

*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:** Q50  
**TRACT(S):** 4  
**LOCATION:** BUCHANAN County, Virginia

**DOCKET NUMBER:** VGOB-99-1019-0760-01

**APPLICANTS:** CNX Gas Company LLC on behalf of Pocahontas Resources 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. 499, Page 792.
2. Supplemental Order Executed 02/22/2000, Recorded on 02/25/2000, Deed Book/Instrument No. 502, Page 570.

**NOTICE:**

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

- a. Pocahontas Resources LLC is the gas claimant in Tracts 4. As such Pocahontas Resources LLC 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.
- b. 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.
- c. 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.
- d. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- e. 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.
- f. 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 Resources LLC and not escrow same. See Exhibit EE annexed hereto.



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:**

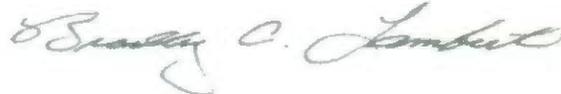
Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

**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.

160000989

DONE AND EXECUTED this 19 day of May, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

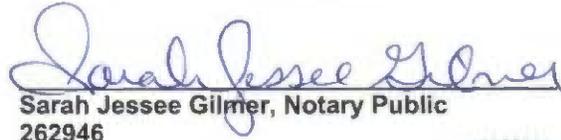
DONE AND PERFORMED this 19 day of May, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 19<sup>th</sup> day of May, 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 99-1019-0760-01

**RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 4 (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:** 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: Q50

BUCHANAN COUNTY, VIRGINIA

## PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is CNX Gas Company LLC, P. O. 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 Tract 4, as depicted upon the annexed table; (2) authorization to begin paying royalties directly to Pocahontas Resources LLC; (3) Dismissal of Coal Owner(s): 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

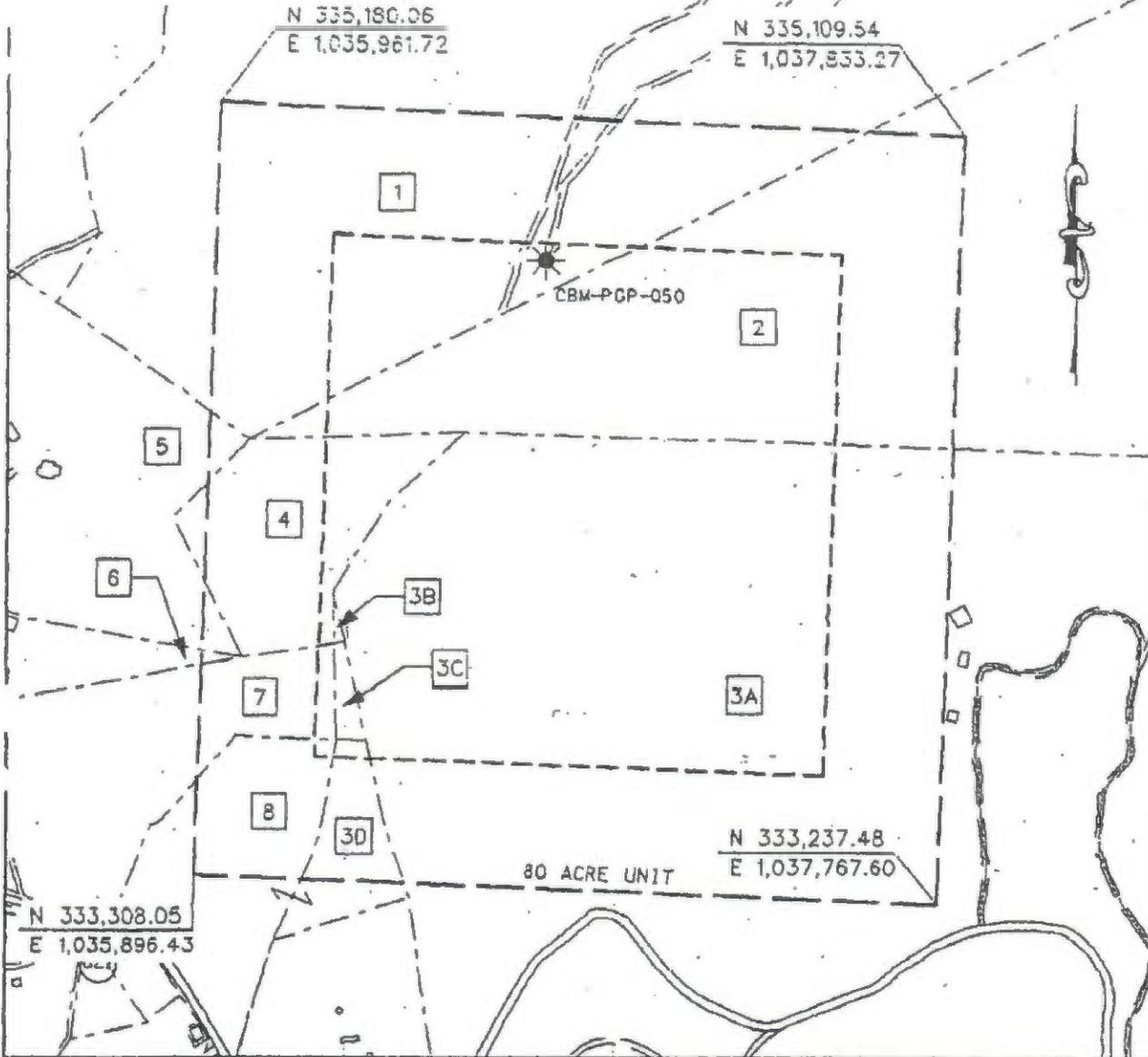
5. Factual basis for relief requested

- a. Pocahontas Resources LLC is the gas claimant in Tracts 4. As such Pocahontas Resources LLC 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.
- b. 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.
- c. 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.
- d. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- e. 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.
- f. 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 Resources LLC 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.

PROPERTY LINES SHOWN WERE TAKEN FROM MAPS  
 PROVIDED BY CONSOL INC. AND WERE NOT SURVEYED.



**LEGEND**

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

EXHIBIT A  
 OAKWOOD FIELD UNIT 0-50  
 FORCE POOLING  
 VGOB-99-1019-0760

Company Poconotas Gas Partnership Well Name and Number UNIT 050  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle Jewell Ridge  
 County Buchanan District Garden Scale: 1" = 400' Date: 9/14/99  
 This plat is a new plat X ; an updated plat \_\_\_\_\_ ; or a 10056 plat \_\_\_\_\_

Form DGO-60-7  
 Rev. 9/91

*Charles D. May*  
 Licensed Professional Engineer or Licensed Land Surveyor

SEAL OF THE PROFESSIONAL ENGINEER  
 Affix Seal

**POCAHONTAS GAS PARTNERSHIP**  
**UNIT Q-50**  
**Tract Identifications**

1. Pocahontas Mining Company, Tr 72 - Fee  
 Coal Lessees  
 Reserve Coal Properties - P-3 Seam and 250' above  
 Jewell Ridge Coal Corp. - Tiller Seam and above  
 Pocahontas Gas Partnership - Oil & Gas Leased  
 Pocahontas Gas Partnership - CBM Leased  
 15.97 acres                      19.3625%
  
2. Pocahontas Mining Company, Tr 19 - Fee  
 Coal Lessees  
 Reserve Coal Properties - P-3 Seam and 250' above  
 Jewell Ridge Coal Corp. - Tiller Seam and above  
 Pocahontas Gas Partnership - Oil & Gas Leased  
 Pocahontas Gas Partnership - CBM Leased  
 17.14 acres                      21.4250%
  
3. Pocahontas Mining Company, Tr 22 - Coal, Oil & Gas  
 Coal Lessees  
 Reserve Coal Properties - P-3 Seam and 250' above  
 Jewell Ridge Coal Corp. - Tiller Seam and above  
 Pocahontas Gas Partnership - Oil & Gas Leased  
 Pocahontas Gas Partnership - CBM Leased  
 37.76 acres                      47.2000%
  
