

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: Y38

TRACT(S): 3B,D,E, 3C, 3G

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-98-0324-0630-01

APPLICANTS:

CNX Gas Company LLC on behalf of Commonwealth of Virginia, Elmer & Elsie Burke, Evelyn
S. Brown

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 51.
2. Supplemental Order Executed 08/28/1998, Recorded on 09/02/1998, Deed Book/Instrument No.
481, Page 202.

NOTICE:

160000154

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 3B,D,E, 3C, 3G identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 3B,D,E, 3C, 3G 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. Evelyn S. Brown, Elmer & Elsie Burke, Commonwealth of Virginia is the gas claimant in Tracts 3B,D,E, 3C, 3G As such Evelyn S. Brown, Elmer & Elsie Burke, 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 Evelyn S. Brown, Elmer & Elsie Burke, Commonwealth of Virginia and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

160000154

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

160000154

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 98-0324-0630-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 3B,D,E, 3C, 3G (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: Y38

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(s) attributable to of Tract(s) 3B,D,E, 3C, 3G as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Evelyn S. Brown, Commonwealth of Virginia, Elmer & Elsie Burke.

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)

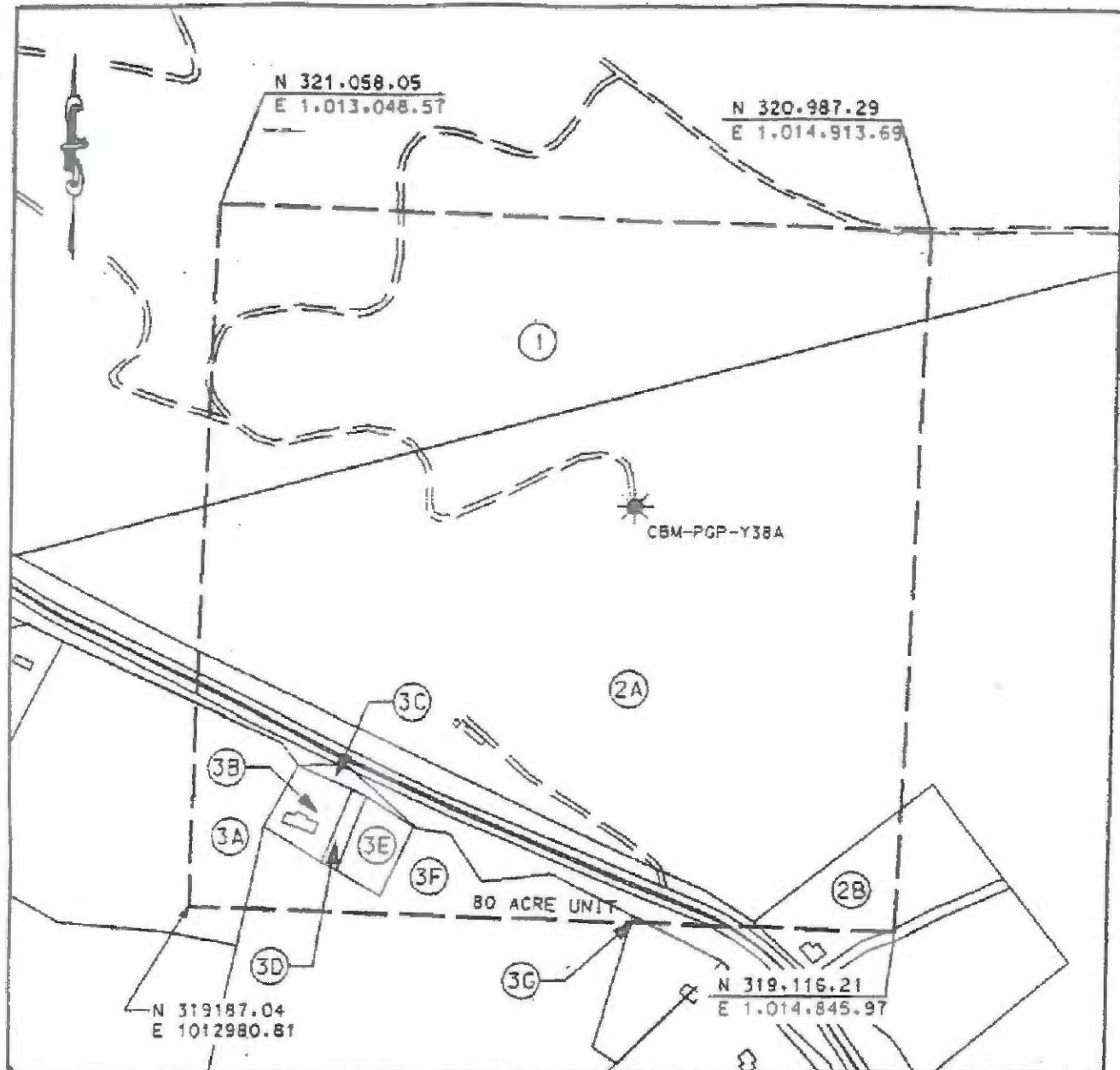
Coalbed Methane

5. Factual basis for relief requested

- a. Evelyn S. Brown, Elmer & Elsie Burke, Commonwealth of Virginia is the gas claimant in Tracts 3B,D,E, 3C, 3G As such Evelyn S. Brown, Elmer & Elsie Burke, 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 Evelyn S. Brown, Elmer & Elsie Burke, 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
 [2] TRACT LAND ID'S

EXHIBIT A
 OAKWOOD FIELD UNIT Y-38
 FORCE POOLING
 VGOB-98-0324-0630

Company Pocahontas Gas Partnership Well Name and Number UNIT Y38
 Tract No. _____ Elevation _____ Quadrangle Keok Mountain
 County Buchanan District Garden Scale: 1" = 400' Date 2/3/98
 This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DGO-GO-7
 Rev. 9/91

Charles E. Morgan
 Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

POCAHONTAS GAS PARTNERSHIP**UNIT Y-38****Tract Identifications**

1. Commonwealth Coal Co. Tr 2 - Fee
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Consolidation Coal Company - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
20.84 acres 26.0500%

2. Commonwealth Coal Co. Tr 4 - Coal, Oil & Gas
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Consolidation Coal Co. - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
52.06 acres 65.0750%

- 2A. Harold Altizer - Surface
- 2B. Peggy Lane - Surface

- 3A. Commonwealth Coal Co. Tr 3 - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Lessee
Gerald K. Shortt - Surface, Oil & Gas
2.32 acres 2.9000%

- 3B,D,E. Commonwealth Coal Co. Tr 3 - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Lessee
Bob Brown - Surface, Oil & Gas
1.61 acres 2.0125%

- 3C. Commonwealth Coal Co. Tr 3 - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Lessee
VDOT - Surface, Oil & Gas
0.18 acres 0.2250%

- 3F. Commonwealth Coal Co. Tr 3 - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Lessee
Curtis Wade - Surface, Oil & Gas
2.98 acres 3.7250%

POCAHONTAS GAS PARTNERSHIP**UNIT Y-38****Tract Identifications**

3G.

Commonwealth Coal Co. Tr 3 - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Lessee
Elmer Burke - Surface, Oil & Gas
0.01 acres 0.0125%

Exhibit E
Unit Y-38
Docket #VGOB-98-0324-0630-01
List of All Owners/Claimants requiring escrow

160000154

	Net Acres in Unit	Interest in Unit
<u>Tract #3A - 2.32 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Commonwealth Coal Corp. Tr 3 P.O. Box 1269 Bristol, VA 24203	2.32 acres	2.9000%
<u>OIL & GAS OWNERSHIP</u>		
<i>The respondents listed below did not respond timely to the W9 request and will continue to be escrowed</i>		
(1) Gerald K. Shortt PO Box 43 Shortt Gap, VA 24647	2.32 acres	2.9000%
<u>Tract #3F - 2.98 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Commonwealth Coal Corp. Tr 3 P.O. Box 1269 Bristol, VA 24203	2.98 acres	3.7250%
<u>OIL & GAS OWNERSHIP</u>		
<i>The respondents listed below did not respond timely to the W9 request and will continue to be escrowed</i>		
(1) Curtis & Laura Wade, T/E 2144 Bearwallow Rd Jewell Ridge, VA 24622	2.98 acres	3.7250%

Exhibit EE
Unit Y-38
Docket #VGOB-98-0324-0630-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

160000154

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #3B,D,E - 1.61 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Commonwealth Coal Corp. Tr 3 P.O. Box 1269 Bristol, VA 24203	1.61 acres	2.0125%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Robert Brown Heirs, Devisees Successors or Assigns			
(a) Evelyn S. Brown P.O. Box 7 Oakwood, VA 24631	1.61 acres	2.0125%	22.6761% HB2058
<u>Tract #3C - 0.18 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Commonwealth Coal Corp. Tr 3 P.O. Box 1269 Bristol, VA 24203	0.18 acres	0.2250%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Commonwealth of Virginia Dept. of Transportation 870 Bonham Rd Bristol, VA 24201	0.18 acres	0.2250%	2.5352% HB2058
<u>Tract #3G - 0.01 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Commonwealth Coal Corp. Tr 3 P.O. Box 1269 Bristol, VA 24203	0.01 acres	0.0125%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Elmer & Elsie Burke, T/E 1759 Riverside Dr Raven, VA 24639	0.01 acres	0.0125%	0.1408% HB2058

INSTRUMENT #160000154
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
FEBRUARY 2, 2016 AT 03:11PM
BEVERLY S. TILLER, CLERK
RECORDED BY: SLP