

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)

UNIT/WELL NAME: X37

TRACT(S): 1A

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-98-0324-0633-02

APPLICANTS: CNX Gas Company LLC on behalf of CNX Gas Company LLC, Elmer R. Pruitt

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia ☐
May 26, 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 1.
2. Supplemental Order Executed 08/28/1998, Recorded on 09/02/1998, Deed Book/Instrument No. 481, Page 194.
3. Disbursement Order -01 Executed 05/28/2014, Recorded on 06/13/2014, Deed Book/Instrument No. 140000998.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the May 26, 2015 hearing and considered whether to:

150000901

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

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1A 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

Applicant has certified and represented to the Board that:

(a) Elmer Pruitt & CNX Gas Company LLC is entitled to 100% of the CBM royalties per settlement agreement dated September 1, 2014. Elmer Pruitt will receive a one-time payout from the escrow account of the royalties that have accumulated to the date of the deed to CNX Gas Company LLC. Said agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Table specifies how said royalties are to be paid.

RELIEF GRANTED:

VGOB Disbursement
Unit X37

VGOB-98-0324-0633-02

Table 1 (pay exact dollar amount based on account balance of 1/31/2009)

Tracts: 1A

VGOB Disbursement Unit X37 VGOB-98-0324-0633-02								
Table 1 (pay exact dollar amount based on account balance of 1/31/2009) Tracts: 1A								
Item	Tract	Disbursement Table	Fractional Ownershi p	Net Acreage	Royalty Split	Escrowed Acres	Percent of Escrowed Funds	Disbursement
			in Tract	inTract	Agreement	Disbursed	Disbursed	

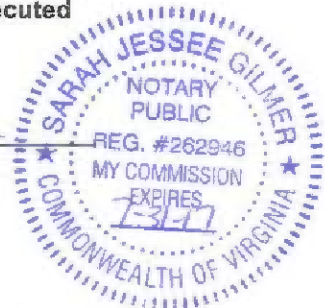
DONE AND EXECUTED this 27 day of May, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 27th day of May, 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, that he executed the same and was authorized to do so.


 Sarah Jessee Gilmer, Notary Public
 262946


My Commission expires: July 31, 2017

DONE AND PERFORMED this 28 day of May, 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 28th day of May, 2015, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is the Principal Executive to the staff of the Virginia Gas and Oil Board, that he 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 98-0324-0633-02

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

HEARING DATE: May 26, 2015

DRILLING UNIT: X37

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 Tract 1A to the persons identified in the Table using the percentages set forth in the Table; (2) authorization to begin paying royalties directly to the parties to the agreement or court order; and (3) dismissal of coal owner(s)/claimant(s) named in the Notice of Hearing and identified in Exhibit B2 who were pooled by the Board as conflicting claimants.

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

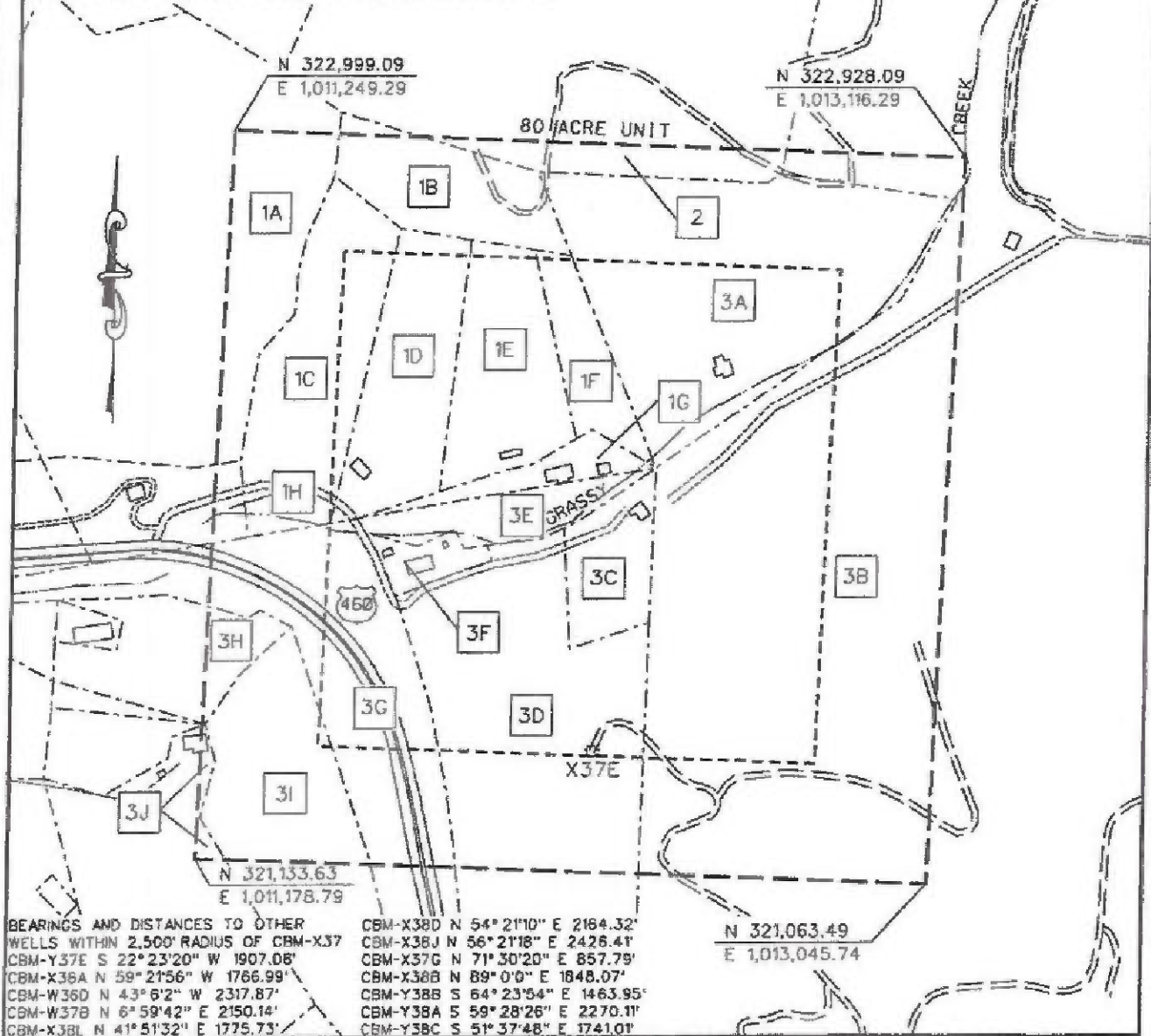
5. Factual basis for relief requested

(a) Elmer Pruitt & CNX Gas Company LLC is entitled to 100% of the CBM royalties per settlement agreement dated September 1, 2014. Elmer Pruitt will receive a one-time payout from the escrow account of the royalties that have accumulated to the date of the deed to CNX Gas Company LLC. Said agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Table specifies how said royalties are to be paid.

6. Attestation

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

Property lines shown on this plot 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.



Digitally signed by Stephen E. Maxfield
 DN: c=US, o=IdentTrust ACES
 Business Representative, ou=D.
 R. PRICE ENGINEERING AND
 LAND SURVEYING INC PC,
 cn=Stephen E Maxfield,
 0.9.23.42.19200300.100.1.1=AD1
 0980000013B4DEE1AFB000057
 FD
 Date: 2014.04.01 08:16:38 -04'00'

Company CNX Gas Company LLC Well Name and Number UNIT X37
 Tract No. _____ Elevation _____ Quadrangle KEEN MOUNTAIN
 County BUCHANAN District GARDEN Scale: 1" = 400' Date _____
 This plot is a new plot X ; an updated plot _____ ; or a final plot _____

Form DGO-GO-7
 Rev. 9/91

Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

CNX Gas Company LLC**UNIT X 37****Tract Identification**

- 1A. Hurt McGuire Land Trust (Lewis Osborne 628.41 Acre Tract) – Coal
 Island Creek Coal Company – Coal below Tiller Seam Leased
 Jewell Smokeless Coal Company – Tiller and above Coal Leased
 CNX Gas Company LLC – CBM Leased
 CNX Gas Company LLC – Surface, Oil and Gas
 3.21 Acres 4.0125%
- 1B. Hurt McGuire Land Trust (Lewis Osborne 628.41 Acre Tract) – Coal
 Island Creek Coal Company – Coal below Tiller Seam Leased
 Jewell Smokeless Coal Company – Tiller and above Coal Leased
 CNX Gas Company LLC – CBM Leased
 Oris Cantrell Heirs – Surface, Oil and Gas
 2.64 Acres 3.3000%
- 1C. Hurt McGuire Land Trust (Lewis Osborne 628.41 Acre Tract) – Coal
 Island Creek Coal Company – Coal below Tiller Seam Leased
 Jewell Smokeless Coal Company – Tiller and above Coal Leased
 CNX Gas Company LLC – CBM Leased
 Donald R. Young – Oil and Gas
 CNX Gas Company LLC – Oil, Gas and CBM Leased
 Linda Marie Young Pilson - Surface
 4.83 Acres 6.0375%
- 1D. Hurt McGuire Land Trust (Lewis Osborne 628.41 Acre Tract) – Coal
 Island Creek Coal Company – Coal below Tiller Seam Leased
 Jewell Smokeless Coal Company – Tiller and above Coal Leased
 CNX Gas Company LLC – CBM Leased
 Donald R. Young – Oil and Gas
 CNX Gas Company LLC – Oil, Gas and CBM Leased
 Linda Marie Young Pilson - Surface
 3.61 Acres 4.5125%
- 1E. Hurt McGuire Land Trust (Lewis Osborne 628.41 Acre Tract) – Coal
 Island Creek Coal Company – Coal below Tiller Seam Leased
 Jewell Smokeless Coal Company – Tiller and above Coal Leased
 CNX Gas Company LLC – CBM Leased
 Patrick Counts – Surface, Oil and Gas
 3.35 Acres 4.1875%
- 1F. Hurt McGuire Land Trust (Lewis Osborne 628.41 Acre Tract) – Coal
 Island Creek Coal Company – Coal below Tiller Seam Leased
 Jewell Smokeless Coal Company – Tiller and above Coal Leased
 CNX Gas Company LLC – CBM Leased
 CNX Gas Company LLC – Oil and Gas
 Unknown Surface Owner
 1.45 Acres 1.8125%

"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."

CNX Gas Company LLC**UNIT X 37****Tract Identification**

- 1G. Hurt McGuire Land Trust (Lewis Osborne 628.41 Acre Tract) – Coal
 Island Creek Coal Company – Coal below Tiller Seam Leased
 Jewell Smokeless Coal Company – Tiller and above Coal Leased
 CNX Gas Company LLC – CBM Leased
 Grady McGlothlin, et ux – Surface, Oil and Gas
 0.88 Acres 1.1000%
- 1H. Hurt McGuire Land Trust (Lewis Osborne 628.41 Acre Tract) – Coal
 Island Creek Coal Company – Coal below Tiller Seam Leased
 Jewell Smokeless Coal Company – Tiller and above Coal Leased
 CNX Gas Company LLC – CBM Leased
 CNX Gas Company LLC – Surface, Oil and Gas
OR
 Elmer R. Pruitt, et ux – Surface, Oil and Gas
 CNX Gas Company LLC – Oil, Gas and CBM Leased
 0.37 Acres 0.4625%
2. Commonwealth Coal Corporation Tract 1 (40.87 Acre Tract) – Coal & Gas
 Reserve Coal Properties Company – Below Drainage Coal Leased
 Knox Creek Coal Corporation – Coal In Tiller and Above Leased
 CNX Gas Company LLC – CBM Leased
 Oris Cantrell Heirs – Surface
 1.03 Acres 1.2875%
3. Commonwealth Coal Corporation Tract 2 (965.00 Acre Tract) – All Minerals
 Reserve Coal Properties Company – Below Drainage Coal Leased
 Knox Creek Coal Corporation – Coal In Tiller and Above Leased
 CNX Gas Company LLC – Oil, Gas and CBM Leased
 58.63 Acres 73.2875%
- 3A. Unknown Surface Owner
 3B. Commonwealth Coal Corporation – Surface
 3C. Unknown Surface Owner
 3D. Unknown Surface Owner
 3E. Unknown Surface Owner
 3F. Unknown Surface Owner
 3G. Commonwealth of Virginia – Surface
 3H. Unknown Surface Owner
 3I. Unknown Surface Owner
 3J. Unknown Surface Owner

"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."

Exhibit E

Unit X-37

Docket #VGOB-98-0324-0633-02

List of Owners in escrow, not including persons dismissed on Exhibit B-2

	Net Acres in Unit	Interest in Unit
<u>Tract #1B - 2.64 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 (Lewis Osborne 628.41 Acre Tract)	2.64 acres	3.3000%
<u>OIL & GAS OWNERSHIP</u>		
(1) Oris Cantrell Heirs, Devisees, Successors or Assigns	2.64 acres	3.3000%
(a) Peggy Cantrell 225 Old Abingdon Highway Bristol, VA 24201	0.88 acres 1/3 of 2.64 acres	1.1000%
(b) Patsy Amy Hess P.O. Box 922 Vansant, VA 24656	0.44 acres 1/6 of 2.64 acres	0.5500%
(c) Jamie Cantrell 112 Kennedy Drive Pounding Mill, VA 24637	0.44 acres 1/6 of 2.64 acres	0.5500%
(d) Penny Falck 2390 Glade Drive Christiansburg, VA 24073	0.44 acres 1/6 of 2.64 acres	0.5500%
(e) Penny Falck 2390 Glade Drive Christiansburg, VA 24073	0.44 acres 1/6 of 2.64 acres	0.5500%

Tract #1E - 3.35 acres**COAL OWNERSHIP**

(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 (Lewis Osborne 628.41 Acre Tract)	3.35 acres	4.1875%
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OIL & GAS OWNERSHIP

(1) Mitchell Counts	<i>Deeded to Patrick Counts on April 1, 2005, recorded at Instrument # 10-0281 on February 11, 2010.</i>	
(a) Patrick Counts 1665 Riverside Drive Raven, VA 24639	3.35 acres	4.1875%

Exhibit E
Unit X-37

Docket #VGOB-98-0324-0633-02

List of Owners in escrow, not including persons dismissed on Exhibit B-2

	Net Acres In Unit	Interest In Unit
<u>Tract #1F - 1.45 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 (Lewis Osborne 628.41 Acre Tract)	1.45 acres	1.8125%
<u>OIL & GAS OWNERSHIP</u>		
(1) Gary Davis	<i>Deeded to CNX Gas Company LLC on July 19, 2012 and recorded at Instrument # 120001414.</i>	
(a) CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317	1.45 acres	1.8125%
<u>Tract #1G - 0.88 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 (Lewis Osborne 628.41 Acre Tract)	0.88 acres	1.1000%
<u>OIL & GAS OWNERSHIP</u>		
(1) Grady McGlothlin, et ux P. O. Box 955 Raven, VA 24639	0.88 acres	1.1000%
<u>Tract #1H - 0.37 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 (Lewis Osborne 628.41 Acre Tract)	0.37 acres	0.4625%
<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	0.37 acres	0.4625%

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Exhibit E
Unit X-37

Docket #VGOB-98-0324-0633-02

List of Owners in escrow, not including persons dismissed on Exhibit B-2

	Net Acres in Unit	Interest in Unit
(1) Elmer R. Pruitt 2734 Riverside Dr. Raven, VA 24639-8540	0.37 acres	0.4625%
Total Acreage in Unit	8.69	
Total Percentage in Unit		10.8625%

List of Conflicting Owners/Claimants with Royalty Split Agreements

	Net Acres In Unit	Interest in Unit	Percent of Escrow
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Tract #1A - 3.21 acres

COAL OWNERSHIP

(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 (Lewis Osborne 628.41 Acre Tract)	3.21 acres	4.0125%	n/a
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OIL & GAS OWNERSHIP

(1) Elmer & Tammy Pruitt

Deeded to CNX Gas Company LLC on December 5, 2008 recorded under Instrument # 080604408
Tammy Pruitt assigned CBM Royalties related to accumulations prior to the conveyance to
CNX Gas Company LLC to Elmer R. Pruitt 3/31/2015

(a) CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317	3.21 acres	4.0125%	4.7345%
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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 2734 Riverside Dr. Raven, VA 24639-8540	3.21 acres	4.0125%	11.0472%
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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 #1C - 4.83 acres

COAL OWNERSHIP

(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 (Lewis Osborne 628.41 Acre Tract)	4.83 acres	6.0375%	n/a
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OIL & GAS OWNERSHIP

(1) Donald Ray Young 905 Willis Gap Rd. Ararat, VA 24053	4.83 acres	6.0375%	n/a
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Tract #1D - 3.61 acres

COAL OWNERSHIP

(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 (Lewis Osborne 628.41 Acre Tract)	3.61 acres	4.5125%	n/a
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OIL & GAS OWNERSHIP

(1) Donald Ray Young 905 Willis Gap Rd. Ararat, VA 24053	3.61 acres	4.5125%	n/a
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TOTAL CONFLICTS RESOLVED:

Acres in Unit	8.44
Percentage of Unit	10.5500%

INSTRUMENT #150000901
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JUNE 5, 2015 AT 10:38AM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB