

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

UNITWELL NAME: S17

TRACT(S): A portion of 6

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-98-0120-0617-02

APPLICANTS:

CNX Gas Company LLC on behalf of Phyllis 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 04/15/1998, Recorded on 04/29/1998, Deed Book/Instrument No. 475, Page 276.
2. Supplemental Order Executed 05/03/1999, Recorded on 05/12/1999, Deed Book/Instrument No. 491, Page 636.
3. Disbursement Order -01 Executed 10/13/2005, Recorded on 10/14/2005, Deed Book/Instrument No. 3115.

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) A portion of 6 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 6 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. Phyllis McKeon is the gas claimant in Tracts 6. As such Phyllis McKeon 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 McKeon and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

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VGOB Disbursement
Unit S17

VGOB-98-0120-0617-02

Table 1

Tracts: A portion of 6

Item	Tract	Disbursement Table	Fractional Ownership	Net Acreage Ownership	Royalty Split	Escrowed Acres	Percent of Escrowed Funds
			In Tract	In Tract	Agreement	Disbursed	Disbursed
		Total acreage in escrow before disbursement				0.09730	
		6 Tract 6 (total acreage)	0.7300				
1	6	Phyllis McKeon\4472 Dikd Rd Winter Park, FL 32792	2/33	0.0442	100.00%	0.0442	45.4701%

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.

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DONE AND EXECUTED this 31 day of March, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

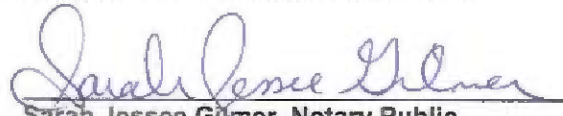
DONE AND PERFORMED this 31 day of March, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 31st day of March, 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 98-0120-0617-02**RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 6 (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:** S17**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 6, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Phyllis McKeon.

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 McKeon is the gas claimant in Tracts 6. As such Phyllis McKeon 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 McKeon 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.

Company CONSOL Inc. Well Name and Number UNIT 3 SEVENTH DISTRICT
Tract No. Big Vein 128 Elevation 2415.35' Quadrangle Consent
County Buchanan District Garden Scale: 1" = 400' Date August 1977
This plot is a new plot : an updated plot : or a final plot
+ Denotes the location of a well on United States Topographic Maps, scale 1:24,000. Latitude and longitude lines being represented by border lines of a section.
Form 960-GD-7
Rev. 9/51
Charles R. Meyer
Licensed Professional Engineer or Licensed Land Surveyor
10958
(Affix Seal)

Page Number 7.

CONSOL Inc.
Property and Lease Information
Unit S-17

1. Yukon Pocahontas Coal Company, et al - Coal, Oil & Gas
Big Vein Tr. 128
Island Creek Coal Company - Coal Lessee
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
26.34 acres 32.9250%
2. Yukon Pocahontas Coal Company, et al - Coal, Oil & Gas
Big Vein Tr. 115
Island Creek Coal Company - Coal Lessee
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
0.61 acres 0.7625%
3. Yukon Pocahontas Coal Company, et al - Coal, Oil & Gas
Big Vein Tr. 3
Island Creek Coal Company - Coal Lessee
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
39.52 acres 49.4000%
4. Yukon Pocahontas Coal Company, et al - Coal, Oil & Gas
Big Vein Tr. 116
Island Creek Coal Company - Coal Lessee
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
0.07 acres 00.0875%
5. Big Axe Land Company Tr. 6 - Coal, Oil & Gas
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
Island Creek Coal Company - Coal Lessees
Jewell Smokeless Coal Corporation
Buchanan Production Company - Oil & Gas Lessee
Buchanan Production Company - CBM Lessee
Jessie Childress Heirs, Et al. - Surface
10.26 acres 12.8250%

6. Big Axe Land Company Tr. 4 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
Island Creek Coal Company - Coal Lessees
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
Jessie Childress Heirs, Et al. - Surface, Oil & Gas
0.73 acres 0.9125%

7. Big Axe Land Company Tr. 4 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
Island Creek Coal Company - Coal Lessees
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
Jerry Raines - Surface, Oil & Gas
2.47 acres 3.0875%

Exhibit E
Oakwood Field Unit S-17
Docket #VGOB 98-0120-0617-02
List of Owners/Claimants requiring Escrow

	Acres in Unit	Percent of Unit
<u>TRACT #6 - 0.73 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	0.73 acres	0.9125%
<u>OIL & GAS OWNERSHIP</u>		
(1) Jessie Childress Heirs, et al	0.73 acres	0.9125%
<i>The ownership listed below is currently being reviewed and documentation is being requested to verify title.</i>		
(b) Eleanor Hankins Heirs, Devisees, Successors or Assigns	0.0442 acres 2/33 of 0.23 acres	0.0553%
(b.1) Elvotta Hawkins 5843 Fairhill Lane Knoxville, TN 37918		
(b.1) Joyce Hawkins Jones 840 Fairview School Rd Blountville, TN 37617		
(b.2) Charles Hawkins 343 Glasgow Lane Blountville, TN 37617		
(c) Pinkie Edna Kitts Heirs, Devisees, Successors or Assigns	0.0088 acres 2/165 of 0.23 acres	0.0111%
(c.1) Louise Agee 7601 Bull Run Road Manassas, VA 22110		

Exhibit EE
Oakwood Field Unit S-17
Docket #VGOB 98-0120-0617-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

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	Acres in Unit	Percent of Unit	Percent of Escrow
<u>TRACT #6 - 0.73 acres</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C. c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	0.73 acres	0.9125%	
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Jessie Childress Heirs, et al	0.73 acres	0.9125%	
(a) Phyllis Everett McKeon 4472 Dike Road Winter Park, FL 32792	0.0442 acres 2/33 of 0.23 acres	0.0553%	45.4701%
<i>HB2058 Escrow Release</i>			
(d) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830	0.6327 acres 143/165 of 0.23 acres	0.7908%	n/a
<u>TRACT #7 - 2.47 acres</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Harrison-Wyatt, LLC, Big Axe Tr.4 P.O. Box 11000 Danville, VA 24543	2.47 acres	3.0875%	
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Jerry Raines P. O. Box 132 Oakwood, VA 24631	2.47 acres	3.0875%	n/a

INSTRUMENT #160000697
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
APRIL 19, 2016 AT 04:29PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP