

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 § 45.1-361. (et seq) AND § 45.1-361.22 (et seq) AND § 45.1-361.22:2

UNIT/WELL NAME: EE44

TRACT(S): 2, 3

LOCATION: TAZEWELL County, Virginia

TAX ID NUMBERS:

Tax Map Identification Numbers for all parcels affected by this order are shown on: Exhibit E -
Exhibit EE

DOCKET NUMBER:

VGOB-99-0922-0745-01

APPLICANTS:

CNX Gas Company LLC on behalf of CNX Gas Company LLC

HEARING DATE AND LOCATION:

On June 16, 2015, the Virginia Gas and Oil Board, on its own motion, granted the Director of the Division of Gas and Oil the authority to process coal owner dismissal disbursements that have no pending deficiencies or issues. Code of Virginia Section 45.1-361.22:2. Effective date: July 1, 2015.

APPEARANCES:

Mark A. Swartz on behalf of CNX Gas Company LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 12/17/1999, Recorded on 12/22/1999, Deed Book/Instrument No. 787, Page 800.
2. Supplemental Order Executed 02/22/2000, Recorded on 02/25/2000, Deed Book/Instrument No. 790, Page 804.

NOTICE:

3		Tract 3 (total acreage)		1.61							
1	3	CNX Gas Company LLC\PO Box 643830, Pittsburgh, PA 15264-3830						1.6100	100.00%	1.6100	96.4072%

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.

OK 2015 PG 13210

DONE AND EXECUTED this 26 day of August, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 26 day of August, 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 26th day of August, 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 99-0922-0745-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2, 3 (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

HEARING DATE: On June 16, 2015, the Virginia Gas and Oil Board, on its own motion, granted the Director of the Division of Gas and Oil the authority to process coal owner dismissal disbursements that have no pending deficiencies or issues. Code of Virginia Section 45.1-361.22:2. Effective date: July 1, 2015.

DRILLING UNIT: EE44

TAZEWELL 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 of Tract(s) 2 & 3 as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to the parties per House Bill 2058; CNX Gas Company LLC

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

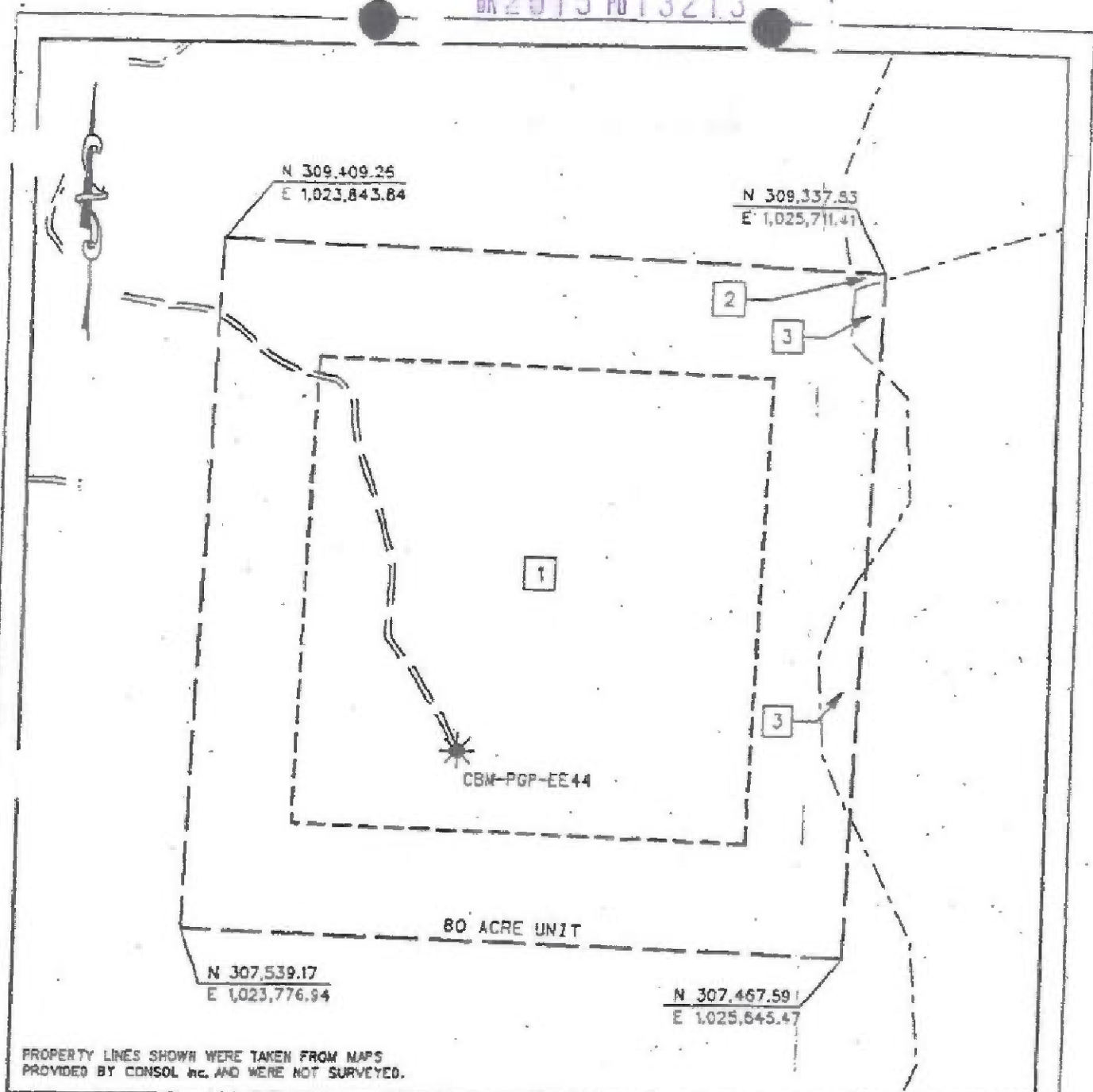
5. Factual basis for relief requested

CNX Gas Company LLC is entitled to 100% of the CBM royalties per House Bill 2058, Said bill 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 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 EE-44
FORCE POOLING
VGOR-99-0922-0745

Company Pocahontas Gas Partnership Well Name and Number UNIT EE44
 Tract No. _____ Elevation _____
 County Jewell District Maiden Springs Scale: 1" = 400' Date 8/10/99
 This plot is a new plot X : an updated plot _____ or existing plot _____

Form DGO-60-7
 Rev. 9/91

Charles D. Morgan
 Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

POCAHONTAS GAS PARTNERSHIP

UNIT EE-44

Tract Identifications

1. Coal Mountain Mining, Tr 39 - Fee
 Reserve Coal Properties - Below drainage coal Leased
 United Coal Company/A. T. Massey Coal Co. - Above drainage coal Leased
 Consolidation Coal Co. - Oil & Gas Lessee
 Pocahontas Gas Partnership - CBM Lessee
 78.33 acres 97.9125%

2. James W. Harman Jr. et al - P-3 seam Coal
 M-M-M Inc. - Remainder of Coal, Oil & Gas
 Reserve Coal Properties Co. - Coal Lessee
 0.06 acres 0.0750%

3. Huffman Heirs, et al. 13/60 - Coal below tiller
 M-M-M Inc. 47/60 - Coal below tiller, (except P-3 seam Coal)
 Harman Heirs, 47/60 - P-3 seam Coal
 M-M-M Inc. - Remainder of Coal, Oil & Gas
 Reserve Coal Properties Co. - Coal Lessee
 1.61 acres 2.0125%

BK 2015 PG 13215

Exhibit E
Unit EE-44

Docket #VGOB-99-0922-0745-01

List of Conflicting Owners/Claimants that require escrow

Net Acres
in Unit

Interest In
Unit

Coal
Lease #

CBM
Lease #

Escrowing not required

BK 2015 PG 13216

EXHIBIT EE
Unit EE-44

Docket No. VGOB-98-0922-0745-01

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

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #2 - 0.06 acres</u>			
COAL OWNERSHIP			
(1) James W. Harman, Jr. et al (1010.98 Acre Tract)	0.06 acres	0.0750%	
(a) James W. Harman, Jr. Heirs, Devisees, Successors or Assigns (1/2 Pocahontas No. 3 Seam)			
(a.1) James W. Harman, III 1206 Medley Valley Rd Tazewell, VA 24651	0.02 acres 1/4 of 0.06 acres	0.0188%	n/a
(a.2) Jonathan H. Harman 2727 Mountain View Bluefield, WV 24701	0.02 acres 1/4 of 0.06 acres	0.0188%	n/a
(b) Samuel Laird Harman Heirs, Devisees, Successors or Assigns (1/2 Pocahontas No. 3 Seam)			
(b.1) Nancy Christina Harman 233 Grace Lane, NE Riner, VA 24149	0.03 acres 1/2 of 0.06 acres	0.0375%	n/a

OIL & GAS OWNERSHIP

(1) M-M-M New Life Inc.	Deeded to Reserve Coal Properties Company 1/8/2001; Deed Book 812, Page 295		
Reserve Coal Properties	Deeded to CNX Gas Company LLC 5/22/2003 under DB 879/Page 112		
(a) CNX Gas Company LLC PO Box 843830 Pittsburgh, PA 15264-3830	0.06 acres	0.0750%	3.5928%

HB2058 Escrow Release

Tract #3 - 1.61 acres**COAL OWNERSHIP**

(1) James W. Harman, Jr. et al (1010.98 Acre Tract)	1.61 acres	2.0125%	
(a) J. W. Harman, Jr. Heirs, Devisees, Successors or Assigns (1/2 Pocahontas No. 3 Seam)			
(a.1) James W. Harman, III 1206 Medley Valley Rd Tazewell, VA 24651	0.40 acres 1/4 of 1.61 acres	0.5031%	n/a
(a.2) Jonathan H. Harman 2727 Mountain View Bluefield, WV 24701	0.40 acres 1/4 of 1.61 acres	0.5031%	n/a
(b) Samuel Laird Harman Heirs, Devisees, Successors or Assigns (1/2 Pocahontas No. 3 Seam)			
(b.1) Nancy Christina Harman 233 Grace Lane, NE Riner, VA 24149	0.81 acres 1/2 of 1.61 acres	1.0063%	n/a

OIL & GAS OWNERSHIPTract #3 - 1.61 acres

(1) M-M-M New Life Inc.	Deeded to Reserve Coal Properties Company 1/8/2001; Deed Book 812, Page 295		
Reserve Coal Properties	Deeded to CNX Gas Company LLC 5/22/2003 under DB 879/Page 112		
(a) CNX Gas Company LLC PO Box 843830 Pittsburgh, PA 15264-3830	1.61 acres	2.0125%	98.4072%

HB2058 Escrow Release

Tract #1, Tax Map 85A, Parcel 10
Tract #2, Tax Map 85A, Parcel 40
Tract #3, Tax Map 85A, Parcel 40

INSTRUMENT #150002557
RECORDED IN THE CLERK'S OFFICE OF
TAEWELL COUNTY ON
SEPTEMBER 2, 2015 AT 08:35AM
TAMMY E. ALLISON, CLERK
RECORDED BY: ADR