

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: V36

TRACT(S): 4G

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-98-0324-0638-07

APPLICANTS:

CNX Gas Company LLC on behalf of Hurt McGuire Land Trust, Winfred "Mack" Osborne

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 104.
2. Supplemental Order Executed 03/22/1999, Recorded on 04/02/1999, Deed Book/Instrument No. 490, Page 1.
3. Disbursement Order -01 Executed 02/02/2006, Recorded on 02/07/2006, Deed Book/Instrument No. 407.
4. Disbursement Order -03, Recorded on 05/26/2010, Deed Book/Instrument No. 100001390.
5. Disbursement Order -04, Recorded on 03/22/2011, Deed Book/Instrument No. 110000689.

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6. Disbursement Order -06 Executed 03/20/2015, Recorded on 04/06/2015, Deed Book/Instrument No. 150000533.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the December 15, 2015 hearing and considered whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 4G identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 4G 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:

Hurl McGuire Land Trust and Winfred "Mack" Osborne have entered into royalty split agreement. Said royalty split agreement allows the Applicant and 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.

There are no remaining conflicts after the disbursement, escrow is no longer required and account is to be closed after disbursement.

RELIEF GRANTED:

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



Chairman, Bradley C. Lambert

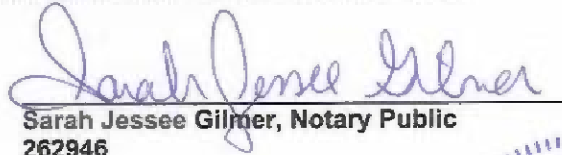
DONE AND PERFORMED this 16 day of December, 2015 by Order of the Virginia Gas and Oil Board.



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 98-0324-0638-07

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 4G (2) AND
AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

HEARING DATE: December 15, 2015

DRILLING UNIT: V36

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 4G, as depicted upon the annexed table. (Royalties currently being paid under BUC1SGU2, VGOB 08-1118-2367).

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

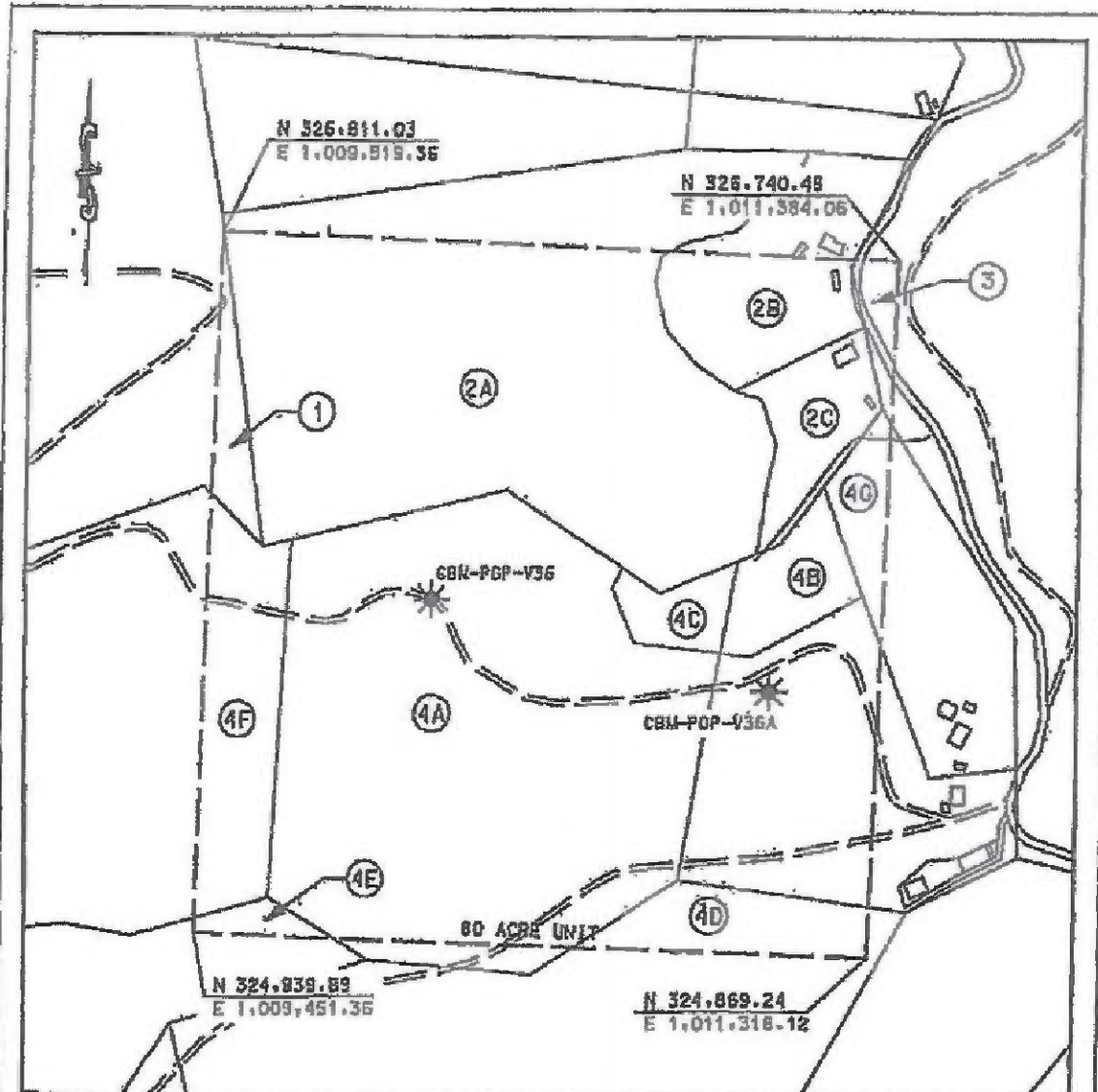
5. Factual basis for relief requested

Hurt McGuire Land Trust and Winfred "Mack" Osborne have entered into royalty split agreement. Said royalty split agreement allows the Applicant and 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.

There are no remaining conflicts after the disbursement, escrow is no longer required and account is to be closed after disbursement.

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 V-36
FORCE POOLING
V008-98-0324-0639

Company Producers Gas Partnership Well Name and Number UNIT V36
 Tract No. _____ Elevation _____ Quadrangle Kear Mountain
 County Buchanan District Garden Scale: 1" = 400' Date 2/4/98
 This plat is a new plat X ; on updated plat _____ ; or a final plat _____

Form 000-00-7
 Rev. 8/31

Charles A. Morgan
 Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

POCAHONTAS GAS PARTNERSHIP
UNIT V-36
Tract Identifications

1. Alpha Stickley Heirs, et al. - Coal, Oil & Gas
 Coal Lessees
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 Pennac, Inc.
 Jewell Smokeless Coal Corp. - Surface
 Buchanan Production Company - CBM Lessee
 1.21 acres 1.61250%

- 2A. Hurt McGuire Heirs - Coal
 Coal Lessees
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 Pennac, Inc.
 Trustees Widemess Tabernacle Church - Surface, Oil & Gas
 23.86 acres 28.82500%

- 2B. Hurt McGuire Heirs - Coal
 Coal Lessees
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 Pennac, Inc.
 Paul E. Stillwell - Surface, Oil & Gas
 3.50 acres 4.37500%

- 2C. Hurt McGuire Heirs - Coal
 Coal Lessees
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 Pennac, Inc.
 Roley Stillwell - Surface, Oil & Gas
 2.67 acres 8.21250%

3. Coal Mountain Mining Company Tr 26 - Fee
 Coal Lessees
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 United Coal Company
 Pocahontas Gas Partnership - CBM Lessee
 Consolidation Coal Company - Oil & Gas Lessee
 0.74 acres 0.92500%

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POCAHONTAS GAS PARTNERSHIP
UNIT V-36
Tract Identifications

- 4A. Hurt McGuire Heirs - Coal
Coal Lessees
Island Creek Coal Company
Jewell Smokeless Coal Corporation
Pernac, Inc.
Pocahontas Gas Partnership - Surface, Oil & Gas
35.29 acres 44.11250%
- 4B. Hurt McGuire Heirs - Coal
Coal Lessees
Island Creek Coal Company
Jewell Smokeless Coal Corporation
Pernac, Inc.
Trustees Wilderness Tabernacle Church - Surface, Oil & Gas
2.08 acres 2.89000%
- 4C. Hurt McGuire Heirs - Coal
Coal Lessees
Island Creek Coal Company
Jewell Smokeless Coal Corporation
Pernac, Inc.
Trustees Wilderness Tabernacle Church - Surface, Oil & Gas
1.22 acres 1.52500%
- 4D. Hurt McGuire Heirs - Coal
Coal Lessees
Island Creek Coal Company
Jewell Smokeless Coal Corporation
Pernac, Inc.
Consolidation Coal Company - Surface, Oil & Gas
2.54 acres 3.17500%
- 4E. Hurt McGuire Heirs - Coal
Coal Lessees
Island Creek Coal Company
Jewell Smokeless Coal Corporation
Pernac, Inc.
Guster Clifton - Surface, Oil & Gas
0.55 acres 0.68750%
- 4F. Hurt McGuire Heirs - Coal
Coal Lessees
Island Creek Coal Company
Jewell Smokeless Coal Corporation
Pernac, Inc.
Curtis T. Davis - Surface, Oil & Gas
5.09 acres 6.36250%

150002122

POCAHONTAS GAS PARTNERSHIP
UNIT V-28
Tract Identifications

4G, Hurt McGuire Heirs - Coal
 Coal Lessee
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 Permao, Inc.
 Mack Osborne - Surface, Oil & Gas
 1.35 acres 1.00750%

Exhibit E

Unit V-36

VGOB# 98-0324-0638-07

150002122

List of Conflicting Owners/Claimants that require escrow

Acres In Unit	Percent of Unit	Division of Interest In	
		1-Right	2-Right
		17.9594%	4.3466%

All Conflicts Resolved

List of Conflicting Owners/Claimants with Royalty Split Agreements and/or Court Decisions

	Acres in Unit	Percent of Unit	Division of Interest in		Percent of Escrow
			1 Right 17.9594%	2 Right 4.3466%	
<u>Tract #2A, 23.86 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) Hurt McGuire Land Trust c/o Charles Green, Trustee PO Box 1067 Bluefield, VA 24805-4067	23.86 acres	29.8250%	5.35639%	1.29637%	n/a
<u>OIL & GAS OWNERSHIP</u>					
(1) Trustees of the Wilderness Tabernacle Church 4656 Osborne Mountain Rd. Raven, VA 24639	23.86 acres	29.8250%	5.35639%	1.29637%	n/a
<i>Prevailing plaintiff under Case No. CL 12-174 Awarded 100% of the CBM royalty.</i>					
<u>Tract #2B, 3.50 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) Hurt McGuire Land Trust c/o Charles Green, Trustee PO Box 1067 Bluefield, VA 24605-4067	3.50 acres	4.3750%	0.78572%	0.19016%	n/a
<u>OIL & GAS OWNERSHIP</u>					
(1) Virginia Stilwell (Widow) 1106 Dial Road Raven, VA 24639 <i>(previously Paul Stilwell)</i>	3.50 acres	4.3750%	0.78572%	0.19016%	n/a
<u>Tract #2C, 2.57 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) Hurt McGuire Land Trust c/o Charles Green, Trustee PO Box 1067 Bluefield, VA 24605-4067	2.57 acres	3.2125%	0.57695%	0.13963%	n/a
<u>OIL & GAS OWNERSHIP</u>					
(1) Martha J. Stilwell (widow) 2875 Page St., Box 2 Richlands, VA 24641 <i>(Previously Roley Stilwell)</i>	2.57 acres	3.2125%	0.57695%	0.13963%	n/a
<i>Martha J. Stilwell sold the property to Wilderness Tabernacle 8/2/07. She signed a royalty split agreement with Hurt McGuire Land Trust on 10/11/04 and is entitled to her 50% of the money in Escrow until the date she sold. The remaining 50% of the royalties will go to Wilderness Tabernacle after 8/2/07 due to the fact that the Royalty Split was signed prior to the property being sold.</i>					
(1) Trustees of the Wilderness Tabernacle Church 4656 Osborne Mountain Rd. Raven, VA 24839	2.57 acres	3.2125%	0.57695%	0.13963%	n/a

List of Conflicting Owners/Claimants with Royalty Split Agreements and/or Court Decisions

	Acres in Unit	Percent of Unit	Division of Interest in		Percent of Escrow
			1 Right 17.9594%	2 Right 4.3466%	
<u>Tract #4A, 35.29 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) Hurt McGuire Land Trust c/o Charles Green, Trustee PO Box 1067 Bluefield, VA 24605-4067	35.29 acres	44.1125%	7.92234%	1.91739%	n/a
<u>OIL & GAS OWNERSHIP</u>					
(1) CNX Gas Company LLC 2481 John Nash Blvd. Bluefield, WV 24701 (Pocahontas Gas Partnership)	35.29 acres	44.1125%	7.92234%	1.91739%	n/a
<u>Tract #4B, 2.08 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) Hurt McGuire Land Trust c/o Charles Green, Trustee PO Box 1067 Bluefield, VA 24605-4067	2.08 acres	2.6000%	0.46694%	0.11301%	n/a
<u>OIL & GAS OWNERSHIP</u>					
(1) Trustee of Wilderness Tabernacle 4656 Osborne Mountain Rd. Raven, VA 24639	2.08 acres	2.6000%	0.46694%	0.11301%	n/a
<i>Prevailing plaintiff under Case No. CL 12-174 Awarded 100% of the CBM royalty.</i>					
<u>Tract #4C, 1.22 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) Hurt McGuire Land Trust c/o Charles Green, Trustee PO Box 1067 Bluefield, VA 24605-4067	1.22 acres	1.5250%	0.27388%	0.06629%	n/a
<u>OIL & GAS OWNERSHIP</u>					
(1) Trustees of the Wilderness Tabernacle Church 4656 Osborne Mountain Rd. Raven, VA 24639	1.22 acres	1.5250%	0.27388%	0.06629%	n/a
<i>Prevailing plaintiff under Case No. CL 12-174 Awarded 100% of the CBM royalty.</i>					
<u>Tract #4D, 2.54 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) Hurt McGuire Land Trust c/o Charles Green, Trustee PO Box 1067 Bluefield, VA 24605-4067	2.54 acres	3.1750%	0.57021%	0.13800%	n/a

150002122

Exhibit EE

Unit V-36

Docket #VGOB-98-0324-0638-07

List of Conflicting Owners/Claimants with Royalty Split Agreements and/or Court Decisions

	Acres in Unit	Percent of Unit	Division of Interest in		Percent of Escrow
			1 Right 17.9594%	2 Right 4.3466%	
<u>OIL & GAS OWNERSHIP</u>					
(1) CNX Gas Company LLC 2481 John Nash Blvd. Bluefield, WV 24701 (Consolidation Coal Company)	2.54 acres	3.1750%	0.57021%	0.13800%	n/a
<u>Tract #4E, 0.55 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) Hurt McGuire Land Trust c/o Charles Green, Trustee PO Box 1067 Bluefield, VA 24605-4067	0.55 acres	0.6875%	0.12347%	0.02988%	n/a
<u>OIL & GAS OWNERSHIP</u>					
(1) Guster Clifton 1303 John Clifton Rd. Raven, VA 24639	0.55 acres	0.6875%	0.12347%	0.02988%	n/a
<u>Tract #4G, 1.35 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) Hurt McGuire Land Trust c/o Charles Green, Trustee PO Box 1067 Bluefield, VA 24605-4067	1.35 acres	1.6875%	0.30306%	0.07335%	50.0000%
<u>OIL & GAS OWNERSHIP</u>					
(1) Winfred "Mack" Osborne 3375 Osborne Mountain Road Raven, VA 24639	1.35 acres	1.6875%	0.30306%	0.07335%	50.0000%
Acreage Resolved in Unit			72.96		
Percentage Resolved of Unit				89.5125%	

INSTRUMENT #150002122
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
DECEMBER 29, 2015 AT 12:19PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLB