

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: J38

TRACT(S): 2

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-01-0515-0890-02

APPLICANTS:

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

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 10/02/2001, Recorded on 10/04/2001, Deed Book/Instrument No.
531, Page 464.
2. Supplemental Order Executed 02/21/2002, Recorded on 03/08/2002, Deed Book/Instrument No.
542, Page 270.
3. Disbursement Order -01, Recorded on 11/12/2008, Deed Book/Instrument No. 0800004218.

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) 2 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2 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. Norfolk Southern Railway Company/Pocahontas Land Corp.; is the gas claimant in Tracts 2. As such Norfolk Southern Railway Company/Pocahontas Land Corp is 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 Norfolk Southern Railway Company/Pocahontas Land Corp. and not escrow same. See Exhibit EE annexed hereto

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Unit J38
VGOB Disbursement

Table 1

Item	Tract	Disbursement Table
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Total acreage in escrow before disbursement

2		Tract 2 (total acreage)	4.2617			
1	2	Pocahontas Land Corporation\PO Box 1517 Bluefield, WV 24701	4.2617	100.00%	4.2617	100.00000%

Adjustment Comments:

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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:

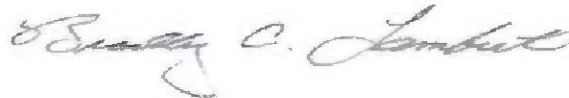
Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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.

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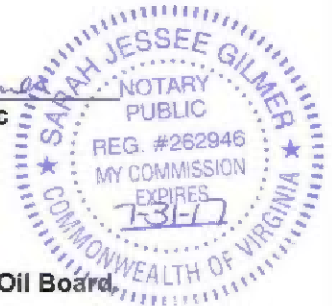
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DONE AND EXECUTED this 10 day of May, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 10th 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, that he executed the same and was authorized to do so.


Sarah Jessee Gilmer, Notary Public
262946

My Commission expires: July 31, 2017

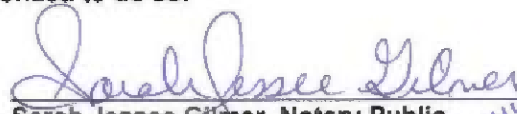
DONE AND PERFORMED this 11 day of May, 2016 by Order of the Virginia Gas and Oil Board,



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 11th day of May, 2016, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is the Principal Executive to the staff of the Virginia Gas and Oil Board, that he 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 01-0515-0890-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2 (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: J38**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(s) attributable to of Tract(s) 2 as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Norfolk Southern Railway Company/Pocahontas Land Corp.; (3) Dismissal of Coal Owner(s): Yukon Pocahontas Coal Company, Buchanan Coal Company, Sayers-Pocahontas Coal Company, and CONSOL Buchanan Mining Company.

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. Norfolk Southern Railway Company/Pocahontas Land Corp.; is the gas claimant in Tracts 2. As such Norfolk Southern Railway Company/Pocahontas Land Corp is 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 Norfolk Southern Railway Company/Pocahontas Land Corp. 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.

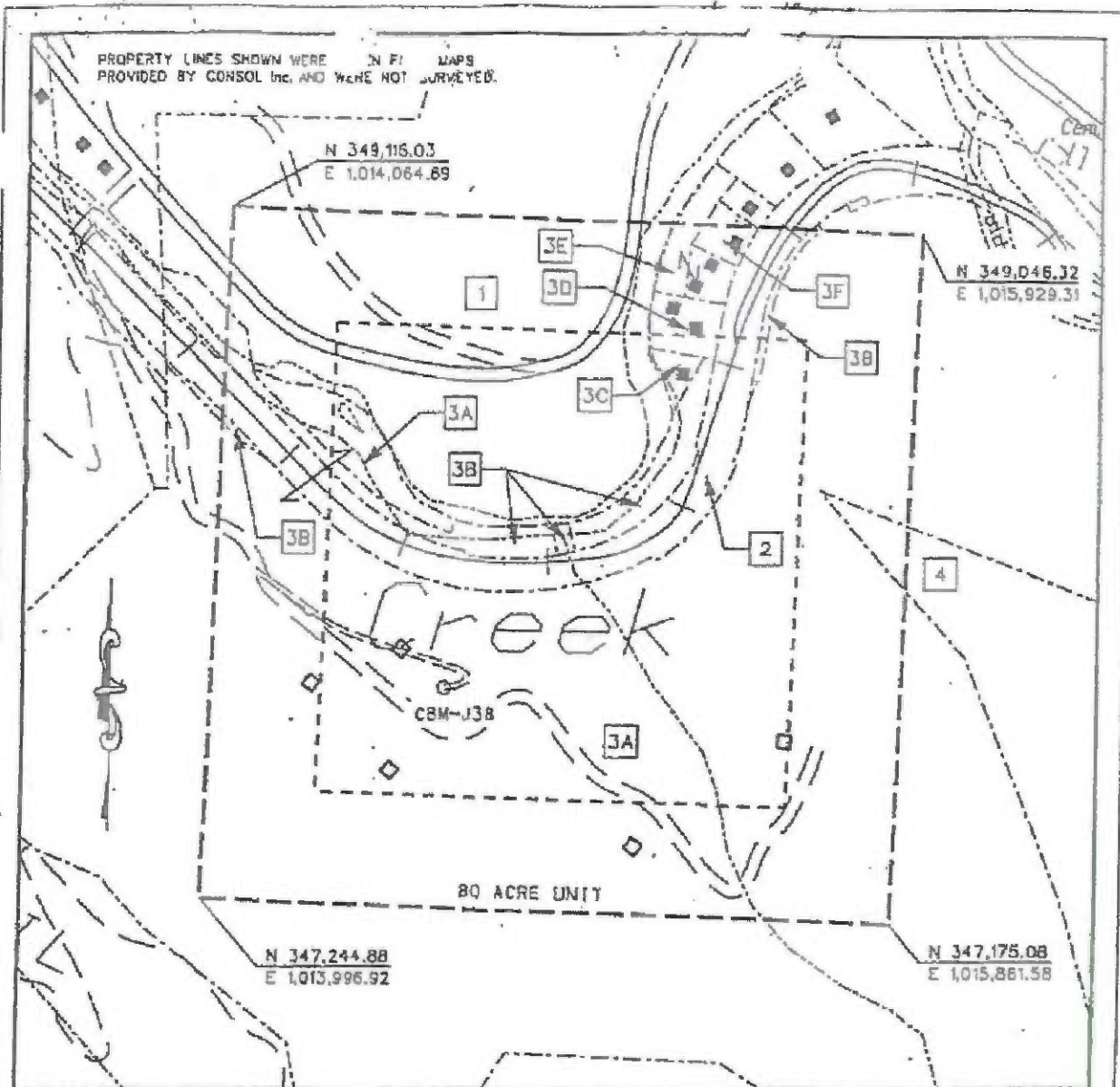


EXHIBIT A
OAKWOOD FIELD UNIT J-38
FORCE POOLING
VGOB-01-0515-0890

Company CONSOL Energy Inc. Well Name and Number UNIT J38
Tract No. _____ Elevation _____ Quadrange Keen Mountain
County Buchanan District Garden Scale: 1" = 400' Date 4/8/11
This plat is a new plat X an updated plat _____ or a final plat _____

Form DGO-GO-7
Rev. 9/91

Charles D. Noyes
Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

January 30, 2002

CONSOL ENERGY INC.**UNIT J-38****Tract Identifications**

1. Claude V. Keen, et al. - Coal (Except 1/9th Int In P-3 Seam and Jawbone Seam)
 Island Creek Coal Company/Consolidation Coal Company - 1/9th Int In P-3 Seam
 Jewell Smokeless Coal Corp - Jawbone Seam
 Island Creek Coal Company/Consolidation Coal Company - Below Drainage Coal Leased
 Jewell Smokeless Coal Corp. - Above Drainage Coal Leased (Except Jawbone Seam)
 Virginia Gas Exploration Company - CBM Leased (98.7654 % Except 1/9th of P-3 Seam)
 Buchanan Production Company - CBM Assignee
 Claude V. Keen, et al. - Oil & Gas
 Virginia Gas Exploration Company - Oil, Gas and CBM Leased (98.7654 %)
 Buchanan Production Company - CBM Assignee
 17.68 acres 22.1000%

2. Norfolk Southern Corp. - Fee (Except Coal Below 800')
 Yukon Pocahontas Coal Company, et al. Tr 32 - Coal below 800'
 Reserve Coal Properties Company - Coal below 800' Leased
 Buchanan Production Company - CBM Leased Below 800'
 5.34 acres 6.6750%

3. Yukon Pocahontas Coal Company, et al. Tr 32 - Coal, Oil & Gas
 Reserve Coal Properties Company - Below Drainage Coal Leased
 Jewell Smokeless Coal Corp. - Above Drainage Coal Leased
 Buchanan Production Company - CBM Leased
 Cabot Oil and Gas Corp. - Oil & Gas Leased
 56.54 acres 70.6750%

- 3A. Mifred Maxwell, et al. - Surface
 3B. Norfolk Southern Corp. - Surface
 3C. Bernard Maxwell - Surface
 3D. Robert H. White - Surface
 3E. Bernard Maxwell - Surface
 3F. Raymond Compton - Surface

4. C. L. Ritter Lumber Company - Tr. 41 - Coal, Oil & Gas
 Reserve Coal Properties Company - Below Drainage Coal Leased
 Jewell Smokeless Coal Corp. - Above Drainage Coal Leased
 Buchanan Production Company - CBM Leased (Coal Seams Below Tiller Seam)
 Bucky McConnell, et al. - Surface
 0.44 Acres 0.5500%

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Exhibit E
Unit J-38
Wells J38 (3/28/02) and J38A (03/03/11)
Docket # VGOB 01-0515-0890-02
Buchanan County, VA
List of Respondents that require Escrow

	Net Acres in Unit	Interest in Unit
<i>Escrowing no longer required</i>		

Exhibit EE
Unit J-38
Docket # VGOB 01-0515-0890-02
Buchanan County, VA
List of all Respondents with Royalty Splits/Court Orders/HB2058

	Net Acres In Unit	Percent In Unit	Percent of Escrow
<u>Tract #1, 17.68 Acres</u>			
<u>COAL OWNERSHIP</u>			
Caroline Cole Keen, et al. (Caroline Cole Gregory Heirs, Devisees, Successors or Assigns) 85 Acre Tract (now identified as 79.10 acres)	17.68 acres	22.1000%	n/a
(1) Caroline Cole Gregory Heirs, Devisees, Successors or Assigns - Coal except the Jawbone Seam			
(a.2) Island Creek Coal Company - P3 Seam Only *** 10545 Riverside Drive Oakwood, VA 24631	1.964 acres 1/9 of 17.68 acres	2.4556%	n/a
*** NOTE: CNX Gas Company conveyed its Royalty Interest in the CBM Only to Edith Street, John Irvin, Carol Irvin, Martha Combs and The Frederick H. Combs II Testamentary Trust by deed dated 3/07/08 (Inst#080001170).			
<u>OIL & GAS OWNERSHIP</u>			
Caroline Cole Keen, et al. (Caroline Cole Gregory Heirs, Devisees, Successors or Assigns) 85 Acre Tract (now identified as 79.10 acres)	17.68 acres	22.1000%	
(1) Caroline Cole Gregory Heirs, Devisees, Successors or Assigns - Coal except the Jawbone Seam			
(a) Hassel Cole (1/9)			
(a.1) Thelma Parks - Coal except Jawbone & P3 Seam			
(a.1.1) Edith G. Street *** P.O. Box 459 Abingdon, VA 24212	0.982 acres 1/18 of 17.68 acres	1.2278%	n/a
(a.1.2) Marion S. Combs Heirs, Devisees, Successors or Assigns (1/18) ***			
(a.1.2.1) Martha E. Combs c/o Benjamin F. Edwards & Co. 208 W. Main St., Ste 400 Tazewell, VA 24651-1072	0.327 acres 1/54 of 17.68 acres	0.4093%	n/a
(a.1.2.2) Frederick H. Combs II Heirs, Devisees, Successors or Assigns			
(a.1.2.2.a) Fred H. Combs Testamentary Trust c/o Trustee P.O. Box 841 Tazewell, VA 24651	0.327 acres 1/54 of 17.68 acres	0.4093%	n/a
(a.1.2.3) Carol Irvin 4710 Hunterwood Circle Richmond, TX 77406	0.327 acres 1/54 of 17.68 acres	0.4093%	n/a
*** NOTE: Edith G. Street, et vir. and Marion S. Combs, et vir. conveyed their interest in the Pocahontas No. 3 seam to Island Creek Coal Company by deed dated 5/25/81 (DB 323-561).			

Tract #2, 5.34 Acres

Only a portion of the tract will be Escrowed due to ownership in conflict.
Well J38 - 79.8087% of percent of interest in the unit should be escrowed
Well J38A - 58.6592% of percent of interest in the unit should be escrowed

Exhibit EE
Unit J-38
Docket # VGOB 01-0515-0890-02
Buchanan County, VA
List of all Respondents with Royalty Splits/Court Orders/HB2058

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	Net Acres in Unit	Percent in Unit	Percent of Escrow
<u>COAL OWNERSHIP</u>			
(2) Yukon Pocahontas Coal Company, et al. - <i>Coal below 800'</i>	5.34 acres	6.8750%	
(a) Yukon Pocahontas Coal Company P.O. Box 187 Tazewell, VA 24651	0.98 acres 1/2 of 5.34 acres	1.2278%	
(b) Buchanan Coal Company P.O. Box 187 Tazewell, VA 24651	0.22 acres 1/9 of 5.34 acres	0.2728%	
(c) Sayers-Pocahontas Coal Company P.O. Box 187 Tazewell, VA 24651	0.11 acres 1/18 of 5.34 acres	0.1364%	
(d) CONSOL Buchanan Mining Company * 3337 Contrary Creek Rd Raven, VA 24639	0.65 acres 1/3 of 5.34 acres	0.8185%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Norfolk Southern Railway Company	5.34 acres	6.6750%	100.00% HB2058
<i>If no conflict royalties paid to:</i> Pocahontas Land Corporation Treasurer, Pocahontas Land Corporation P. O. Box 1517 Bluefield, WV 24701			
Total Acres		7.3044	
Total Percentage		9.1306%	

INSTRUMENT #160000894
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MAY 19, 2016 AT 04:37PM
BEVERLY S. TILLER, CLERK
RECORDED BY: SLP