

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): 3F

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-98-0324-0630-03

APPLICANTS:

CNX Gas Company LLC on behalf of Julia W Beckham, Lydia R Freund, Nathan Wade,
Susan J Wade, Thelma Josie 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 51.
2. Supplemental Order Executed 08/28/1998, Recorded on 09/02/1998, Deed Book/Instrument No. 481, Page 202.
3. Disbursement Order -01 Executed 01/12/2016, Recorded on 02/02/2016, Deed Book/Instrument No. 160000154.

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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) 3F identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 3F 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. Julia W. Beckham, Lydia R. Freund, Nathan Wade, Susan J. Wade, and Thelma J. Wade are the gas claimants in a portion of Tr. 3F. As such Julia W. Beckham, Lydia R. Freund, Nathan Wade, Susan J. Wade, and Thelma J. Wade 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 98-0324-0630-02, it dismissed the coal claimant Commonwealth Coal Corporation as a Respondent to these proceedings. Accordingly, Commonwealth Coal Corporation 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 Julia W. Beckham, Lydia R. Freund, Nathan Wade, Susan J. Wade, and Thelma J. Wade and shall not escrow same. See Exhibit EE annexed hereto.

Adjustment Comments:

Fractional Ownership	Net Acreage Ownership	Royalty Split	Escrowed Acres	Percent of Escrowed Funds Disbursed	Adjustment Amount
in Tract	inTract	Agreement	Disbursed	Disbursed	
			2.12860		
2.9800					
1/7	0.4257	100.00%	0.4257	19.9997%	
1/7	0.4257	100.00%	0.4257	19.9997%	
1/7	0.4257	100.00%	0.4257	19.9997%	
1/7	0.4257	100.00%	0.4257	19.9997%	
1/7	0.4257	100.00%	0.4257	19.9997%	

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 13 day of September, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

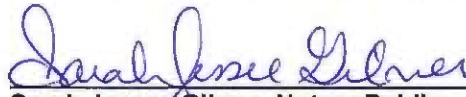
DONE AND PERFORMED this 13 day of September, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 13th day of September, 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



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BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 98-0324-0630-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 3F (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: Y38

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 a portion of Tract 3F, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Julia W. Beckham, Lydia R. Freund, Nathan Wade, Susan J. Wade, and Thelma J. Wade.