- 3A. & 3B. Pocahontas Mining Company - Surface
- 3C. Robert Maxwell - Surface
- 3D. Sydra Moore - Surface
  
4. James M. McGuire Trust - Coal, ½ Oil & Gas  
 Coal Lessees  
 Reserve Coal Properties - Below drainage coal Lessee  
 Jewell Ridge Coal Corp. - Jawbone and Tiller Seams  
 Pocahontas Gas Partnership - CBM Leased  
 Pocahontas Mining Company - Surface, ½ Oil & Gas  
 4.71 acres                      5.8875%
  
5. James M. McGuire Trust - Coal, ½ Oil & Gas  
 Coal Lessees  
 Reserve Coal Properties - Below drainage coal Lessee  
 Jewell Ridge Coal Corp. - Jawbone and Tiller Seams  
 Pocahontas Gas Partnership - CBM Leased  
 Sydra Moore - Surface, ½ Oil & Gas  
 0.39 acres                      0.4875%

**POCAHONTAS GAS PARTNERSHIP****UNIT Q-50****Tract Identifications**

6. James M. McGuire Trust - Coal, ½ Oil & Gas  
Coal Lessees  
Reserve Coal Properties - Below drainage coal Lessee  
Jewell Ridge Coal Corp.- Jawbone and Tiller Seams  
Pocahontas Gas Partnership - CBM Leased  
Terry Keen - Surface, ½ Oil & Gas  
0.03 acres 0.0375%
7. James M. McGuire Trust - Coal, ½ Oil & Gas  
Coal Lessees  
Reserve Coal Properties - Below drainage coal Lessee  
Jewell Ridge Coal Corp.- Jawbone and Tiller Seams  
Pocahontas Gas Partnership - CBM Leased  
Robert Maxwell - Surface, ½ Oil & Gas  
1.63 acres 2.0375%
8. James M. McGuire Trust - Coal, ½ Oil & Gas  
Coal Lessees  
Reserve Coal Properties - Below drainage coal Lessee  
Jewell Ridge Coal Corp.- Jawbone and Tiller Seams  
Pocahontas Gas Partnership - CBM Leased  
Freda Ann Snider, et al. - Surface, ½ Oil & Gas  
2.37 acres 2.9625%

Exhibit E  
Unit Q-50  
Docket #VGOB-99-1019-0760-01  
List of Owners/Claimants that require escrow

160000989

	Net Acres in Unit	Interest in Unit
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**Tract #5 - 0.39 acres**

**COAL OWNERSHIP**

(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 <i>(Previously incorrectly identified as being owned by the James McGuire Land Trust)</i>	0.195 acres 1/2 of 0.39 acres	0.2438%
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**OIL & GAS OWNERSHIP**

*The respondents listed below did not respond timely to the W9 request and will continue to be escrowed.*

(1) Sydra Moore 9.50 Acres - T011383 RR2 Box 70 Pounding Mill, VA 24637		Conveyed by deed 9/2/05 Instrument # 05-2667
(a.1) Robert Steffens 1128 Hill Top Rd Jewell Ridge, VA 24622	0.195 acres 1/2 of 0.39 acres	0.2438%

**Tract #6 - 0.03 acres**

**COAL OWNERSHIP**

(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 <i>(Previously incorrectly identified as being owned by the James McGuire Land Trust)</i>	0.015 acres 1/2 of 0.03 acres	0.0188%
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**OIL & GAS OWNERSHIP**

*The respondents listed below did not respond timely to the W9 request and will continue to be escrowed.*

(1) Terry Keen HC66 Box 316 Jewell Ridge, VA 24622		Conveyed by deed 4/20/07 Instrument # 07-1603
(a) Richard & Ashley Underwood, TE 2.25 Acres T011382 1116 Hill Top Rd Jewell Ridge, VA 24622	0.015 acres 1/2 of 0.03 acres	0.0188%

