

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: Z37

TRACT(S): 2A

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-98-0324-0631-02

APPLICANTS:

CNX Gas Company LLC on behalf of Doris Betty Addison

HEARING DATE AND LOCATION:

Russell County Government Center, Lebanon, Virginia
December 15, 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 35.
2. Supplemental Order Executed 09/03/1998, Recorded on 09/30/1998, Deed Book/Instrument No. 482, Page 311.
3. Modification Order -01 Executed 04/14/2011, Recorded on 05/20/2011, Deed Book/Instrument No. 110001204.
4. Supplemental Order -01, Recorded on 12/15/2011, Deed Book/Instrument No. 110003061.

NOTICE:

150002112

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 2A identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2A 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:

Affidavit from Commonwealth Coal Corporation dated September 30, 2015 stating they have no legal claim to CBM royalties based on the current state of Virginia law, therefore 100% of the royalty will be paid to the oil and gas owners, namely Doris Betty Addison. The Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Table, further, specifies how said royalties are to be divided and paid.

RELIEF GRANTED:

Unit Z37

VGOB-98-0324-0631-02

Table 1

Tracts: 2A

VGOB Disbursement							
Unit Z37							
VGOB-98-0324-0631-02							
Table 1							
Tracts: 2A							
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				22.58000	
			22.00				
2A Tract 2A (total acreage)							
1	2A	Doris Betty Addison\1305 Terrace Ct., Sykesville, MD 21784		22.0000	100.00%	22.0000	97.4314%

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.

150002112

DONE AND EXECUTED this 16 day of December, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

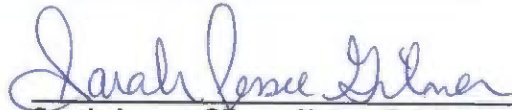
DONE AND PERFORMED this 16 day of December, 2015 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 16th day of December, 2015, 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 98-0324-0631-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2A (2) AND
AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

HEARING DATE: December 15, 2015

DRILLING UNIT: Z37

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 Tract 2A, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Doris Betty Addison.

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

Affidavit from Commonwealth Coal Corporation dated September 30, 2015 stating they have no legal claim to CBM royalties based on the current state of Virginia law, therefore 100% of the royalty will be paid to the oil and gas owners, namely Doris Betty Addison. The Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Table, further, specifies how said royalties are to be divided and paid.

6. Attestation

The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

Property lines shown on this plat were provided by CNX Gas Company LLC and were taken from deed descriptions and chains of title of record. This does not represent a current boundary survey. This certification is as to the size, shape and location of the proposed unit.

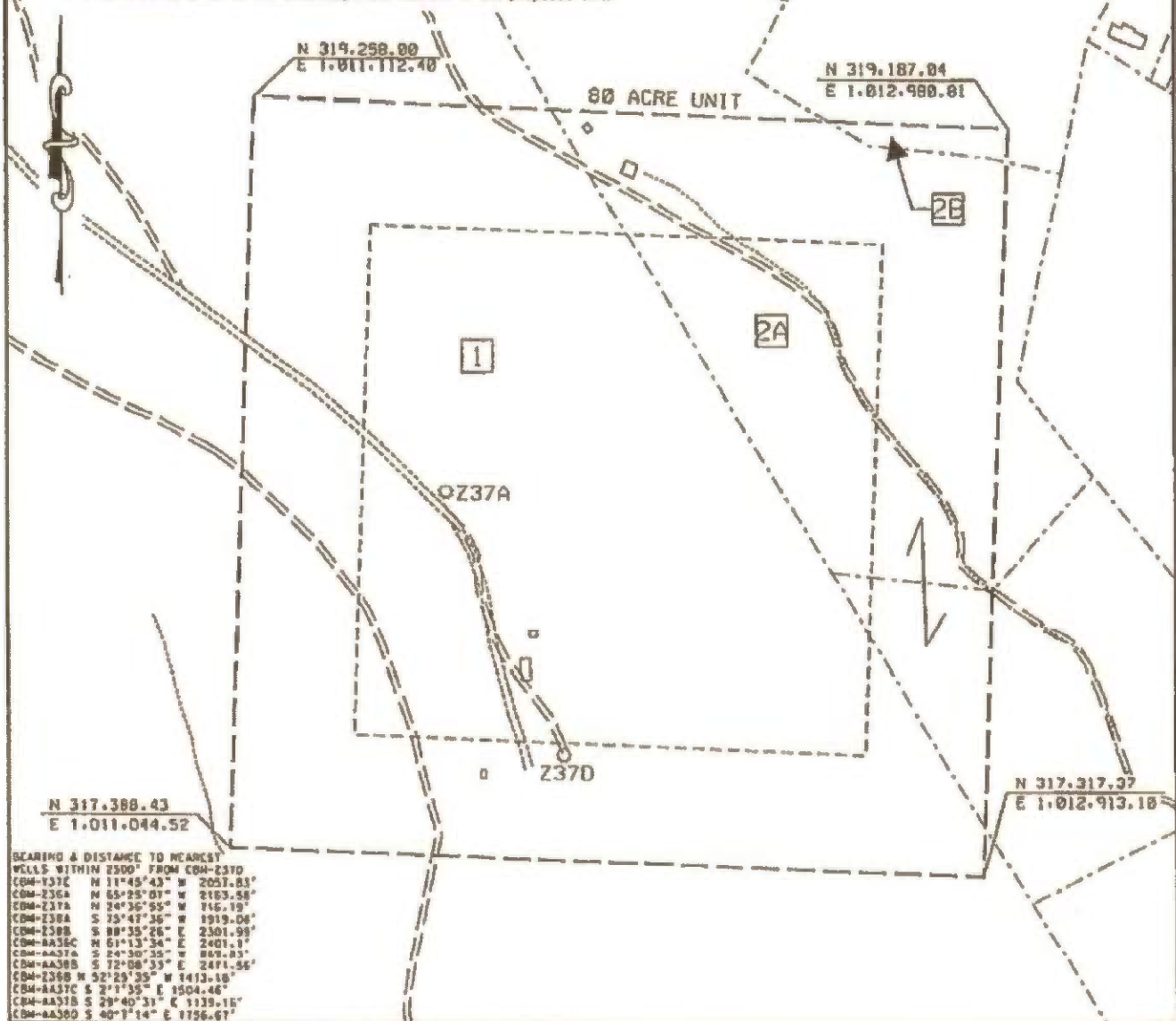


EXHIBIT A
OAKWOOD FIELD
UNIT Z37
FORCE POOLING
VGOB-98-0324-0631-01

Company CNX Gas Company LLC Well Name and Number UNIT Z37
 Tract No. _____ Elevation _____ Quadrangle BUCHANAN
 County BUCHANAN District GARDEN Scale: 1"=400' Date 1-10-11
 This plat is a new plat X ; an updated plat _____ ; or a final plat No. 041898

Form DGO-CO-7
Rev. 9/91

Richard C. Mayhew
Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

150002112

CNX Gas Company LLC

Unit Z 37

Tract Identifications

1. Commonwealth Coal Corporation Tract 2 (965.00 Acre Tract) -- Fee
Consolidation Coal Company -- Below Drainage Coal Leased
Knox Creek Coal Corporation -- Coal In Tiller and Above Leased
CNX Gas Company LLC -- Oil, Gas and CBM Leased
57.42 Acres 71.7750%
- 2A. Commonwealth Coal Corporation Tract 3 (87.13 Acre Tract) -- Coal
Reserve Coal Properties Company -- Below Drainage Coal Leased
Knox Creek Coal Corporation -- Coal In Tiller and Above Leased
Doris Addison -- Surface, Oil and Gas
CNX Gas Company LLC -- Oil, Gas and CBM Leased
22.00 Acres 27.5000%
- 2B. Commonwealth Coal Corporation Tract 3 (87.13 Acre Tract) -- Coal
Reserve Coal Properties Company -- Below Drainage Coal Leased
Knox Creek Coal Corporation -- Coal In Tiller and Above Leased
Gerald K. Shortt - Surface, Oil and Gas
0.58 Acres 0.7250%

"This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coal bed methane ownership and should not be relied upon for such purpose."

Page 1 of 1

January 10, 2011

Exhibit E
Unit Z-37
Docket #VGOB 98-0324-0631-02
List of Respondents that require escrow

150002112

	Net Acres in Unit	Interest in Unit
<u>Tract #2B - 0.58 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Commonwealth Coal Corp. Tr 3 (87.13 Acre Tract) P.O. Box 1269 Bristol, VA 24203	0.58 acres	0.7250%
<u>OIL & GAS OWNERSHIP</u>		
<i>W9 Pending</i>		
(1) Gerald K. Shortt PO Box 33 Shortt Gap, VA 24647	0.58 acres	0.72500%

150002112

Exhibit EE
Unit Z-37

Docket #VGOB 98-0324-0531-02

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

		Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #2A - 22.00 acres</u>				
<u>COAL OWNERSHIP</u>				
(1)	Commonwealth Coal Corp. Tr 3 (87.13 Acre Tract) P.O. Box 1269 Bristol, VA 24203	22.00 acres	27.5000%	n/a
<u>OIL & GAS OWNERSHIP</u>				
<i>Affidavit from Commonwealth Coal Corporation, dated September 30, 2015 stating they make no claim to the CBM due to the current state of law The owners listed below are plaintiffs in case no: 1:10-cv65</i>				
(1)	Dorris Betty Addison 1305 Terrace Court Sykesville, MD 21784	22.00 acres	27.5000%	97.4314% -100%

INSTRUMENT #150002112
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
DECEMBER 29, 2015 AT 11:50AM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLB