

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: AX108

TRACT(S): 1B, 1F

LOCATION: RUSSELL County, Virginia

DOCKET NUMBER: VGOB-01-0821-0911-01

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 12/20/2001, Recorded on 01/10/2002, Deed Book/Instrument No. 544, Page 659.
2. Supplemental Order Executed 02/18/2003, Recorded on 02/25/2003, Deed Book/Instrument No. 575, Page 1000.
3. Supplemental Order, Recorded on 05/13/2014, Deed Book/Instrument No. 0775, Page 0425.

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, 1F identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1B, 1F 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.

RELIEF GRANTED:

VGOB Disbursement
Unit AX108

VGOB-01-0821-0911-01

Table 1
Tracts: 1B, 1F

VGOB Disbursement Unit AX108											
VGOB-01-0821-0911-01											
Table 1											
Tracts: 1B, 1F											
Item	Tract	Disbursement Table	Fractional Ownership	Net Acreage	Royalty Split	Escrowed Acres	Percent of Escrowed Funds				
			in Tract	in Tract	Agreement	Disbursed	Disbursed				
		Total acreage in escrow before disbursement				12.84100					
1B Tract 1B (total acreage)			32.60								
1	1B	CNX Gas Company LLC\PO Box 570, Pounding Mill, VA 24637		12.8290	100.00%	12.8290	99.9065%				
1F Tract 1F (total acreage)			0.03								
1	1F	CNX Gas Company LLC\PO Box 570, Pounding Mill, VA 24637		0.0120	100.00%	0.0120	0.0935%				

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

Bradley C. Lambert

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
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

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
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 01-0821-0911-01

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

HEARING DATE: January 19, 2016

DRILLING UNIT: AX108

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 Tracts 1B & 1F, 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.

