



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: E17

TRACT(S): A portion of 4

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-01-0116-0868-02

APPLICANTS: CNX Gas Company LLC on behalf of Donald Huffman, Kay Martin, Sandra Cook

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. Disbursement Order -01 Executed 11/16/2016, Recorded on 11/29/2016, Deed Book/Instrument No. 160002193.

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 4 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 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. Sandra Lambert Cook, Kay Martin, and Donald W. Huffman are the gas claimants in a portion of Tr. 4. As such Sandra Lambert Cook, Kay Martin, and Donald W. Huffman are entitled to 100% of the CBM royalties attributable to their gas claims that are 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 previously given the notice(s) required by § 45.1-361.22:2.A to all conflicting coal claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That when the Board granted Petitioner's Miscellaneous Petition in VGOB 01-01 16-0868-01, it dismissed the coal claimant(s) Island Creek Coal Company as a Respondent to these proceedings. Accordingly, Island Creek Coal Company was not provided further notice under § 45.1-361.19 and 22 of the hearing set on this Petition.
- 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 Sandra Lambert Cook, Kay Martin, and Donald W. Huffman and shall 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.

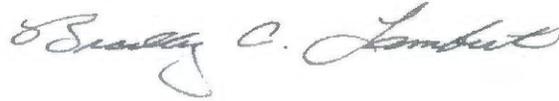
CONCLUSION:

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.

DONE AND EXECUTED this 17 day of June, 2017 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

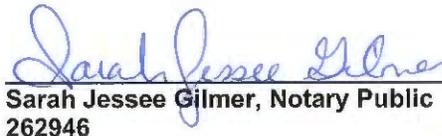
DONE AND PERFORMED this 17 day of June, 2017 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 17th day of June, 2017, 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, 2021



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 01-0116-0868-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 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: E17

BUCHANAN COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is CNX Gas Company LLC, PO 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(s) attributable to Tract(s) portion of Tr. 4 as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Kay Martin, Sandra Lambert Cook, and Donald W. Huffman

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. Sandra Lambert Cook, Kay Martin, and Donald W. Huffman are the gas claimants in a portion of Tr. 4. As such Sandra Lambert Cook, Kay Martin, and Donald W. Huffman are entitled to 100% of the CBM royalties attributable to their gas claims that are 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 previously given the notice(s) required by § 45.1-361.22:2.A to all conflicting coal claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That when the Board granted Petitioner's Miscellaneous Petition in VGOB 01-0116-0868-01, it dismissed the coal claimant(s) Island Creek Coal Company as a Respondent to these proceedings. Accordingly, Island Creek Coal Company was not provided further notice under § 45.1-361.19 and 22 of the hearing set on this Petition.
- 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 Sandra Lambert Cook, Kay Martin, and Donald W. Huffman and shall 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.

