

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: AW108

TRACT(S): 1B

LOCATION: BUCHANAN, RUSSELL County, Virginia

DOCKET NUMBER: VGOB-01-0821-0908-01

APPLICANTS: CNX Gas Company LLC on behalf of CNX Gas Company LLC

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
January 19, 2016

APPEARANCES: Mark A. Swartz on behalf of CNX Gas Company LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 12/18/2001, Recorded on 03/11/2014, Deed Book/Instrument No. 140000339.
2. Original Pooling Order Executed 12/18/2001, Recorded on 03/11/2014, Deed Book/Instrument No. 140000339.
3. Supplemental Order Executed 02/18/2003, Recorded on 02/21/2003, Deed Book/Instrument No. 563, Page 79.
4. Supplemental Order Executed 02/18/2003, Recorded on 02/21/2003, Deed Book/Instrument No. 563, Page 79.
5. Supplemental Order, Recorded on 11/14/2011, Deed Book/Instrument No. 110002814.

1600000136

BOOK 0798 PAGE 0108

6. Supplemental Order, Recorded on 11/14/2011, Deed Book/Instrument No. 110002814.
7. Original Pooling Order Executed 12/18/2001, Recorded on 03/11/2014, Deed Book/Instrument No. 140000339.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the January 19, 2016 hearing and considered whether to:

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

Settlement Agreement dated April 17, 2012 states that CNX Gas Company LLC will receive a one-time payment of funds in escrow; therefore 100% of the royalty will be paid to CNX Gas Company LLC. The Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Table, further, specifies how said royalties are to be paid.

There are no remaining conflicts after the disbursement, escrow is no longer required and account is to be closed after disbursement.

RELIEF GRANTED:

160000136

BOOK 0798 PAGE 0109

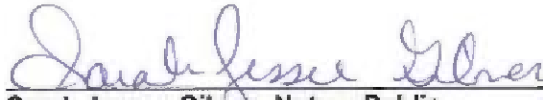
DONE AND EXECUTED this 21 day of January, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 21st day of January, 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 22 day of January, 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 22nd day of January, 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 01-0821-0908-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1B (2) AND
AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

HEARING DATE: January 19, 2015

DRILLING UNIT: AW108

BUCHANAN, RUSSELL COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is CNX Gas Company LLC, 627 Claypool Hill Mall 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 1B as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the following parties: CNX Gas Company LLC.

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

Settlement Agreement dated April 17, 2012 states that CNX Gas Company LLC will receive a one-time payment of funds in escrow; therefore 100% of the royalty will be paid to CNX Gas Company LLC. The Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Table, further, specifies how said royalties are to be paid.

There are no remaining conflicts after the disbursement, escrow is no longer required and account is to be closed after disbursement.

6. Attestation

The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC

Unit AW-108

Tract Identification

(58.70 Acre Unit)

- 1A. Buckhorn Coal Company, Tract 5 (Jacob Fuller 439.04 Acre Tract) - All Minerals
 Knox Creek Coal Company - Above Drainage Coal Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 Unknown Surface Owner
 11.32 acres 19.2845%
- 1B. Buckhorn Coal Company, Tract 5 (Jacob Fuller 439.04 Acre Tract) - Coal
 Knox Creek Coal Company - Above Drainage Coal Leased
 CNX Gas Company LLC - CBM Leased
 James Rasmake, et al (68.00 Acre Tract) - Oil and Gas
 CNX Gas Company LLC - Oil, Gas and CBM Leased (1/24)
 Buckhorn Coal Company (50%)/James Rasmake, et al (50%) - CBM
 Buckhorn Coal Company - Surface
 12.31 acres 20.9711%
2. Buckhorn Coal Company, Tract 3 (Jeremiah Yates 800 Acre Tract) - Fee
 Reserve Coal Properties Company - Below Drainage Coal Leased
 Knox Creek Coal Company - Above Drainage Coal Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 2.86 acres 4.8722%
3. Buckhorn Coal Company (M.O. Burke 62.88 Acre Tract) - Fee
 Knox Creek Coal Company - Tiller and Above Coal Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 32.21 acres 54.8722%

(This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)

Exhibit E
Unit AW-108
Docket #VGOB-01-0821-0908-01
List of Respondents that require escrow
(58.70 Acre Unit)

	Acres In Unit	Interest In Unit
Escrowing not required		

Exhibit EE
Unit AW-108
Docket #VGOB-01-0821-0908
List of Respondents with Royalty Split Agreements/Court Orders/ Deeds
(58.70 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #18, 12.31 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Buckhorn Coal Company, Tr. 5 (Jacob Fuller 439.04 Acre Tract) P. O. Box 187 Tazewell, VA 24651	12.31 acres	20.9711%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) James Rasnake, et al. (a.k.a. - Jacob Fuller Heirs, Devisees, Successors or Assigns - 68 Acre Tract)	12.31 acres	20.9710%	
(a) James D. Rasnake P.O. Box 1914 Honaker, VA 24260	5.90 acres 23/48 of 12.31 acres	10.0486%	n/a
(b) Mike C. Rasnake Heirs, Devisees, Successors or Assigns			
(b.1) Peggy Rasnake	By Deed of Gift dated April 25, 2012, Peggy Rasnake conveyed her interest to Bobby Rasnake, Donna Whitt, Harold Dye & Deborah Carlock; DB 747/285 (RC) & Inst.# 120006804 (BC) Bobby Rasnake and Donna Whitt also joined in the deed to convey the same equally.		
(b.1) Bobby Lee Rasnake 1233 Miller Creek Rd. Honaker, VA 24260	1.47 acres 23/192 of 12.31 acres	2.5122%	n/a
(b.2) Donna Jean Whitt 6980 Drill Rd. Honaker, VA 24260	1.47 acres 23/192 of 12.31 acres	2.5122%	n/a
(b.3) Harold David Dye 1162 Fescue Road Rowe, VA 24646	1.47 acres 23/192 of 12.31 acres	2.5122%	n/a
(b.4) Deborah Cook Carlock 1394 Elk Garden Road Lebanon, VA 24266	1.47 acres 23/192 of 12.31 acres	2.5122%	n/a
(c) Lucy Blankenship P.O. Box 1914 Honaker, VA 24260	0.51 acres 1/24 of 12.31 acres	0.8796%	n/a
<u>CBM OWNERSHIP (68 Acre Tract):</u>			
By Deed of Indenture each dated 09/17/10, James Rasnake (DB 725/632), Mike Rasnake, Dec. (DB 725/638) and Lucy Blankenship (DB 725/625) conveyed an undivided one-half (1/2) interest in their claim to the CBM Estate to Buckhorn Coal Company. In turn, Buckhorn Coal Company conveyed the same.			
(1) James Rasnake, et al. (a.k.a. - Jacob Fuller Heirs, Devisees, Successors or Assigns - 68 Acre Tract)	12.31 acres	20.9710%	
(a) James D. Rasnake P.O. Box 1914 Honaker, VA 24260	2.85 acres 23/86 of 12.31 acres	5.0243%	n/a
(b.1) Peggy Rasnake	By Deed of Gift dated April 25, 2012, Peggy Rasnake conveyed her interest to Bobby Rasnake, Donna Whitt, Harold Dye & Deborah Carlock; DB 747/285 (RC) & Inst.# 120006804 (BC) Bobby Rasnake and Donna Whitt also joined in the deed to convey the same equally.		
(b.1) Bobby Lee Rasnake 1233 Miller Creek Rd. Honaker, VA 24260	0.74 acres 23/384 of 12.31 acres	1.2561%	n/a
(b.2) Donna Jean Whitt 6980 Drill Rd. Honaker, VA 24260	0.74 acres 23/384 of 12.31 acres	1.2561%	n/a
(b.3) Harold David Dye 1162 Fescue Road Rowe, VA 24646	0.74 acres 23/384 of 12.31 acres	1.2561%	n/a
(b.4) Deborah Cook Carlock 1394 Elk Garden Road Lebanon, VA 24266	0.74 acres 23/384 of 12.31 acres	1.2561%	n/a

160000136

BOOK 0798 PAGE 0117

Exhibit EE
Unit AW-108
Docket #VGOB-01-0821-0908
List of Respondents with Royalty Split Agreements/Court Orders/ Deeds
(58.70 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
(c) Lucy Blankenship P.O. Box 1914 Honaker, VA 24260	0.26 acres 1/48 of 12.31 acres	0.4369%	n/a
(2) Buckhorn Coal Company, Tr. 5 (Jacob Fuller 439.04 Acre Tract) P. O. Box 187 Tazewell, VA 24651	5.16 acres 1/2 of 12.31 acres	10.4855%	n/a
Due to the Settlement Agreement and Release dated April 17, 2012, CNX will receive a one time payment of funds in escrow			
CNX Gas Company LLC P.O. Box 643830 Canonsburg, PA 15264-3830			100.0000%

1600188

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 2-1 2016. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 3:02 o'clock P. M, after payment of \$ — tax imposed by Sec. 58.1-802.

TESTE: ANN S. McREYNOLDS, CLERK

Original returned this date to: SALLY KetronBY: Ann S. McReynolds CLERK

820
ACCORD
11/11/15 10:40:00 AM

INSTRUMENT #160000136
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
FEBRUARY 2, 2016 AT 02:24PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP