



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: T17

TRACT(S): 5

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-92-1117-0284-02

APPLICANTS:

CNX Gas Company LLC on behalf of Charles Hawkins, Joyce Hawkins Jones, Louise Agee,
Phyllis C. McKeon

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 01/28/1993, Recorded on 02/05/1993, Deed Book/Instrument No. 404, Page 132.
2. Supplemental Order Executed 07/08/1993, Recorded on 07/13/1993, Deed Book/Instrument No. 411, Page 323.
3. Disbursement Order -01 Executed 02/02/2006, Recorded on 02/07/2006, Deed Book/Instrument No. 398.
4. Supplemental Order -01, Recorded on 06/21/2007, Deed Book/Instrument No. 70002305.

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NOTICE:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 5 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 5 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. Phyllis C. McKeon, Joyce Hawkins Jones, Charles Hawkins, & Louise Agee are the gas claimants in Tracts 5. As such Phyllis C. McKeon, Joyce Hawkins Jones, Charles Hawkins, & Louise Agee 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 Phyllis C. McKeon, Joyce Hawkins Jones, Charles Hawkins, & Louise Agee and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

VGOB Disbursement

Unit T17

VGOB-92-1117-0284-02

Table 1

Tracts: 5

Item	Tract	Disbursement Table	Fractional Ownership		Net Acreage		Royalty Split		Escrowed Acres		Percent of Escrowed Funds	
			In Tract	In Tract	In Tract	In Tract	Agreement	Disbursed	Disbursed	Disbursed	Disbursed	Disbursed
		Total acreage in escrow before disbursement							0.03070			
5 Tract 5 (total acreage)			0.23									
1	5	Phyllis C. McKeon\4472 Dike Road, Winter Park, FL 32792	2/33	0.0139	100.00%	0.0139	100.00%	0.0139	45.4052%			
2	5	Joyce Hawkins Jones\840 Fairview School Road, Blountville, TN 37617	1/33	0.0070	100.00%	0.0070	100.00%	0.0070	22.7026%			
3	5	Charles Hawkins\343 Glasglow Lane, Blountville, TN 37617	1/33	0.0070	100.00%	0.0070	100.00%	0.0070	22.7026%			
4	5	Louise Agee\7601 Bull Run Road, Manassas, VA 22110	2/165	0.0028	100.00%	0.0028	100.00%	0.0028	9.0810%			

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 12 day of January, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

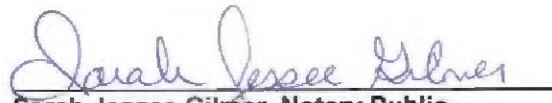
DONE AND PERFORMED this 12 day of January, 2016 by Order of the Virginia Gas and Oil Board.



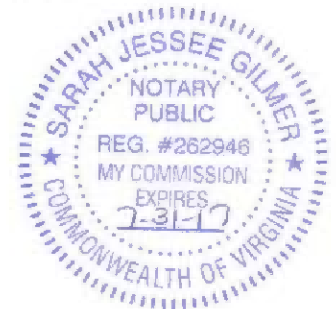
Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 12th day of January, 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 92-1117-0284-02**RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 5 (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES****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:** T17**BUCHANAN COUNTY, VIRGINIA****PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS****1. Petitioner and its counsel**

Petitioner is CNX Gas Company LLC, 627 Claypool Hill Mall Road, Cedar Bluff, VA 24609, (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(s) attributable to of Tract(s) 5 as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Phyllis C. McKeon, Joyce Hawkins Jones, Charles Hawkins, & Louise Agee

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

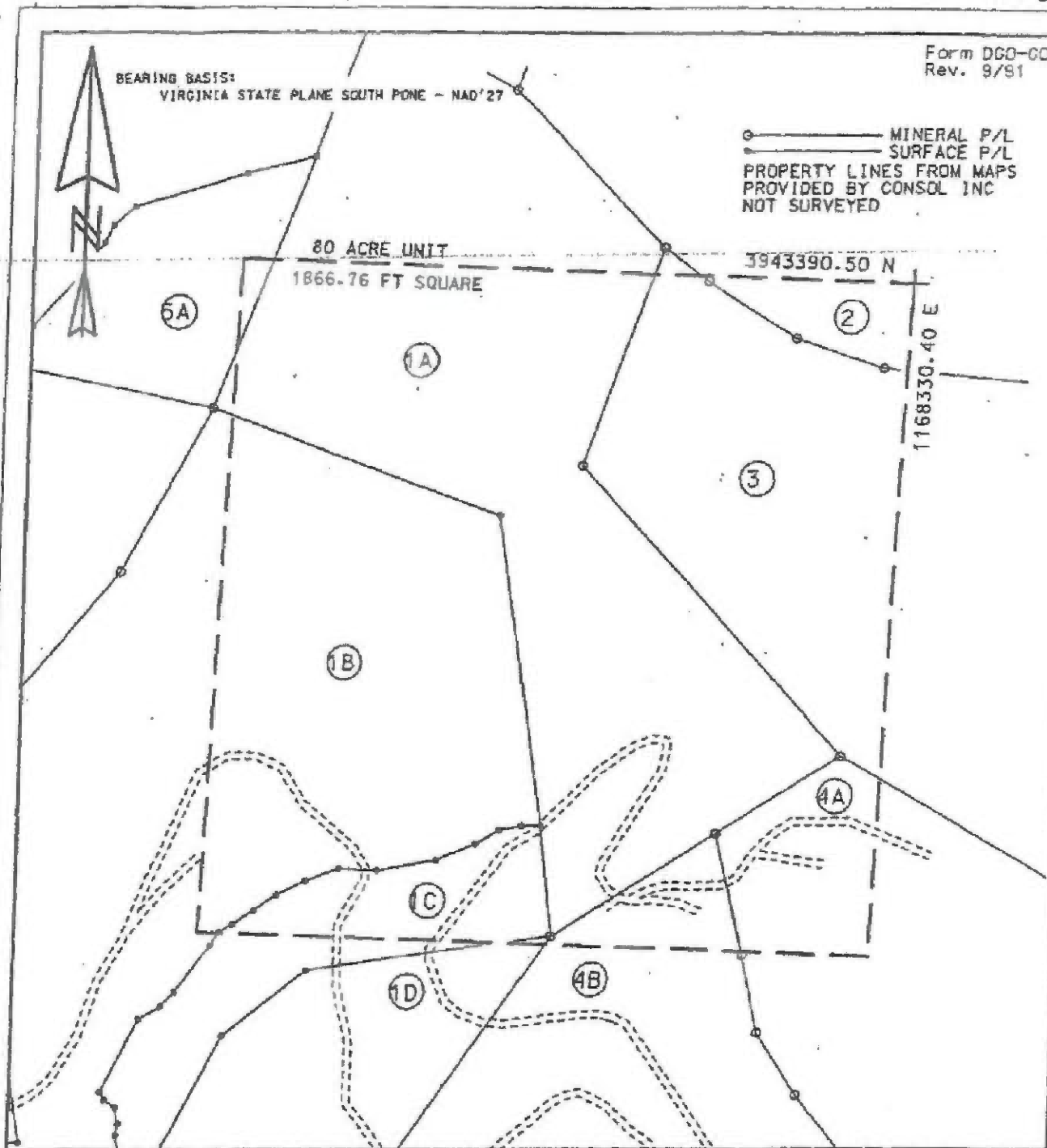
5. Factual basis for relief requested

- a. Phyllis C. McKeon, Joyce Hawkins Jones, Charles Hawkins, & Louise Agee are the gas claimants in Tracts 5. As such Phyllis C. McKeon, Joyce Hawkins Jones, Charles Hawkins, & Louise Agee 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 Phyllis C. McKeon, Joyce Hawkins Jones, Charles Hawkins, & Louise Agee and not escrow same. See Exhibit EE annexed hereto.

