

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Pocahontas Gas LLC

DIVISION OF GAS AND OIL
DOCKET NO.: VGOB# 20-1020-4233

RELIEF SOUGHT: POOLING

LOCATION: SEE EXHIBITS "A" AND "A1"

HEARING DATE: October 20, 2020

UNIT NUMBER: DD-35
IN THE OAKWOOD COALBED METHANE GAS FIELD I

BUCHANAN/TAZEWELL/RUSSELL COUNTY(S), 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:** DD35 Permit #5082; DD35A Permit #9170

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:** \$704,216 (Wells DD35 \$353,431; DD35A \$350,785)

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 20-1020-4233

RELIEF SOUGHT: POOLING

UNIT NUMBER: DD-35

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:** \$704,216 (Wells DD35 \$353,431; DD35A \$350,785)

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.

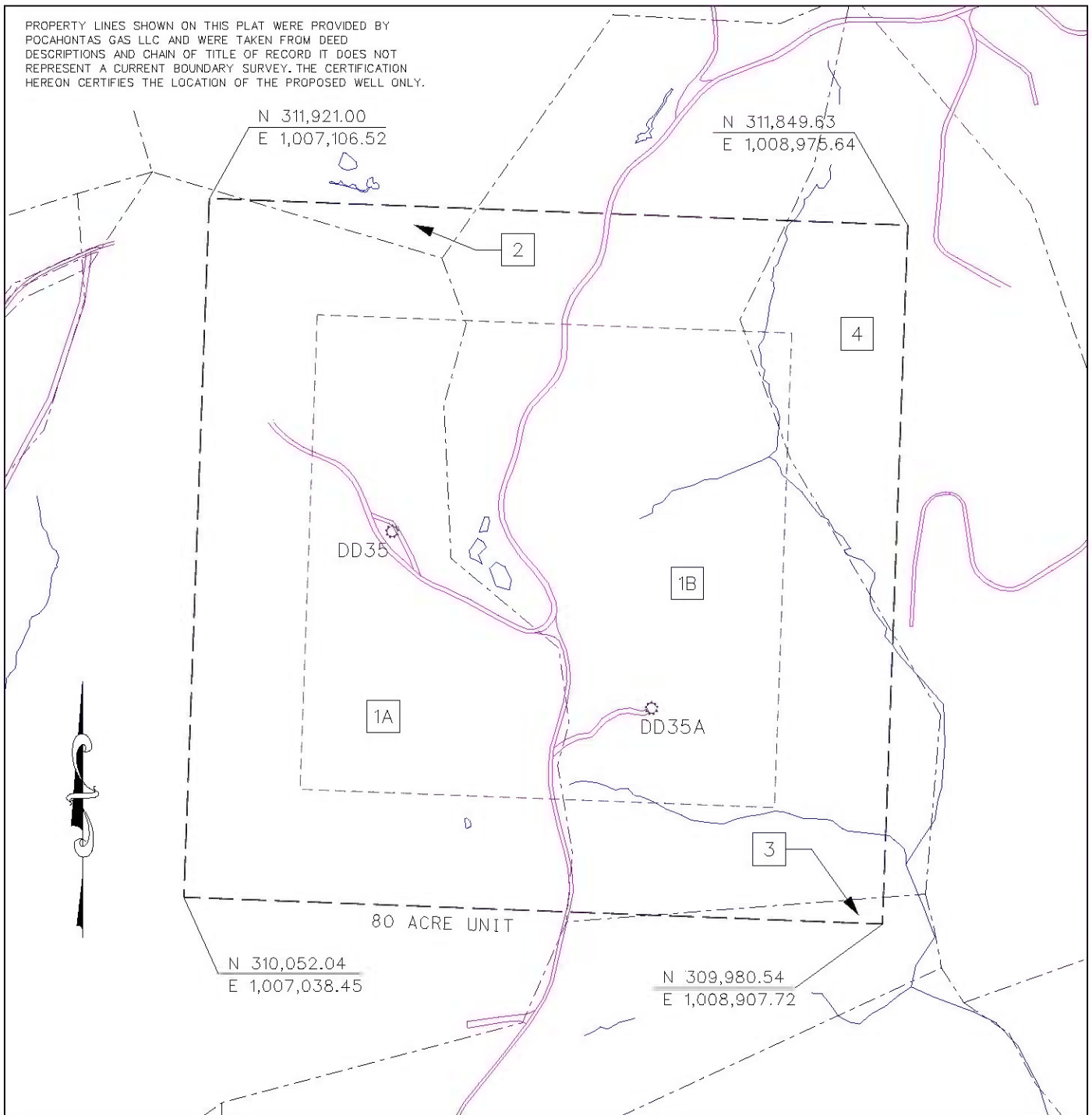
DATED: 9/24/2020

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 DD35
FORCE POOLING
VGOB-20-1020-4233

Company POCAHONTAS GAS LLC Well Name and Number UNIT DD35

Tract No. Elevation Quadrangle Keen Mountain Date

County Buchanan/Tazewell/Russell District Garden New Garden/Maiden Springs Section

This plat is a new plat or an updated plat or a

Form DGO-GO-7
Rev. 9/91

Licensed Professional Engineer or Licensed Land Surveyor



Digitally signed by
ALLEN MITCHELL
Date: 2020.09.24
08:13:22 -04'00'

Pocahontas Gas LLC
UNIT DD35
Tract Identifications

- 1A. 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)
33.89 Acres 42.3625%
- 1B. 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 47.90 Acre Tract) – Surface, Oil, and Gas (98.5119% Owned)
37.69 Acres 47.1125%
2. 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
CNX Gas Company LLC, et al (GW McGlothlin 56 Acre Tract) – Surface
0.96 Acres 1.2000%
3. William Rogers McCall – Fee
