

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:** U14

**TRACT(S):** 1A

**LOCATION:** BUCHANAN County, Virginia

**DOCKET NUMBER:** VGOB-93-0622-0379-01

**APPLICANTS:** CNX Gas Company LLC on behalf of H-W Financial LLC

**HEARING DATE AND LOCATION:** Russell County Government Center, Lebanon, Virginia  
June 20, 2017 and July 18, 2017

**APPEARANCES:** Mark A. Swartz on behalf of CNX Gas Company LLC

**PRIOR PROCEEDINGS:**

1. Original Pooling Order Executed 08/10/1993, Recorded on 08/18/1993, Deed Book/Instrument No. 412, Page 674.
2. Supplemental Order Executed 08/25/1997, Recorded on 09/03/1997, Deed Book/Instrument No. 466, Page 302.

**NOTICE:**

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the June 20, 2017 hearing and was continued to July 18, 2017 where the Board considered whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 1A identified in the attached petition.

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(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1A 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. That H-W Financial, LLC (previously Harrison-Wyatt, LLC) as successor in interest of Big Axe Land Company—the gas claimant in Tract 1A—is entitled to 100% of the CBM royalties attributable to its gas claims that are now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2.A.
- b. That when the Board pooled this Unit by Order entered August 10, 1993, it determined at paragraph 17.7 that the Respondents to be dismissed at this time, who are identified in the Notice of Hearing and Exhibit B-2 to this Application, were surface owners. Surface owners are not gas claimants and are not entitled to receive royalties under Va. Code Ann. § 45.1-361.22:2.A.
- c. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- d. 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.
- e. 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 H-W Financial, LLC (previously Harrison-Wyatt, LLC) and shall not escrow same. See Exhibit EE annexed hereto.
- f. That notice of the Petition and the hearing regarding same has been provided by U.S. Mail and by publication. See certification of mailing and proof of publication.

**RELIEF GRANTED:**

VGOB Disbursement  
Unit U14

VGOB-93-0622-0379-01

Table 1

Tracts: 1A

Item	Tract	Disbursement Table	Fractional Ownership	Net Acreage Ownership	Royalty Split	Escrowed Acres	Percent of Escrowed Funds	Adjustment Amount
			in Tract	in Tract	Agreement	Disbursed	Disbursed	
		Total acreage in escrow before disbursement				32.24000		
		1A Tract 1A (total acreage)	32.2400					
1	1A	H-W Financial LLC\PO Box 11000 Danville VA 24543		32.2400	100.00%	32.2400	100.0000%	

**Adjustment Comments:**

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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 19 day of July, 2017 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

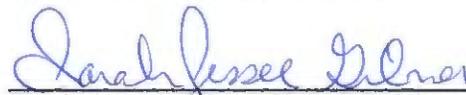
DONE AND PERFORMED this 19 day of July, 2017 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 19<sup>th</sup> day of July, 2017 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, 2021



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 93-0622-0379-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1A (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: June 20, 2017

DRILLING UNIT: U14

BUCHANAN COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is CNX Gas Company LLC, PO 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) Disbursement from escrow regarding Tract 1A; and (2) Dismissal of surface owners.

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)

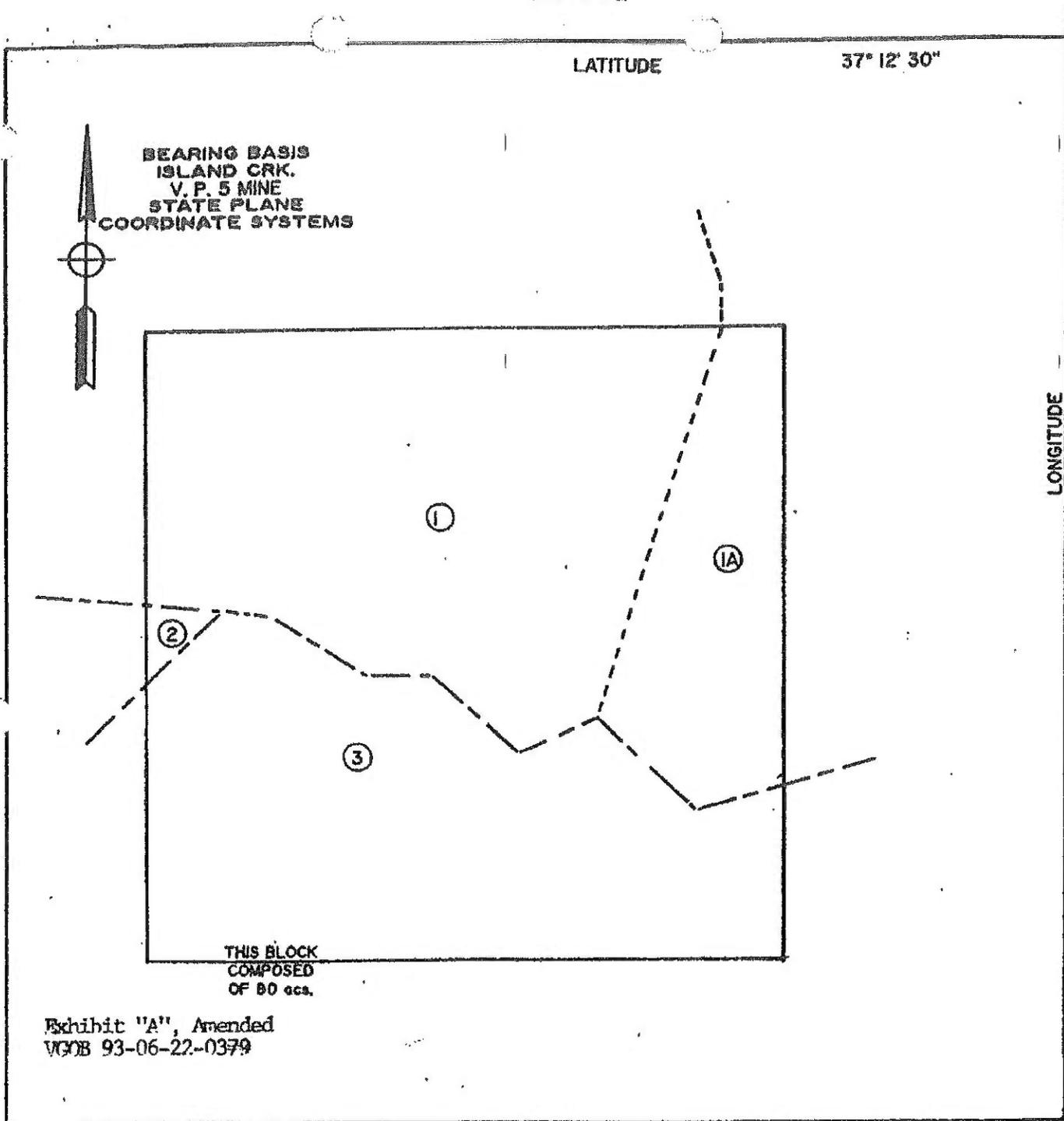
Coalbed Methane

5. Factual basis for relief requested

- a. That H-W Financial, LLC (previously Harrison-Wyatt, LLC) as successor in interest of Big Axe Land Company—the gas claimant in Tract 1A—is entitled to 100% of the CBM royalties attributable to its gas claims that are now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2.A.
- b. That when the Board pooled this Unit by Order entered August 10, 1993, it determined at paragraph 17.7 that the Respondents to be dismissed at this time, who are identified in the Notice of Hearing and Exhibit B-2 to this Application, were surface owners. Surface owners are not gas claimants and are not entitled to receive royalties under Va. Code Ann. § 45.1-361.22:2.A.
- c. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- d. 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.
- e. 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 H-W Financial, LLC (previously Harrison-Wyatt, LLC) and shall not escrow same. See Exhibit EE annexed hereto.
- f. That notice of the Petition and the hearing regarding same has been provided by U.S. Mail and by publication. See certification of mailing and proof of publication.

#### **6. Attestation**

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



THIS BLOCK  
COMPOSED  
OF 80 aca.

Exhibit "A", Amended  
WDOB 93-06-22-0379

WELL LOCATION PLAT

COMPANY OXY USA INC. WELL NAME and No. UNIT U-14  
 TRACT No. NA ELEVATION 210 QUADRANGLE VANSANT  
 COUNTY BUCHANAN DISTRICT HURDENE SCALE: 1"=400' DATE 2/26/'93

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.

*HC Van Meter*

(Affix Seal)

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No Tract ID included in original Pooling

See Exhibit B

Exhibit B  
Unit U-14  
Docket # VGOB-03-0622-0379-01  
List of all Owners/Claimants

	Acres in Unit	Percent of Unit
<b>I. COAL OWNERSHIP</b>		
<u>Tract #1A, 32.24 Acres</u>		
(1) H-W Financial, LLC Big Axe Tr. 8 P.O. Box 11000 Danville, VA 24543	32.24 acres	40.3000%
<u>Tract #1B, 11.11 Acres</u>		
(1) H-W Financial, LLC Big Axe Tr. 8 P.O. Box 11000 Danville, VA 24543	11.11 acres	13.8875%
<u>Tract #2, 34.95 Acres</u>		
(1) H-W Financial, LLC Big Axe Tr. 8 P.O. Box 11000 Danville, VA 24543	34.95 acres	43.6875%
<u>Tract #3, 1.759 Acres</u>		
(1) Buchanan Realty, et al	1.70 acres	2.1250%
(a) Belcher Family Trust c/o John Belcher 524 Maxfield Dr Big Stone Gap, VA 24219	0.43 acres 1/4 of 1.70 acres	0.5313%
(b) Robert S. Powers c/o John Powers 439 Cypress St Mt Carmel, TN 37645	0.21 acres 1/8 of 1.70 acres	0.2656%
(c) Erma Runals Trust c/o Andrew Runals, Trustee 11453 Davis Rd Middleville, MI 49333	0.21 acres 1/8 of 1.70 acres	0.2656%
(d) Bran Investments LLC 516 Holston Ave, Suite 100 Bristol, TN 37620-2177	0.21 acres 1/8 of 1.70 acres	0.2656%
(e) Buchanan Realty Company LLC c/o John Irvin 4710 Hunterwood Circle Richmond, TX 77406	0.43 acres 1/4 of 1.70 acres	0.5313%
(f) Walker Trust c/o James Thompson or Robert Thompson, Trustees 284 Mowery Lane, NW Charleston, TN 37310	0.21 acres 1/8 of 1.70 acres	0.2656%
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<u>Tract #1A, 32.24 Acres</u>		
(1) H-W Financial, LLC Big Axe Tr. 8 P.O. Box 11000 Danville, VA 24543	32.24 acres	40.3000%

Exhibit B  
Unit U-14  
Docket # VGOB-93-0622-0379-01  
List of all Owners/Claimants

	Acres in Unit	Percent of Unit
<b>Surface Owner Only - CBM Claimant</b>		
(2) B.F. McGlothlin Heirs, Devisees, Successors or Assigns, et al. (22.20 Acre Tract)		
(a) Benjamin Ralph McGlothlin Heirs, Devisees, Successors or Assigns		
(a.1) Bennett (aka Benny) McGlothlin Heirs, Devisees, Successors or Assigns		
(a.1.1) Shauna McGlothlin 1041 Amersham Rd Kingsport, TN 37660		
(a.1.2) Jon McGlothlin 3220 Brownlow Rd Kingsport, TN 37660		
(a.1.3) Logan McGlothlin 424 Creekside Dr. Mt. Carmel, TN 37645		
(a.2) Bonnie McGlothlin 2267 Roberts Creek Rd. Hilton, VA 24258		
(a.3) Ralph Edward McGlothlin, Jr. 282 Collins Crest Cedar Bluff, VA 24609		
(2) Henry Lewis McGlothlin Heirs, Devisees, Successors or Assigns		
(a) Robert D. McGlothlin Heirs, Devisees, Successors or Assigns		
(a.1) Patricia S. McGlothlin 6293 Wilderness Road Dublin, VA 24084		
(a.2) Harold McGlothlin Heirs, Devisees, Successors or Assigns		
(a.2.1) Ruby B. McGlothlin Heirs, Devisees, Successors or Assigns		
(a.2.1.1) Anne M. Lilly		
(a.2.1.1.1) Patricia McGlothlin 6293 Wilderness Rd Dublin, VA 24084		
(3) Helen E. Counts Heirs, Devisees, Successors or Assigns		
(a) Bascom "Buddy" Matney 4841 N. 25th Road Arlington, VA 22207		
(b) Helen Carol Marmone 600 Alexander Circle Bluefield, VA 24605-9241		

Exhibit B  
Unit U-14  
Docket # VGOB-03-0622-0379-01  
List of all Owners/Claimants

	Acres in Unit	Percent of Unit
(c) Ann C. Rauhauser 28 Bog Meadow Rd Sharon, CT 06069		
(4) B.F. McGlothlin, Jr. Heirs, Devisees, Successors or Assigns		
(a) Joseph Blair McGlothlin P. O. Box 71 Cedar Bluff, VA 24609		
(b) Katherine M. Warren 2208 Wingfield Road Charlottesville, VA 22901		
(5) Nancy (aka Nannie) P. Lockhart Heirs, Devisees, Successors or Assigns		
(a) Violet Doris Ann Smith Heirs, Devisees, Successors or Assigns		
(a.1) James Harold Smith Heirs, Devisees, Successors or Assigns		
(a.1.1) St. Jude's Children Research Hospital 501 St. Jude Place Memphis, TN 38105		
(a.1.2) Children's Hospital of Richmond 1000 E. Broad St Richmond, VA 23298		
(b) Fred Presley Heirs, Devisees, Successors or Assigns		
(b.1) Shirley Presley 6814 Pounding Mill Branch Rd. Pounding Mill, VA 24637		
(6) J.S. McGlothlin Heirs, Devisees, Successors or Assigns		
(a) Donald A. McGlothlin, Sr. Heirs, Devisees, Successors or Assigns		
(a.1) Mary McGlothlin Heirs, Devisees, Successors or Assigns		
(a.1.1) Donald A. McGlothlin, Jr. PO Box 580 Lebanon, VA 24266		
(a.1.2) Mary Louise Burton Heirs, Devisees Successors or Assigns		
(a.1.2.1) Wayne Talbert Burton, Sr. 1010 N. Martintown Rd. Mc Cormick, SC 29835		
(a.1.2.2) Joseph John Laperla 3123 Patrick Henry Dr., Apt. 332 Falls Church, VA 22044		

Exhibit B  
Unit U-14  
Docket # VGOB-93-0622-0379-01  
List of all Owners/Claimants

170001581

	Acres in Unit	Percent of Unit
(a.1.2.3) Mary Louise LaPerla P.O. Box 188 Davidsonville, MD 21035		
(a.1.3) Leah Ann McGlothlin PO Box 909 Grundy, VA 24614		
(a.1.4) Kevin Timothy McGlothlin 2285 Clifton Farm Rd   Honaker, VA 24260		
(b) Billy Sue Dixon Heirs, Devisees, Successors or Assigns		
(b.1) Hobart Dixon Heirs, Devisees, Successors or Assigns		
(b.1.1) Kenna Dixon Moose 146 E. Vermont Ave Sebring, OH 44672		
(b.1.2) Michael McKinley Dixon 21045 Campground Rd Bristol, VA 24202		
(c) Peggy Durham 2223 Island Road Blountville, TN 37617		
(7) Rose Myrtle Wampler Heirs, Devisees, Successors or Assigns		
(a) Shery W. Bennett 155 Mountain Ave Rocky Mount, VA 24151		
(b) Pauline W. Shortridge 64 Kyle Circle Millsboro, DE 19966		
(c) Floyd Edmund Wampler 5124 Garden Place Court Rock Hill, SC 29732		
(8) Woodrow W. McGlothlin Living Trust Trustee Woodrow McGlothlin Trust (correspondence to individuals below)		
(a) Thomas D. McGlothlin 112 Phlox Creek Bristol, TN 37620		
(b) James W. McGlothlin 1005 Glenway Ave. Bristol, VA 24201		
(c) Michael G. McGlothlin P.O. Drawer 810 Grundy, VA 24614		
(9) John W. McGlothlin Heirs, Devisees, Successors or Assigns		

Exhibit B  
Unit U-14  
Docket # VGOB-03-0622-0379-01  
List of all Owners/Claimants

	Acres In Unit	Percent of Unit
(a) John Herman McGlothlin Heirs, Devisees, Successors or Assigns		
(a.1) John Thurman McGlothlin		
(a.2) Cassie Lenora McGlothlin		
(a.2.1) Ernest McGlothlin Heirs, Devisees, Successors or Assigns		
(a.2.1.1) Doris Ann McGlothlin 104 Uphill Dr Swords Creek, VA 24649		
(b) Francis Ann Borkey Heirs, Devisees, Successors or Assigns		
(b.1) Anne Borkey Fath 9608 Gaslight Place Henrico, VA 23229		
(b.2) Sharon Borkey Parsons 322 Wickham Glen Dr. Richmond, VA 23238		
(c) Betty McGlothlin 998 Glenwood Street Cedar Bluff, VA 24609		
(d) Una Lee Mulligan Bailey 220 Maryland Ave Richlands, VA 24641		
(e) Cecil Earl McGlothlin Heirs, Devisees, Successors or Assigns		
(e.1) Joyce McGlothlin Heirs, Devisees, Successors or Assigns		
(e.1.1) McGlothlin Living Trust 867 Plunk Whitson Rd Cookeville, TN 38501		
(e.1.1.1) Daria Torres PO Box 16173 Two Rivers, AK 99716		
(e.1.1.2) Cecil McGlothlin, Jr. 2805 Bering St Anchorage, AK 99503		
(f) Norman McGlothlin 6239 Oakleaf Lane N. Fayetteville, PA 17222		
(g) Ernest McGlothlin Heirs, Devisees, Successors or Assigns		
(g.1) Doris Ann McGlothlin 104 Uphill Drive Swords Creek, VA 24649-7938		
(h) Harvey G. McGlothlin Heirs, Devisees, Successors or Assigns		

Exhibit B  
Unit U-14  
Docket # VGOB-93-0622-0379-01  
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170001581

	Acres in Unit	Percent of Unit
(h.1) Dorothy Mullins Heirs, Devisees, Successors or Assigns		
(h.1.1) Ann Mullins Washburn 3343 Nottingham Drive Tallahassee, FL 32312		
(h.1.2) Michael M. Mullins 1445 Westerly Terrace Los Angeles, CA 90026		
(h.2) Helen Dixon Heirs, Devisees, Successors or Assigns		
(h.2.1) Charles Robert Dixon Heirs, Devisees, Successors or Assigns		
(h.2.1.1) Charlene Dixon Seale 2653 Suffolk St. Kingsport, TN 37660		
(h.3) Gladys Jessee Heirs, Devisees, Successors or Assigns		
(h.3.1) Patricia Wade 2670 Wardell Rd Pounding Mill, VA 24639		
(h.3.2) Virginia Peterson 106 Chisolm Court Cary, NC 27511		
(h.3.3) Paula J. Morrow 113 Wood Shires Drive Boiling Springs, SC 29316		
(i) Frankie Mae Street Heirs, Devisees, Successors or Assigns		
(i.1) W.A. Street Heirs Trust		
(i.1.1) W.A. Street Heirs Trust c/o H.A. Street PO Box 1475 Grundy, VA 24614		
<b><u>Tract #1B, 11.11 Acres</u></b>		
(1) H-W Financial, LLC Big Axe Tr. 8 P.O. Box 11000 Danville, VA 24543	11.11 acres	13.8875%
<b><u>Tract #2, 34.95 Acres</u></b>		
(1) H-W Financial, LLC Big Axe Tr. 8 P.O. Box 11000 Danville, VA 24543	34.95 acres	43.6875%
<b><u>Tract #3, 1.70 acres</u></b>		
(1) Buchanan Realty, et al	1.70 acres	2.1250%

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(a) Belcher Family Trust c/o John Belcher 524 Maxfield Dr Big Stone Gap, VA 24219	0.43 acres 1/4 of 1.70 acres	0.5313%
(b) Robert S. Powers c/o John Powers 439 Cypress St Mt Carmel, TN 37645	0.21 acres 1/8 of 1.70 acres	0.2656%
(c) Erma Runals Trust c/o Andrew Runals, Trustee 11453 Davis Rd Middleville, MI 49333	0.21 acres 1/8 of 1.70 acres	0.2656%
(d) Bran Investments LLC 516 Holston Ave, Suite 100 Bristol, TN 37620-2177	0.21 acres 1/8 of 1.70 acres	0.2656%
(e) Buchanan Realty Company LLC c/o John Irvin 4710 Hunterwood Circle Richmond, TX 77406	0.43 acres 1/4 of 1.70 acres	0.5313%
(f) Walker Trust c/o James Thompson or Robert Thompson, Trustees 284 Mowery Lane, NW Charleston, TN 37310	0.21 acres 1/8 of 1.70 acres	0.2656%

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Exhibit E  
UNIT U-14  
Docket # VGOB-93-0622-0379-01  
List of all Owners/Claimants requiring Escrow

	Acres in Unit	Percent of Unit
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*All conflicts resolved*

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Exhibit EE  
UNIT U-14  
Docket # VGOB-93-0622-0379-01  
List of all Owners/Claimants to be placed on pay

	Acres in Unit	Percent of Unit	Division of Interest in		Percent of Escrow
			1 East	2 East	
			8.8290%	15.3270%	
<b>II. OIL &amp; GAS OWNERSHIP</b>					
<b><u>Tract #1A, 32.24 Acres</u></b>					
(1) H-W Financial, LLC Big Axe Tr. 8 P.O. Box 11000 Danville, VA 24543	32.24 acres	40.3000%	3.55809%	6.17678%	100.0000% HB2058

INSTRUMENT 170001581  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY CIRCUIT COURT ON  
July 31, 2017 AT 03:50 PM  
BEVERLY S. TILLER, CLERK  
RECORDED BY: GGB