6. Attestation

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

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Form DGO-CO-7
Rev. 9/81

WELL LOCATION PLAT

Company CONSOL INC Well Name and Number _____

Tract No. _____ Elevation _____ Quadrangle _____

County BUCHANAN District HURRICANE Scale: 1" = _____ Date _____

This Plat is a new plat X; an updated plat _____; or a final location plat _____

+ Denotes the location of a well on United States Topographic Maps, scale 1 to 24,000. latitude and longitude lines being represented by border lines as shown.

Paul D. Meyer

Licensed Professional Engineer or Licensed Land Surveyor

PROFESSIONAL ENGINEER
CLARENCE D. E. 1000
(A16003 Seal)

CONSOL Inc.
Property and Lease Information
Unit T-17

- 1A. Jessie Childress Heirs - Surface
- 1B. Billy Ray Ratliff, et al - Surface
- 1C. Stella Marie Hess - Surface
- 1D. Bill Ratliff - Surface

- 1. Big Axe Tr. 6 - Coal, Oil & Gas
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessees
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
54.41 acres - 68.01%

- 2. Yukon Pocahontas Coal Company, et al - Coal, Oil & Gas
Big Vein Tr. 3
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
2.00 acres - 2.50%

- 3. Neal Blankenship - Surface
Yukon Pocahontas Coal Company, et al - Coal, Oil & Gas
Big Vein Tr. 116
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessees
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
16.85 acres - 21.07%

- 4A. Ira Gordon Ratliff - Surface, Oil & Gas
Big Axe Tr. 5 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
4.35 acres - 5.43%

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CONSOL Inc.
Unit T-17
Page 2

- 4B. Billy & Geneva Ratliff - Surface, Oil & Gas
Big Axe Tr. 5 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
2.16 acres - 2.70%
- 5A. Jessie Childress Heirs - Surface, Oil & Gas
Big Axe Tr. 4 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
0.23 acres - 0.29%

Exhibit E
Unit T-17
Docket # VGOB-92-1117-0284-02
List of Respondents that require escrow

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Acres in Unit

Percent of
Unit

Escrowing not required

Exhibit EE
Unit T-17
Docket # VGOB-92-1117-0284-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract No. 4A, 4.39 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Big Axe Land Company Tr 5 P.O. Box 11000 Danville, VA 24541			n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Ira Gordon Ratliff 1181 Youngs Branch Rd Oakwood, VA 24631	4.35 acres	5.4375%	n/a
<u>Tract No. 4B, 2.16 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt (Big Axe Tr. 6) P.O. Box 11000 Danville, VA 24541	2.16 acres	2.7000%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Billy & Geneva Ratliff Rt. 2, Box 5 Oakwood, VA 24631 44.50 Acres T008827	Conveyed to Charles & Kathy Viers, TE 5/25/94 DB423/PG289		
Charles & Kathy Viers, TE PO Box 288 Mavisdale, VA 24627	2.16 acres	2.7000%	n/a
<u>Tract No. 5, 0.23 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Big Axe Land Company Tr 4 P.O. Box 11000 Danville, VA 24541	0.23 acres	0.2875%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Jessie Childress Heirs, et al.	0.23 acres	0.2875%	
(a) Phyllis C. McKeon (previously Phyllis Everett) 4472 Dike Road Winter Park, FL 32792	0.014 acres 2/33 of 0.23 acres	0.0174%	45.4052% HB2058
(b) Eleanor Hankins Heirs, Devisees Successors or Assigns			
(b.1) Joyce Hawkins Jones 840 Fairview School Road Blountville, TN 37617	0.007 acres 1/33 of 0.23 acres	0.0087%	22.7026% HB2058
(b.2) Charles Hawkins 343 Glasgow Lane Blountville, TN 37617	0.007 acres 1/33 of 0.23 acres	0.0087%	22.7026% HB2058
(c) Louise Agee 7601 Bull Run Road Manassas, VA 22110	0.003 acres 2/165 of 0.23 acres	0.0035%	9.0810% HB2058
(c) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	0.199 acres 143/165 of 0.23 acres	0.2492%	n/a

INSTRUMENT #160000150
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
FEBRUARY 2, 2016 AT 03:03PM
BEVERLY S. TILLER, CLERK
RECORDED BY: SLP

12/1
2016
12/1