



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: X36

TRACT(S): A portion of 1E

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-98-0324-0628-05

APPLICANTS: CNX Gas Company LLC on behalf of Serena McClanahan, Thelma J. Wade

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 05/26/1998, Recorded on 06/05/1998, Deed Book/Instrument No. 477, Page 87.
2. Supplemental Order Executed 08/28/1998, Recorded on 09/02/1998, Deed Book/Instrument No. 481, Page 175.
3. Disbursement Order -01 Executed 10/18/2007, Recorded on 10/29/2007, Deed Book/Instrument No. 70004027.
4. Disbursement Order -02 Executed 05/27/2015, Recorded on 06/05/2015, Deed Book/Instrument No. 150000902.

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5. Disbursement Order -03 Executed 05/11/2016, Recorded on 05/19/2016, Deed Book/Instrument No. 160000886.
6. Disbursement Order -04 Executed 10/26/2016, Recorded on 11/08/2016, Deed Book/Instrument No. 160002058.

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 1E identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 1E 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. Thelma Josie Wade and Serena McClanahan are the gas claimants in a portion of Tr. 1E. As such Thelma Josie Wade and Serena McClanahan 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 98-0324-0628-03, it dismissed the coal claimant(s) Hurt McGuire Land Trust as a Respondent to these proceedings. Accordingly, Hurt McGuire Land Trust 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 Thelma Josie Wade and Serena McClanahan and shall not escrow same. See Exhibit EE annexed hereto.

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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 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:

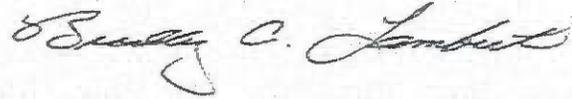
Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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 2 day of February, 2017 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 2 day of February, 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 2nd day of February, 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.



Charles Blair Linford, Notary Public
7710935

My Commission expires: March 31, 2021



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 98-0324-0628-05

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 1E (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: X36

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. 1E as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Thelma Josie Wade and Serena McClanahan.

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)

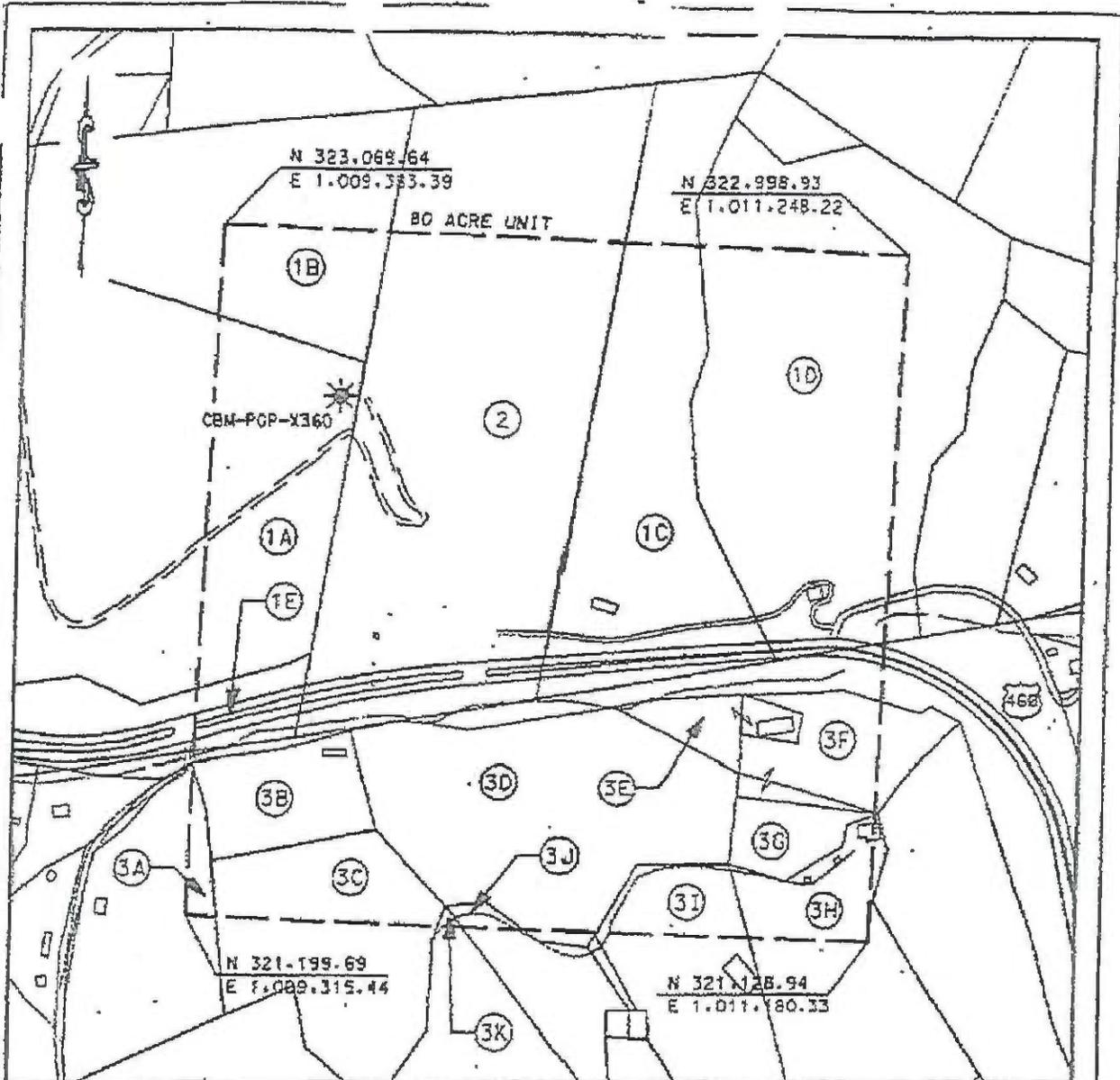
Coalbed Methane

5. Factual basis for relief requested

- a. Thelma Josie Wade and Serena McClanahan are the gas claimants in a portion of Tr. 1E. As such Thelma Josie Wade and Serena McClanahan 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 98-0324-0628-03, it dismissed the coal claimant(s) Hurt McGuire Land Trust as a Respondent to these proceedings. Accordingly, Hurt McGuire Land Trust 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 Thelma Josie Wade and Serena McClanahan 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.



LEGEND

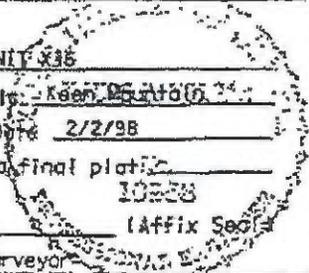
- ← TRACT LAND HOOK
- [Z] TRACT LAND ID'S

EXHIBIT A
 OAKWOOD FIELD UNIT X-36
 FORCE POOLING
 VG08-98-0324-0628

Company Pacchontas Gas Partnership Well Name and Number UNIT X36
 Tract No. _____ Elevation _____ Quadrangle Keen, Buchanan 34
 County Buchanan District Garden Scale: 1" = 400' Date 2/2/98
 This plot is a new plot ; an updated plot _____ ; or a final plot _____

Form DGO-60-7
 Rev. 9/91

Charles D. [Signature]
 Licensed Professional Engineer or Licensed Land Surveyor



POCAHONTAS GAS PARTNERSHIP
UNIT X-36
Tract Identifications

- 1A. Hurt & McGuire - Coal
Consolidation Coal Co. - Coal below Tiller seam Leased
Jewell Smokeless Coal - Tiller & above coal Leased
Consolidation Coal Company - Surface, Oil & Gas
7.53 acres 9.4125%
- 1B. Hurt & McGuire - Coal
Consolidation Coal Co. - Coal below Tiller seam Leased
Jewell Smokeless Coal - Tiller & above coal Leased
Daisy Burke - Surface, Oil & Gas
3.03 acres 3.7875%
- 1C. Hurt & McGuire - Coal
Consolidation Coal Co. - Coal below Tiller seam Leased
Jewell Smokeless Coal - Tiller & above coal Leased
Pocahontas Gas Partnership - Oil & Gas Leased
Pocahontas Gas Partnership - CBM Leased
Elmer Pruitt - Surface, Oil & Gas
9.61 acres 12.2625%
- 1D. Hurt & McGuire - Coal
Consolidation Coal Co. - Coal below Tiller seam Leased
Jewell Smokeless Coal - Tiller & above coal Leased
Pocahontas Gas Partnership - Oil & Gas Leased
Pocahontas Gas Partnership - CBM Leased
Rosetta Pruitt - Surface, Oil & Gas
12.84 acres 15.8000%
- 1E. Hurt & McGuire - Coal
Consolidation Coal Co. - Coal below Tiller seam Leased
Jewell Smokeless Coal - Tiller & above coal Leased
Ord Wade heirs - Oil & Gas
VDOT - Surface
1.27 acres 1.5875%
2. Yukon Pocahontas - TR. 31 - Surface, Coal, Oil & Gas
Island Creek Coal Co. - Coal below Tiller seam Leased
Consolidation Coal Co. - P3 seam Leased
Jewell Smokeless Coal - Tiller & above coal Leased
Pocahontas Gas Partnership - CBM Leased
19.03 acres 23.7875%
3. Commonwealth Coal Co. Tr 2 - Coal, Oil & Gas
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Leased
26.69 acres 33.3625%

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POCAHONTAS GAS PARTNERSHIP
UNIT X-39
Tract Identifications

3A. James Cook - Surface
3B. James Cook - Surface
3C. Raleigh Shortt - Surface
3D. Mac Construction - Surface
3E. Mark Taylor - Surface
3F. Coy Taylor - Surface
3G. Hubert Carter - Surface
3H. Hubert Carter - Surface
3I. Windsor Shortt - Surface
3J. Ed White - Surface
3K. Raleigh Shortt - Surface

Exhibit E
Unit X-36
Docket #VGOB-98-0324-0628-05
List of Respondents in Escrow

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	Net Acres in Unit	Interest in Unit
<u>Tract #1E - 1.27 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	1.27 acres	1.5875% <i>Dismissed under -03 Petition</i>
<u>OIL & GAS OWNERSHIP</u>		
(f) Ord Wade Heirs, Devisees, Successors or Assigns	1.27 acres	1.5875%
(g) Kenneth Wade Heirs, Devisees, Successors or Assigns		
<u>W-9/Affidavit Pending</u>		
(g.1) Richard Wade 301 Kennedy Drive Pounding Mill, VA 24637	0.0907 acres 1/14 of 1.27 acres	0.1134%
	Total tract acres	0.0907
	Total tract percent	0.1134%

Exhibit EE
Unit X-36
Docket #VGOB-98-0324-0628-05
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1A - 7.53 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	7.53 acres	9.4125%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Consolidation Coal Company 10545 Riverside Dr. Oakwood, VA 24631 <i>(Royalties Paid to CNX Gas Company LLC)</i>	7.53 acres	9.4125%	n/a
<u>Tract #1B - 3.03 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	3.03 acres	3.7875%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Daisy Burke 1145 Hidden Acre Rd. Vansant, VA 24656	3.03 acres	3.7875%	n/a
<u>Tract #1C - 9.81 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	9.81 acres	12.2625%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Elmer & Tammy Pruitt			
<i>Deeded to CNX Gas Company LLC on December 5, 2008 recorded under Instrument # 080004400 Tammy Pruitt assigned CBM Royalties related to accumulations prior to the conveyance to CNX Gas Company LLC to Elmer R. Pruitt 3/31/2015</i>			
(a) CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317	9.81 acres	12.2625%	n/a
<i>Elmer Pruitt will receive a one time payout from escrow of the royalties that have accumulated to the date of the deed to CNX Gas Company LLC December 5, 2008. Elmer Pruitt will be paid 70% of the funds in escrow up until the date of the deed. CNX will receive 30% up until the date of the deed, then 100% after.</i>			
<u>Royalties to be paid as follows:</u>			
Elmer R. Pruitt 2734 Riverside Dr. Raven, VA 24639-8540	9.81 acres	12.2625%	n/a
<i>Per Settlement Agreement dated September 1, 2014, Hurt McGuire Land Trust waived and disclaimed all potential boundary ownership of the CBM in the 57 acre contained in Units W36, W37, X36 & X37</i>			
<u>Tract #1D - 12.64 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067	12.64 acres	15.8000%	n/a

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

	Net Acres in Unit	Interest in Unit	Percent of Escrow
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Bluefield, VA 24605

OIL & GAS OWNERSHIPRosella Pruitt Heirs, Devisees,
Successors or Assigns

Rosella Pruitt died testate on December 6, 2002, per WS26 / PG411 she devised the property to her five children; Thelma P. Justice, Estil Pruitt, Wanda P. McGlothlin, Elmer Randolph Pruitt and Bertha Joy Rampley. On January 12, 2005, Elmer Pruitt together with the heirs, conveyed their interest to Elmer & Tammy Pruitt (T/E) and recorded at DB611 / PG257 on February 1, 2005.

- (1) Elmer & Tammy Pruitt Deeded to CNX Gas Company LLC on December 5, 2008 recorded under Instrument # 080004400
2734 Riverside Drive Tammy Pruitt assigned CBM Royalties related to accumulations prior to the conveyance to
Raven, VA 24639 CNX Gas Company LLC to Elmer R. Pruitt 3/31/2015

- | | | | |
|--------------------------|-------------|----------|-----|
| (a) CNX Gas Company, LLC | 12.64 acres | 15.8000% | n/a |
| 1000 Consol Energy Drive | | | |
| Canonsburg, PA 15317 | | | |

Elmer Pruitt will receive a one time payout from escrow of the royalties that have accumulated to the date of the deed to CNX Gas Company LLC December 5, 2008. Elmer Pruitt will be paid 70% of the funds in escrow up until the date of the deed. CNX will receive 30% up until the date of the deed, then 100% after.

Royalties to be paid as follows:

- | | | | |
|----------------------|-------------|----------|-----|
| Elmer R. Pruitt | 12.64 acres | 15.8000% | n/a |
| 2734 Riverside Dr. | | | |
| Raven, VA 24639-8540 | | | |

Per Settlement Agreement dated September 1, 2014, Hurt McGuire Land Trust waived and disclaimed all potential boundary ownership of the CBM in the 57 acre contained in Units W36, W37, X36 & X37

Tract #1E - 1.27 acresCOAL FEE OWNERSHIP

- | | | | |
|-----------------------------|------------|---------|--|
| (1) Hurt McGuire Land Trust | 1.27 acres | 1.5875% | |
| c/o Charles Green | | | |
| P.O. Box 1067 | | | |
| Bluefield, VA 24605 | | | |

OIL & GAS OWNERSHIP

- | | | | |
|---|--------------------|---------|----------|
| (1) Ord Wade Heirs, Devisees,
Successors or Assigns | 1.27 acres | 1.5875% | |
| (a) Curtis E. Wade Heirs, Devisees,
Successors or Assigns | | | |
| (a.1) Laura Beth Lundy Wade Heirs, Devisees,
Successors or Assigns | | | |
| (a.1.1) Barbara W. Hendrix | 0.0259 acres | 0.0324% | n/a |
| PO Box 21884 | 1/49 of 1.27 acres | | |
| St. Simons Island, GA 31522 | | | |
| (a.1.2) Susan J. Wade | 0.0259 acres | 0.0324% | n/a |
| 6745 N Richmond St | 1/49 of 1.27 acres | | |
| Chicago, IL 60645 | | | |
| (a.1.3) Lydia R. Freund | 0.0259 acres | 0.0324% | n/a |
| 734 Norton Ave | 1/49 of 1.27 acres | | |
| Mundelein, IL 60060-1924 | | | |
| (a.1.4) Thelma (Josie) Wade | 0.0259 acres | 0.0324% | 12.5028% |
| 16330 Old Timber Rd | 1/49 of 1.27 acres | | HB2058 |
| Abingdon, VA 24210-4888 | | | |
| (a.1.5) Julia W. Beckman | 0.0259 acres | 0.0324% | n/a |
| 12500 Virtudes Street | 1/49 of 1.27 acres | | |

Exhibit EE
Unit X-36
Docket #VGOB-98-0324-0628-05
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

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	Net Acres in Unit	Interest in Unit	Percent of Escrow
Coral Gables, FL 33156			
(a.1.6) Curtis R. Wade 629 High Point Drive Mount Dora, FL 32757	0.0259 acres 1/49 of 1.27 acres	0.0324%	n/a
(a.1.7) Nathan Wade 60 Longbranch Ln Tryon, NC 28782	0.0259 acres 1/49 of 1.27 acres	0.0324%	n/a
(b) Madge Patricia Wade Dillon Heirs, Devisees, Successors or Assigns			
(b.1) Pamela Leigh Stout 4128 Sorrento Drive Chesapeake, VA 23321	0.0363 acres 1/35 of 1.27 acres	0.0454%	n/a
(b.2) Kris Ann Hardison 38112 Owens Grove Road Wakefield, VA 23888	0.0363 acres 1/35 of 1.27 acres	0.0454%	n/a
(b.3) Jodi Lynn Dixon 6253 Hillmare Drive Westerville, OH 43082	0.0363 acres 1/35 of 1.27 acres	0.0454%	n/a
(b.4) David Patrick Dillon 3711 Peppercorn Way Chesapeake, VA 23321	0.0363 acres 1/35 of 1.27 acres	0.0454%	n/a
(b.5) Michael Anthony Dillon 5692 SW Longspur Lane Palm City, FL 34990	0.0363 acres 1/35 of 1.27 acres	0.0454%	n/a
(c) Ann Laura Bohon Heirs, Devisees, Successors or Assigns			
(c.1) Paul Bohon 22287 Benhams Rd Bristol, VA 24202	0.0363 acres 1/35 of 1.27 acres	0.0454%	n/a
(c.2) Harty Loria 111 Lazy Trail Penfield, NY 14526-1705	0.0363 acres 1/35 of 1.27 acres	0.0454%	n/a
(c.3) Jennilyn Quillen 816 Hamilton Road Blountville, TN 27617	0.0363 acres 1/35 of 1.27 acres	0.0454%	n/a
(c.4) Joe Bohon 1723 Cindy Dr Greenville, TN 37743-5805	0.0363 acres 1/35 of 1.27 acres	0.0454%	n/a
(c.5) Charles Dewaine Bohon, Jr. Heirs, Devisees, Successors or Assigns			
(c.5.1) Charles Dewain Bohon, III 12635 Gov. George C. Pei Pounding Mill, VA 24637	0.0363 acres 1/35 of 1.27 acres	0.0454%	n/a
(d) Phyllis Jean Estep PO Box 515 Gordonsville, VA 22942	0.1814 acres 1/7 of 1.27 acres	0.2268%	n/a
(e) Dorothy E. Lowe P.O. Box 436 Cedar Bluff, VA 24609	0.1814 acres 1/7 of 1.27 acres	0.2268%	n/a
(f) Ruth Stump P.O. Box 36 Faith Hill, NC 28041	0.1814 acres 1/7 of 1.27 acres	0.2268%	n/a

Exhibit EE
 Unit X-36
 Docket #VGOB-98-0324-0628-05
 List of Respondents with Royalty Split Agreements/Court Orders/HB2058

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	Net Acres in Unit	Interest in Unit	Percent of Escrow
(g) Kenneth Wade Heirs, Devisees, Successors or Assigns			
(g.2) Serena McClanahan P.O. Box 1233 Cedar Bluff, VA 24609	0.0907 acres 1/14 of 1.27 acres	0.11339%	43.7599% HB2058
	Acreage in Unit	1.1793	
	Percentage of Unit	1.4741%	
<u>TOTAL CONFLICTS RESOLVED:</u>			
	Acreage in Unit	34.19	
	Percentage of Unit	42.7386%	

INSTRUMENT #170000418
 RECORDED IN THE CLERK'S OFFICE OF
 BUCHANAN COUNTY ON
 FEBRUARY 28, 2017 AT 04:10PM

BEVERLY S. TILLER, CLERK
 RECORDED BY: GGB