6. Attestation

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

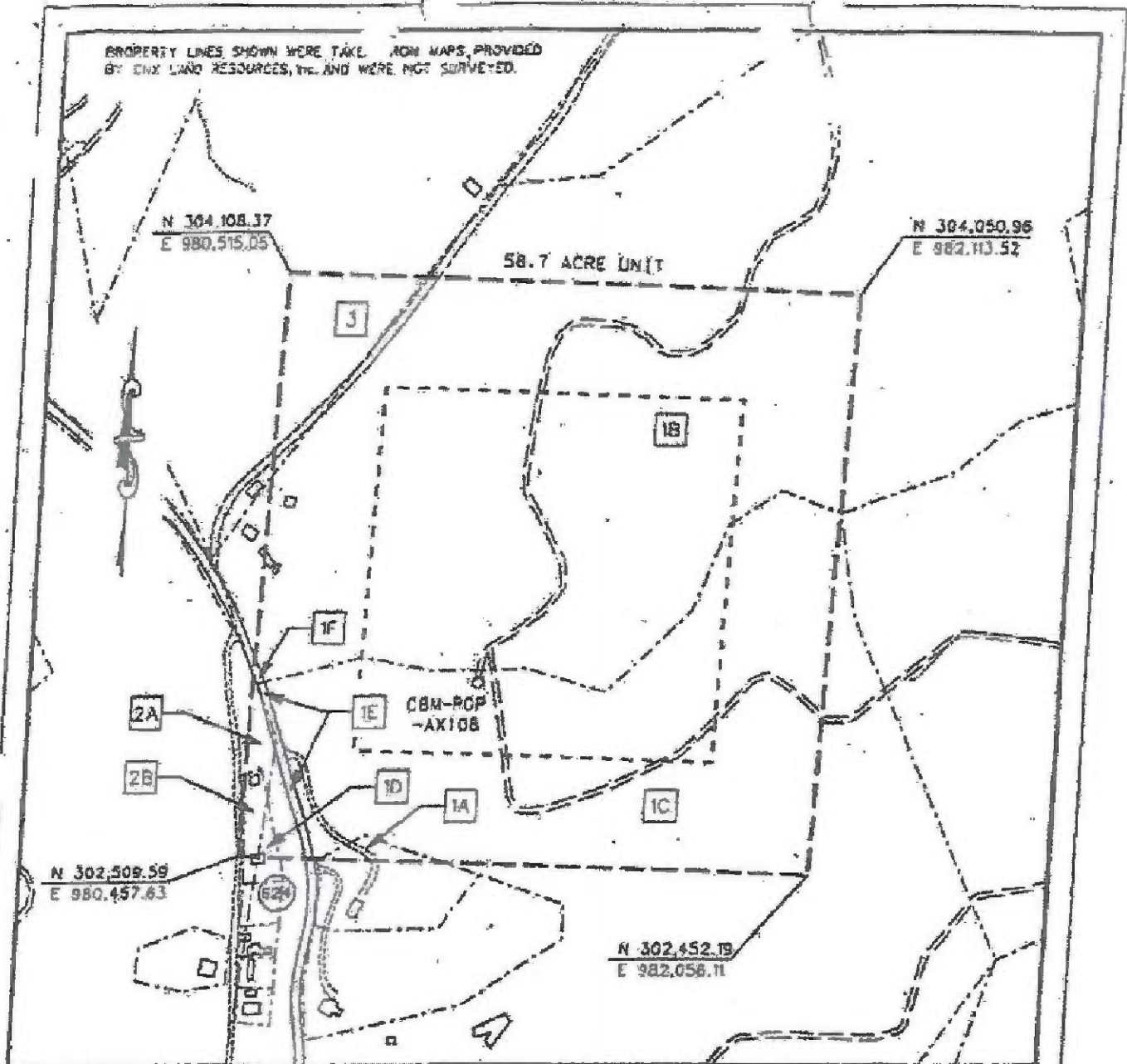


EXHIBIT A
MIDDLE RIDGE 1 FIELD
UNIT AX-108
FORCE POOLING
VGOB-01-0821-0911

Company Pocahontas Gas Partnership Well Name and Number UNIT AX108
Tract No. Elevation Quadrangle Horner
County Russell District New Garden Scale: 1" = 100' Date 7/14/01
This plat is a new plat X on an updated plat or a final plat

Form DGO-GO-7
Rev. 3/91

Claude U. Morgan
Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

POCAHONTAS GAS PARTNERSHIP

Unit AX-108

Tract Identifications
(58.7 Acre Unit)

- 1A. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) - Coal, Oil & Gas
 Coal Lessee
 Sandy Ridge Energy Company - Above Drainage Coal Leased
 Reserve Coal Properties Company - Oil & Gas Leased
 Pocahontas Gas Partnership - CBM Leased
 Ethel Compton - Surface
 0.27 acres 0.4800 %
- 1B. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) - Coal
 Coal Lessee
 Sandy Ridge Energy Company - Above Drainage Coal Leased
 Pocahontas Gas Partnership - CBM Leased
 Jacob Fuller Heirs or Successors - Oil & Gas
 Buckhorn Coal Company - Surface
 32.50 acres 55.5366 %
- 1C. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) - Fee
 Coal Lessee
 Sandy Ridge Energy Company - Above Drainage Coal Leased
 Reserve Coal Properties Company - Oil & Gas Leased
 Pocahontas Gas Partnership - CBM Leased -
 22.30 acres 37.9898 %
- 1D. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) - Coal
 Coal Lessee
 Sandy Ridge Energy Company - Above Drainage Coal Leased
 Pocahontas Gas Partnership - CBM Leased
 Verdie Martin - Surface, Oil & Gas
 0.12 acres 0.2044 %
- 1E. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) - Coal, Oil & Gas
 Coal Lessee
 Sandy Ridge Energy Company - Above Drainage Coal Leased
 Reserve Coal Properties Company - Oil & Gas Leased
 Pocahontas Gas Partnership - CBM Leased
 Commonwealth of Virginia - Surface
 0.24 acres 0.4088 %
- 1F. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) - Coal
 Coal Lessee
 Sandy Ridge Energy Company - Above Drainage Coal Leased
 Pocahontas Gas Partnership - CBM Leased
 Jacob Fuller Heirs or Successors - Oil & Gas
 Commonwealth of Virginia - Surface
 0.03 acres 0.0511 %

POCAHONTAS GAS PARTNERSHIP

Unit AX-108

Tract Identifications
(58.7 Acre Unit)

- 2A. Buckhorn Coal Company (J. C. Hurt 182 Acre Tract) - Fee
 Coal Lessee
 Sandy Ridge Energy Company - Above Drainage Coal Leased
 Reserve Coal Properties Company - Oil & Gas Leased
 Pocahontas Gas Partnership - CBM Leased
 0.38 acres 0.6474 %
- 2B. Buckhorn Coal Company (J. C. Hurt 182 Acre Tract) - Coal
 Coal Lessee
 Sandy Ridge Energy Company - Above Drainage Coal Leased
 Pocahontas Gas Partnership - CBM Leased
 Verdine Martin - Surface, Oil & Gas
 0.30 acres 0.5111 %
3. Buckhorn Coal Company (M. G. Burke Tract) - Fee
 Coal Lessee
 Sandy Ridge Energy Company - Above Drainage Coal Leased
 Reserve Coal Properties Company - Oil & Gas Leased
 Pocahontas Gas Partnership - CBM Leased
 2.46 acres 4.1808 %

Exhibit E
Unit AX-108
Docket #VGOB 01-0821-0911-01
List of Respondents that require escrow

Acres in Unit

Interest in
Unit

Escrowing not required

Exhibit EE
Unit AX-108

Docket #VGOB-01-0821-0911-01

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

	Acres in Unit	Interest in Unit	Percent of Escrow
Tract #1B, 32.60 acres			
<u>COAL OWNERSHIP</u>			
(1) Buckhorn Coal Company, Tract 5 (Jacob Fuller 439.04 acre tract) P. O. Box 187 Tazewell, VA 24651	32.60 acres	55.5366%	n/a
<u>OIL & GAS OWNERSHIP</u>			
<i>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.</i>			
(1) James Rasnake, et al. (a.k.a. - Jacob Fuller Heirs, devisees, Successors or Assigns - 68 Acre Tract)	32.60 acres	55.5366%	
(a) James D. Rasnake P.O. Box 1914 Honaker, VA 24260	15.82 acres 23/48 of 32.60 acres	28.6113%	n/a
(b) Mike O. Rasnake Heirs, devisees, Successors or Assigns			
(b.1) Peggy Rasnake	<i>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. # 120009804 (BC) Bobby Rasnake and Donna Whitt also joined in the deed to convey the same equally.</i>		
(b.1) Bobby Lee Rasnake 1233 Miller Creek Rd. Honaker, VA 24260	3.91 acres 23/192 of 32.60 acres	6.6528%	n/a
(b.2) Donna Jean Whitt 6980 Drill Rd. Honaker, VA 24260	3.91 acres 23/192 of 32.60 acres	6.6528%	n/a
(b.3) Harold David Dye 1162 Fescue Road Rowe, VA 24646	3.91 acres 23/192 of 32.60 acres	6.6528%	n/a
(b.4) Deborah Cook Carlock 1394 Elk Garden Road Lebanon, VA 24266	3.91 acres 23/192 of 32.60 acres	6.6528%	n/a
(c) Lucy Blankenship P.O. Box 1914 Honaker, VA 24260	1.36 acres 1/24 of 32.60 acres	2.3140%	n/a
<u>CBM OWNERSHIP (68 Acre Tract):</u>			
<i>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.</i>			
(1) James Rasnake, et al. (a.k.a. - Jacob Fuller Heirs, devisees, Successors or Assigns - 68 Acre Tract)	32.60 acres	55.5366%	
(a) James D. Rasnake P.O. Box 1914 Honaker, VA 24260	7.61 acres 23/96 of 32.60 acres	13.3057%	n/a
(b.1) Peggy Rasnake	<i>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. # 120009804 (BC) Bobby Rasnake and Donna Whitt also joined in the deed to convey the same equally.</i>		
(b.1) Bobby Lee Rasnake 1233 Miller Creek Rd. Honaker, VA 24260	1.95 acres 23/384 of 32.60 acres	3.3264%	n/a
(b.2) Donna Jean Whitt 6980 Drill Rd. Honaker, VA 24260	1.95 acres 23/384 of 32.60 acres	3.3264%	n/a

	Acres in Unit	Interest in Unit	Percent of Escrow
(b.3) Harold David Dye 1162 Fescue Road Rowe, VA 24646	1.95 acres 23/384 of 32.60 acres	3.3264%	n/a
(b.4) Deborah Cook Carlock 1394 Elk Garden Road Lebanon, VA 24268	1.95 acres 23/384 of 32.60 acres	3.3264%	n/a
(c) Lucy Blankenship P.O. Box 1914 Honaker, VA 24260	0.68 acres 1/48 of 32.60 acres	1.1570%	n/a
(2) Buckhorn Coal Company, Tr. 5 (Jacob Fuller 439.04 Acre Tract) P. O. Box 187 Tazewell, VA 24651	16.30 acres 1/2 of 32.60 acres	27.7683%	n/a
<i>Due to the Settlement Agreement and Release dated April 17, 2012, CNX will receive a one time payment of funds in escrow</i>			
CNX Gas Company LLC P.O. Box 843830 Canonsburg, PA 15264-3830			99.9085%

Tract #1D, 0.12 acres

COAL OWNERSHIP

(1) Buckhorn Coal Company, Tract 5 (Jacob Fuller 439.04 acre tract) P. O. Box 187 Tazewell, VA 24651	0.12 acres	0.2044%	n/a
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OIL & GAS OWNERSHIP

(1) Verdie Martin 66 Kents Road Honaker, VA 24260	0.12 acres	0.2044%	n/a
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Tract #1F, 0.03 acres

COAL OWNERSHIP

(1) Buckhorn Coal Company, Tract 5 (Jacob Fuller 439.04 acre tract) P. O. Box 187 Tazewell, VA 24651	0.03 acres	0.0611%	n/a
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OIL & GAS OWNERSHIP

(1) James Rasnake, et al. (a.k.a. - Jacob Fuller Heirs, Devisees, Successors or Assigns - 68 Acre Tract)	0.03 acres	0.0511%	
(a) James D. Rasnake P.O. Box 1914 Honaker, VA 24260	0.014 acres 23/48 of 0.03 acres	0.0245%	n/a
(b) Mike O. 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. # 120000804 (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	0.004 acres 23/192 of 0.03 acres	0.0061%	n/a
(b.2) Donna Jean Whitt 6980 Drill Rd. Honaker, VA 24260	0.004 acres 23/192 of 0.03 acres	0.0061%	n/a

Exhibit EE
Unit AX-108

Docket #VGOB-01-0821-0911-01

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

	Acres in Unit	Interest in Unit	Percent of Escrow
(b.3) Harold David Dye 1162 Fescue Road Rowe, VA 24646	0.004 acres 23/192 of 0.03 acres	0.0061%	n/a
(b.4) Deborah Cook Carlock 1394 Elk Garden Road Lebanon, VA 24266	0.004 acres 23/192 of 0.03 acres	0.0061%	n/a
(c) Lucy Blankenship P.O. Box 1914 Honaker, VA 24260	0.001 acres 1/24 of 0.03 acres	0.0021%	n/a

CBM OWNERSHIP (68 Acre Tract):

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)	0.03 acres	0.0511%	
(a) James D. Rasnake P.O. Box 1914 Honaker, VA 24260	0.007 acres 23/96 of 0.03 acres	0.0122%	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.# 120000804 (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	0.002 acres 23/384 of 0.03 acres	0.0031%	n/a
(b.2) Donna Jean Whitt 6980 Drill Rd. Honaker, VA 24260	0.002 acres 23/384 of 0.03 acres	0.0031%	n/a
(b.3) Harold David Dye 1162 Fescue Road Rowe, VA 24646	0.002 acres 23/384 of 0.03 acres	0.0031%	n/a
(b.4) Deborah Cook Carlock 1394 Elk Garden Road Lebanon, VA 24266	0.002 acres 23/384 of 0.03 acres	0.0031%	n/a
(c) Lucy Blankenship P.O. Box 1914 Honaker, VA 24260	0.001 acres 1/48 of 0.03 acres	0.0011%	n/a
(2) Buckhorn Coal Company, Tr. 5 (Jacob Fuller 439.04 Acre Tract) P. O. Box 187 Tazewell, VA 24651	0.015 acres 1/2 of 0.03 acres	0.0256%	n/a

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.

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

0.0935%

Tract #2B, 0.30 acres**COAL OWNERSHIP**

(1) Buckhorn Coal Company, Tract 43 (J.C. Hurt 182 acre tract) P. O. Box 187 Tazewell, VA 24651	0.30 acres	0.5111%	n/a
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	Acres in Unit	Interest in Unit	Percent of Escrow
<u>OIL & GAS OWNERSHIP</u>			
(1) Verdle Martin 66 Kents Road Honeaker, VA 24260	0.35 acres	0.5111%	n/a

1600197

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 3:09 o'clock P M, after payment of \$ tax imposed by Sec. 58.1-802.

Original returned this date to: Sally Ketron

TESTE: ANN S. McREYNOLDS, CLERK
BY: Jennifer Kendrick D. CLERK