

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: V30

TRACT(S): 11

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-96-0116-0532-01

APPLICANTS:

CNX Gas Company LLC on behalf of VDOT

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 04/01/1996, Recorded on 04/08/1996, Deed Book/Instrument No. 447, Page 361.
2. Supplemental Order Executed 01/23/1997, Recorded on 02/03/1997, Deed Book/Instrument No. 458, Page 189.

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) 11 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 11 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. Commonwealth of Virginia is the gas claimant in Tracts 11 As such Commonwealth of Virginia 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 Commonwealth of Virginia and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

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VGOB Disbursement
Unit V30

VGOB-96-0116-0532-01

Table 1
Tracts: 11

Item	Tract	Disbursement Table	Fractional Ownership		Net Acreage		Royalty Split		Escrowed Acres		Percent of Escrowed Funds	
			In Tract	in Tract	Ownership	Agreement	Disbursed	Disbursed	Disbursed	Disbursed	Disbursed	Disbursed
		Total acreage in escrow before disbursement							0.19000			
11 Tract 11 (total acreage)			0.19		0.1900		100.00%		0.1900		100.0000%	
1	11	VDOT\870 Bonham Rd., Bristol, VA 24201										

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

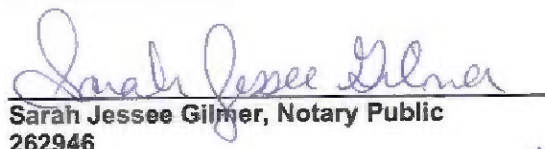
DONE AND PERFORMED this 12 day of January, 2016 by Order of the Virginia Gas and Oil Board.



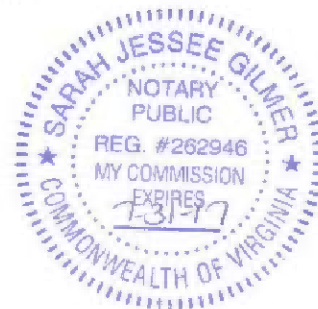
Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

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 96-0116-0532-01

**RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 11 (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: V30**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, attributable to of Tract 11, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the Commonwealth of Virginia.

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)

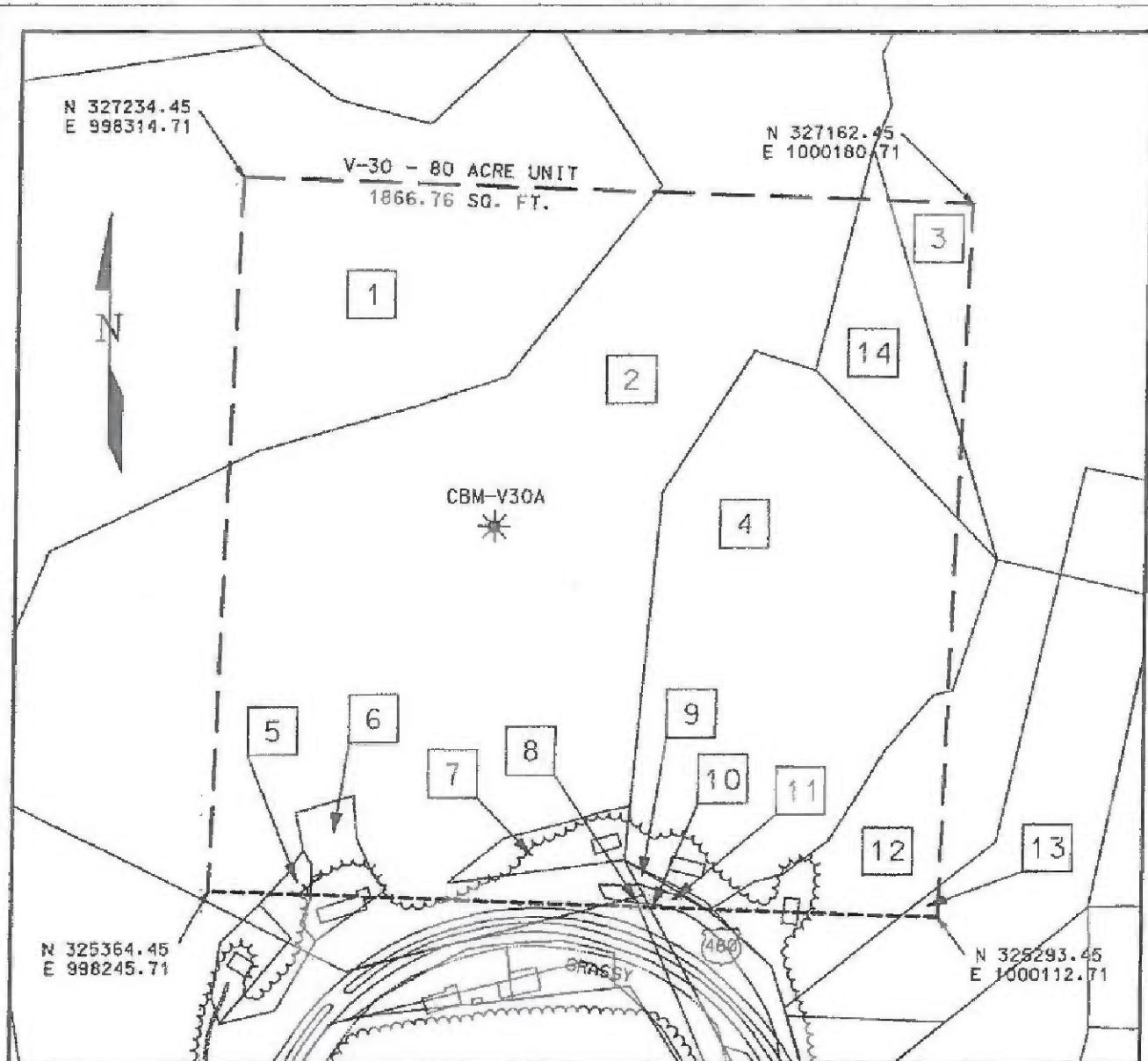
Coalbed Methane

5. Factual basis for relief requested

- a. Commonwealth of Virginia is the gas claimant in Tracts 11 As such Commonwealth of Virginia 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 Commonwealth of Virginia 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.



LEGEND

- TRACT LAND HOOK
- EXISTING CBM WELL
- TRACT LAND ID'S

EXHIBIT A
OAKWOOD FIELD UNIT V-30
FORCE POOLING
VGGB-96/01/16-0532

Company CONSOL Inc. Well Name and Number UNIT V-30
 Tract No. _____ Elevation _____ Quadrangle Keen Mountain
 County Buchanan District Garden Scale: 1" = 400' Date 12/14/95
 This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DGD-GO-7
Rev. 9/91

Charles O. May

Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

CONSOL Inc.
Oakwood Field Unit V-30
Tract Identifications
DGO-GO-7 Attachment

1. Yukon Pocahontas Coal Company, et al - Tr. 120 -
Coal, Oil, Gas & Surface
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
Jewell Smokeless Coal Corp.
Permac, Inc.
Buchanan Production Company - CBM Lessee
12.15 acres - 15.1875%
2. Yukon Pocahontas Coal Company, et al - Tr. 121 -
Coal, Oil, Gas & Surface
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
Jewell Smokeless Coal Corp.
Permac, Inc.
Buchanan Production Company - CBM Lessee
37.33 acres - 46.6625%
3. C. L. Ritter - Tr. 53 - Coal, Oil, Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
Jewell Smokeless Coal Corp.
Permac, Inc.
Buchanan Production Company - CBM Lessee
1.56 acres - 1.95%
4. Sue Elkins - Surface, Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
19.43 acres - 24.2875%
5. Yukon Pocahontas Coal Company, et al - Tr. 113 -
Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
Jewell Smokeless Coal Corp.
Permac, Inc.
Buchanan Production Company - CBM Lessee
J. Cook - Surface
0.15 acres - 0.1875%

CONSOL Inc.
Tract Identifications
Y-30

6. Yukon Pocahontas Coal Company, et al - Tr. 113 -
Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
Jewell Smokeless Coal Corp.
Permac, Inc.
Buchanan Production Company - CBM Lessee
J. Cook - Surface
0.86 acres - 1.075%
7. Yukon Pocahontas Coal Company, et al - Tr. 113 -
Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
Jewell Smokeless Coal Corp.
Permac, Inc.
Buchanan Production Company - CBM Lessee
Unknown - Surface
1.13 acres - 1.4125%
8. Yukon Pocahontas Coal Company, et al - Tr. 113 -
Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
Jewell Smokeless Coal Corp.
Permac, Inc.
Buchanan Production Company - CBM Lessee
0.02 acres - 0.0250%
9. Sue Elkins - Surface, Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
0.05 acres - 0.0625%
10. Sue Elkins - Surface, Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
0.02 acres - 0.0250%
11. Virginia Department of Transportation - Surface,
Coal(except Pocahontas No 3 Seam), Oil & Gas
Consolidation Coal Co - Pocahontas No 3 Seam
0.19 acres - 0.2375%
12. Paul Shortt heirs - Surface, Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
3.46 acres - 4.325%

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CONSOL Inc.
Tract Identifications
CBM V-30

13. Lucy Wade heirs - Surface, Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
0.08 acres - 0.100%
14. C.L. Ritter - Tr. 53 - Coal, Oil & Gas
Coal Lessees
Island Creek Coal Company - Coal Below Tiller
Jewell Smokeless Coal Corp.
Permac, Inc.
Buchanan Production Company - CBM Lessee
Paul Shortt heirs - Surface
3.57 acres - 4.4625%

Exhibit E
Oakwood Field Unit V-30
VGOB-96/01/16-0532-01
List of Conflicting Owners/Claimants that require escrow

160000139

Acres in Unit	Percent of Unit	Division of Interest in	Division of Interest in
		1 LEFT = 27.9134%	2 LEFT = 16.2073%

Escrowing no longer required

Exhibit EE
Oakwood Field Unit V-38
VGOB-96/01/16-0532-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

160000139

	Acres in Unit	Percent of Unit	Division of Interest in 1 LEFT = 27.9134%	Division of Interest in 2 LEFT = 16.2073%	Percent of Escrow
<u>Tract 11, 0.19 acre tract</u>					0.19
<u>COAL OWNERSHIP</u>					
(1) Consolidation Coal Company PO Box 643830 Pittsburgh, PA 15264-3830	0.19 acres	0.2375%	0.0663%	0.0385%	
<u>OIL & GAS OWNERSHIP</u>					
(1) Commonwealth of Virginia Dept of Transportation 870 Bonham Rd Bristol, VA 24201	0.19 acres	0.2375%	0.0663%	0.0385%	100.0000% HB2058

INSTRUMENT #160000139
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
FEBRUARY 2, 2016 AT 02:31PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP