

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: V15

TRACT(S): A portion of 2

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-95-0919-0518-02

APPLICANTS: CNX Gas Company LLC on behalf of Charles Hawkins, Joyce Hawkins Jones, Nancy Louise Agee, Phyllis Everett 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 10/12/1995, Recorded on 10/26/1995, Deed Book/Instrument No. 441, Page 611.
2. Supplemental Order Executed 01/28/1997, Recorded on 02/03/1997, Deed Book/Instrument No. 458, Page 165.
3. Disbursement Order -01 Executed 01/02/2013, Recorded on 01/28/2013, Deed Book/Instrument No. 130000164.

NOTICE:

160002060

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) A portion of 2 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 2 relative to the interests of the Applicants identified in the attached petition.
- (3) Continue 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. Joyce Hawkins Jones, Charles Hawkins, Phyllis Everett McKeon, Nancy Louise Agee is the gas claimant in Tracts 2.
- b. As such Joyce Hawkins Jones, Charles Hawkins, Phyllis Everett McKeon, Nancy 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.
- c. 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.
- d. That none of the conflicting claimants notified 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.
- e. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- f. 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.
- g. 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 Joyce Hawkins Jones, Charles Hawkins, Phyllis Everett McKeon, Nancy Louise Agee and not escrow same. See Exhibit EE annexed hereto.

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 continue 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.

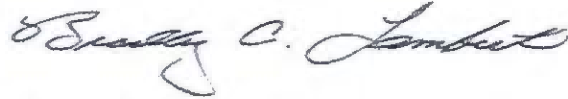
CONCLUSION:

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.

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



Chairman, Bradley C. Lambert

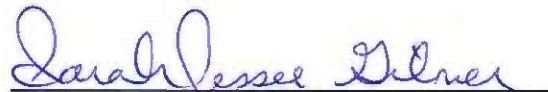
DONE AND PERFORMED this 21 day of October, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 21st day of October, 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 95-0919-0518-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 2 (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: V15

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) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to a portion of Tract 2, as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Joyce Hawkins Jones, Charles Hawkins, Phyllis Everett McKeon, Nancy Louise Agee; (3) Dismissal of Coal Owner(s): H-W Financial, LLC (previously Harrison-Wyatt, LLC) (Royalties currently being paid under VP8SGU3, Docket #VGOB 06-0321-1598)

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)

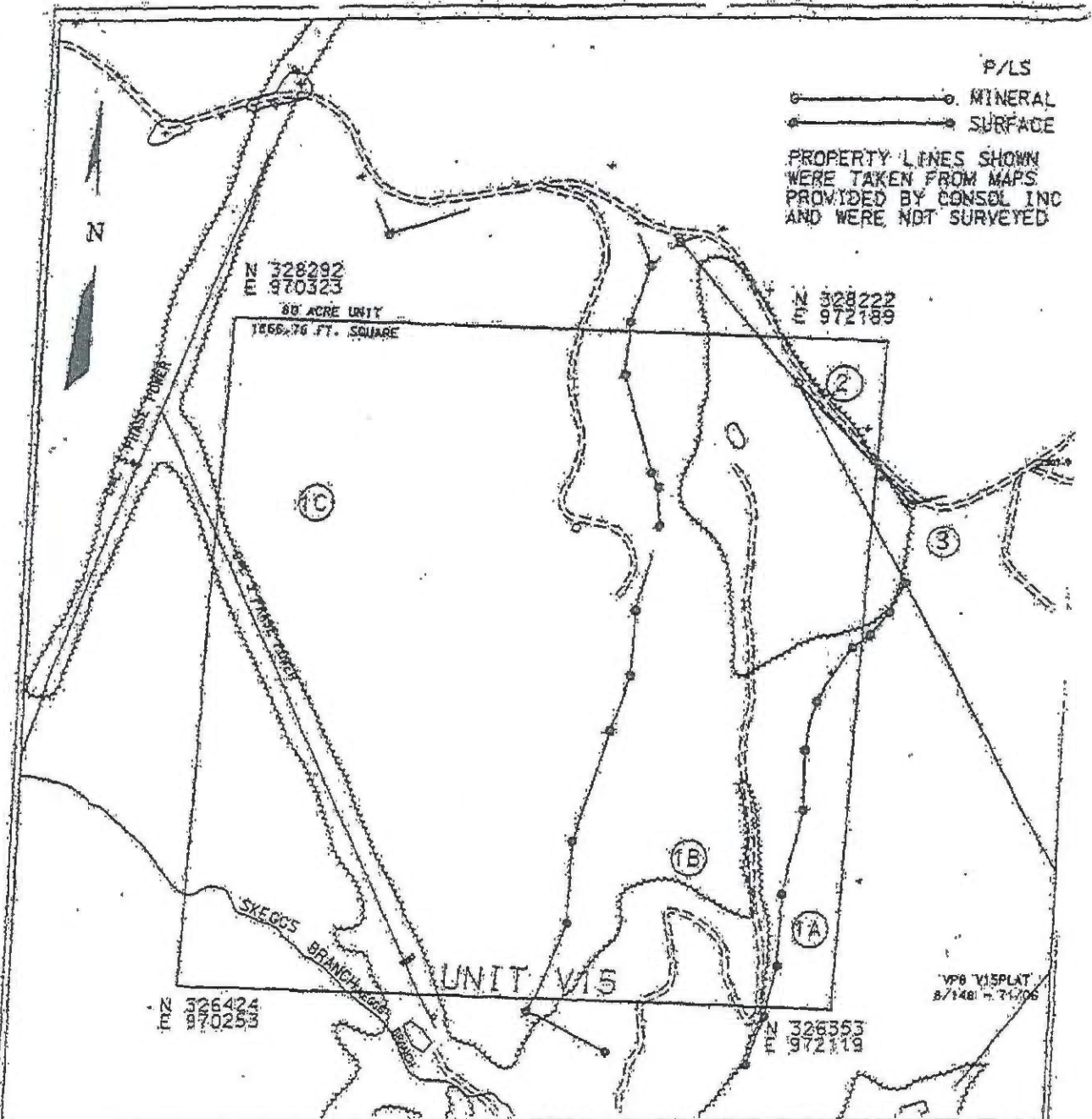
Coalbed Methane

5. Factual basis for relief requested

- a. Joyce Hawkins Jones, Charles Hawkins, Phyllis Everett McKeon, Nancy Louise Agee is the gas claimant in Tracts 2. As such Joyce Hawkins Jones, Charles Hawkins, Phyllis Everett McKeon, Nancy 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 Joyce Hawkins Jones, Charles Hawkins, Phyllis Everett McKeon, Nancy 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.

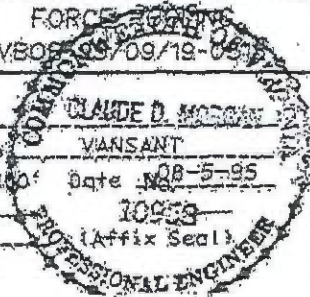


UNIT LOCATION PLAT

EXHIBIT A
 OAKWOOD FIELD UNIT V-15
 FORCE 2000
 VBOF 08/09/19-0515

Company: CONSOL INC Well Name and Number _____
 Tract No. _____ Elevation _____ Quadrangle _____
 County: SUCHANAN District: HURRICANE Scale: 1" = 400' Date: 08-5-95

Claude D. Morgan
 Licensed Professional Engineer or Licensed Land Surveyor
 Page Number 8.



CONSOL Inc.
 Plat Legend
 Property & Lease Information
 Unit: V-15

1. Big Axe Tr. 7 - Coal, Oil & Gas
 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
 78.055 acres - 97.569%
 - 1A. Elmer Brown - Surface
 - 1B. Tommie Rose - Surface
 - 1C. Buchanan Production Company (W.H. Brown Tract)

2. 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
 1.527 acres - 1.909%

3. Sammie Harris - Surface
 Pobst & McGuire Tr. 2 - Coal, Oil & Gas
 Buchanan Production Company - Oil & Gas Lessee
 Island Creek Coal Company - Coal Lessee
 Permac, Inc.
 Jewell Smokeless Coal Corporation
 Buchanan Production Company - CBM Lessee
 0.418 acres - 0.522%

Exhibit E
 Unit V-15
 Docket #VGOB-95-0919-0518-02
 List of Conflicting Owners/Claimants that require escrow

160602060

	Net Acres in Unit	Interest in Unit
<u>Tract #2. 1.527 Acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, LLC Oxy Tr 19 / Big Axe Tr 4 (91.00 acre tract) P.O. Box 11000 Danville, VA 24543	1.527 acres	1.9088%
<u>OIL & GAS OWNERSHIP</u>		
(1) Jessie Childress Heirs, et al. (5.00 Acre Tract)	1.527 acres	1.9088%
(e) Eleanor Hankins Heirs, Devisees, Successors or Assigns		
(e.1) Robert B. Hawkins, Jr., Heirs, Devisees, Successors or Assigns		
<i>W9/Affidavit not received</i>		
(e.1.1) Elvetta Wood Hawkins 5843 Fairhill Ln Knoxville, TN 37918	0.046 acres 1/33 of 1.527 acres	0.0578%
	Acreage In Unit Percentage of Unit	0.046 0.0578%

Exhibit EE
Unit V-15
Docket #VGOB-95-0919-0518-02
List of Conflicting Owners with Royalty Splits/Court Orders/HB2058

160002060

	Net Acres in Unit	Interest in Unit	Percent of Escrow
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Tract #2, 1.527 Acres

COAL OWNERSHIP

(1) H-W Financial, LLC <i>Oxy Tr 19 / Big Axe Tr 4 (91.00 acre tract)</i> P.O. Box 11000 Danville, VA 24543	1.527 acres	1.9088%	
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OIL & GAS OWNERSHIP

(1) Jessie Childress Heirs, et al. <i>(5.00 Acre Tract)</i>	1.527 acres	1.9088%	
(a) Virginia H. Childress <i>Conveyed to BPC 10/21/94 DB 429/385</i>			
(b) Nellie Fay Couch <i>Conveyed to BPC 9/27/94 DB 428/429</i>			
(b.1) Buchanan Production Company <i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>			
(b.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.139 acres 1/11 of 1.527 acres	0.1735%	n/a
(c) Eula Childress Hensdill <i>Conveyed to BPC 10/3/94 DB 428/431</i>			
(c.1) Buchanan Production Company <i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>			
(c.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.139 acres 1/11 of 1.527 acres	0.1735%	n/a
(d) Madeline Childress Tucker <i>Conveyed to BPC 10/14/94 DB 429/389</i>			
(d.1) Buchanan Production Company <i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>			
(d.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.139 acres 1/11 of 1.527 acres	0.1735%	n/a
(e) Eleanor Hankins Heirs, Devisees, Successors or Assigns			
(e.1) Robert B. Hawkins, Jr., Heirs, Devisees, Successors or Assigns			
(e.1.2) Joyce Hawkins Jones 840 Fairview School Rd Blountville, TN 37617	0.046 acres 1/33 of 1.527 acres	0.0578%	15.1714% HB2058
(e.1.3) Charles Hawkins 343 Glasgow Ln Blountville, TN 37617	0.046 acres 1/33 of 1.527 acres	0.0578%	15.1714% HB2058
(f) Wanda Childress Cochran <i>Conveyed to Virginia H. Childress 10/11/94 DB 429/381</i>			
(f.1) Virginia H. Childress <i>Conveyed to BPC 10/11/94 DB 429/385</i>			
(f.1.1) Buchanan Production Company <i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>			

Exhibit EE
Unit V-15
Docket #VGOB-95-0919-0518-02
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160002060

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(f.1.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.139 acres 1/11 of 1.527 acres	0.1735%	<i>n/a</i>
(g) Edith Virginia Presnell	<i>Conveyed to BPC 10/24/94 DB 429/391</i>		
(g.1) Buchanan Production Company	<i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>		
(g.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.139 acres 1/11 of 1.527 acres	0.1735%	<i>n/a</i>
(h) Phyllis Everett McKeon 4472 Dike Road Winter Park, FL 32792	0.139 acres 1/11 of 1.527 acres	0.1735%	45.5142% HB2058
(i) Beatrice Childress Raleigh	<i>Conveyed to BPC 9/29/94 DB 428/433</i>		
(i.1) Buchanan Production Company	<i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>		
(i.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.139 acres 1/11 of 1.527 acres	0.1735%	<i>n/a</i>
(j) Carl C. Childress	<i>Conveyed to BPC 9/29/94 DB 428/433</i>		
(j.1) Buchanan Production Company	<i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>		
(j.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.139 acres 1/11 of 1.527 acres	0.1735%	<i>n/a</i>
(k) Emory Childress	<i>Conveyed to Virginia H. Childress 10/11/94 DB 429/381</i>		
(k.1) Virginia H. Childress	<i>Conveyed to BPC 10/11/94 DB 429/385</i>		
(k.1.1) Buchanan Production Company	<i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>		
(k.1.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.139 acres 1/11 of 1.527 acres	0.1735%	<i>n/a</i>
(l) Pinkie Edna Kitts Heirs, Devisees, Successors or Assigns	<i>Conveyed to BPC 10/21/94 DB 430/26</i>		
(l.1) Verna Taylor	<i>Conveyed to BPC 10/21/94 DB 430/26</i>		
(l.1.1) Buchanan Production Company	<i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>		
(l.1.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.028 acres 1/55 of 1.527 acres	0.0347%	<i>n/a</i>
(l.2) Nancy Louise Agee 7601 Bull Run Road Manassas, VA 22110	0.028 acres 1/55 of 1.527 acres	0.0347%	9.1028% HB2058
(l.3) Straley D. Kitts	<i>Conveyed to BPC 10/6/94 DB 428/437</i>		

Exhibit EE
 Unit V-15
 Docket #VGOB-95-0919-0518-02
 List of Conflicting Owners with Royalty Splits/Court Orders/HB2058

160002060

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(I.3.1) Buchanan Production Company	<i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>		
(I.3.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.028 acres 1/55 of 1.527 acres	0.0347%	<i>n/a</i>
(I.4) R. Warren Kitts	<i>Conveyed to BPC 10/6/94 DB 428/435</i>		
(I.4.1) Buchanan Production Company	<i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>		
(I.4.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.028 acres 1/55 of 1.527 acres	0.0347%	<i>n/a</i>
(I.5) George Wendell Kitts	<i>Conveyed to BPC 10/6/94 DB 429/387</i>		
(I.5.1) Buchanan Production Company	<i>Merger with CNX Gas Co LLC 3/31/03 DB 617/576</i>		
(I.5.1.1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 <i>(previously Buchanan Production Company)</i>	0.028 acres 1/55 of 1.527 acres	0.0347%	<i>n/a</i>
	Acreage in Unit Percentage of Unit	1.4807 1.8509%	

INSTRUMENT #160002060
 RECORDED IN THE CLERK'S OFFICE OF
 BUCHANAN COUNTY ON
 NOVEMBER 8, 2016 AT 01:55PM

BEVERLY S. TILLER, CLERK
 RECORDED BY: VAH