

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: DD26

TRACT(S): 1

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-00-0418-0792-01

APPLICANTS:

CNX Gas Company LLC on behalf of Alma Gaydene Meadows, Evelyn Sue Jackson, James Dwight Hale

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 12/11/2000, Recorded on 12/20/2000, Deed Book/Instrument No. 517, Page 191.
2. Supplemental Order Executed 05/08/2001, Recorded on 05/25/2001, Deed Book/Instrument No. 524, Page 646.

NOTICE:

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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) 1 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1 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. James Dwight Hale, Evelyn Sue Jackson, Alma Gaydene Meadows is the gas claimant in Tracts 1. As such James Dwight Hale, Evelyn Sue Jackson, Alma Gaydene Meadows 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 Dwight Hale, Evelyn Sue Jackson, Alma Gaydene Meadows and not escrow same. See Exhibit EE annexed hereto.

Page Number 3.

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.

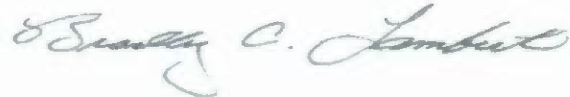
CONCLUSION:

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.

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



Chairman, Bradley C. Lambert

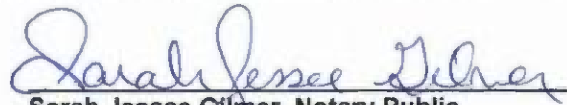
DONE AND PERFORMED this 19 day of May, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 19th 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 00-0418-0792-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1 (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: DD26**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 Tract 2B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to James Dwight Hale, Evelyn Sue Jackson, Alma Gaydene Meadows;
(3) Dismissal of coal owner(s): Hugh MacRae 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. James Dwight Hale, Evelyn Sue Jackson, Alma Gaydene Meadows is the gas claimant in Tracts 1. As such James Dwight Hale, Evelyn Sue Jackson, Alma Gaydene Meadows 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 Dwight Hale, Evelyn Sue Jackson, Alma Gaydene Meadows 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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PROPERTY LINES SHOWN WERE TAKEN
PROVIDED BY CONSOL Inc. AND WERE NOT SURVEYED.

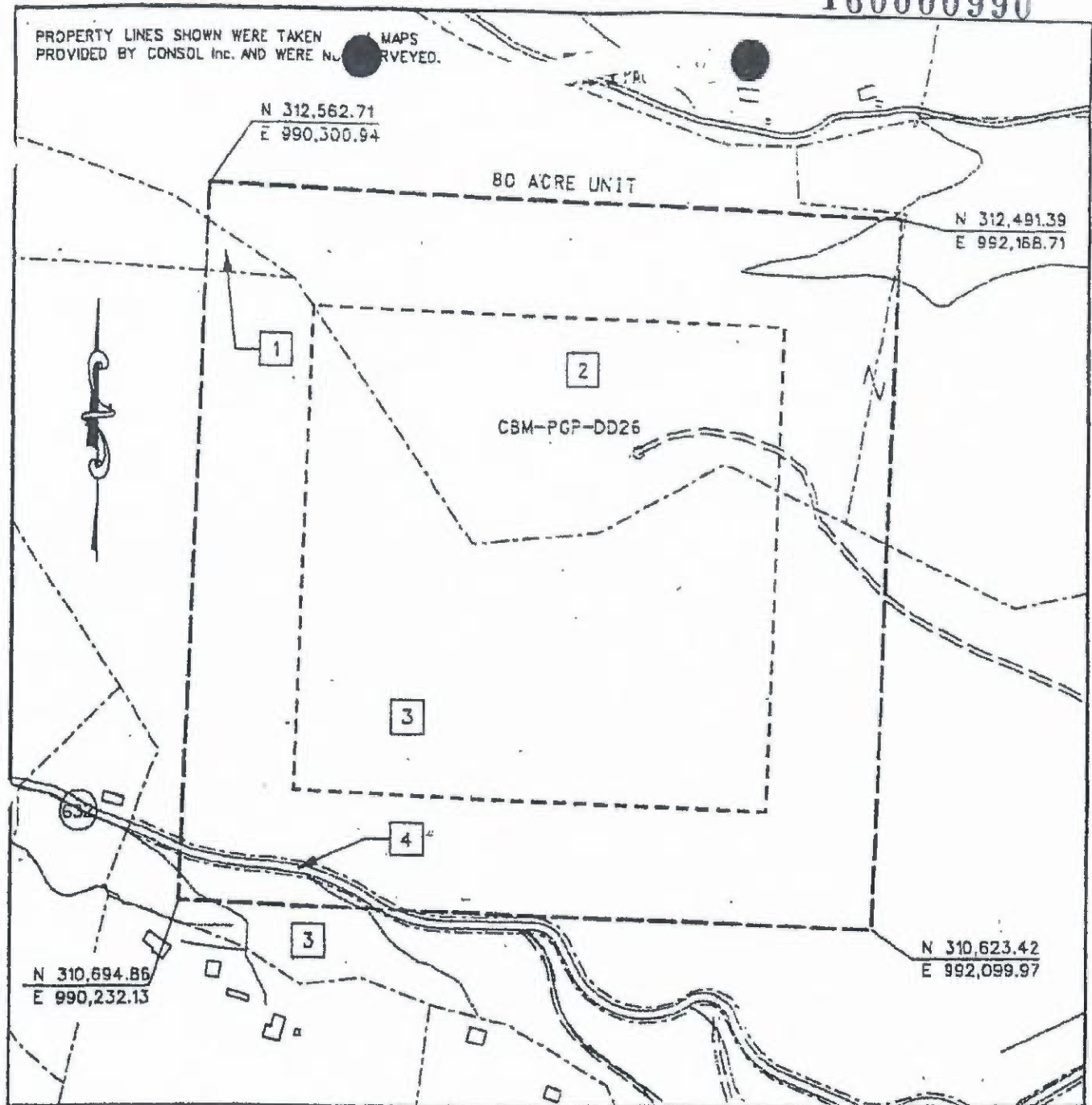


EXHIBIT A
OAKWOOD FIELD UNIT DD-26
FORCE POOLING
VGDS-00-0418-0792

Company Pocahontas Gas Partnership Well Name and Number UNIT DD26
 Tract No. Buckhorn Coal Co. Elevation 2356.25' Quadrangle Keen Mountain
 County Buchanan District Hurricane Scale: 1" = 400' Date 8/15/00
 This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DGO-GO-7
Rev. 9/91

Charles D. Morgan
Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

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POCAHONTAS GAS PARTNERSHIP

UNIT DD-26

Tract Identifications

1. Hugh MacRae Land Trust - TR 9 - Coal
Dorothy Hale - Surface, Oil & Gas
Lessees -
Permac, Inc. - Coal
Consolidation Coal Company - Coal
Pocahontas Gas Partnership - CBM
Pocahontas Gas Partnership - Oil & Gas
0.35 acres 0.4375%
2. Hugh MacRae Land Trust - TR 20 - Coal
Pocahontas Gas Partnership - Oil & Gas
Alvin Sheppard - Surface
Lessees -
Permac, Inc. - Coal
Consolidation Coal Company - Coal
Pocahontas Gas Partnership - CBM
27.81 acres 34.7625%
3. J. S. Gillespie, et al - Fee
Lessees -
Permac, Inc. - Coal
Consolidation Coal Company - Coal
51.31 acres 64.1375%
4. Virginia Department of Transportation - Fee
0.53 acres 0.6625%

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Exhibit E
Unit DD-26
Docket #VGOB-00-0418-0792-01
List of Conflicting Owners/Claimants that require escrow

Net Acres in Unit	Interest in Unit
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No longer requires escrow

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Exhibit EE
Unit DD-26
Docket #VGOB-00-0418-0792-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

		Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1 - 0.35 acres</u>				
<u>COAL OWNERSHIP</u>				
(1)	Hugh MacRae Land Trust Tr 9 c/o Gump, Strauss, Akin LLP 1 Bryant Park, Floor 41 New York, NY 10036-6715	0.35 acres	0.3907%	n/a
By Assignment and Bill of Sale (Gas lease royalty), HMLT devised all of its right, title and interest (other than "Excluded Assets") to Torch Energy Advisors Inc. effective September 4, 1991 and recorded in Buchanan County under DB474 / PG384.				
Torch Oil & Gas Company c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, New Mexico 88030				
Effective 2/1/11, Torch Oil & Gas Company assigned a 2% ORRI to SAC Investments, L.P.				
Effective 3/31/14, Torch Oil & Gas Company, et al. assigned and conveyed 10% of its right, title and interest to Rockport Oil & Gas, L.L.C. In addition, Torch Oil & Gas Company, et al. assigned and conveyed the remaining 90% of its right, title and interest to Chisos, Ltd.				
	Rockport Oil & Gas L.L.C. PO Box 847 Houston, TX 77001	0.04 acres 1/10 of 0.35 acres	0.0391%	
	Chisos, LTD 670 Dona Ana Road SW Deming, New Mexico 88030	0.32 acres 9/10 of 0.35 acres	0.3516%	
<u>OIL & GAS OWNERSHIP</u>				
(1)	James D. Hale, et al (aka Dorothy Hale Heirs) 25.72 Acres T006780	0.35 acres	0.3907%	
(a)	James Dwight Hale 198 Keenon Drive Tazewell, VA 24651	0.117 1/3 of 0.35 acres	0.1302%	33.3333% HB 2058
(b)	Evelyn Sue Jackson P.O. Box 415 Vansant, VA 24656	0.117 1/3 of 0.35 acres	0.1302%	33.3333% HB 2058
(c)	Alma Gaydene Meadows 305 Bandy Road Cedar Bluff, Va 24609	0.117 1/3 of 0.35 acres	0.1302%	33.3333% HB 2058

Tract #2 - 27.81 acresCOAL OWNERSHIP

(1)	Hugh MacRae Land Trust Tr 9 c/o Gump, Strauss, Akin LLP 1 Bryant Park, Floor 41 New York, NY 10036-6715	27.81 acres	31.0414%	n/a
By Assignment and Bill of Sale (Gas lease royalty), HMLT devised all of its right, title and interest (other than "Excluded Assets") to Torch Energy Advisors Inc. effective September 4, 1991 and recorded in Buchanan County under DB474 / PG384.				
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Exhibit EE
Unit DD-26
Docket #VGOB-00-0418-0792-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Net Acres in Unit	Interest In Unit	Percent of Escrow
Rockport Oil & Gas L.L.C. PO Box 847 Houston, TX 77001	2.78 acres 1/10 of 26.70 acres	3.1041%	
Chisos, LTD 670 Dona Ana Road SW Deming, New Mexico 88030	25.03 acres 9/10 of 26.70 acres	27.9373%	

OIL & GAS OWNERSHIP

(1)	CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830	27.81 acres	31.0414%	n/a
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Total Conflicts Resolved

Total Acres	28.1680	
Total Percentage		31.4321%

INSTRUMENT #160000990
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JUNE 6, 2016 AT 09:13AM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP