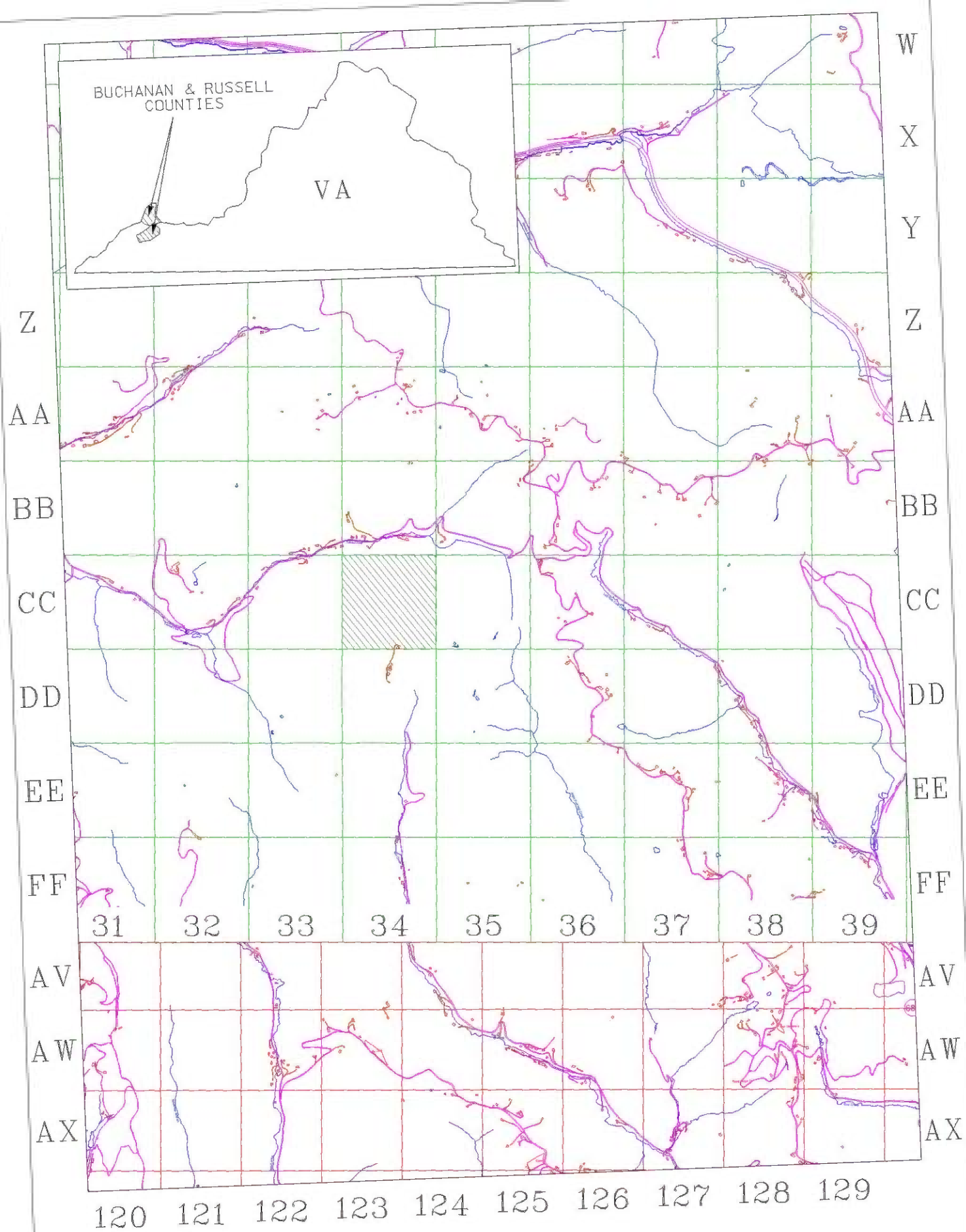


EXHIBIT A1
UNIT CC34
VGOB 02-1020-4231