

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: L43

TRACT(S): 2, 999

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-99-1019-0752-01

APPLICANTS:

CNX Gas Company LLC on behalf of Buchanan County, VA, CNX Gas Company LLC, Norfolk
Southern Corporation c/o Pocahontas Land Corporation

HEARING DATE AND LOCATION:

Russell County Government Center, Lebanon, Virginia
October 20, 2015

APPEARANCES:

Mark A. Swartz on behalf of CNX Gas Company LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 01/12/2000, Recorded on 01/31/2000, Deed Book/Instrument No.
501, Page 249.
2. Supplemental Order Executed 05/01/2000, Recorded on 05/03/2000, Deed Book/Instrument No.
506, Page 680.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the
October 20, 2015 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) 2, 999 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2, 999 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. The escrow account has been overpaid.
- b. Pocahontas Land Corporation and Buchanan County Virginia, successor in title is the gas claimant in Tract 2. As such, Pocahontas Land Corporation and Buchanan County Virginia, successor in title are 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 Pocahontas Land Corporation and Buchanan County Virginia, successor in title and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

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DONE AND EXECUTED this 21 day of October, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 21 day of October, 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 21st day of October, 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 99-1019-0752-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2, 999 (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

HEARING DATE: October 20, 2015

DRILLING UNIT: L43

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) Reimbursement of funds incorrectly deposited in Unit L43 to CNX Gas Company LLC. (2) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent, attributable to of Tract 2, as depicted upon the annexed table; and (3) authorization to begin paying royalties directly to the parties per House Bill 2058; Pocahontas Land Corporation and to Buchanan County Virginia, successor in title. Unit L43.

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

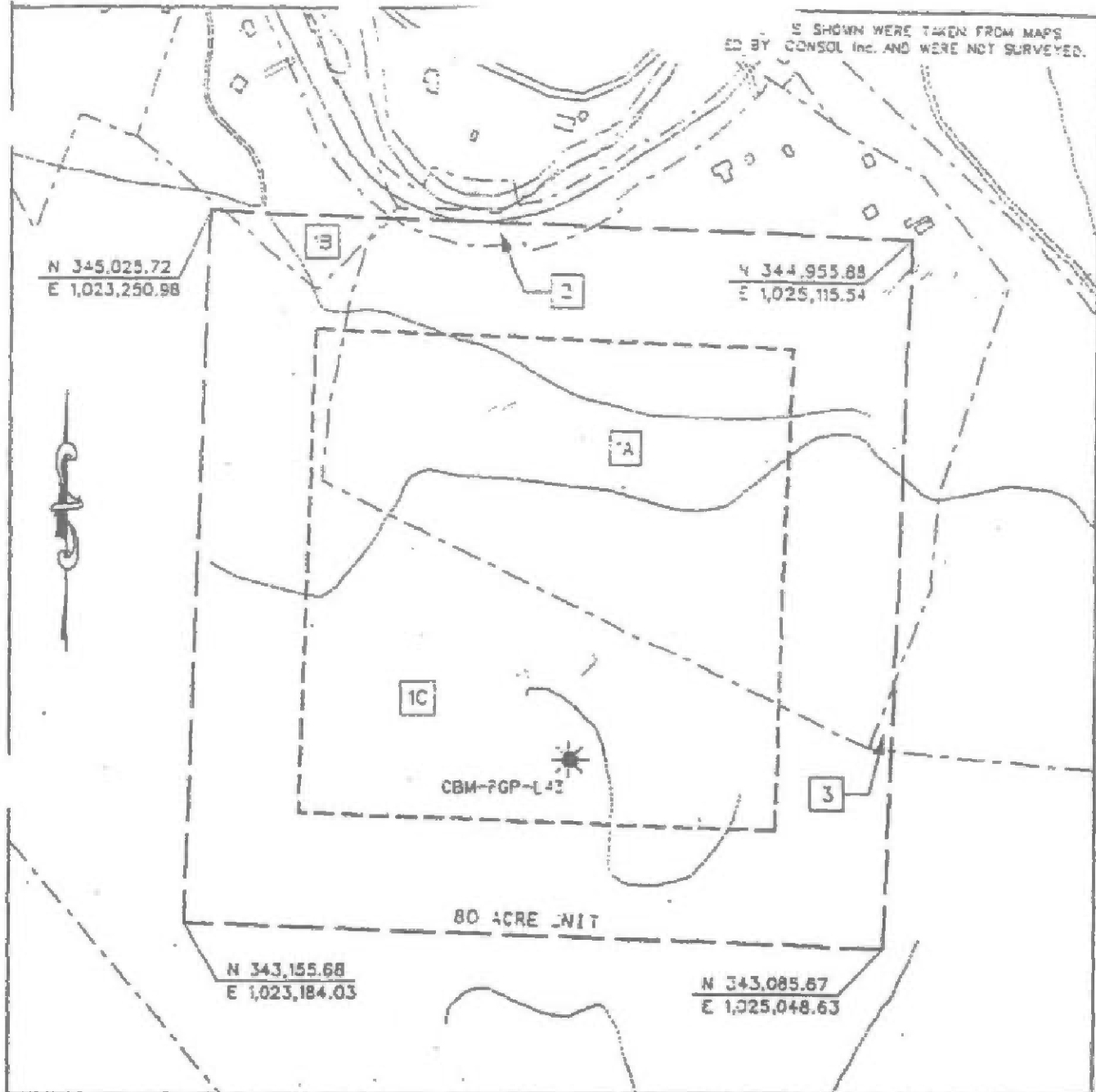
- a. The escrow account has been overpaid.
- b. Pocahontas Land Corporation and Buchanan County Virginia, successor in title is the gas claimant in Tract 2. As such, Pocahontas Land Corporation and Buchanan County Virginia, successor in title are entitled to 100% of the CBM royalties now in escrow and 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 Pocahontas Land Corporation and Buchanan County Virginia, successor in title 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.

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AS SHOWN WERE TAKEN FROM MAPS
ED BY CONSOL Inc. AND WERE NOT SURVEYED.



LEGEND

← TRACT LAND HOOK

[2] TRACT LAND ID'S

EXHIBIT A
OAKWOOD FIELD UNIT L-43
FORCE POOLING
VG08-99-1019-0752

Company Pocahontas Gas Partnership Well Name and Number UNIT L43
Tract No. _____ Elevation _____ Quadrangle Jewell Ridge
County Buchanan District Garden Scale: 1" = 400' Date 9/9/99
This plat is a new plat X : an updated plat _____ : or a final plat _____

Form DGO-GO-7
Rev. 01/01

Claude D. May

(Affix Seal)

POCAHONTAS GAS PARTNERSHIP

UNIT L - 43

Tract Identifications

1. Mary McNeil Heirs - Coal, Oil & Gas
 Coal Lessees
 None of record
 Pocahontas Gas Partnership - Oil & Gas Lessee
 Pocahontas Gas Partnership - CBM Lessee
 79.25 acres 99.0625%
- 1A. Stella Carlson - Surface
- 1B. Macie Salters - Surface
- 1C. Mary McNeil Heirs - Surface
2. Norfolk Southern Corp. - Coal, (surface to 800') & Oil & Gas
 Mary McNeil Heirs - Coal below 800'
 Coal Lessees
 None of Record
 Pocahontas Gas Partnership - CBM Lessee below 800'
 0.60 acres 0.7500%
3. Robert White, Heirs, et al. - Fee
 Coal Lessees
 None of Records
 Oil & Gas Lessees
 None of Record
 0.15 acres 0.1675%

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Exhibit E
Unit L-43

Docket # VGOB-99-1019-0752-01
List of Respondents that require Escrow
(80.00 Acre Unit)

Acres in Unit	Percent of Unit
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Escrowing not required

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Exhibit EE
Unit L-43

Docket # VGOB-99-1019-0752-01

List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(80.00 Acre Unit)

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #2, .60 Acres</u>			
COAL OWNERSHIP			
(1) Betty Jean Bishop, et al. a/k/a John & Mary McNeil Heirs, Devisees, Successors, or Assigns (John McNeil 750.00 acre tract) Coal Below 800'	0.60 acres	0.7500%	
(a) Stella McNeil Carson Heirs, Devisees, Successors or Assigns (1/3)			
(a.1) Betty Jean Bishop See (c.1) below 420 Andover Place Kingsport, TN 37663-3090			
(b) Virgie Clifton Heirs, Devisees, Successors or Assigns (1/3)			
(b.1) J. W. Clifton Heirs, Devisees, Successors or Assigns (1/12)			
(b.1.1) John W. Clifton, II 212 Grayson Avenue Richlands, VA 24841	0.025 acres 1/24 of .60 acres	0.0313%	n/a
(b.1.2) Mary C. Mumpower 804 Holston Avenue Bristol, TN 37620	0.025 acres 1/24 of .60 acres	0.0313%	n/a
(b.2) Judy Taylor 20223 Vances Mill Road Abingdon, VA 24210	0.050 acres 1/12 of .60 acres	0.0625%	n/a
(b.3) Kyle Clifton 7319 Craftown Road Fairfax Station, VA 22039	0.050 acres 1/12 of .60 acres	0.0625%	n/a
(b.4) Daris Clifton c/o Martin K. Alloy, POA 11111 Sunset Hill Road, Suite 200 Reston, VA 20190	0.050 acres 1/12 of .60 acres	0.0625%	n/a
(c) Macie Salyers Heirs, Devisees, Successors or Assigns (1/3)			
(c.1) Betty J. Bishop ** 420 Andover Place Kingsport, TN 37663	0.240 acres 2/5 of .60 acres	0.3000%	n/a
** Note: 1/15th interest from Macie Salyers and an additional 1/3rd interest from Stella Carlson			
(c.2) Johnny M. Salyers P.O. Box 474 Duffield, VA 24244-0474	0.040 acres 1/15 of .60 acres	0.0500%	n/a
(c.3) Don R. Salyers 1402 Whitely Drive Kingsport, TN 37660	0.040 acres 1/15 of .60 acres	0.0500%	n/a
(c.4) James E. Salyers 491 New Summerville Road Kingsport, TN 37663	0.040 acres 1/15 of .60 acres	0.0500%	n/a

Exhibit EE
Unit L-43

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Docket # VGOB-99-1019-0752-01

List of Respondents with Royalty Split Agreements/Court Orders/HB2058
{80.00 Acre Unit}

	Acres in Unit	Percent of Unit	Percent of Escrow
(c.5) Wanda Lawson 204 Statford Ct Johnson City, TN 37615-6233	0.040 acres 1/15 of .60 acres	0.0500%	n/a

OIL & GAS OWNERSHIP

(1) Norfolk Southern Corporation *Deeded to Buchanan County on 5/12/2003 under DB569 / PG498*

(a) Norfolk Southern Corporation
c/o Pocahontas Land Corporation, Agent
P. O. Box 1617
Bluefield, WV 24701

0.60 acres 0.7500% 100.0000%
HB2058

*Norfolk Southern Corporation deeded the property to Buchanan County, VA 5/12/2003.
Norfolk Southern Corporation is entitled to 100% of the money in Escrow (HB2058) until the date it was sold.
The remaining 100% of the royalties will go to Buchanan County, Virginia after June 2003*

(b) Buchanan County, Virginia
P.O. Box 1056
Grundy, VA 24614

0.60 acres 0.7500% 100.0000%
HB2058

INSTRUMENT #150001727
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
OCTOBER 27, 2015 AT 11:39AM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB