

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

CODE OF VIRGINIA

§ 45.1-361.26

BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF

SOUGHT: An Order for Disbursement of Escrowed Funds
(and Authorization for Direct Payment of Royalties)

JURISDICTION:

Code of Virginia § 45.1-351. (et seq) AND § 45.1-361.22 (et seq) AND § 45.1-361.22:2

UNIT/Well NAME: NELW9

TRACT(S): 38

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-91-1217-0169-02

APPLICANTS:

CNX Gas Company LLC on behalf of Janet Weatherford-Baker

HEARING DATE AND LOCATION:

On June 16, 2015, the Virginia Gas and Oil Board, on its own motion, granted the Director of the Division of Gas and Oil the authority to process coal owner dismissal disbursements that have no pending deficiencies or issues. Code of Virginia Section 45.1-361.22:2. Effective date: July 1, 2015.

APPEARANCES:

Mark A. Swartz on behalf of CNX Gas Company LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 04/29/1992, Recorded on 05/01/1992, Deed Book/Instrument No. 390, Page 646.
2. Supplemental Order Executed 07/11/1996, Recorded on 07/18/1996, Deed Book/Instrument No. 451, Page 147.

NOTICE:

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- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 38 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 38 relative to the interests of the Applicants identified in the attached petition.
- (3) Close the escrow account under this docket number.

FINDINGS: Code of Virginia § 45.1-361.22 AND § 45.1-361.22:2

Applicant has certified and represented to the Board that:

- a. Janet Weatherford-Baker is the gas claimant in Tracts 38. As such Janet Weatherford-Baker are entitled to 100% of the CBM royalties now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2.A.
- b. That CNX Gas Company LLC has given the notice(s) required by § 45.1-361.22:2.A to all conflicting claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That none of the conflicting claimants noticed have provided, within 45 days of the notice(s) given as provided in b. above, the Board, its designated agent the Director of the Division of Gas and Oil, the Operator and/or the Applicant evidence of either an agreement regarding the escrowed funds/royalties or a proceeding regarding same.
- d. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- e. That an Exhibit identified as Table 1 is annexed hereto, and it specifies how the disbursement(s) is to be calculated and paid by the escrow agent.
- f. That Va. Code Ann. § 45.1-361.22:2.A. further provides that the Operator shall pay such royalties as may hereafter be payable directly to the gas claimant Janet Weatherford-Baker and not escrow same. See Exhibit EE annexed hereto. (Royalty currently being paid under BUNE1 91-1119-0161-01)

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.
2. The Escrow Agent is ordered to close the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

APPEALS:

Appeals of this Order are governed by the provisions of the Code of Virginia § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

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DONE AND EXECUTED this 21 day of July, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

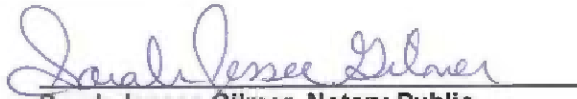
DONE AND PERFORMED this 21 day of July, 2016 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 21st day of July, 2016 personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.


Sarah Jessee Gilmer, Notary Public
262946

My Commission expires: July 31, 2017



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 91-1217-0169-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 38 (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES (3) AND DISMISSAL OF COAL OWNERS PURSUANT TO CODE OF VIRGINIA SECTION 45.1-361.22:2.

HEARING DATE: On June 16, 2015, the Virginia Gas and Oil Board, on its own motion, granted the Director of the Division of Gas and Oil the authority to process coal owner dismissal disbursements that have no pending deficiencies or issues. Code of Virginia Section 45.1-361.22:2. Effective date: July 1, 2015.

DRILLING UNIT: NELW9

BUCHANAN COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is CNX Gas Company LLC, P. O. Box 570, Pounding Mill, VA 24637, (276)596-5075. Petitioner's counsel is Mark A. Swartz, Hillard & Swartz, LLP, 122 Capital Street, Suite 201, Charleston, WV 25301.

2. Relief Sought

(1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to Tract 38, as depicted upon the annexed table; and (2) Dismissal of Coal Owner: Hugh MacRae Land Trust.

3. Legal Authority

Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. Type of Well(s)

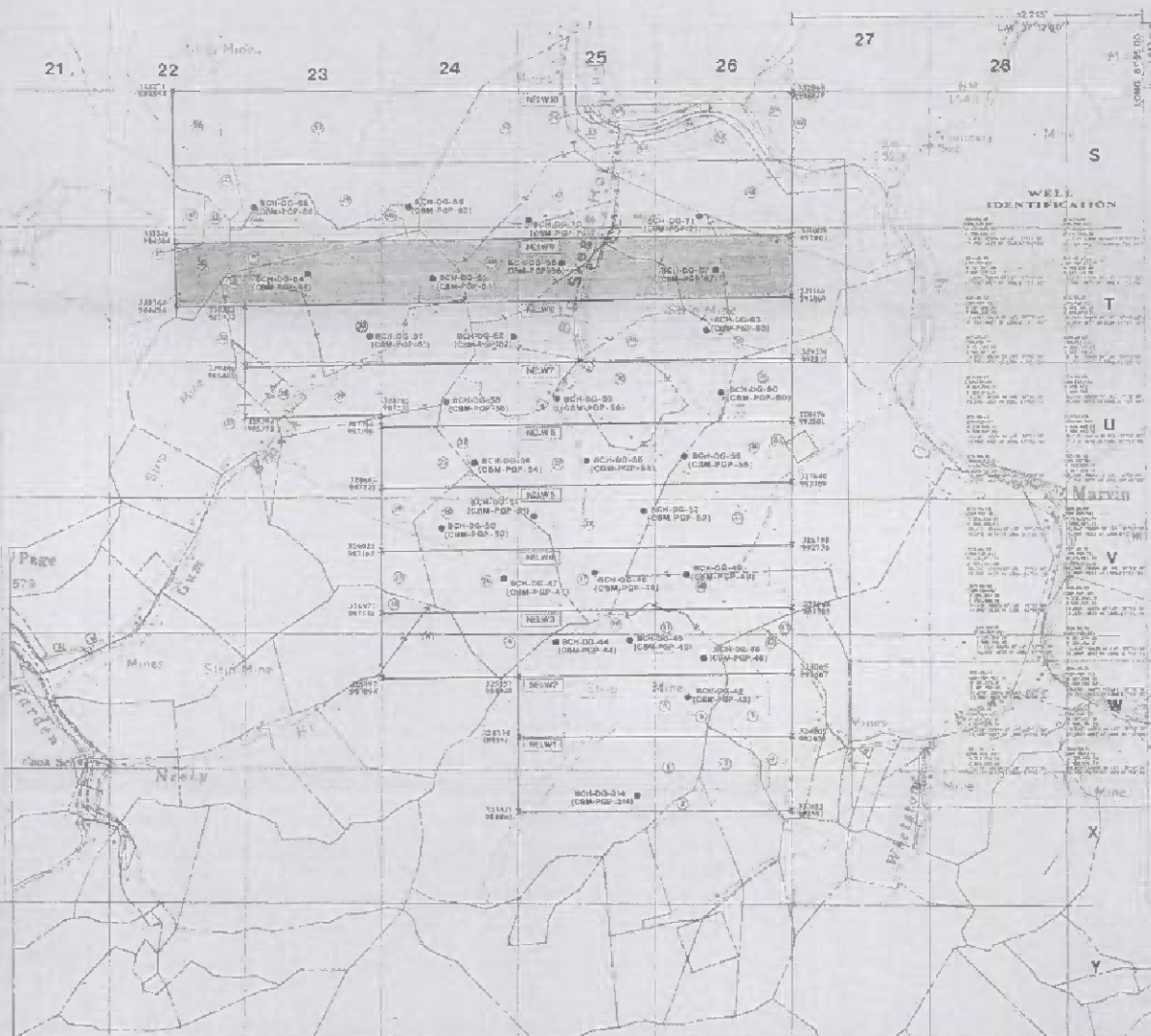
Coalbed Methane

5. Factual basis for relief requested

- a. Janet Weatherford-Baker is the gas claimant in Tracts 38. As such Janet Weatherford-Baker are entitled to 100% of the CBM royalties now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2.A.
- b. That CNX Gas Company LLC has given the notice(s) required by § 45.1-361.22:2.A to all conflicting claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That none of the conflicting claimants noticed have provided, within 45 days of the notice(s) given as provided in b. above, the Board, its designated agent the Director of the Division of Gas and Oil, the Operator and/or the Applicant evidence of either an agreement regarding the escrowed funds/royalties or a proceeding regarding same.
- d. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- e. That an Exhibit identified as Table 1 is annexed hereto, and it specifies how the disbursement (s) is to be calculated and paid by the escrow agent.
- f. That Va. Code Ann. § 45.1-361.22:2.A. further provides that the Operator shall pay such royalties as may hereafter be payable directly to the gas claimant Janet Weatherford-Baker and not escrow same. See Exhibit EE annexed hereto. (Royalty currently being paid under BUNE1 91-1119-0161-01)

6. Attestation

The foregoing Petition to the best of my knowledge, information, and belief is true and correct.



Page Number 8



EXPLANATION

PANEL UNIT
PROPERTY LINE
100 FOOT SETBACK
VERTICAL VENTILATION HOLE NO. (VVH)
COALBED METHANE GAS WELL NO. (CBM)

11-25 OAKWOOD FIELD 80-ACRE ID
TRACT LAND HOOK
LONGWALL PANEL UNIT ID
VIRGINIA SOUTH STATE PLANE
COORDINATES NORTH 325083
SOUTH 992587
BOUNDARY EXTENDED TO
OAKWOOD FIELD LINE
TRACT ID. SEE PROPERTY
INFORMATION SHEETS

EXHIBIT B-1

POCAHONTAS GAS PARTNERSHIP
FORCE POOLING
UNIT NELW 9
WELL LOCATIONS
VGOB-91-1217-169
KEEN MIN. QUADRANGLE
B. CHANAN COUNTY, VA

SCALE: 1 IN. = 1500 FT.
NORTH ARROW
DATE: 11/19/91
BY: R. M. ALBERT

Pocahontas Gas Partnership
Docket No. VGOB-91-1217-169
Panel by Panel Active Coalbed Methane Units

NELW-9

Total Acres - 161.1

(Note: See attached map Exhibit B and B-1 for tract location.)

36. Yukon Pocahontas Coal - Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company
Consolidation Coal Company - P3
Oxy USA - CBM Lessee
Cabot - Oil & Gas Lessee
11 acres - 6.8281%
37. C. L. Ritter
Coal Lessees
Island Creek Coal Company
Oxy USA - CBM Lessee
Cabot - Oil & Gas Lessee
0.6 acres - 0.3724%
38. Hugh MacRae Land Trust - Coal
Coal Lessees
Permac Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
Consolidation Coal Company - Oil & Gas
53 acres - 32.8988%
39. Yukon Pocahontas Coal - Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company
Consolidation Coal Company - P3
Oxy USA - CBM Lessee
Cabot - Oil & Gas Lessee
9 acres - 5.5866%
40. Hugh MacRae Land Trust - Coal
Coal Lessees
Permac Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
Garden Realty - Oil & Gas
Consolidation Coal Company - Oil & Gas Lessee
87.5 acres - 54.3141%

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Exhibit E
Unit NELW-9
Docket # VGOB-91-1217-0169-02
List of Respondents requiring Escrow

Acres in Unit	Percent of Unit
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All Conflicts Resolved

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Exhibit EE
Unit NELW-9

Docket # VGOB-91-1217-0169-02

List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #38-2, 9.62 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hugh MacRae Land Trust Tr 2 c/o Gump, Strauss, Akin LLP 1 Bryant Park, Floor 41 New York, NY 10036-6715	9.62 acres	5.9714%	
<i>By Assignment and Bill of Sale (Gas lease royalty), HMLT devised all of its right, title and interest (other than "Excluded Assets") to Torch Energy Advisors Inc. effective September 4, 1991 and recorded in Buchanan County under DB474 / PG384.</i>			
Torch Oil & Gas Company c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, New Mexico 88030			
<i>Effective 2/1/11, Torch Oil & Gas Company assigned a 2% ORRI to SAC Investments, L.P.</i>			
<i>Effective 3/31/14, Torch Oil & Gas Company, et al. assigned and conveyed 10% of its right, title and interest to Rockport Oil Gas, L.L.C. In addition, Torch Oil & Gas Company, et al. assigned and conveyed the remaining 90% of its right, title and interest to Chisos, Ltd.</i>			
Rockport Oil & Gas L.L.C. PO Box 847 Houston, TX 77001	0.96 acres 1/10 of 9.62 acres	0.5971%	
Chisos, LTD 670 Dona Ana Road SW Deming, New Mexico 88030	8.66 acres 9/10 of 9.62 acres	5.3743%	
<u>OIL & GAS OWNERSHIP</u>			
(1) CONSOL Buchanan Mining Co, et al	9.62 acres	5.9714%	
(b) Janet Weatherford-Baker 8418 Washington Ave. Alexandria, VA 22309	3.2067 acres 1/3 of 9.62 acres	1.9905%	100.00% HB2058

INSTRUMENT #160001367
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 3, 2016 AT 10:33AMBEVERLY S. TILLER, CLERK
RECORDED BY: GGB