

BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicants:	Coronado VA, LLC	)
	Appalachian Energy, Inc.	)
		)
Relief Sought:	Transfer of Unit Permits	)
		) Docket Number
Legal Description:	(See Exhibit "G" For Specific	) VGOB-20-1215-4235
	Description)	)

APPLICATION

1. Parties: Applicant, Appalachian Energy, Inc., whose address is P.O. Box 2406, Abington, Virginia 24212, is represented by Timothy E. Scott, Esquire, 135 West Main Street, Kingsport, Tennessee 37660. Applicant, Coronado VA, LLC, whose address is 100 Bill Baker Way, Beckley, West Virginia 25801, is represented by M. Shawn Lundy, Esquire, Penn Stuart, 804 Anderson Street, Bristol, Tennessee 37620.

2. Allegations of Facts: Applicant is the current operator and permit holder of the units described on Exhibit G. Pursuant to the terms of a Well Plugging Agreement dated January 31, 2020 and Permit Operating Agreement dated October 27, 2020 by and among Appalachian Energy, Inc., Coronado IV LLC, and Coronado VA, LLC, Appalachian Energy, Inc. has agreed to transfer the permits to each of the wells listed on Exhibit G. Following the transfer of the permits, Appalachian Energy, Inc. shall continue to conduct operations under the permits and remain in full compliance with all requirements of such permits. Written approval of the transfer by the existing permit holder, Appalachian Energy, Inc., is attached as to this application.

3. Legal Authority: The relief sought by this Application is authorized by § 45.1-361.15 et seq. of the Code of Virginia and 4 VAC 25-160-120.

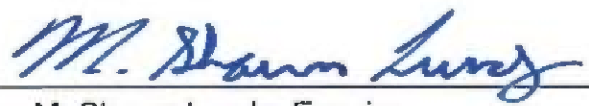
4. Relief Sought: Applicants request the Virginia Gas and Oil Board to enter an order transferring the permits of all units listed in this application to applicant, Coronado VA, LLC, and to further authorize Appalachian Energy, Inc. to continue to operate all units listed in this application that were established by Board Order.

Effective as of the 12th day of November, 2020.

APPALACHIAN ENERGY, INC.

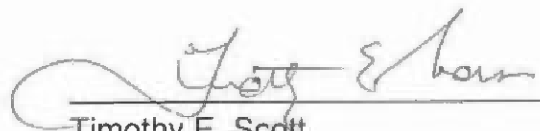
By: 
Timothy E. Scott, Esquire
Counsel for Appalachian Energy, Inc.
135 West Main Street
Kingsport, Tennessee 37660
(423) 247-9376

CORONADO VA, LLC

By: 
M. Shawn Lundy, Esquire
Penn Stuart
Counsel for Coronado VA, LLC
805 Anderson Street
Bristol, Tennessee 37620
(423) 793-4800

VERIFICATION

The forgoing Application to the best of my knowledge, information and belief is true and correct.


Timothy E. Scott
Counsel for Appalachian Energy, Inc.

**NOTICE OF HEARING BEFORE THE DEPARTMENT OF MINES, MINERALS, AND
ENERGY, DIVISION OF GAS AND OIL**

Docket Number VGOB 20-1215-4235

TO: All persons, their known and unknown heirs, executor, administrators, devisees, assigns and successors, owning an interest in the gas, oil, coal, or minerals underlying the Units established by the Virginia Gas and Oil Board as listed: See Exhibit G

NOTICE IS HEREBY GIVEN that Appalachian Energy, Inc. and Coronado VA, LLC are requesting that the Virginia Gas and Oil Board (the "Board") issue an order transferring the permits of all these units from Appalachian Energy, Inc. to Coronado VA, LLC.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence before the Board at 9:00am on December 15, 2020, at the Russell County Conference Center, 135 Highlands Drive, Lebanon, VA 24266.

All interested persons may attend this hearing, with or without an attorney, and offer evidence or state any comments you may have. For further information, contact the Virginia Gas and Oil Board, State Gas and Oil Inspector, Department of Mines, Minerals, and Energy, Division of Gas and Oil, PO Box 159, Lebanon, VA 24266, Phone: (276) 415-9650, or the Applicant at the address shown above.



APPALACHIAN ENERGY, INC.

Edward K. Diminick
Vice President
P.O. Box 2406
Abingdon, VA 24212
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Fax: 276-619-4770
e-mail: ediminick@appgasenergy.com

October 27, 2020

Mr. Kevin Elkins
Coronado VA, LLC
PO Drawer L
Oakwood, VA 24631-0430

Subject: Transfer permits to Coronado VA, LLC

Dear Mr. Elkins:

Appalachian Energy, Inc. ("AEI") has agreed to transfer the following permits to Coronado VA, LLC as stated in the Well Plugging Agreement among Coronado IV LLC, Coronado VA, LLC, AEI and Henderson Energy, LLC. The wells and permit numbers are listed below.

<u>Well No.</u>	<u>Permit No.</u>	<u>File No.</u>
AE-154	9270	BU-3858
AE-155	8387	BU-3579
AE-161	9296	BU-3867
AE-163	8684	BU-3693
AE-170	9360	BU-3888
AE-174 w/PL	8417	BU-3591
AE-194	9306	BU3871
AE-195	9958	BU-4095
AE-196	9696	BU-3978
AE-197	10350	BU-4225
AE-198	10349	BU-4224
AE-205	10554-01	BU-4264
AE-206	9697-01	BU-3979
AE-207	10610	BU-4274
AE-208	11038	BU-4351
AE-209	11196	BU-4390

The current permittee is:
Appalachian Energy, Inc.
P.O. Box 2406
Abingdon, VA 24212

Please submit applications to the Virginia Division of Gas and Oil ("DGO") at your earliest convenience to transfer the permits.

Also attached to this letter is a letter and permit from Gas Field Services indicating that they will accept produced water from these wells at its Camp Creek water disposal facility.

If you have any questions or need other information, please contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ed Diminick". The signature is fluid and cursive, with the first name "Ed" being more prominent.

Edward K. Diminick

cc: Rick Cooper – Director, (DGO)
Tim Scott – AEI Counsel



PO BOX 555 • Rosedale, VA 24280 • 276-880-2323

10-26-20

Re: Coronado VA LLC Water Hauling

To Whom It May Concern:

We accept water from Coronado VA LLC on a monthly basis from the Oakwood Virginia area to our disposal well in the Camp Creek area of WV. It is on an as needed basis and Coronado VA LLC is in good standing with us, they have our permission to come whenever they need.

Please feel free to contact me if you have any questions or there is anything else we can do.

Sincerely,

Zachery Reed
Vice President of Operations

Coronado VA, LLC Wells Eligible for Water Disposal at Camp Creek, WV Facility

<u>Well No.</u>	<u>Permit No.</u>	<u>File No.</u>
AE-154	9270	BU-3858
AE-155	8387	BU-3579
AE-161	9296	BU-3867
AE-163	8684	BU-3693
AE-170	9360	BU-3888
AE-174 w/PL	8417	BU-3591
AE-194	9306	BU3871
AE-195	9958	BU-4095
AE-196	9696	BU-3978
AE-197	10350	BU-4225
AE-198	10349	BU-4224
AE-205	10554-01	BU-4264
AE-206	9697-01	BU-3979
AE-207	10610	BU-4274
AE-208	11038	BU-4351
AE-209	11196	BU-4390

Exhibit G

Coronado VA, LLC Board Transfers

VGOB Docket #	Unit Name	Petition Type	File #	County
06-0815-1705	AE-155	Pooling	BU-3579	Buchanan
08-0115-2113 & 08-0715-2281	AE-170	Pooling	BU-3888	Buchanan
08-0115-2113 & 08-0715-2281	AE-194	Pooling	BU-3871	Buchanan
08-1021-2356	AE-195	Pooling	BU-4095	Buchanan
08-1021-2356	AE-196	Pooling	BU-3978	Buchanan
08-1209-2409	AE-197	Pooling	BU-4225	Buchanan
08-1209-2409	AE-198	Pooling	BU-4224	Buchanan
09-0120-2438	AE-205	Pooling	BU-4264	Buchanan