Buchanan Mining Company LLC – Coal Below Tiller Seam Leased
Pocahontas Gas LLC – CBM Leased
0.51 Acres 0.6375%
4. Coal Mountain Mining Company, LLP (319 Acres Tract 38) – 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
Harold McGlothlin, et al – Surface
(Map 63A, Parcel 5)
6.95 Acres 8.6875%

(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 DD-35
VGOB# 20-1020-4233
Wells DD35 (4/24/2002) & DD35A (7/16/2008)
List of All Owners/Claimants

	Net Acres in Unit	Interest in Unit
I. COAL OWNERSHIP		
<u>Tract #1A, 33.89 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 36 (160 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	33.89 acres	42.3625%
<u>Tract #1B, 37.69 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 36 (160 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	37.69 acres	47.1125%
<u>Tract #2, 0.96 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 34 (160 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	0.96 acres	1.2000%
<u>Tract #3, 0.51 acres</u>		
(1) William Rogers McCall P.O. Box 56 Bristol, VA 24203	0.51 acres	0.6375%
<u>Tract #4, 6.95 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 34 (160 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	6.95 acres	8.6875%
II. OIL & GAS OWNERSHIP		
<u>Tract #1A, 33.89 acres</u>		
(1) CNX Gas Company, LLC, et al <i>(100 Acre Tract)</i>	33.89 acres	42.3625%
(a) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	29.8555 acres 37/42 of 33.89 acres	37.3193%
(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	0.40345 acres 1/84 of 33.89 acres	0.50432%
(b.2) Helen Adams Heirs, Devisees, Successors, or Assigns <i>(Documentation Pending)</i>	1.21036 acres 1/28 of 33.89 acres	1.51295%

Exhibit B
Unit DD-35
VGOB# 20-1020-4233
Wells DD35 (4/24/2002) & DD35A (7/16/2008)
List of All Owners/Claimants

