



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: S17

TRACT(S): A portion of 6

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-98-0120-0617-03

APPLICANTS: CNX Gas Company LLC on behalf of Charles Hawkins, Joyce Hawkins Jones, Louise Agee

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.
4. Disbursement Order -02 Executed 03/31/2016, Recorded on 04/19/2016, Deed Book/Instrument No. 160000697.

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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) 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. Joyce Hawkins Jones, Charles Hawkins, and Louise Agee are the gas claimants in a portion of Tr. 6. As such Joyce Hawkins Jones, Charles Hawkins, and Louise Agee are entitled to 100% of the CBM royalties attributable to their 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 CNX Gas Company LLC has previously given the notice(s) required by § 45.1-361.22:2.A to all conflicting coal claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That when the Board granted Petitioner's Miscellaneous Petition in VGOB 98-0120-0617-02, it dismissed the coal claimant(s) H-W Financial, LLC (Formerly Harrison-Wyatt, LLC) as a Respondent to these proceedings. Accordingly, H-W Financial, LLC (Formerly Harrison-Wyatt, LLC) was not provided further notice under § 45.1-361.19 and 22 of the hearing set on this Petition.
- 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, and Louise Agee and shall 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:

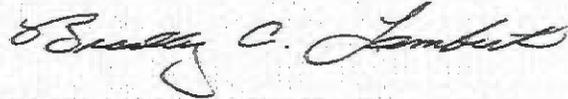
Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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.

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DONE AND EXECUTED this 28 day of October, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 28 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 28 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.


Sally Settle Keiron, Notary Public
7623162

My Commission expires: January 31, 2019



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 98-0120-0617-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 6 (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: S17

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 of Tract(s) portion of Tr. 6 as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Joyce Hawkins Jones, Charles Hawkins, and 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)