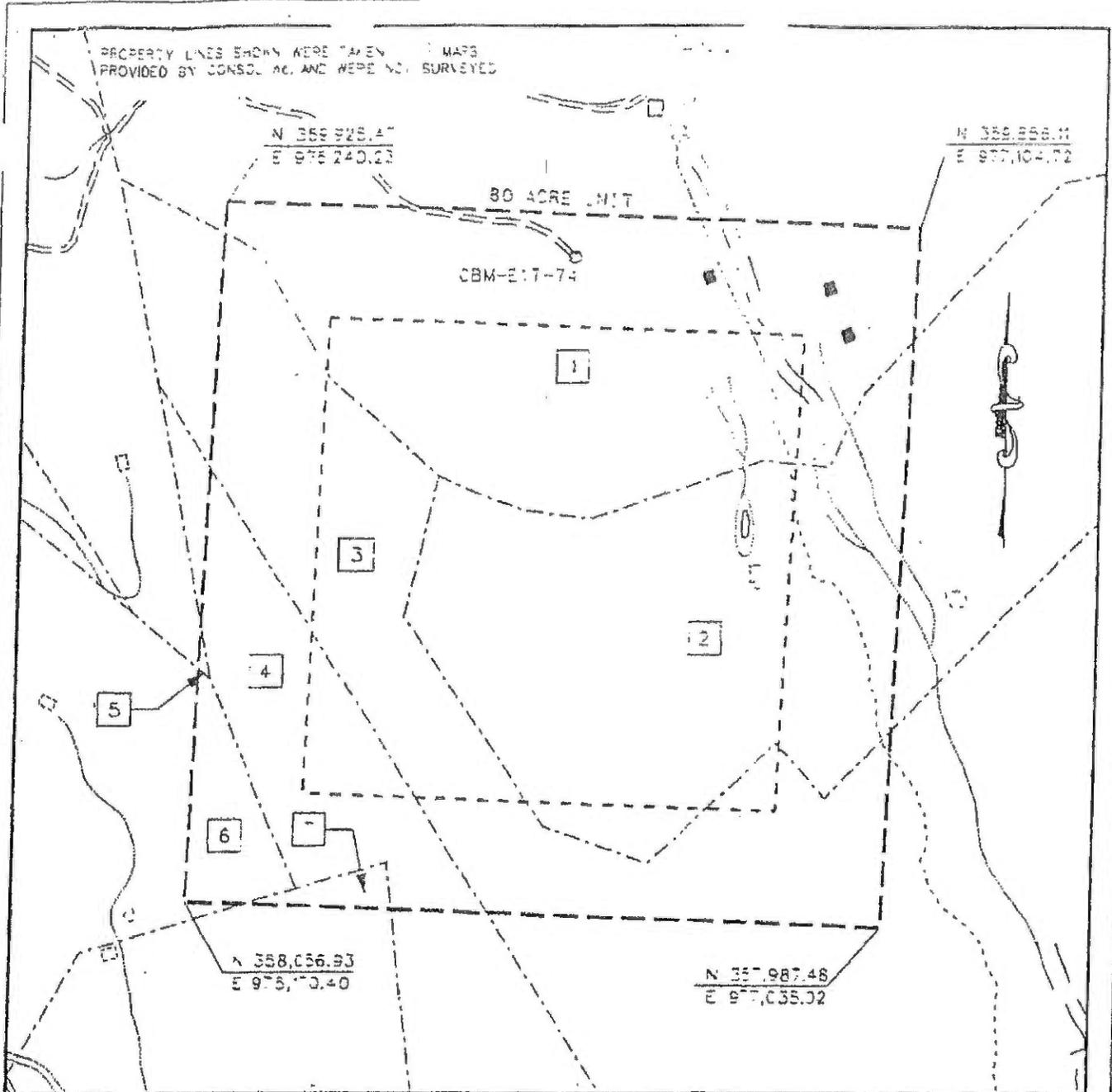


EXHIBIT A
 DA WOOD FIELD UNIT E-17
 FORCE POOLING
 VGOS-01-0116-0868

Company CONSOL Energy Inc. Well Name and Number UNIT E17

Tract No. _____ Elevation _____ Block/angle Grundy

County Buchanan District South Grundy Sec. 1 = 400' Date 12/13/00

This plot is a new plot X ; an updated plot _____ ; or a final plot No

Form DGS-60-7
 Rev. 9/91

David D. May
 Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

CONSOL ENERGY INC.

UNIT E-17

Tract Identifications

1. Yukon Pocahontas, et al. Tr. 80 - Coal, Oil & Gas
Coal Lessee
Island Creek Coal Company - Below Drainage Coal Leased
Buchanan Production Company - CBM Leased
Jewell Coal & Coke Company - Surface
25.31 acres 31.6375 %
2. Powers, et al. - Coal, Oil & Gas
Coal Lessee
Island Creek Coal Company - Below Drainage Coal Leased
Buchanan Production Company - CBM Leased
24.39 acres 30.4875%
3. North American Timber Corp. Tr. 6 - Fee
Coal Lessee
Island Creek Coal Company - Below Drainage Coal Leased
Buchanan Production Company - CBM Leased
19.53 acres 24.4125 %
4. Amy Lee Powers, et al. - Fee
Coal Lessee
Island Creek Coal Company - Below Drainage Coal Leased
Buchanan Production Company - Oil, Gas and CBM Leased
7.87 acres 9.8375%
5. Earl W. Yates, et al. (Heirs of Louisa B. Yates) - Coal, Oil & Gas
Coal Lessee
Island Creek Coal Company - Below Drainage Coal Leased
Buchanan Production Company - CBM Leased (15/32)
Darrell Alvin Daniels, et ux. - Surface
0.03 acres 0.0375 %
6. North American Timber Corp. Tr. 5 - Fee
Coal Lessee
Island Creek Coal Company - Below Drainage Coal Leased
Buchanan Production Company - CBM Leased
2.32 acres 2.9000 %
7. C. L. Ritter, et al. Tr. 3 - Fee
Coal Lessee
Island Creek Coal Company - Below Drainage Coal Leased
Jewell Smokeless Coal Corp - Tiller and Above Coal Leased
Buchanan Production Company - CBM Leased
0.55 acres 0.6875 %