	Net Acres in Unit	Interest in Unit
(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	1.21036 acres 1/28 of 33.89 acres	1.51295%
(b.4) Mary R. Barnett 170 Charleston Place Daleville, VA 24083	1.21036 acres 1/28 of 33.89 acres	1.51295%
<u>Tract #1B, 37.69 acres</u>		
(1) CNX Gas Company, LLC, et al <i>(47.90 Acre Tract)</i>	37.69 acres	47.1125%
(a) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	37.1291 acres 331/336 of 37.69 acres	46.4114%
(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	0.05609 acres 1/672 of 37.69 acres	0.07011%
(b.2) Helen Adams Heirs, Devisees, Successors, or Assigns <i>(Documentation Pending)</i>	0.16826 acres 1/224 of 37.69 acres	0.21032%
(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		

Exhibit B
Unit DD-35
VGOB# 20-1020-4233
Wells DD35 (4/24/2002) & DD35A (7/16/2008)
List of All Owners/Claimants

	Net Acres in Unit	Interest in Unit
(b.4.1.1) Shelby Ann Finney 195 Finney Drive Cedar Bluff, VA 24609	0.16826 acres 1/224 of 37.69 acres	0.21032%
(b.4) Mary R. Barnett 170 Charleston Place Daleville, VA 24083	0.16826 acres 1/224 of 37.69 acres	0.21032%
<u>Tract #2, 0.96 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 34 (160 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	0.96 acres	1.2000%
<u>Tract #3, 0.51 acres</u>		
(1) William Rogers McCall P.O. Box 56 Bristol, VA 24203	0.51 acres	0.6375%
<u>Tract #4, 6.95 acres</u>		
(1) Coal Mountain Mining Company, LLP <i>Tract 34 (160 Acre Tract)</i> P.O. Box 675 Tazewell, VA 24651	6.80 acres	8.5000%

Exhibit B-3
Unit DD-35
VGOB Docket # 20-1020-4233
List of All Unleased Owners/Claimants
(80.00 Acre Unit)

	Net Acres in Unit	Interest in Unit
II. OIL & GAS OWNERSHIP		
<u>Tract #1A, 33.89 acres</u>		
(1) CNX Gas Company, LLC, et al (100 Acre Tract)	33.89 acres	42.3625%
(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	0.40345 acres 1/84 of 33.89 acres	0.50432%
(b.2) Helen Adams Heirs, Devisees, Successors, or Assigns (Documentation Pending)	1.21036 acres 1/28 of 33.89 acres	1.51295%
(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	1.21036 acres 1/28 of 33.89 acres	1.51295%
(b.4) Mary R. Barnett 170 Charleston Place Daleville, VA 24083	1.21036 acres 1/28 of 33.89 acres	1.51295%
Total Acres	4.0345	
Total Percentage	5.0432%	
<u>Tract #1B, 37.69 acres</u>		
(1) CNX Gas Company, LLC, et al (47.90 Acre Tract)	37.69 acres	47.1125%
(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	0.05609 acres 1/672 of 37.69 acres	0.07011%

Exhibit B-3
Unit DD-35
VGOB Docket # 20-1020-4233
List of All Unleased Owners/Claimants
(80.00 Acre Unit)

	Net Acres in Unit	Interest in Unit
(b.2) Helen Adams Heirs, Devisees, Successors, or Assigns (Documentation Pending)	0.16826 acres 1/224 of 37.69 acres	0.21032%
(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	0.16826 acres 1/224 of 37.69 acres	0.21032%
(b.4) Mary R. Barnett 170 Charleston Place Daleville, VA 24083	0.16826 acres 1/224 of 37.69 acres	0.21032%
Total Acres	0.5609	
Total Percentage	0.7011%	
<u>TOTAL UNLEASED:</u>		
Acreage in Unit	4.5954	
Percentage of Unit		5.7442%

Company: Pocahontas Gas LLC

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

AFE #	N/A	Property #	N/A	Version #	
Well Name:	DD35	Field:	Oakwood	Completed By:	R.E. Staton
Location:	Russell County	Operator:	Pocahontas Gas Company	Date:	
Expected Pay Zones:	coal seams below Tiller incl. Poca 3	Estimated Total Depth:	2,475 ft	AAPG Class:	CBM
Proposed Work:	To drill, complete, and produce	Participant(s):	N/A	W.L.	Amount

Gen	Sub	Description	Casing Point	Completion	Total Cost
I N T A N G I B L E S		Leasehold Costs	\$1,000	\$0	\$1,000
		Permit / Title Opinion / Survey / Insurance	\$4,700	\$0	\$4,700
		Building Location	\$21,000	\$0	\$21,000
		Roads / Stone / Culverts	\$12,000	\$0	\$12,000
		Surface Damages	\$0	\$0	\$0
		Drilling - Footage	\$95,000	\$0	\$95,000
		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	\$0	\$0
		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	\$9,000	\$9,000
		Rental Tools & Equipment (Completion)	\$0	\$0	\$0
		Fresh Water Hauling (Completion)	\$0	\$0	\$0
		Roustabout Labor	\$0	\$2,000	\$2,000
		TOTAL INTANGIBLES	\$165,700	\$0	\$283,700

	Code	Code			Casing Point	Completion	Total Cost
T A N G I B L E S		13 3/8" Conductor	19	Ft	\$1,900	\$0	\$1,900
		9 5/8" 26 lb/ft LS Surface Csg	594	Ft	\$4,318	\$0	\$4,318
		7" 19 lb/ft LS Intermediate Csg	751	Ft	\$8,884	\$0	\$8,884
		4 1/2" 9.5 lb/ft M-65 Production Csg	2,227	Ft	\$0	\$16,703	\$16,703
		4 1/2" 10.5 lb/ft M-65 Production Csg		Ft	\$0	\$0	\$0
		2-3/8 " 4.7 lb/ft J55 3rd Production Tubing	2,300	Ft	\$0	\$9,821	\$9,821
		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
		Road / 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						\$89,731

GRAND TOTAL WELL COST			\$185,700	\$0	\$383,431
153	115	Plugging & Abandonment	\$25,000		
Production Costs :			\$383,431	Dry Hole Costs :	\$190,700

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:	DQ35A	Field:	Oakwood	Completed By:	R.E. Stator
Location:	Russell County	Operator:	Pocahontas Gas Company	Date:	
Expected Pay Zones:	coal seams below Tiller Incl. Poca 3	Estimated Total Depth:	2,450 ft	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	\$20,000	\$0	\$20,000
		Roads / Stone / Culverts	\$21,000	\$0	\$21,000
		Surface Damages	\$0	\$0	\$0
		Drilling - Footage	\$95,000	\$0	\$95,000
		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	\$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	\$0	\$0
		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	\$9,000	\$9,000
		Rental Tools & Equipment (Completion)	\$0	\$0	\$0
		Fresh Water Hauling (Completion)	\$0	\$0	\$0
		Roustabout Labor	\$0	\$2,000	\$2,000
		TOTAL INTANGIBLES	\$173,700	\$0	\$271,700

Code	Code	Description	Casing Point	Completion	Total Cost
		13 3/8" Conductor	20 Ft	\$2,000	\$0
		9 5/8" 26 lb/ft LS Surface Csg	309 Ft	\$2,246	\$0
		7" 19 lb/ft LS Intermediate Csg	0 Ft	\$0	\$0
		4 1/2" 9.5 lb/ft M-65 Production Csg	2,255 Ft	\$0	\$16,913
		4 1/2" 10.5 lb/ft M-85 Production Csg	0 Ft	\$0	\$0
		2-3/8" 4.7 lb/ft J55 8rd Production Tubing	2,300 Ft	\$0	\$9,821
		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/material	\$0	\$0	\$0
		TOTAL TANGIBLES			\$79,085

GRAND TOTAL WELL COST			\$173,700	\$0	\$350,785
153	115	Plugging & Abandonment	\$25,000		
Production Costs :			\$350,785	Dry Hole Costs :	\$198,700