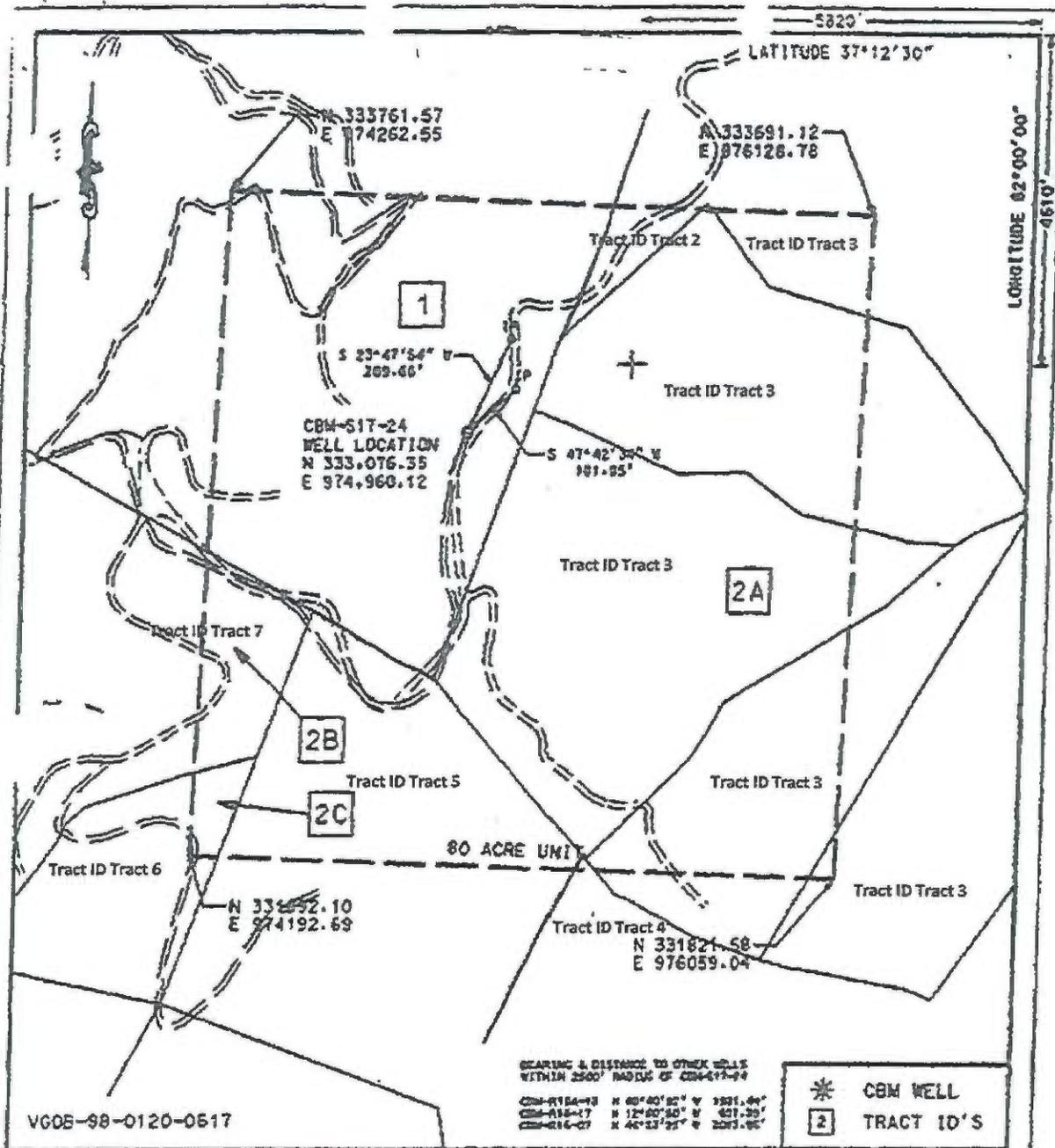
Coalbed Methane

5. Factual basis for relief requested

- a. Joyce Hawkins Jones, Charles Hawkins, and Louise Agee are the gas claimants in a portion of Tr. 6. As such Joyce Hawkins Jones, Charles Hawkins, and Louise Agee are entitled to 100% of the CBM royalties attributable to their 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 CNX Gas Company LLC has previously given the notice(s) required by § 45.1-361.22:2.A to all conflicting coal claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That when the Board granted Petitioner's Miscellaneous Petition in VGOB 98-0120-0617-02, it dismissed the coal claimant(s) H-W Financial, LLC (Formerly Harrison-Wyatt, LLC) as a Respondent to these proceedings. Accordingly,) H-W Financial, LLC (Formerly Harrison-Wyatt, LLC) was not provided further notice under § 45.1-361.19 and 22 of the hearing set on this Petition.
- 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, and Louise Agee and shall 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.



WELL LOCATION PLAT

Company CONSOL Inc. Well Name and Number UNIT S17, DOCKET #98-0120-0517
 Tract No. Big Vein 128 Elevation 2415.35' Quadrangle present
 County Buchanan District Garden Scale 1" = 400' Date 10/27/2011
 This plat is a new plat ; an updated plat ; or a final plat X
 + Denotes the location of a well on United States Topographic Maps, scale 1:60,000. latitude and longitude lines being represented by border lines of a zone.
 Form DGG-GD-7 Charles R. Meyer 10558 (Affix Seal)
 Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor

For consistency, CNX is including the plat that was recorded with all prior proceedings related to Unit S17, Docket #98-0120-0617. As clarification, the corresponding Tract ID numbers are being shown on the plat as well.

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%

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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 98-0120-0617-03
 List of Owners/Claimants requiring Escrow

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	Acres in Unit	Percent of Unit
<u>TRACT #6 - 0.73 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) H-W Financial, L.L.C. P.O. Box 11000 Danville, VA 24543	0.73 acres	0.9125% <i>Dismissed under -02 petition</i>
<u>OIL & GAS OWNERSHIP</u>		
(1) Jessie Childress Heirs, et al	0.73 acres	0.9125%
<i>The owners listed below did not respond timely to W-9 request and will continue to be escrowed</i>		
(b) Eleanor Hankins Heirs, Devisees, Successors or Assigns		
(b.1) Robert B. Hawkins, Jr. Heirs, Devisees, Successors or Assigns		
(b.1.1) Elvetta Hawkins 5843 Fairhill Lane Knoxville, TN 37918	0.0147 acres 2/99 of 0.23 acres	0.0184%

Exhibit EE
 Oakwood Field Unit S-17
 Docket #VGOB 98-0120-0617-03

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List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Acres in Unit	Percent of Unit	Percent of Escrow
TRACT #6 - 0.73 acres			
COAL OWNERSHIP			
(1) H-W Financial, L.L.C. P.O. Box 11000 Danville, VA 24543	0.73 acres	0.9125%	
OIL & GAS OWNERSHIP			
(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%	n/a
(b) Eleanor Hankins Heirs, Deviseses, Successors or Assigns			
(b.1) Robert B. Hawkins, Jr. Heirs, Deviseses, Successors or Assigns			
(b.1.2) Joyce Hawkins Jones 840 Fairview School Rd Blountville, TN 37617	0.0147 acres 2/99 of 0.23 acres	0.0184%	27.7730% HB2058
(b.1.3) Charles Hawkins 343 Glasgow Lane Blountville, TN 37617	0.0147 acres 2/99 of 0.23 acres	0.0184%	27.7730% HB2058
(c) Pinkie Edna Kitts Heirs, Deviseses, Successors or Assigns			
(c.1) Louise Agee 7601 Bull Run Road Manassas, VA 22110	0.0088 acres 2/165 of 0.23 acres	0.0111%	16.6638% HB2058
(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

TRACT #7 - 2.47 acres

COAL OWNERSHIP

(1) H-W Financial, L.L.C. P.O. Box 11000 Danville, VA 24543	2.47 acres	3.0875%	
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OIL & GAS OWNERSHIP

(1) Jerry Raines P. O. Box 132 Oakwood, VA 24631	2.47 acres	3.0875%	n/a
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INSTRUMENT #160002059
 RECORDED IN THE CLERK'S OFFICE OF
 BUCHANAN COUNTY ON
 NOVEMBER 8, 2016 AT 01:53PM
 BEVERLY S. TILLER, CLERK
 RECORDED BY: VAH

\$22
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INSTRUMENT #160002066
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
NOVEMBER 8, 2016 AT 02:23PM

BEVERLY S. TILLER, CLERK
RECORDED BY: VAH