Exhibit E
Unit E-17
Docket # VGOB-01-0116-0868-02
List of Owners/Claimants in escrow

	Acres in Unit	Percent of Unit
<u>Tract #4, 7.87 acres</u>		
<u>COAL OWNERSHIP</u>		
<i>1/3 interest previously escrowed due to conflicting CBM claim</i>		
(1) Stephen R. Runals, Trustee, et al (Erma R. Runals, et al) <i>(previously Amy Lee Powers, et al)</i> <i>(64 Acre Tract)</i>	7.87 acres	9.8375%
(c) Island Creek Coal Company 10545 Riverside Dr. Oakwood, VA 24631	2.62 acres 1/3 of 7.87 acres	Dismissed under 3.2792% -01 petition
<u>OIL & GAS OWNERSHIP</u>		
<i>Unresolved Heirship & Outstanding W9/Affidavit's</i>		
<i>**Individual interest/acreage was previously calculated incorrectly for Tract 4. Internal corrections and payments have been made and the ownership below reflects corrected ownership</i>		
(1) Stephen R. Runals, Trustee, et al (Erma R. Runals, et al) <i>(previously Amy Lee Powers, et al)</i> <i>(64 Acre Tract)</i>	7.87 acres	9.8375%
(c) J.W. Lambert Heirs, Devisees, Successors or Assigns** (1/3 of 7.87 acres)		
(c.2) James McCall Lambert Heirs, Devisees, Successors or Assigns <i>Documentation Pending on Heirs - Requested 10/1/2015</i>	0.3279 acres 1/24 of 7.87 acres	0.4099%
(c.3) Helen Lambert James Heirs, Devisees, Successors or Assigns		
(c.3.1) Frank P. James, Jr. Heirs, Devisees, Successors or Assigns		
(c.3.1.2) Rebecca Sours 6069 Bradford Lane Johnston, IA 50131	0.1640 acres 1/48 of 7.87 acres	0.2049%

Exhibit EE
Unit E-17
Docket # VGOB-01-0116-0868-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #4, 7.87 acres</u>			
<u>COAL OWNERSHIP</u>			
<i>1/3 Interest previously escrowed due to conflicting CBM claim</i>			
(1) Stephen R. Runals, Trustee, et al (Erma R. Runals, et al) (previously Amy Lee Powers, et al) (64 Acre Tract)	7.87 acres	9.8375%	
(c) Island Creek Coal Company 10545 Riverside Dr. Oakwood, VA 24631	2.6233 acres 1/3 of 7.87 acres	3.2792%	<i>n/a</i>
<u>OIL & GAS OWNERSHIP</u>			
<i>**Individual interest/acreage was previously calculated incorrectly for Tract 4. Internal corrections and payments have been made and the ownership below reflects corrected ownership</i>			
(1) Stephen R. Runals, Trustee, et al (Erma R. Runals, et al) (previously Amy Lee Powers, et al) (64 Acre Tract)	7.87 acres	9.8375%	
(a) Amy Lee Powers Heirs, Devisees, Successors or Assigns			
(a) Amy Lee Powers Heirs, Devisees, Successors or Assigns			
(a.1) Robert S. Powers Heirs, Devisees, Successors or Assigns <i>Documentation Pending on Heirs - Requested 3/2/2015</i> <i>Interest previously shown on Exhibit E in error</i>	0.66 acres 1/12 of 7.87 acres	0.8198%	<i>n/a</i>
(a.2) Erma Runals Trust c/o Andrew Runals, Trustee 11453 Davis Rd. Middleville, MI 49333 <i>Interest previously shown on Exhibit E in error</i>	0.66 acres 1/12 of 7.87 acres	0.8198%	<i>n/a</i>
(a.3) Bran Investments, LLC 516 Holston Ave., Suite 100 Bristol, TN 37620-2177	0.66 acres 1/12 of 7.87 acres	0.8198%	<i>n/a</i>
(a.4) The Walker Trust Indenture c/o James S. Thompson, Trustee 30 Second St. NW, PO Box 191 Cleveland, TN 37364	0.66 acres 1/12 of 7.87 acres	0.8198%	<i>n/a</i>
(b) Curtis W. Humphrey Heirs, Devisees, Successors or Assigns			
(b.1) Carol C. Welch 134 Little John Road Williamsburg, VA 23185	0.44 acres 1/18 of 7.87 acres	0.5465%	<i>n/a</i>
(b.2) Mark Douglas Welch 113 Holdworths Rd. Williamsburg, VA 23185	0.44 acres 1/18 of 7.87 acres	0.5465%	<i>n/a</i>