Prepared by: Bob Stator 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

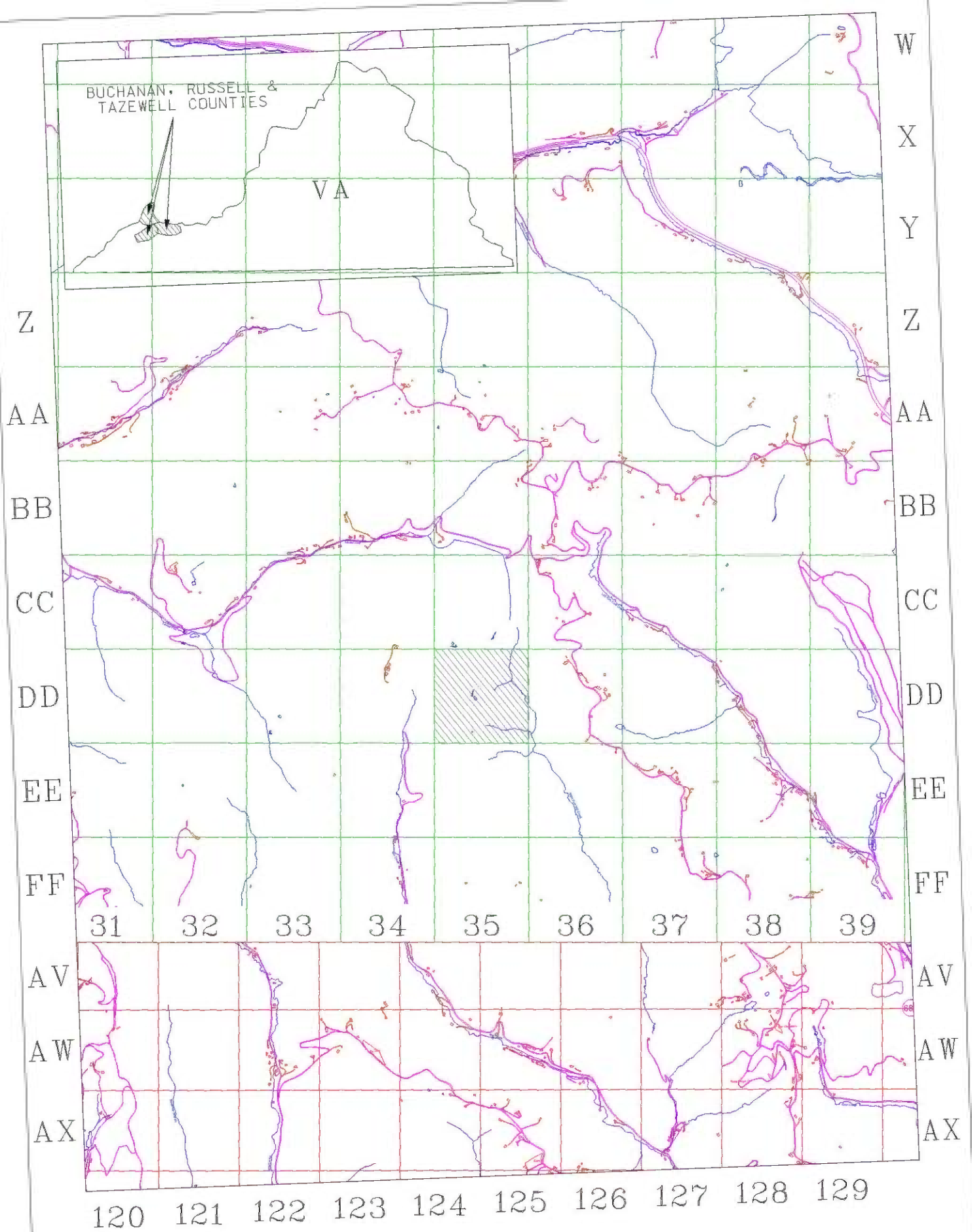


EXHIBIT A1
UNIT DD35
VGOB 20-1020-4233