**Tract #7 - 1.63 acres**

**COAL OWNERSHIP**

(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 <i>(Previously incorrectly identified as being owned by the James McGuire Land Trust)</i>	0.815 acres 1/2 of 1.63 acres	1.0188%
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**OIL & GAS OWNERSHIP**

*The respondents listed below did not respond timely to the W9 request and will continue to be escrowed.*

(1) Robert Maxwell, et ux	0.815 acres 1/2 of 1.63 acres	1.0188%
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Exhibit E  
Unit Q-50  
Docket #VGOB-99-1019-0760-01  
List of Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
(a) Robert D. Maxwell 7923 Brown Mountain Rd Jewell Ridge, VA 24622	0.408 acres 1/2 of 0.815 acres	0.5094%
(b) Adrienne Maxwell 7923 Brown Mountain Rd Jewell Ridge, VA 24622	0.408 acres 1/2 of 0.815 acres	0.5094%

Tract #8 - 2.37 acres

*Escrow Due to Title Conflict*

COAL OWNERSHIP

(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24805 <i>(Previously incorrectly identified as being owned by the James McGuire Land Trust)</i>	1.185 acres 1/2 of 2.37 acres	1.4813%
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OIL & GAS OWNERSHIP

(2) Freda Ann Snider, et al.	1.185 acres 1/2 of 2.37 acres	1.4813%
(a) Freda Ann Snider 1803 Brickhaven Lane Lawrenceville, GA 30043	0.296 acres 1/4 of 1.185 acres	0.3703%
(b) Patricia Lynn Campbell 1405 Stewart Mill Road McLeansville, NC 27301	0.296 acres 1/4 of 1.185 acres	0.3703%
- OR -		
(a) Freda Ann Snider 1803 Brickhaven Lane Lawrenceville, GA 30043	0.254 acres 3/14 of 1.185 acres	0.3174%
(b) Patricia Lynn Campbell 1405 Stewart Mill Road McLeansville, NC 27301	0.254 acres 3/14 of 1.185 acres	0.3174%
(c) Herbert Harman Heirs, Devisees, Successors or Assigns		
(c.1) Virginia Harman 1046 Spring Ridge Road Jewell Ridge, VA 24622	<i>Life Estate in 1/14</i>	
(c.2) Linda D. Harman Reed 4755 Benson Hardee Road Benson, NC 27504	0.021 acres 1/56 of 1.185 acres	0.0265%
(c.3) Shelia A. Harman 7723 Swords Creek Road Swords Creek, VA 24649	0.021 acres 1/56 of 1.185 acres	0.0265%
(c.4) James K. Harman 1046 Spring Ridge Rd Jewell Ridge, VA 24622	0.021 acres 1/56 of 1.185 acres	0.0265%

Exhibit E  
 Unit Q-50  
 Docket #VGOB-99-1019-0760-01  
 List of Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
(c.5) Marsha E. Thomas 1123 Spring Ridge Rd Jewell Ridge, VA 24622	0.021 acres 1/56 of 1.185 acres	0.0265%
	Acreage in Tract	0.5925
	Percentage of Tract	0.7406%
<b><u>TOTAL REMAINING IN ESCROW:</u></b>		
	Acreage in Unit	2.2100
	Percentage of Unit	2.7625%

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Exhibit EE  
Unit Q-50

Docket #VGOB-99-1019-0760-01

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

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #4 - 4.71 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605 <i>(Previously incorrectly identified as being owned by the James McGuire Land Trust)</i>	2.355 acres 1/2 of 4.71 acres	2.9438%	
<u>OIL &amp; GAS OWNERSHIP</u>			
(1) Pocahontas Resources LLC P. O. Box 1837 Abingdon, VA 24212	2.355 acres 1/2 of 4.71 acres	2.9438%	51.5882% HB2058

INSTRUMENT #160000989  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
JUNE 6, 2016 AT 09:01AM

BEVERLY S. TILLER, CLERK  
RECORDED BY: SLP