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

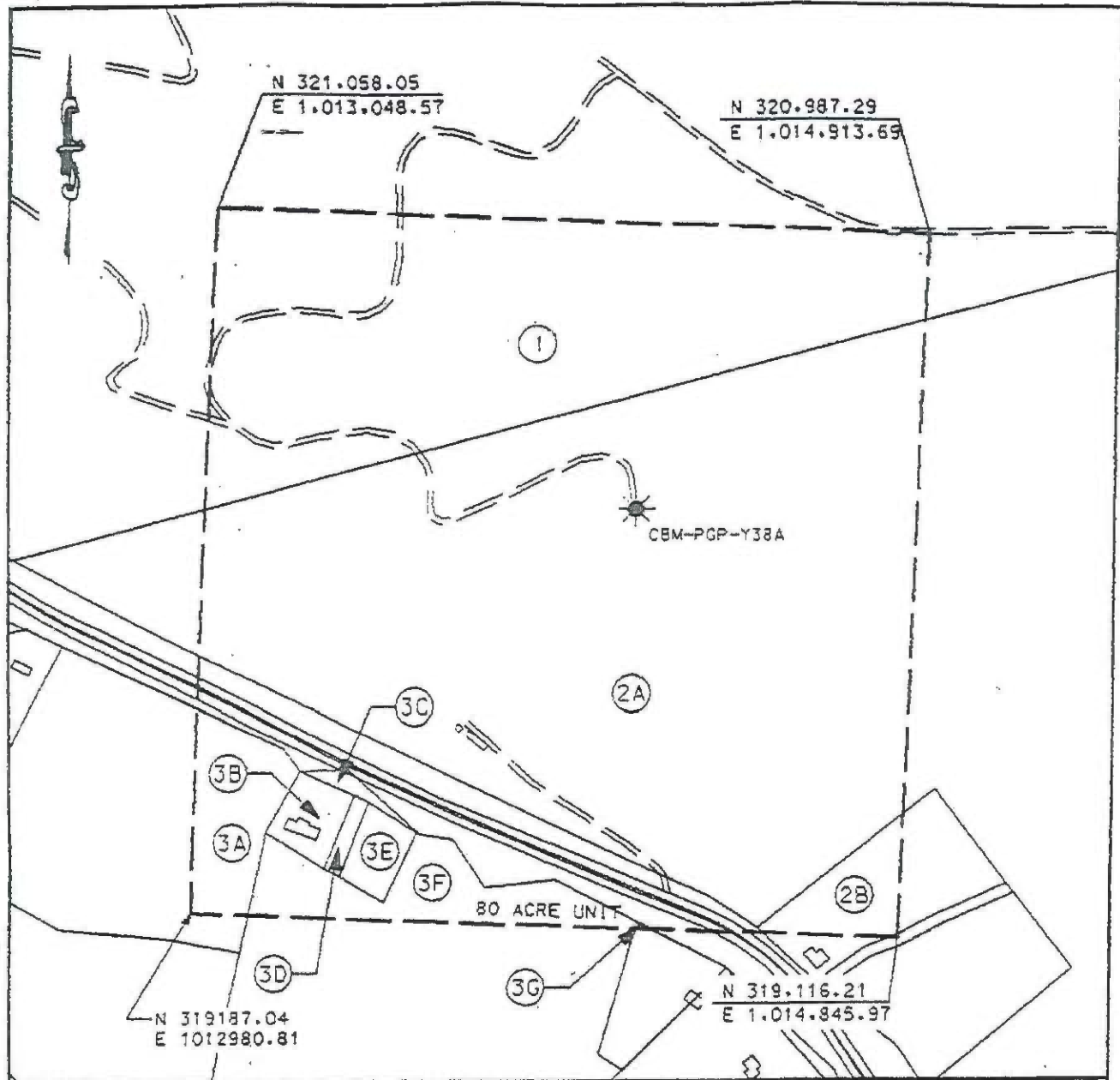
5. Factual basis for relief requested

- a. Julia W. Beckham, Lydia R. Freund, Nathan Wade, Susan J. Wade, and Thelma J. Wade are the gas claimants in a portion of Tr. 3F. As such Julia W. Beckham, Lydia R. Freund, Nathan Wade, Susan J. Wade, and Thelma J. Wade 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 98-0324-0630-02, it dismissed the coal claimant Commonwealth Coal Corporation as a Respondent to these proceedings. Accordingly, Commonwealth Coal Corporation 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 Julia W. Beckham, Lydia R. Freund, Nathan Wade, Susan J. Wade, and Thelma J. Wade 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.

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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 Keen 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 DGG-GO-7
Rev. 9/91

Charles E. Meyer
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%

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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-98-0324-0630-03
List of All Owners/Claimants requiring escrow

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Net Acres
in Unit

Interest in
Unit

Escrowing no longer required

Exhibit EE
Unit Y-38

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Docket #VGOB-98-0324-0630-03

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

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<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%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Gerald K. Shortt 1475 Shortts Road Raven, VA 24639	2.32 acres	2.9000%	n/a
<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%	n/a
<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%	n/a
<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%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Commonwealth of Virginia Dept. of Transportation 870 Bonham Rd Bristol, VA 24201	0.18 acres	0.2250%	n/a
<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%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Curtis E. Wade Heirs, Devisees, Succr or Assigns	2.98 acres	3.7250%	
(a) Laura Beth Lundy Wade Heirs, Devisees, Successors or Assigns			

Exhibit EE

Unit Y-38

Docket #VGOB-98-0324-0630-03

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

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	Net Acres in Unit	Interest in Unit	Percent of Escrow
(a.1) Barbara K. Hendrix PO Box 21884 Saint Simons Island, GA 31522	0.426 acres 1/7 of 2.98 acres	0.5321%	n/a
(a.2) Susan J. Wade 6745 N. Richmond St. Chicago, IL 60645	0.426 acres 1/7 of 2.98 acres	0.5321%	19.9997% HB2058
(a.3) Lydia R. Freund 734 Norton Ave Mundelein, IL 60060-1924	0.426 acres 1/7 of 2.98 acres	0.5321%	19.9997% HB2058
(a.4) Thelma Josie Wade 16330 Old Timber Road Abingdon, VA 24210-4888	0.426 acres 1/7 of 2.98 acres	0.5321%	19.9997% HB2058
(a.5) Julia W. Beckham 12500 Virtudes St. Coral Gables, FL 33156	0.426 acres 1/7 of 2.98 acres	0.5321%	19.9997% HB2058
(a.6) Curtis R. Wade 629 High Point Drive Mount Dora, FL 32757	0.426 acres 1/7 of 2.98 acres	0.5321%	n/a
(a.7) Nathan Wade 60 Longbranch Lane Tryon, NC 28782	0.426 acres 1/7 of 2.98 acres	0.5321%	19.9997% HB2058

Tract #3G - 0.01 acresCOAL OWNERSHIP

(1) Commonwealth Coal Corp. Tr 3 P.O. Box 1269 Bristol, VA 24203	0.01 acres	0.0125%	n/a
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OIL & GAS OWNERSHIP

(1) Elmer & Elsie Burke, T/E 1759 Riverside Dr Raven, VA 24639	0.01 acres	0.0125%	n/a
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<u>Totals</u>	
Acres	7.10
Percentage	8.8750%

INSTRUMENT #160001815
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
OCTOBER 5, 2016 AT 02:04PM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB