

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: P43

TRACT(S): A portion of 2B

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-00-0321-0777-03

APPLICANTS:

CNX Gas Company LLC on behalf of James Curtis White

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 04/27/2000, Recorded on 05/03/2000, Deed Book/Instrument No. 506, Page 565.
2. Supplemental Order Executed 08/24/2000, Recorded on 08/24/2000, Deed Book/Instrument No. 512, Page 1.
3. Disbursement Order -01 Executed 04/08/2003, Recorded on 04/08/2003, Deed Book/Instrument No. 566, Page 395.
4. Modification Order -02 Executed 12/19/2011, Recorded on 01/23/2012, Deed Book/Instrument No. 120000124.

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NOTICE:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) A portion of 2B identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 2B 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. James Curtis White is the gas claimant in Tracts 2B. As such James Curtis White 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 James Curtis White and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

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VGOB Disbursement
Unit P43

VGOB-00-0321-0777-03

Table 1

Tracts: A portion of 2B

Item	Tract	Disbursement Table	Fractional Ownership		Net Acreage		Royalty Split		Escrowed Acres		Percent of Escrowed Funds Disbursed	
			In Tract		In Tract		Agreement		Disbursed		Disbursed	
		Total acreage in escrow before disbursement							0.84590			
2B Tract 2B (total acreage)			14.3300									
1	2B	James Curtis White1441 Red Oak St Pounding Mill, VA 24637	1/72		0.1990		100.00%		0.1990		23.5285%	

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.

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DONE AND EXECUTED this 13 day of April, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

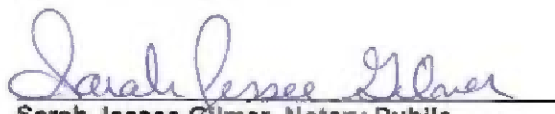
DONE AND PERFORMED this 13 day of April, 2016 by Order of the Virginia Gas and Oil Board.



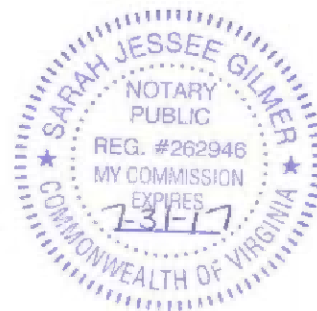
Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 13th day of April, 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 00-0321-0777-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 2B (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: P43

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 Mail 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 2B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to James Curtis White.

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)

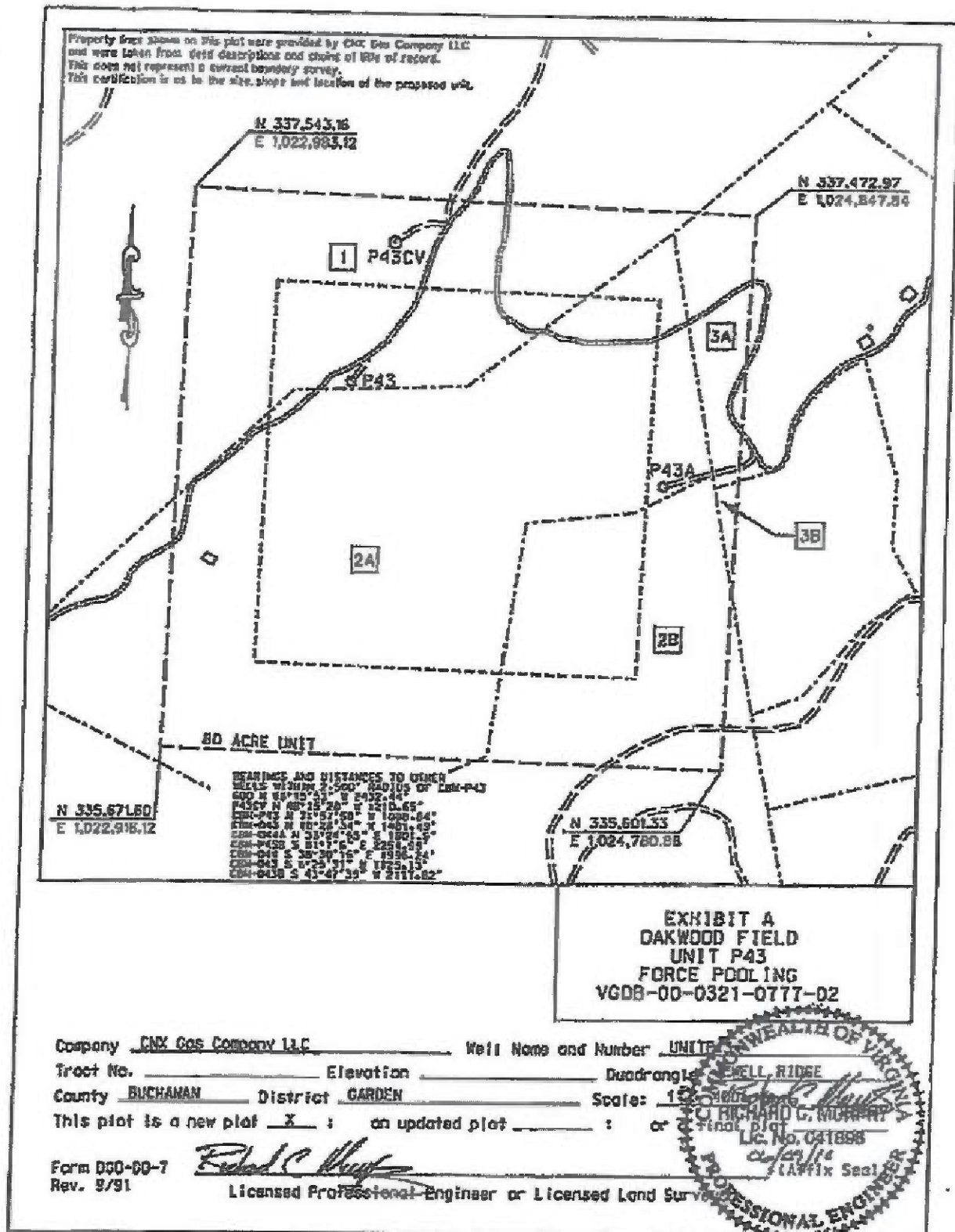
Coalbed Methane

5. Factual basis for relief requested

- a. James Curtis White is the gas claimant in Tracts 2B. As such James Curtis White 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 James Curtis White 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.



CNX GAS COMPANY LLC
UNIT P-43
Tract Identifications

1. P. J. Brown Heirs, et al (889 Acre Tract) – All Mineral
 Island Creek Coal Company/Consol Energy, Inc. Company – Coal Below Drainage Leased
 Jewell Smokeless Coal Corp. – Coal Above Drainage Leased
 CNX Gas Company LLC – Oil, Gas and CBM Leased (99.86775%)
 P. J. Brown Heirs – Surface
 21.04 Acres 26.3000%

- 2A. James M. McGuire Trust (460.57 Acre Tract) – Coal
 Reserve Coal Properties – Below Drainage Coal Leased
 Jewell Smokeless Coal Corp. – Jawbone and Tiller Seams Leased
 CNX Gas Company LLC – Oil and Gas
 Consolidation Coal Company – Surface
 40.58 Acres 50.7250%

- 2B. James M. McGuire Trust (460.57 Acre Tract) – Coal
 Reserve Coal Properties Company – Below Drainage Coal Leased
 Jewell Smokeless Coal Corp. – Jawbone and Tiller Seams Leased
 Jack White Estate, et al – Surface, Oil and Gas
 CNX Gas Company LLC – Oil, Gas and CBM Leased (1/288)
 14.33 Acres 17.9125%

3. Kyle Clifton, et al (John McNeil 750 Acre Tract) – All Minerals
 Consolidation Coal Company – Coal Leased
 CNX Gas Company LLC – Oil, Gas & CBM Leased
 4.05 acres 5.0625%

- 3A. Dora Cantrell – Surface Owner
- 3B. Nancy Lester – Surface Owner

Exhibit E
Unit P-43
Docket# VGOB-00-0321-0777-03
List of All Owners/Claimants that Require Escrow

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	Acres in Unit	Percent of Unit	Interest in 18-Right 2.18152%	19-Right 2.13308%
<u>Tract #2B - 14.33 acres</u>				
<u>COAL OWNERSHIP</u>				
(1) James M. McGuire Land Trust (460.57 Acre Tract) P. O. Box 1067 Bluefield, VA 24605	14.33 acres	17.9125%	0.00390765	0.00382084
<u>OIL & GAS OWNERSHIP</u>				
Jack White Estate, et al. (51.00 acres)	14.33 acres	17.9125%	0.00390765	0.00382084
The ownership listed below is currently being reviewed and documentation is being requested to verify title.				
(1) Jack White Estate (1/16)				
(b) Waltie W. Cantrell Heirs, Devisees, Successor or Assigns				
(b.1) Lonnie Cantrell Sr. 2065 Poteet Rd. Wirtz, VA 24184	0.2559 acres 1/56 of 14.33 acres	0.3199%	0.00006978	0.00006823
(b.2) Deborah L. Cantrell 31 Chestnut Ave New Castle, VA 24127	0.2559 acres 1/56 of 14.33 acres	0.3199%	0.00006978	0.00006823
(c) Stewart White Heirs, Devisees, Successor or Assigns				
(c.1) Linda White Sprouse 5233 Appleleaf Ct. N. Chesierfield, VA 23234	0.0426 acres 1/336 of 14.33 acres	0.0533%	0.00001163	0.00001137
(c.2) Dale White 913 Hamilton Avenue Colonial Heights, VA 23834	0.0426 acres 1/336 of 14.33 acres	0.0533%	0.00001163	0.00001137
(c.3) Diana Boone 1928 Alma Court Madisonville, KY 42431	0.0498 acres 1/288 of 14.33 acres	0.0622%	0.00001357	0.00001327
(c.4) Keith Clifton Heirs, Devisees, Successors or Assigns				
(c.4.1) Linda Clifton 1127 Bunnell Road Jewell Ridge, VA 24622	0.0498 acres 1/288 of 14.33 acres	0.0622%	0.00001357	0.00001327
(c.5) Dovie Victoria White 919 Hamilton Ave. Colonial Heights, VA 23834 Interest Pending Heirship Info				

Exhibit EE
Unit P-43
Docket# VGOB-00-0321-0777-03
List of All Owners/Claimants that have Royalty Division Agreements

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	Acres in Unit	Percent of Unit	Interest in 18-Right 2.18152%	19-Right 2.13306%	Percent of Escrow
<u>Tract #2A - 40.58 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) James M. McGuire Land Trust (460.57 Acre Tract) P. O. Box 1067 Bluefield, VA 24605	40.58 acres	50.7250%	0.01106576	0.01081995	n/a
<u>OIL & GAS OWNERSHIP</u>					
(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	40.58 acres	50.7250%	0.01106576	0.01081995	n/a
<u>Tract #2B - 14.33 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) James M. McGuire Land Trust (460.57 Acre Tract) P. O. Box 1067 Bluefield, VA 24605	14.33 acres	17.9125%	0.00390765	0.00382084	n/a
<u>OIL & GAS OWNERSHIP</u>					
Jack White Estate, et al. (51.00 acres)	14.33 acres	17.9125%	0.00390765	0.00382084	
(a) Lincoln White Heirs, Devisees, Successors or Assigns					
(a.1) Curtis White 441 Red Oak Street Pounding Mill, VA 24637	0.1990 acres 1/72 of 14.33 acres	0.2488%	0.00005427	0.00005307	23.5285% HB2058
(2) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	13.4344 acres 15/16 of 14.33 acres	16.7930%	0.00366342	0.00358204	n/a

INSTRUMENT #160000766
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MAY 3, 2016 AT 04:30PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP