

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: V34

TRACT(S): 4, 5

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-99-0216-0710-02

APPLICANTS: CNX Gas Company LLC on behalf of Carl Davis, Dewey Rowe, Hurt McGuire Land Trust

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
June 21, 2016

APPEARANCES: Mark A. Swartz on behalf of CNX Gas Company LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 05/03/1999, Recorded on 05/12/1999, Deed Book/Instrument No. 491, Page 657.
2. Supplemental Order Executed 07/19/1999, Recorded on 07/21/1999, Deed Book/Instrument No. 494, Page 545.
3. Disbursement Order -01 Executed 02/02/2006, Recorded on 02/07/2006, Deed Book/Instrument No. 408.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the June 21, 2016 hearing and considered whether to:

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- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 4, 5 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 4, 5 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. Hurt McGuire Land Trust and Carl Davis have entered into royalty split agreement(s). Said royalty split agreement (s) allow the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE.
- b. Dewey Rowe is the gas claimants in Tract 4 As such, is entitled to 100% of the CBM royalties now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2 A.
- c. That CNX Gas Company LLC has given the notice(s) required by § 45.1-361.22:2.A to all conflicting claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- d. That none of the conflicting claimants noticed have provided, within 45 days of the notice(s) given as provided in b. above, the Board, its designated agent the Director of the Division of Gas and Oil, the Operator and/or the Applicant evidence of either an agreement regarding the escrowed funds/royalties or a proceeding regarding same.
- e. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- f. 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.
- g. 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 Hurt McGuire Land Trust, Dewey Rowe, and Carl Davis and not escrow same. See Exhibit EE annexed hereto.

Tracts: 4, 5

Adjustment Comments:

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 24 day of June, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

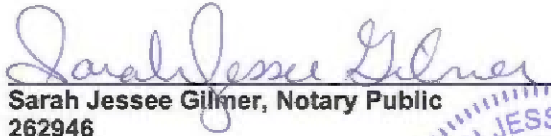
DONE AND PERFORMED this 24 day of June, 2016 by Order of the Virginia Gas and Oil Board.



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

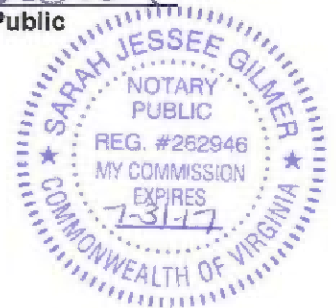
COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 24th day of June, 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



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 99-0216-0710-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 4, 5 (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: June 21, 2016

DRILLING UNIT: V34

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, attributable to of Tracts 4 & 5, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Hurt McGuire Land Trust, Dewey Rowe, and Carl Davis; (3) Dismissal of Coal Owner: Hurt McGuire Land Trust.

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)

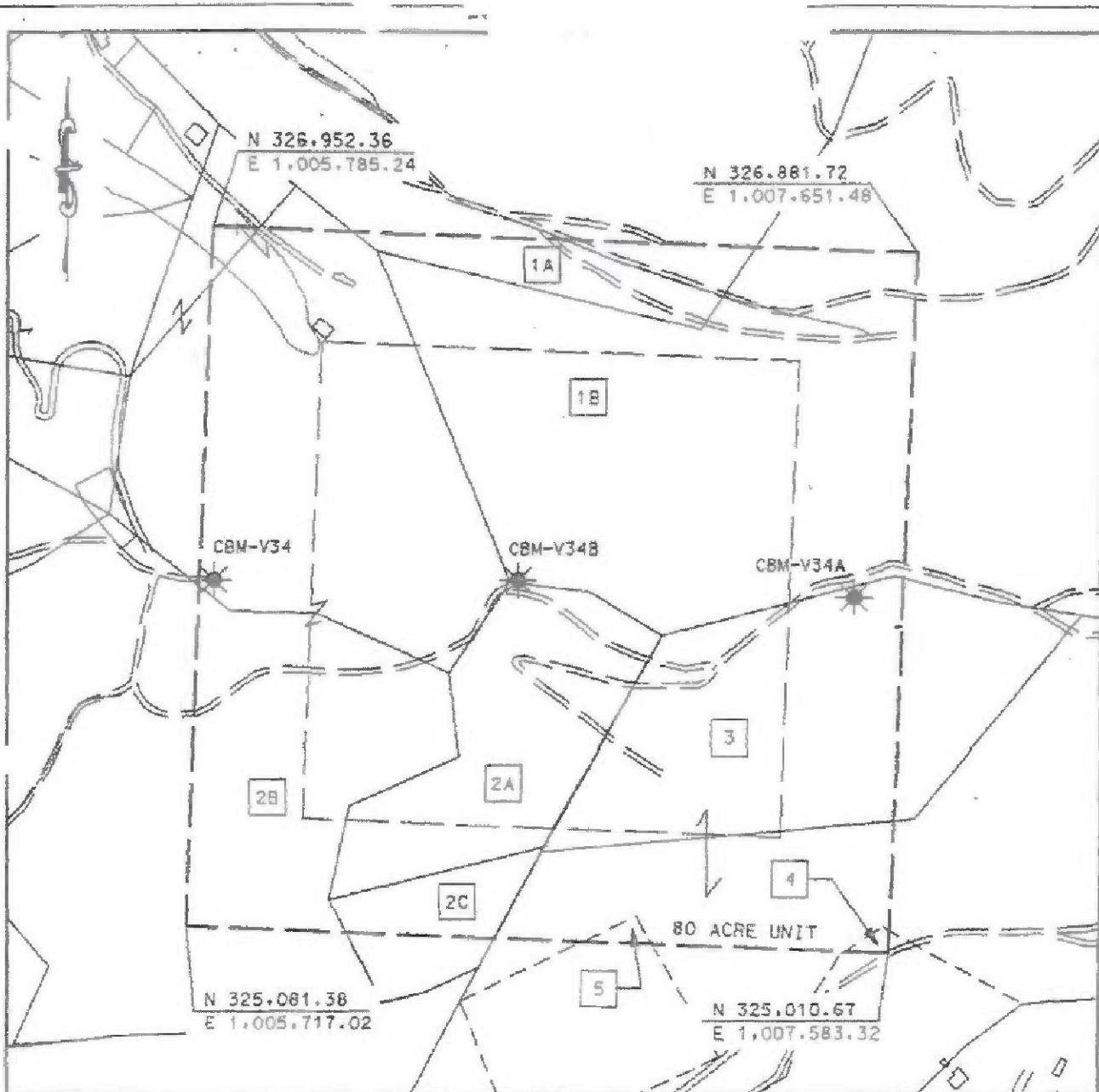
Coalbed Methane

5. Factual basis for relief requested

- a. Hurt McGuire Land Trust and Carl Davis have entered into royalty split agreement(s). Said royalty split agreement(s) allow the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE.
- b. Dewey Rowe is the gas claimants in Tract 4 As such, is entitled to 100% of the CBM royalties now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2.A.
- c. That CNX Gas Company LLC has given the notice(s) required by § 45.1-361.22:2.A to all conflicting claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- d. That none of the conflicting claimants noticed have provided, within 45 days of the notice(s) given as provided in b. above, the Board, its designated agent the Director of the Division of Gas and Oil, the Operator and/or the Applicant evidence of either an agreement regarding the escrowed funds/royalties or a proceeding regarding same.
- e. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- f. 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.
- g. 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 Hurt McGuire Land Trust, Dewey Rowe, and Carl Davis and 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.



LEGEND

- ↖ TRACT LAND HOOK
- [2] TRACT LAND ID'S

EXHIBIT A
OAKWOOD FIELD UNIT V-34
FORCE POOLING
VGDB-99-0216-0710

Company CONSOL Inc. Well Name and Number UNIT V34
 Tract No. Elevation Date 1/13/99
 County Buchanan District Garden Scale: 1" = 400'
 This plat is a new plat X : an updated plat or a final plat

Form DGO-CO-7
Rev. 9/91

Charles D. May
 Licensed Professional Engineer or Licensed Land Surveyor
 No. **10958** (Seal)

CONSOL INC.
Oakwood Field Unit V-34
Tract Identifications

1. Alpha Stickley Heirs, et al. - Coal, Oil & Gas
 Coal Lessees
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 Permac, Inc.
 Buchanan Production Company - CBM Lessee
 27.16 acres 33.95000%

- 1A. Alpha Stickley Heirs, et al. - Surface
 1B. Jewell Smokeless Coal Corp. - Surface

2. Yukon Pocahontas Coal Co. et al - Tr. 6 - Coal, Oil & Gas
 Coal Lessees
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 Permac, Inc.
 Buchanan Production Company - CBM Lessee
 35.68 acres 44.60000%

- 2A. Curtis Thurman Davis - Surface
 2B. Carlos Stilwell, et al - Surface
 2C. Curtis Thurman Davis - Surface

3. Hurt McGuire Heirs - Coal
 Coal Lessees
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 Permac, Inc.
 Curtis Thurman Davis - Surface, Oil & Gas
 Buchanan Production Company - CBM, Oil & Gas Lessee
 16.96 acres 21.20000%

4. Hurt McGuire Heirs - Coal
 Coal Lessees
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 Permac, Inc.
 Buchanan Production Company - CBM, Oil & Gas Lessee
 Hassel & Vonda Davis - Surface, Oil & Gas
 0.06 acres 0.10000%

5. Hurt McGuire Heirs - Coal
 Coal Lessees
 Island Creek Coal Company
 Jewell Smokeless Coal Corporation
 Permac, Inc.
 Carl Davis - Surface, Oil & Gas
 0.12 acres 0.15000%

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Exhibit E
Unit V-34
Docket # VGOB-99-0216-0710-02
List of Respondents that require escrow

Acres in Unit	Percent of Unit	Percent of Escrow
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Escrowing no longer required

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Exhibit EE
Unit V-34

Docket # VGOB-99-0216-0710-02

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

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #4, 0.08 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hurt McGuire Land Trust PO Box 1067 Bluefield, VA 24605	0.08 acres	0.1000%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Dewey Rowe PO Box 420307 Kissimmee, FL 34742 <i>(Previously shown as Vonda Davis - incorrectly located and identified using tax map information)</i>	0.08 acres	0.10000%	40.0000% HB2058
<u>Tract #5, 0.12 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hurt McGuire Land Trust PO Box 1067 Bluefield, VA 24605	0.12 acres	0.1500%	30.0000% -50% (Royalty Split)
<u>OIL & GAS OWNERSHIP</u>			
(1) Carl Davis Box 343 Doran, VA 24612	0.12 acres	0.1500%	30.0000% -50% (Royalty Split)
<i>Total Acres Resolved</i>		0.2000	
<i>Total Percentage Resolved</i>		100.0000%	

INSTRUMENT #160001182
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JULY 7, 2016 AT 09:09AMBEVERLY S. TILLER, CLERK
RECORDED BY: GGB