

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: U37

TRACT(S): 3B

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-98-0421-0651-01

APPLICANTS:

CNX Gas Company LLC on behalf of Hurt McGuire Land Trust, Virginia Stitwell

HEARING DATE AND LOCATION:

Russell County Government Center, Lebanon, Virginia
February 16, 2016

APPEARANCES:

Mark A. Swartz on behalf of CNX Gas Company LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 06/10/1998, Recorded on 06/16/1998, Deed Book/Instrument No. 477, Page 638.
2. Supplemental Order Executed 01/04/1999, Recorded on 01/14/1999, Deed Book/Instrument No. 486, Page 612.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the February 16, 2016 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) 3B identified in the attached petition.

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(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 3B 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:

Hurt McGuire Land Trust and Virginia Stilwell have entered into royalty split agreement(s). 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 Exhibit A. further, specifies how said royalties are to be divided and paid.

RELIEF GRANTED:

Unit U37

VGOB-98-0421-0651-01

Table 1
Tracts: 3B

[illegible]

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.

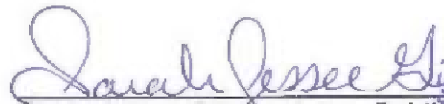
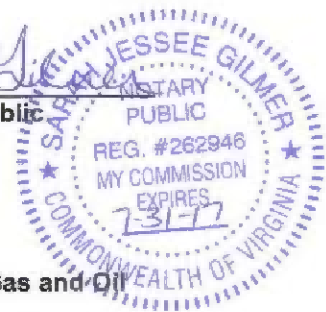
DONE AND EXECUTED this 20 day of February, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 20th day of February, 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, that he executed the same and was authorized to do so.


 Sarah Jessee Gilmer, Notary Public
 262946


My Commission expires: July 31, 2017

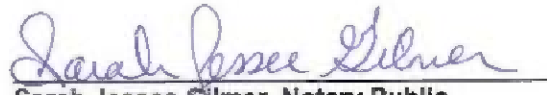
DONE AND PERFORMED this 21 day of February, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 21st day of February, 2016, 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 98-0421-0651-01**RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 3B (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES****HEARING DATE:** February 16, 2016**DRILLING UNIT:** U37**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 3B, as depicted upon the annexed Exhibit A; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Hurt McGuire Land Trust and Virginia Stilwell.

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)