Exhibit EE
Unit E-17
Docket # VGOB-01-0116-0868-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Acres in Unit	Percent of Unit	Percent of Escrow
(b.3) May S. Harris Trust c/o Michael Kauble, Trustee P.O. Box 325 Angwin, CA 94505 <i>Interest previously shown on Exhibit E in error</i>	1.17 acres 4/27 of 7.87 acres	1.4574%	<i>n/a</i>
(b.4) Edward W. Lindsay Trust			
(b.4.1) Lindsay Manufacturing PO Box 1708 Ponce City, OK 74602 <i>Interest previously shown on Exhibit E in error</i>	0.10 acres 1/81 of 7.87 acres	0.1215%	<i>n/a</i>
(b.4.2) Cindy Lindsay HC 81 Box 7008 Questa, MN 87556	0.03 acres 1/243 of 7.87 acres	0.0405%	<i>n/a</i>
(b.4.3) James Lindsay 5455 Lions Gate Lane Colorado Springs, CO 80919-3563	0.03 acres 1/243 of 7.87 acres	0.0405%	<i>n/a</i>
(b.4.4) John Lindsay 17 Sherwood Rd. Ft. Walton Beach, FL 32547-1620 <i>Interest previously shown on Exhibit E in error</i>	0.13 acres 4/243 of 7.87 acres	0.1619%	<i>n/a</i>
(b.4.5) George Benton Harris Heirs, Devisees, Successors or Assigns			
(b.4.5.1) Marguerite Emma (Harris) Whyte 1837 Avenida Segovia Oceanside, CA 92056-6235 <i>Interest previously shown on Exhibit E in error</i>	0.10 acres 1/81 of 7.87 acres	0.1215%	<i>n/a</i>
(b.4.5.2) Patricia Marie (Harris) Ruemke Heirs, Devisees, Successors or Assigns			
(b.4.5.2.1) Alford Herbert Ruemke, II 14008 Puerto Drive Ocean Springs, MS 39564	0.10 acres 1/81 of 7.87 acres	0.1215%	<i>n/a</i>
(b.4.5.3) George Benton Harris, Jr. 11 Luzanne Circle San Anselmo, CA 94960 <i>Interest previously shown on Exhibit E in error</i>	0.10 acres 1/81 of 7.87 acres	0.1215%	<i>n/a</i>
(c) J.W. Lambert Heirs, Devisees, Successors or Assigns			
(c.1) Sandra Lambert Cook 205 Donegal Way Bristol, TN 37620	0.33 acres 1/24 of 7.87 acres	0.4099%	24.9999% HB2058
(c.3) Helen Lambert James Heirs, Devisees, Successors or Assigns			
(c.3.1) Frank P. James, Jr. Heirs, Devisees, Successors or Assigns			
(c.3.1.1) Kay Martin 3784 Buckingham Dr. Roanoke, VA 24018	0.16 acres 1/48 of 7.87 acres	0.2049%	12.5000% HB2058

170001379

Exhibit EE
Unit E-17

Docket # VGOB-01-0116-0868-02

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

	Acres In Unit	Percent of Unit	Percent of Escrow
(c.3.2) Colleen James Huffman Heirs, Devisees, Successors or Assigns			
(c.3.2.1) Donald W. Huffman 3002 Burnleigh Road Roanoke, VA 24014	0.33 acres 1/24 of 7.87 acres	0.4099%	24.9999% HB2058
(c.4) Jessie Lambert Pauley & Harry Pauley Heirs, Devisees, Successors or Assigns			
(c.4.1) Harriet Grim PO Box 1481 Pinehurst, NC 23870	0.66 acres 1/12 of 7.87 acres	0.8198%	n/a
(c.5) Ava Spence & Hugh Spence Heirs, Devisees, Successors or Assigns			
(c.5.1) Sue Woodie 1500 Old Hundred Rd. Midlothian, VA 23114	0.33 acres 1/24 of 7.87 acres	0.4099%	n/a
(c.5.2) Brenda Taylor 649 Windy Wood Dr. Clayton, NC 27520	0.33 acres 1/24 of 7.87 acres	0.4099%	n/a

INSTRUMENT 170001379
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
July 5, 2017 AT 04:00 PM
BEVERLY S. TILLER, CLERK
RECORDED BY: GGB