

**DOMINION RESOURCES BLACK WARRIOR TRUST**

**2014  
TAX INFORMATION**

# Dominion Resources Black Warrior Trust

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**Dominion Resources Black Warrior Trust**  
Southwest Bank, Trustee  
2911 Turtle Creek, Suite 850  
Dallas, Texas 75219  
Telephone 855-588-7839

TIN 75-6461716

February 28, 2015

## **IMPORTANT 2014 TAX INFORMATION**

To Unitholders:

This tax booklet contains the information needed by Unitholders of Dominion Resources Black Warrior Trust (the "Trust") to compute the 2014 federal and state taxable income and deductions attributable to their Units. The items of income, deduction, and any other information shown in this booklet must be taken into account in computing your taxable income and credits on your federal income tax return and any state tax returns. The information in this tax booklet consists of the following:

- (a) Federal Income Tax Information and Instructions for Schedules A and B.
- (b) Grantor Trust — Schedules A and B (Part I).
- (c) Supplemental Tax Tables (Schedule B — Part II) and Worksheet.

In an attempt to simplify the use of the information herein for Unitholders, we have created specific schedules for two categories of Unitholders: (1) those who owned the same Units of record on all four quarterly record dates during 2014 (March 3, May 30, August 29, and December 1), and (2) those who either acquired, sold or exchanged Units under circumstances such that they were not the holder of record of the same Units on all four quarterly record dates in 2014. For those Unitholders in category (1), Schedule A, page 11, provides information for federal income tax purposes on a calendar year basis per Unit for 2014. For those Unitholders in category (2), Part I of Schedule B, page 12, provides information for federal income tax purposes on a quarterly basis per Unit for 2014.

Individual taxpayers who hold Units as an investment and who file Form 1040 for 2014 on a calendar year basis will find specific reference to the applicable lines of Form 1040 on page 3 of this tax booklet under the caption "*Individual Taxpayers.*"

The Trustee has included with this tax booklet, if the requisite information was available to the Trustee, individualized tax information for the Unitholder. The requisite information was available to the Trustee only if (i) you hold your Units of record in your own name or (ii) you hold your Units in "street name" or through some other nominee and your brokerage firm or the other record holder has made your name and address available to the Trustee as the beneficial owner of the Units.

Unitholders are encouraged to read all of the enclosed material very carefully and to retain it as part of their tax records. The information and instructions contained herein are designed to assist Unitholders who are U.S. citizens in complying with their federal and state income tax reporting requirements and should not be construed as advice to any specific Unitholder. Unitholders should also consult any Internal Revenue Service ("IRS") Forms 1099 and written tax statements issued by certain middlemen (discussed in more detail on pages 19-20) that hold Trust Units on your behalf.

Each Unitholder should consult the Unitholder's own tax adviser regarding all tax compliance matters relating to his Units.

Sincerely,

SOUTHWEST BANK, TRUSTEE

By: Ron E. Hooper,  
Senior Vice President and Administrator

# Dominion Resources Black Warrior Trust

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## FEDERAL INCOME TAX INFORMATION AND INSTRUCTIONS FOR SCHEDULES A AND B

### Reporting of Income and Deductions

*Direct Ownership Reporting.* The Trust\* is treated as a grantor trust for federal income tax purposes. As a result, each Unitholder is treated as directly owning an interest in the Royalty Interests, and each Unitholder will be taxed directly on his pro rata share of income and deductions attributable to the Royalty Interests consistent with the Unitholder's method of accounting and without regard to the taxable year or accounting method employed by the Trust. Therefore, a cash-basis Unitholder would report his pro rata share of income or deductions of the Trust received or paid by the Trust during his tax year. An accrual-basis Unitholder would report his pro rata share of income or deductions of the Trust accrued by the Trust during his tax year.

For purposes of reporting income and deductions from the Trust, both cash and accrual-basis Unitholders should be treated as realizing income and incurring deductions only on quarterly record dates. Therefore, if you were the Unitholder of record on one or more of the four quarterly record dates in 2014, you should use the tax information provided herein for such record date(s) in determining the proper amount of income and deduction for 2014.

*Taxable Year.* The Trust distributes cash within 70 days after the end of each calendar quarter to Unitholders of record on the associated record date, which is typically the 60th day following the end of each calendar quarter or if such day is not a business day, the next business day thereafter. Schedule B reflects amounts for each such quarterly record date during the 2014 calendar year. Schedule B provides Unitholders the relevant information to compute the tax consequences of owning Units on each such quarterly record date during his taxable year. For the convenience of Unitholders who report on the calendar year and who owned the same Units on all four quarterly record dates during 2014, Schedule A, which aggregates the quarterly information set forth in Parts I and II of Schedule B, is also attached.

*2014 Information Regarding Trust Income and Deductions.* The relevant tax information is reported in the included schedules as follows:

(i) *Royalty Income.* The gross amount of royalty income received by the Trust from the Royalty Interests (on a per-Unit basis) during the period covered is reported in Column (a) of Part I of Schedule A.

(ii) *Property, Production and Related Taxes.* Property, production and related taxes allocated to the Royalty Interests (on a per-Unit basis) during the period covered are reported in Column (b) of Part I of Schedule A.

(iii) *Interest Income.* Interest income (on a per-Unit basis) during the period covered is reported in Part II of Schedule A.

(iv) *Administrative Expenses.* Administrative expenses paid (on a per-Unit basis) during the period covered are reported in Part II of Schedule A.

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\* Capitalized terms used herein are defined in the section titled "GENERAL INFORMATION CONCERNING THE TRUST" at the end of this booklet.

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*Unit Multiplication.* Because each schedule shows results only on a per-Unit basis, each Unitholder must determine the aggregate amounts for all Units held by him to obtain the amounts to report on his tax return. Each Unitholder should multiply the gross royalty income and property, production and related taxes shown in Part I of either Schedule A or B and the interest income and administrative expenses shown in either Part II of Schedule A or Part I of Schedule B by the number of Units owned by him on each quarterly record date on which he owned Units during the applicable period. Income and deductions (other than depletion) may be computed directly from the appropriate schedules. Depletion per Unit must be computed as provided below under the heading “Computation of Depletion.”

*Individual Taxpayers.* For Unitholders who hold the Units as an investment and who file Form 1040 for 2014, it is suggested that the items of income and deduction computed from the appropriate schedules be reported in the following manner:

<u>Item</u>	<u>Form 1040</u>
Gross Royalty Income . . . . .	Line 4, Part I, Schedule E
Property, Production and Related Taxes . . . .	Line 16, Part I, Schedule E
Administrative Expenses . . . . .	Line 19, Part I, Schedule E
Depletion . . . . .	Line 18, Part I, Schedule E
Interest Income . . . . .	Line 1, Part I, Schedule B

*Nominee Reporting.* Any person who holds Units as nominee for another person should report the distributions from the Trust as royalty income on Form 1099 — MISC. It is suggested that the net taxable income before depletion should be reported on Form 1099 — MISC in accordance with the included schedules. In years when there are no reconciling items, the net taxable income before depletion will equal the cash distributions from the Trust. See “Reconciliation of Taxable Income and Cash Distributions” below. See also pages 19-20 regarding certain reporting requirements imposed upon middlemen under U.S. Treasury Regulations because the Trust is considered a WHFIT for federal income tax purposes.

### Computation of Depletion

Each Unitholder may determine his depletion deduction by using the greater of cost or percentage depletion. As discussed in more detail herein, Unitholders may be entitled to a deduction for either cost depletion or percentage depletion (but not both), depending upon each Unitholder’s individual facts relating to the ownership of Units. Accordingly, the Trust is providing amounts for computing cost depletion and percentage depletion.

*Cost Depletion.* Each Unitholder is entitled to compute cost depletion with respect to his share of royalty income received by the Trust. To compute cost depletion for the period covered, each Unitholder should multiply his basis in each Royalty Interest (reduced by the prior period depletion, if any) by the factor indicated in Column (d) of Part I of Schedule A, which factor was obtained by dividing the quantity produced and sold during the period by the estimated quantity of reserves at the beginning of the year.

A 2014 Cost Depletion Worksheet is enclosed to assist Unitholders in computing their cost depletion deduction. Notes are contained in the Specific Instructions for the 2014 Cost Depletion Worksheet to explain certain aspects of the depletion deduction calculation. Two examples are included at the end of such worksheet to illustrate the computation of the cost depletion deduction.

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For your convenience, simple income/expense and cost depletion calculators are now available on the Dominion Resources Black Warrior Trust website at [www.dom-dominion.com](http://www.dom-dominion.com) on the “Home” page.

*Percentage Depletion.* A percentage depletion schedule is also enclosed to assist Unitholders in computing their percentage depletion deduction. A Unitholder may be entitled to a percentage depletion deduction, in lieu of a cost depletion deduction, if percentage depletion exceeds cost depletion for any taxable period. To compute percentage depletion for any taxable period, Unitholders should multiply the appropriate percentage depletion factor indicated on Table VI of Part II of Schedule B by the number of Units owned by such Unitholder. Unlike cost depletion, percentage depletion is not limited to a Unitholder’s depletable tax basis in the Units. Rather, a Unitholder may be entitled to a percentage depletion deduction as long as the Royalty Interests generate gross income.

### Reconciliation of Taxable Income and Cash Distributions

The difference between the per-Unit taxable income for any period and the per-Unit cash distributions, if any, reported for such period is attributable to (i) items that are not currently deductible, such as an increase in the cash reserve maintained by the Trust for the payment of future expenditures, and (ii) items that do not constitute taxable income, such as a decrease in the cash reserve maintained by the Trust and/or a return of capital. In 2014, the cash reserve maintained by the Trust increased, so the taxable income per Unit for the year exceeded cash distributions per Unit for the year.

### 2014 Quarterly Record Dates, Payment Dates and Cash Distributions Per Unit

Quarterly Record Date	Payment Date	Cash Distribution Per Unit
March 3, 2014 . . . . .	March 11, 2014	.171950
May 30, 2014 . . . . .	June 9, 2014	.191957
August 29, 2014 . . . . .	September 8, 2014	.194010
December 1, 2014 . . . . .	December 9, 2014	.180647

### Adjustments to Basis

Each Unitholder should reduce his tax basis (but not below zero) in the Royalty Interests (and, correspondingly, his Units) by the amount of depletion allowable with respect to the Royalty Interests and by the amount of any return of capital (including returns of capital resulting from decreases in the cash reserve maintained by the Trust). For periods in which per-Unit taxable income exceeds the per-Unit cash distributions (including periods in which the Trustee elects to increase the cash reserve maintained by the Trust for the payment of future expenditures), each Unitholder should increase his tax basis in the Royalty Interests (and correspondingly, his Units) by the amount of the difference between the per-Unit taxable income and per-Unit cash distributions. See Part III of Schedule A; see also Part I of Schedule B for a breakdown of the annual information on a quarterly basis per Unit.

### Non-Passive Activity Income, Credits and Loss

The income and expenses of the Trust will not be taken into account in computing the passive activity losses and income under Section 469 of the Internal Revenue Code (the “IRC”) for a Unitholder who acquires and holds Units as an investment and not in the ordinary course of a trade or business.

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### **Unrelated Business Taxable Income**

Certain organizations that are generally exempt from tax under IRC Section 501 are subject to tax on certain types of business income defined in IRC Section 512 as unrelated business income. The income of the Trust should not be unrelated business taxable income to such organizations, so long as the Trust Units are not “debt-financed property” within the meaning of IRC Section 514(b). In general, a Trust Unit would be debt-financed if the Trust Unitholder incurs debt to acquire a Trust Unit or otherwise incurs or maintains a debt that would not have been incurred or maintained if the Trust Unit had not been acquired.

### **Net Investment Income Tax**

IRC Section 1411 imposes a 3.8% Medicare tax on certain investment income earned by individuals, estates, and trusts for taxable years beginning after December 31, 2012. For these purposes, investment income generally will include a Unitholder’s allocable share of the Trust’s interest and royalty income plus the gain recognized from a sale of Trust Units. In the case of an individual, the tax is imposed on the lesser of (i) the individual’s net investment income from all investments, or (ii) the amount by which the individual’s modified adjusted gross income exceeds specified threshold levels depending on such individual’s federal income tax filing status (\$250,000 for married persons filing a joint return and \$200,000 in most other cases). In the case of an estate or trust, the tax is imposed on the lesser of (i) undistributed net investment income, or (ii) the excess adjusted gross income over the dollar amount at which the highest income tax bracket applicable to an estate or trust begins (\$12,150 for 2014).

### **Backup Withholding**

A payor is required under specified circumstances to withhold tax at the rate of 28 percent on “reportable interest or dividend payments” and “other reportable payments” (including certain oil and gas royalty payments). Generally, this “backup withholding” is required on payments if the payee has failed to furnish the payor a taxpayer identification number or if the payor is notified by the Secretary of the Treasury to withhold taxes on such payments with respect to the payee. Amounts withheld by payors pursuant to the backup withholding provisions are remitted to the IRS and are considered a credit against the payee’s federal income tax liability. If the payee does not incur a federal income tax liability for the year in which the taxes are withheld, the payee will be required to file the appropriate income tax return to claim a refund of the taxes withheld.

Unitholders, other than foreign taxpayers, who have had amounts withheld in 2014 pursuant to the federal backup withholding provisions should have received a Form 1099-MISC from the Trust. The Form 1099-MISC reflects the total federal income tax withheld from distributions. Unlike other Forms 1099 that you may receive, the amount reported on the Form 1099-MISC received from the Trust should not be included as additional income in computing taxable income, as such amount is already included in the per-unit income items on the income and expense schedules included herein. The federal income tax withheld, as reported on the Form 1099-MISC, should be considered as a credit by the unitholder in computing any federal income tax liability. Individual Unitholders should include the amount of backup withholding in the “Payments” section of the Unitholder’s 2014 Form 1040.

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### **Sale of Units**

Generally, a Unitholder will realize gain or loss on the sale or exchange of his Units measured by the difference between the amount realized on the sale or exchange and his adjusted basis for such Units. Gain or loss on the sale of Units by a Unitholder who is not a dealer with respect to such Units will be treated as capital gain or loss except to the extent of the depletion recapture amount (as explained below). The capital gain or loss will be long-term, if the Units were held more than 12 months, or short-term if held for 12 months or less. A Unitholder's basis in his Units generally will be equal to the amount paid for such Units. Such basis will be reduced (but not below zero) by deductions for depletion claimed by the Unitholder and by any purchase price adjustment that constitutes a return of capital.

For federal income tax purposes, the sale of a Unit will be treated as a sale by the Unitholder of his interest in the Royalty Interests. Thus, upon the sale of the Units, a Unitholder must treat as ordinary income his depletion recapture amount, which is an amount equal to the lesser of (i) the gain on such sale attributable to the disposition of the Royalty Interests or (ii) the sum of the prior depletion deductions taken with respect to the Royalty Interests (but not in excess of the initial basis of such Units allocated to the Royalty Interests).

### **Asset Sales and Dispositions**

There have been no sales or dispositions of Trust assets during the year.

### **Redemptions**

There have been no redemptions of Trust interests during the year.



# Dominion Resources Black Warrior Trust

## Schedule B

<b>SCHEDULE B</b> (Form 1040A or 1040)		<b>Interest and Ordinary Dividends</b>		OMB No. 1545-0074  <span style="font-size: 24pt;"><b>2014</b></span> Attachment Sequence No. <b>08</b>
<b>Interest Income</b>			Department of the Treasury Internal Revenue Service (99)	
Name(s) shown on return			Your social security number	
<b>Part I Interest</b>				
1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions on back and list this interest first. Also, show that buyer's social security number and address ▶  (See instructions on back and the instructions for Form 1040A, or Form 1040, line 8a.)  <b>Note.</b> If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.			1	<b>Amount</b>           
2 Add the amounts on line 1 . . . . .			2	
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815 . . . . .			3	
4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a . . . . . ▶			4	
<b>Note.</b> If line 4 is over \$1,500, you must complete Part III.				
<b>Part II Ordinary Dividends</b>				
5 List name of payer ▶  (See instructions on back and the instructions for Form 1040A, or Form 1040, line 9a.)  <b>Note.</b> If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.			5	<b>Amount</b>           
6 Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a . . . . . ▶			6	
<b>Note.</b> If line 6 is over \$1,500, you must complete Part III.				
You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.				
<b>Part III Foreign Accounts and Trusts</b> (See instructions on back.)			Yes    No	
7a At any time during 2014, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions . . . . .  If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements . . . . .			<input type="checkbox"/>	<input type="checkbox"/>
b If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ▶ _____			<input type="checkbox"/>	<input type="checkbox"/>
8 During 2014, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions on back . . . . .			<input type="checkbox"/>	<input type="checkbox"/>
For Paperwork Reduction Act Notice, see your tax return instructions.				

# Dominion Resources Black Warrior Trust

## Schedule E

<b>SCHEDULE E</b> <b>(Form 1040)</b>  <small>Department of the Treasury Internal Revenue Service (99)</small> <small>Name(s) shown on return</small>	<b>Supplemental Income and Loss</b> <small>(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)</small> <b>2014</b> <small>Attachment Sequence No. 13</small> <small>► Attach to Form 1040, 1040NR, or Form 1041.</small> <small>► Information about Schedule E and its separate instructions is at <a href="http://www.irs.gov/schedulee">www.irs.gov/schedulee</a>.</small>	<small>OMB No. 1545-0074</small> <b>2014</b> <small>Attachment Sequence No. 13</small> Your social security number
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<b>Part I Income or Loss From Rental Real Estate and Royalties</b> <small>Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.</small>					
<b>A</b> Did you make any payments in 2014 that would require you to file Form(s) 1099? (see instructions) <span style="float: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span>					
<b>B</b> If "Yes," did you or will you file required Forms 1099? <span style="float: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span>					
<b>1a</b> Physical address of each property (street, city, state, ZIP code)					
<b>A</b>					
<b>B</b>					
<b>C</b>					
<b>1b</b>	Type of Property (from list below)	<b>2</b> For each rental real estate property listed above, report the number of fair rental and personal use days. Check the <b>QJV</b> box only if you meet the requirements to file as a qualified joint venture. See instructions.	<b>Fair Rental Days</b>	<b>Personal Use Days</b>	<b>QJV</b>
<b>A</b>			<b>A</b>		<input type="checkbox"/>
<b>B</b>			<b>B</b>		<input type="checkbox"/>
<b>C</b>			<b>C</b>		<input type="checkbox"/>

  

<b>Type of Property:</b>		<b>1</b> Single-Family Residence	<b>3</b> Vacation/Short-Term Rental	<b>5</b> Land	<b>7</b> Self-Rental
		<b>2</b> Multi-Family Residence	<b>4</b> Commercial	<b>6</b> Royalties	<b>8</b> Other (describe)
<b>Income:</b>		<b>Properties:</b>			
		<b>A</b>	<b>B</b>	<b>C</b>	
<b>3</b>	Rents received . . . . .	<b>3</b>			
<b>4</b>	Royalties received . . . . .	<b>4</b>			
<b>Expenses:</b>					
<b>5</b>	Advertising . . . . .	<b>5</b>			
<b>6</b>	Auto and travel (see instructions) . . . . .	<b>6</b>			
<b>7</b>	Cleaning and maintenance . . . . .	<b>7</b>			
<b>8</b>	Commissions . . . . .	<b>8</b>			
<b>9</b>	Insurance . . . . .	<b>9</b>			
<b>10</b>	Legal and other professional fees . . . . .	<b>10</b>			
<b>11</b>	Management fees . . . . .	<b>11</b>			
<b>12</b>	Mortgage interest paid to banks, etc. (see instructions)	<b>12</b>			
<b>13</b>	Other interest . . . . .	<b>13</b>			
<b>14</b>	Repairs . . . . .	<b>14</b>			
<b>15</b>	Supplies . . . . .	<b>15</b>			
<b>16</b>	Taxes . . . . .	<b>16</b>			
<b>17</b>	Utilities . . . . .	<b>17</b>			
<b>18</b>	Depreciation expense or depletion . . . . .	<b>18</b>			
<b>19</b>	Other (list) ► . . . . .	<b>19</b>			
<b>20</b>	Total expenses. Add lines 5 through 19 . . . . .	<b>20</b>			
<b>21</b>	Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198 . . . . .	<b>21</b>			
<b>22</b>	Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions) . . . . .	<b>22</b>			
<b>23a</b>	Total of all amounts reported on line 3 for all rental properties . . . . .	<b>23a</b>			
<b>23b</b>	Total of all amounts reported on line 4 for all royalty properties . . . . .	<b>23b</b>			
<b>23c</b>	Total of all amounts reported on line 12 for all properties . . . . .	<b>23c</b>			
<b>23d</b>	Total of all amounts reported on line 18 for all properties . . . . .	<b>23d</b>			
<b>23e</b>	Total of all amounts reported on line 20 for all properties . . . . .	<b>23e</b>			
<b>24</b>	<b>Income.</b> Add positive amounts shown on line 21. Do not include any losses . . . . .	<b>24</b>			
<b>25</b>	<b>Losses.</b> Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here . . . . .	<b>25</b>			
<b>26</b>	<b>Total rental real estate and royalty income or (loss).</b> Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2 . . . . .	<b>26</b>			

Royalty Income

Severance Tax

Depletion

Administrative Expense

## **Dominion Resources Black Warrior Trust**

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### **ALABAMA STATE INCOME TAX INFORMATION**

All revenues attributable to the Royalty Interests are derived from sources within the State of Alabama. Alabama imposes an income tax on individuals, corporations and certain other entities that are residents of, conduct business in, or derive income from sources within Alabama. Under general rules of application, both resident and nonresident Unitholders would be required to file annual Alabama income tax returns and pay Alabama income taxes with respect to any income received from the Trust and would be subject to penalties for failure to comply with those rules.

The Alabama Department of Revenue (“the DOR”) has issued a letter ruling that permits the Trust to file a “composite income tax return.” The Trust intends to file a composite income tax return with the DOR on behalf of all Nonresident Unitholders (defined below) for 2014 and each year thereafter for so long as the return will not report any taxable income for Alabama state income tax purposes. Based on certain assumptions, the composite income tax return to be filed by the Trust on behalf of Nonresident Unitholders will show a net taxable loss for 2014. Accordingly, no Alabama state income tax is due under that return.

No assurance can be given, however, that the DOR will accept the assumptions used by the Trust in preparing and filing the composite income tax return and determining the composite taxable income or loss thereunder for Alabama state income tax purposes. If all or a portion of those assumptions are not acceptable to the DOR, the DOR may require the Trust to recompute and refile the composite income tax return based on different assumptions acceptable to the DOR. If the composite income tax return for 2014 (or any other tax year) as initially filed by the Trust is not accepted as filed by the DOR, the Trust may decide not to refile a composite income tax return either (a) because the Trust would have net Alabama taxable income for such year as a result of the assumptions required by the DOR or (b) because the refiling of the composite income tax return would impose an unreasonable burden on the Trust in the judgment of the Trustee (based on its sole discretion). In that event, each Nonresident Unitholder would be required to file a separate Alabama state income tax return and pay any Alabama state income tax due, as well as any penalties and interest due thereon. For purposes of the filing of the composite income tax return for any taxable year, “Nonresident Unitholders” will consist of those Unitholders to whom the Trust has provided an individualized tax information letter (together with the tax information booklet) for such tax year that shows a mailing address outside the State of Alabama. All other Unitholders will be treated by the Trust for purposes of the filing of the composite income tax return as “Resident Unitholders.”

The filing of the composite income tax return by the Trust does not relieve any resident of the State of Alabama or any Resident Unitholders from the obligation to file an Alabama state income tax return individually (and to pay Alabama state income tax thereon, if any) with respect to the revenues and expenses attributable to the Royalty Interests. The revenues and expenses attributable to the Royalty Interests are reflected in the various Tables I-VI of Part II of Schedule B. In light of the foregoing, each Unitholder should consult his tax adviser regarding the requirements for filing state income tax returns for his state of residence and Alabama.

Copies of Alabama state income tax forms may be obtained from the Alabama taxing authority at the addresses below:

State of Alabama, Department of Revenue  
2545 Taylor Road  
P.O. Box 327490  
Montgomery, Alabama 36132-7490  
(334) 242-2677  
[www.ador.state.al.us](http://www.ador.state.al.us)

## **Dominion Resources Black Warrior Trust**

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### **CERTAIN FEDERAL INCOME TAX MATTERS**

Under current law (i) the Trust should be treated as a grantor trust for federal income tax purposes, and the income of the Trust should be taxable to the Unitholders as if amounts owed or paid to the Trust were owed or paid directly to the Unitholders pro rata; and (ii) each Unitholder should be entitled to depletion deductions equal to the greater of cost depletion based on his basis in the Units or (under certain circumstances) percentage depletion. The IRS has issued private letter rulings and technical advice memoranda indicating that royalty trusts similar to the Trust are taxable as grantor trusts. However, no rulings have been issued to the Trust and private rulings issued to other taxpayers do not bind the IRS in connection with the Trust. Hence, there can be no assurance that the IRS will not challenge this treatment.

**THE INFORMATION AND INSTRUCTIONS CONTAINED IN THIS BOOKLET ARE DESIGNED TO ASSIST UNITHOLDERS WHO ARE U.S. CITIZENS IN COMPLYING WITH THEIR FEDERAL INCOME TAX AND ALABAMA STATE TAX REPORTING REQUIREMENTS BASED ON THE TREATMENT OF THE TRUST AS A GRANTOR TRUST AND SHOULD NOT BE CONSTRUED AS TAX ADVICE TO ANY SPECIFIC UNITHOLDER. A UNITHOLDER SHOULD CONSULT THE UNITHOLDER'S OWN TAX ADVISER REGARDING ALL TAX COMPLIANCE MATTERS RELATING TO SUCH UNITHOLDER'S UNITS.**

### **SUPPLEMENTAL TAX TABLES AND WORKSHEET**

In addition to Schedules A and B (Part I), the Supplemental Tax Tables (Part II of Schedule B) and a Worksheet are provided for the use of Unitholders. The Supplemental Tax Tables (Part II of Schedule B) and Worksheet comprise six tables and a 2014 Cost Depletion Worksheet.

For purposes of computing income and deductions (excluding depletion), Unitholders who are calendar year taxpayers and held the same Units of record on all four quarterly record dates during 2014 should use Schedule A. Unitholders who have a taxable year other than December 31 should use Schedule B (Part I). Tables I-IV (Part II of Schedule B) should be used only by calendar year Unitholders who acquired, sold or exchanged Units during 2014 under circumstances such that they were not the holder of record of the same Units on all four quarterly record dates during 2014.

To assist all Unitholders in calculating their cost depletion or percentage depletion deduction, as the case may be, Tables V and VI (Part II of Schedule B) and the 2014 Cost Depletion Worksheet are provided. Notes are contained in the Specific Instructions for the 2014 Cost Depletion Worksheet to explain and assist in preparing a Unitholder's cost depletion deduction.

## Dominion Resources Black Warrior Trust

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### Grantor Trust — SCHEDULE A — 2014

EIN: 75-6461716  
CUSIP NO.: 25746Q10

#### PART I — ROYALTY INFORMATION PER UNIT

For a taxpayer who (i) owned the same Units of record on all four quarterly record dates during 2014 and (ii) reports his federal income taxes on a calendar year basis, the following table reflects the relevant tax information on a per-Unit basis for the entire year 2014.

	(a)	(b)	(c)	(d)
	Gross Royalty Income	Property, Production and Related Taxes	Net Royalty Income (A)	Cost Depletion Factor
ROYALTY INTERESTS				
Alabama — Gas . . . . .	\$0.956596	\$0.057340	\$0.899256	0.219715

#### PART II — OTHER INCOME AND EXPENSE PER UNIT

Interest Income (B) . . . . .	\$0.000028
Administrative Expenses (C) . . . . .	\$0.147980

#### PART III — RECONCILIATION OF TAXABLE INCOME AND CASH DISTRIBUTIONS PER UNIT

Taxable Income, before Depletion (A + B - C) . . . . .	\$ 0.751304
Reconciling Items	
Net Annual (Increase) Decrease to Cash Reserve . . . . .	(\$0.012740)
Cash Distributions . . . . .	<u>\$ 0.738564</u>

## Dominion Resources Black Warrior Trust

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### Grantor Trust — SCHEDULE B — 2014

EIN: 75-6461716

CUSIP NO.: 25746Q10

FACTORS FOR 2014

(In dollars per Unit)

### PART I — INCOME AND EXPENSE PER UNIT

For a taxpayer who either (i) acquired, sold or exchanged Units under circumstances such that he was not the holder of record of the same Units on all four quarterly record dates in 2014 (see also Schedule B, Part II), or (ii) reports his federal income taxes on other than a calendar year basis, the following table reflects the specified tax information on a per-Unit basis for each quarterly record date during 2014.

	Quarterly Record Date			
	March 3	May 30	August 29	December 1
Gross Royalty Income . . . . .	\$ 0.215143	\$ 0.265492	\$ 0.250654	\$ 0.225307
Property, Production and Related Taxes . . . . .	0.012585	0.016114	0.015202	0.013439
Interest Income . . . . .	0.000008	0.000010	0.000008	0.000002
Administrative Expenses . . . . .	0.028068	0.037048	0.051641	0.031223
Taxable Income, before Depletion . . . . .	0.174498	0.212340	0.183819	0.180647
Reconciling Items — (Increase)/Decrease to Cash Reserve . . . . .	(0.002548)	(0.020383)	0.010191	0.000000

## Dominion Resources Black Warrior Trust

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### Grantor Trust — SCHEDULE B — 2014 (Continued)

#### PART II — SUPPLEMENTAL TAX TABLES

The following tables reflect the specified tax information for each quarter during 2014 on a per-Unit basis stated in dollars.

**Table I. Gross Royalty Income**

For a Unit owned of record as of the following quarterly record dates:

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
3-Mar-14 . . . . .	\$0.215143	\$0.480635	\$0.731289	\$0.956596
30-May-14 . . . . .		\$0.265492	\$0.516146	\$0.741453
29-Aug-14 . . . . .			\$0.250654	\$0.475961
1-Dec-14 . . . . .				\$0.225307

**Table II. Property, Production and Related Taxes**

For a Unit owned of record as of the following quarterly record dates:

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
3-Mar-14 . . . . .	\$0.012585	\$0.028699	\$0.043901	\$0.057340
30-May-14 . . . . .		\$0.016114	\$0.031316	\$0.044755
29-Aug-14 . . . . .			\$0.015202	\$0.028641
1-Dec-14 . . . . .				\$0.013439

**Table III. Administrative Expenses**

For a Unit owned of record as of the following quarterly record dates:

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
3-Mar-14 . . . . .	\$0.028068	\$0.065116	\$0.116757	\$0.147980
30-May-14 . . . . .		\$0.037048	\$0.088689	\$0.119912
29-Aug-14 . . . . .			\$0.051641	\$0.082864
1-Dec-14 . . . . .				\$0.031223

## Dominion Resources Black Warrior Trust

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Grantor Trust — SCHEDULE B — 2014 (Continued)

PART II — SUPPLEMENTAL TAX TABLES (Continued)

**Table IV. Interest Income**

For a Unit owned of record as of the following quarterly record dates:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
3-Mar-14 .....	\$0.000008	\$0.000018	\$0.000026	\$0.000028
30-May-14 .....		\$0.000010	\$0.000018	\$0.000020
29-Aug-14 .....			\$0.000008	\$0.000010
1-Dec-14 .....				\$0.000002

**Table V. Cost Depletion Factors — Royalty Interests (%)**

For a Unit owned of record as of the following quarterly record dates:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
3-Mar-14 .....	0.058737	0.111935	0.165017	0.219715
30-May-14 .....		0.053198	0.106280	0.160979
29-Aug-14 .....			0.053081	0.107780
1-Dec-14 .....				0.054699

**Table VI. Percentage Depletion Factors — Royalty Interests**

For a Unit owned of record as of the following quarterly record dates:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
3-Mar-14 .....	\$0.032271	\$0.072095	\$0.109693	\$0.143489
30-May-14 .....		\$0.039824	\$0.077422	\$0.111218
29-Aug-14 .....			\$0.037598	\$0.071394
1-Dec-14 .....				\$0.033796



## Dominion Resources Black Warrior Trust

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### 2014 COST DEPLETION WORKSHEET

The following may help you calculate your *cost depletion* to be reported on your federal income tax return.

A. If you owned the same Units on all four quarterly record dates during 2014, your cost depletion would be calculated as follows:

		<b>Cost Depletion Allowed or Allowable in Prior Years and Adjustments for Return of Capital</b>		<b>Adjusted Tax Basis</b>		<b>2014 Cost Depletion Factor</b>		<b>2014 Cost Depletion</b>
Alabama — Gas . . . . .	-		=		×	.219715	=	

B. If you *sold* Units during 2014 or *acquired* or *exchanged* Units during 2014 under circumstances such that you did not own the same Units on all four quarterly record dates during 2014, your cost depletion for the portion of the year that you held the Units would be calculated as follows:

		<b>Cost Depletion Allowed or Allowable in Prior Years and Adjustments for Return of Capital</b>		<b>Adjusted Tax Basis</b>		<b>Partial Year Cost Depletion Factor</b>		<b>2014 Cost Depletion</b>
Alabama — Gas . . . . .	-		=		×		=	

#### Specific Instructions For 2014 Cost Depletion Worksheet

*Basis.* A Unitholder’s tax basis in his Units must be determined from the Unitholder’s records and generally will equal the amount paid for the Units, including broker’s commissions. However, there could be other taxable events that cause the original basis to be revised. For example, the original basis of Units passing through an estate generally will be changed to reflect the fair market value of the Units on the date of death. Please consult your tax adviser concerning your original basis and any revisions thereto. The original basis should be entered in each blank of the first column of the 2014 Cost Depletion Worksheet.

This worksheet assumes a Unitholder will take the cost depletion deduction. Some Unitholders may be entitled to a percentage depletion deduction in lieu of a cost depletion deduction, in which case Part II, Table VI of Schedule B should be used to compute such Unitholder’s depletion deduction. See pages 3-4 of this booklet for additional information regarding depletion deductions.

For your convenience, simple income/expense and cost depletion calculators are now available on the Dominion Resources Black Warrior Trust website at [www.dom-dominion.com](http://www.dom-dominion.com) on the “Home” page.

## Dominion Resources Black Warrior Trust

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### 2014 COST DEPLETION WORKSHEET (Continued)

#### Examples

EXAMPLE 1: UNITS ACQUIRED IN THE PUBLIC OFFERING AND OWNED AT THE END OF 2014.

Assume: A Unitholder acquired 100 Units in the Public Offering on June 21, 1994, at a price per Unit of \$20.00 and continued to own the same Units of record on December 1, 2014 (the last quarterly record date in 2014). To calculate the Unitholder's cost depletion for 2014, the Unitholder would reduce his initial tax basis allocation by the cost depletion allowed (and allowable) for each of the years from 1994 through 2014 and multiply the remainder times the cost depletion factor for 2014, as shown below.

	Tax Basis	-	Assumed Cost Depletion Allowed or Allowable in Prior Years and Adjustments for Return of Capital	=	Adjusted Tax Basis	×	2014 Cost Depletion Factor	=	2014 Cost Depletion
Alabama — Gas . . . . .	\$2,000	-	1901.54	=	98.46	×	.219715	=	21.63

EXAMPLE 2: UNITS ACQUIRED AFTER THE PUBLIC OFFERING AND SOLD DURING 2014.

Assume: A Unitholder acquired 100 Units on May 1, 2014 at a price per Unit of [7.33] and sold them on December 17, 2014. To calculate the Unitholder's cost depletion for 2014, the Unitholder would multiply his initial tax basis allocation by the cost depletion factor for 2014 (for those quarterly record dates upon which he held the Units) obtained from Table V of Schedule B, Part II.

	Tax Basis	-	Cost Depletion Allowed or Allowable in Prior Years and Adjustments for Return of Capital	=	Adjusted Tax Basis	×	Cost Depletion Factor	=	2014 Cost Depletion
Alabama — Gas . . . . .	\$733	-	0	=	733	×	.160979	=	118.00

## Dominion Resources Black Warrior Trust

### HISTORICAL INFORMATION CASH DISTRIBUTIONS

DOMINION CASH DISTRIBUTIONS 1994 THROUGH 2012						
		1ST QTR	2ND QTR	3RD QTR	4TH QTR	YTD
<b>1994</b>	RECORD DATES	—	—	8/29/94	11/29/94	EOY BAL
DISTRIBUTION FACTORS		N/A	N/A	0.180148	0.726389	0.906537
<b>1995</b>	RECORD DATES	3/1/95	5/30/95	8/29/95	11/29/95	EOY BAL
DISTRIBUTION FACTORS		0.692117	0.639559	0.664555	0.659884	2.656115
<b>1996</b>	RECORD DATES	2/29/96	5/30/96	8/29/96	11/29/96	EOY BAL
DISTRIBUTION FACTORS		0.706488	0.898614	0.832243	0.798550	3.235895
<b>1997</b>	RECORD DATES	3/3/97	5/30/97	8/29/97	12/1/97	EOY BAL
DISTRIBUTION FACTORS		0.844175	0.808040	0.692395	0.755724	3.100334
<b>1998</b>	RECORD DATES	3/2/98	6/1/98	8/31/98	11/30/98	EOY BAL
DISTRIBUTION FACTORS		0.874820	0.670386	0.672017	0.614702	2.831925
<b>1999</b>	RECORD DATES	3/1/99	6/1/99	8/30/99	11/29/99	EOY BAL
DISTRIBUTION FACTORS		0.600258	0.567478	0.600583	0.694369	2.462688
<b>2000</b>	RECORD DATES	2/29/00	5/30/00	8/29/00	11/29/00	EOY BAL
DISTRIBUTION FACTORS		0.674578	0.605743	0.657393	0.644157	2.581871
<b>2001</b>	RECORD DATES	3/1/01	5/30/01	8/29/01	11/29/01	EOY BAL
DISTRIBUTION FACTORS		0.623898	1.098552	0.860489	0.626706	3.209645
<b>2002</b>	RECORD DATES	3/1/02	5/30/02	8/29/02	11/29/02	EOY BAL
DISTRIBUTION FACTORS		0.576189	0.575137	0.623862	0.597635	2.372823
<b>2003</b>	RECORD DATES	3/3/03	5/30/03	8/29/03	12/01/03	EOY BAL
DISTRIBUTION FACTORS		0.644818	0.695362	0.616863	0.572678	2.529721
<b>2004</b>	RECORD DATES	3/1/04	6/1/04	8/30/04	11/29/04	EOY BAL
DISTRIBUTION FACTORS		0.568977	0.806399	0.806256	0.800067	2.981699
<b>2005</b>	RECORD DATES	3/1/05	5/31/05	8/29/05	11/29/05	EOY BAL
DISTRIBUTION FACTORS		0.927955	0.794980	0.851136	1.387016	3.961087
<b>2006</b>	RECORD DATES	3/1/06	5/30/06	8/29/06	11/29/06	EOY BAL
DISTRIBUTION FACTORS		1.510931	0.971014	0.703514	0.693086	3.87854
<b>2007</b>	RECORD DATES	3/1/07	5/30/07	8/29/07	11/29/07	EOY BAL
DISTRIBUTION FACTORS		0.690690	0.646984	0.735980	0.603337	2.676991
<b>2008</b>	RECORD DATES	2/29/08	5/30/08	8/29/08	12/1/08	EOY BAL
DISTRIBUTION FACTORS		0.651500	0.710735	0.972063	0.910488	3.244786
<b>2009</b>	RECORD DATES	3/2/09	6/1/09	8/31/09	11/30/09	EOY BAL
DISTRIBUTION FACTORS		0.578705	0.359399	0.264913	0.246351	1.449368
<b>2010</b>	RECORD DATES	3/1/10	6/1/10	8/30/10	11/29/10	EOY BAL
DISTRIBUTION FACTORS		0.272321	0.321086	0.277926	0.291694	1.163027
<b>2011</b>	RECORD DATES	3/1/2011	5/31/2011	8/29/2011	11/29/2011	EOY BAL
DISTRIBUTION FACTORS		0.228656	0.228779	0.251488	0.226309	0.935232
<b>2012</b>	RECORD DATES	2/29/2012	5/30/2012	8/29/2012	11/29/2012	EOY BAL
DISTRIBUTION FACTORS		0.177106	0.129764	0.095989	0.135622	0.538481
<b>2013</b>	RECORD DATES	3/1/13	5/30/13	8/29/13	11/29/13	EOY BAL
		0.160567	0.146878	0.201383	0.172241	0.681069

## Dominion Resources Black Warrior Trust

### HISTORICAL INFORMATION COST DEPLETION FACTORS

DOMINION TAX DEPLETION FACTORS 1994 THROUGH 2011						
		1ST QTR	2ND QTR	3RD QTR	4TH QTR	YTD
<b>1994</b>	RECORD DATES	—	—	8/29/94	11/29/94	EOY BAL
DEPL FACTOR		N/A	N/A	0.017206	0.052033	0.069239
<b>1995</b>	RECORD DATES	3/1/95	5/30/95	8/29/95	11/29/95	EOY BAL
DEPL FACTORS		0.051645	0.049257	0.049514	0.049554	0.199970
<b>1996</b>	RECORD DATES	2/29/96	5/30/96	8/29/96	11/29/96	EOY BAL
DEPL FACTOR		0.041046	0.039828	0.039882	0.039985	0.160741
<b>1997</b>	RECORD DATES	3/3/97	5/30/97	8/29/97	12/1/97	EOY BAL
DEPL FACTOR		0.036145	0.034742	0.034594	0.034193	0.139674
<b>1998</b>	RECORD DATES	3/2/98	6/1/98	8/31/98	11/30/98	EOY BAL
DEPL FACTOR		0.029273	0.027999	0.027610	0.027207	0.112089
<b>1999</b>	RECORD DATES	3/1/99	6/1/99	8/30/99	11/29/99	EOY BAL
DEPL FACTOR		0.033550	0.031752	0.030993	0.030636	0.126931
<b>2000</b>	RECORD DATES	2/29/00	5/30/00	8/29/00	11/29/00	EOY BAL
DEPL FACTOR		0.031977	0.030479	0.029733	0.028619	0.120808
<b>2001</b>	RECORD DATES	3/01/01	5/30/01	8/29/01	11/29/01	EOY BAL
DEPL FACTOR		0.033401	0.030329	0.029525	0.029409	0.122664
<b>2002</b>	RECORD DATES	3/1/02	5/30/02	8/29/02	11/29/02	EOY BAL
DEPL FACTOR		0.032048	0.029783	0.029655	0.028781	0.120267
<b>2003</b>	RECORD DATES	3/3/03	5/30/03	8/29/03	12/01/03	EOY BAL
DEPL FACTOR		0.030097	0.030940	0.030655	0.029171	0.120863
<b>2004</b>	RECORD DATES	3/1/04	6/1/04	8/30/04	11/29/04	EOY BAL
DEPL FACTOR		0.030596	0.029300	0.027569	0.028553	0.116018
<b>2005</b>	RECORD DATES	3/1/05	5/31/05	8/29/05	11/29/05	EOY BAL
DEPL FACTOR		0.029466	0.027855	0.027217	0.038718	0.123256
<b>2006</b>	RECORD DATES	3/1/06	5/30/06	8/29/06	11/29/06	EOY BAL
DEPL FACTOR		0.028702	0.027889	0.026571	0.026942	0.110104
<b>2007</b>	RECORD DATES	3/1/07	5/30/07	8/29/07	11/29/07	EOY BAL
DEPL FACTOR		0.034000	0.030900	0.031000	0.030600	0.126500
<b>2008</b>	RECORD DATES	2/29/08	5/30/08	8/29/08	12/1/08	EOY BAL
DEPL FACTOR		0.036450	0.033789	0.033747	0.033089	0.137075
<b>2009</b>	RECORD DATES	3/2/09	6/1/09	8/31/09	11/30/09	EOY BAL
DEPL FACTOR		0.036285	0.034115	0.034831	0.034071	0.139302
<b>2010</b>	RECORD DATES	3/1/10	6/1/10	8/30/10	11/29/10	EOY BAL
DEPL FACTOR		0.040533	0.035912	0.038493	0.038074	0.153012
<b>2011</b>	RECORD DATES	3/1/2011	5/31/2011	8/29/2011	11/29/2011	EOY BAL
DEPL FACTOR		0.039679	.036342	.035545	.035916	0.147482
<b>2012</b>	RECORD DATES	2/29/2012	5/30/2012	8/29/2012	11/29/2012	EOY BAL
		0.047626	0.045320	0.045787	0.045615	0.184348
<b>2013</b>	RECORD DATES	3/1/13	5/30/13	8/29/13	11/29/13	EOY BAL
		0.065633	0.057853	0.062251	0.062941	0.248678

## **Dominion Resources Black Warrior Trust**

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### **GENERAL INFORMATION CONCERNING THE TRUST**

Dominion Resources Black Warrior Trust (the “Trust”) was formed as a Delaware business trust pursuant to the terms of the Trust Agreement of Dominion Resources Black Warrior Trust (as amended, the “Trust Agreement”) entered into effective as of May 31, 1994, by and among Dominion Black Warrior Basin, Inc., an Alabama corporation, as trustor, Dominion Resources, Inc., a Virginia corporation (“Dominion Resources”), and Nations Bank of Texas, N.A., a national banking association, as the initial trustee, and Mellon Bank (DE) National Association, a national banking association, as the initial Delaware Trustee. Southwest Bank, a state bank chartered under the laws of the State of Texas (“Southwest Bank”) now serves as trustee (“Trustee”) and BNY Mellon Trust of Delaware, a national banking association, now serves as Delaware trustee (the “Delaware Trustee”). The trustees are independent financial institutions.

The Trust is a grantor trust formed to acquire and hold certain overriding royalty interests (the “Royalty Interests”) burdening proved natural gas properties located in the Pottsville coal formation of the Black Warrior Basin, Tuscaloosa County, Alabama (the “Underlying Properties”) owned by Walter Black Warrior Basin LLC, a Delaware limited liability company, as successor to Dominion Black Warrior Basin, Inc. (the “Company”). The Trust was initially created effective as of May 31, 1994, with a \$1,000 contribution by the Company. On June 28, 1994, the Royalty Interests were conveyed to the Trust by the Company pursuant to the Overriding Royalty Conveyance (the “Conveyance”) dated effective as of June 1, 1994, from the Company to the Trust, in consideration for all the 7,850,000 authorized units of beneficial interest (“Units”) in the Trust. The Company transferred its Units to its parent, Dominion Energy, Inc., a Virginia corporation, which in turn transferred such Units to its parent, Dominion Resources. Dominion Resources sold an aggregate of 6,904,000 of such Units to the public through various underwriters (the “Underwriters”) in June and August 1994 and sold the remaining 946,000 Units to the public through certain of the Underwriters in June 1995 pursuant to Post-Effective Amendment No. 1 to the Form S-3 Registration Statement relating to the Units (collectively, the “Public Offering”).

The only assets of the Trust, other than cash and temporary investments being held for the payment of expenses and liabilities and for distribution to Unitholders, are the Royalty Interests. The Royalty Interests consist of overriding royalty interests burdening the Company’s interest in the Underlying Properties. The Royalty Interests generally entitle the Trust to receive 65 percent of the Company’s Gross Proceeds (as defined below). The Royalty Interests are non-operating interests and bear only expenses related to property, production and related taxes (including severance taxes). “Gross Proceeds” consist generally of the aggregate amount received by the Company attributable to the interests of the Company in the Underlying Properties from the sale of coal seam gas at the central delivery points in the gathering system for the Underlying Properties.

The Trustee assumes that Trust Units are held by middlemen, as such term is broadly defined in U.S. Treasury Regulations (and includes custodians, nominees, certain joint owners, and brokers holding an interest for a customer in street name, referred to herein collectively as “middlemen”). Therefore, the Trustee considers the Trust to be a non-mortgage widely held fixed investment trust (“WHFIT”) for U.S. federal income tax purposes. Southwest Bank, EIN: 75-1105980, 2911 Turtle Creek Blvd. Suite 850, Dallas, Texas 75219, telephone number 855-588-7839, email address trustee@dom-dominion.com, is the representative of the Trust that will provide tax information in accordance with applicable U.S. Treasury Regulations governing the information reporting requirements of the Trust as a WHFIT. Tax information is also posted by the Trustee at [www.dom-dominion.com](http://www.dom-dominion.com). Notwithstanding the foregoing, the middlemen holding Trust Units on behalf of Unitholders, and not the Trustee of the Trust, are solely responsible for complying with the information reporting requirements under the U.S. Treasury Regulations with respect to such Trust Units, including the issuance of IRS Forms 1099 and certain written tax statements. Unitholders whose Trust Units are held by middlemen should consult with such middlemen regarding the information that will be reported to them by the middlemen with respect to the Trust Units.

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# **DOMINION RESOURCES BLACK WARRIOR TRUST**

**Dominion Resources Black Warrior Trust**  
Southwest Bank, Trustee  
2911 Turtle Creek  
Suite 850  
Dallas Texas 75219  
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