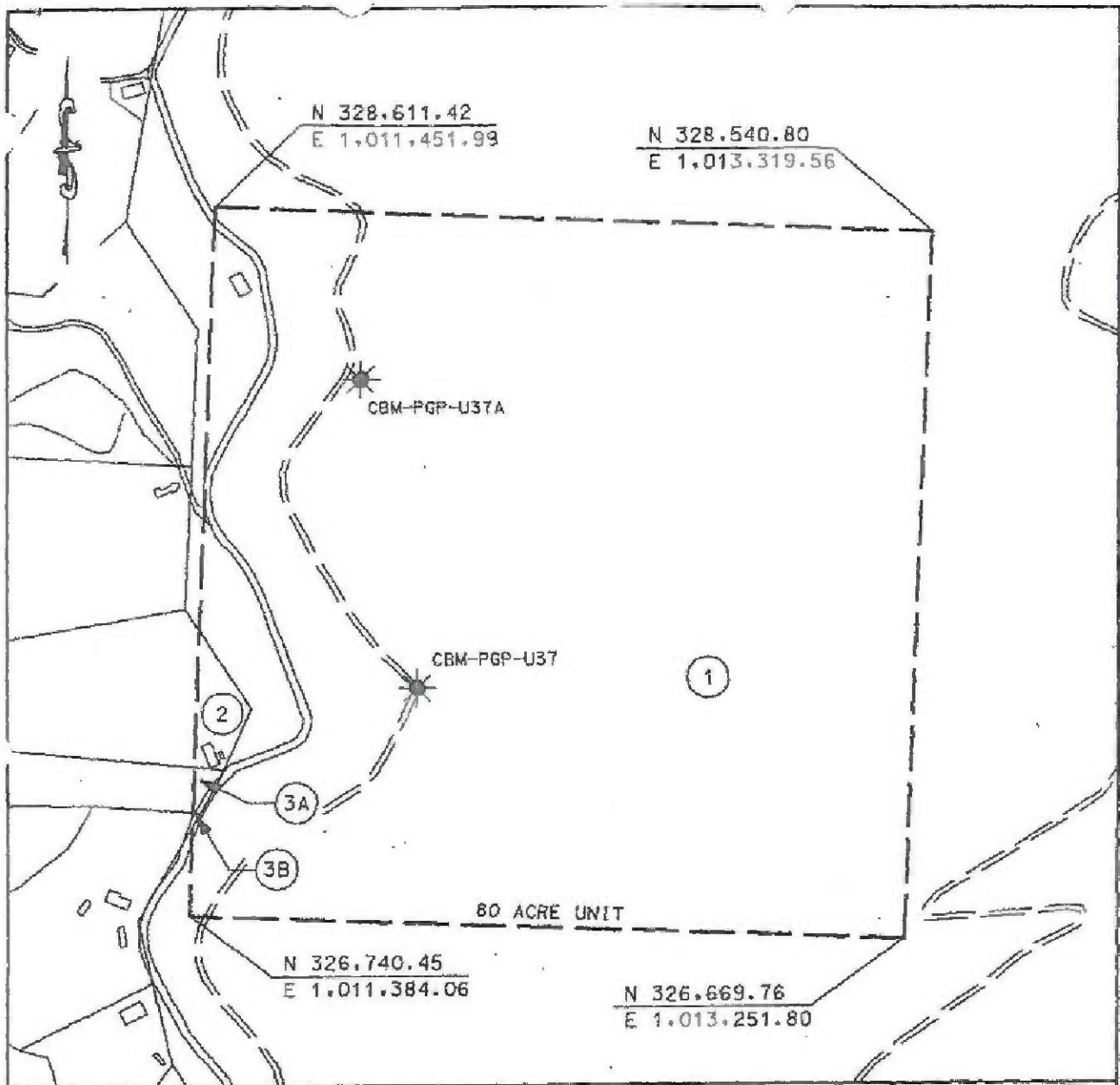
Coalbed Methane

5. Factual basis for relief requested

Hurt McGuire Land Trust and Virginia Stilwell have entered into royalty split agreement(s). 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 Exhibit A, 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.

**LEGEND**

← TRACT LAND HOOK

2 TRACT LAND ID'S

EXHIBIT A
OAKWOOD FIELD UNIT U-37
FORCE POOLING
VGDB-98-0421-0651

Company Pocahontas Gas Partnership Well Name and Number UNIT U37
 Tract No. _____ Elevation _____ Quadrangle Jewell Ridge
 County Buchanan District Garden Scale: 1" = 400' Date 3/12/98
 This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form D60-GO-7
Rev. 9/91

Charles E. May
Licensed Professional Engineer or Licensed Land Surveyor

No. 10058
(Affix Seal)

POCAHONTAS GAS PARTNERSHIP**UNIT U-37****Tract Identification**

1. Coal Mountain Mining - Tr 26 - Fee
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
79.14 acres 98.9250%

2. New Garden Coal Co. - Coal, Oil & Gas
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
Samuel Glenn Sproles - Surface
0.72 acres 0.9000%

- 3A. McGuire & Hurt Heirs - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Lessee
Samuel Glenn Sproles - Surface, Oil & Gas
0.12 acres 0.1500%

- 3B. McGuire & Hurt Heirs - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Lessee
Paul Stillwell - Surface, Oil & Gas
0.02 acres 0.0250%

Exhibit E
Unit U-37
Docket # VGOB 98-0421-0651-01
List of Respondents that require escrow

	Acres in Unit	Percent of Unit
<u>TRACT #3A - 0.12 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hurt McGuire Land Trust c/o Charles Green P. O. Box 1067 Bluefield, VA 24605	0.12 acres	0.1500%
<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) Samuel Glenn Sproles c/o Lucille Collins 5222 Stewartville Road Moneta, VA 24121	0.12 acres	0.1500%

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Exhibit EE
Unit U-37
Docket # VGOB 98-0421-0651-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>TRACT #38 - 0.02 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hurt & McGuire Heirs c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	0.02 acres	0.0250%	7.1429%
<u>OIL & GAS OWNERSHIP</u>			
(1) Virginia Stillwell 1106 Dial Road Raven, VA 24638	0.02 acres	0.0250%	7.1429%

INSTRUMENT #160000360
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MARCH 2, 2016 AT 02:54PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP