

Instrument Control Number

BOOK 0807 PAGE 157

Commonwealth of Virginia

Land Record Instruments

Cover Sheet - Form A

[ILS VLR Cover Sheet Agent 1.0.66]

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[X]
[]

Date of Instrument: [08/30/16]

Instrument Type: [ODAR]

Number of Parcels [1]

Number of Pages [12]

City ☐ County ☒ [Russell County]

(Box for Deed Stamp Only)

First and Second Grantors

Last Name	First Name	Middle Name or Initial	Suffix
[Virginia Gas & Oil Board]	[]	[]	[]
[]	[]	[]	[]

First and Second Grantees

[X]
[X]

Last Name	First Name	Middle Name or Initial	Suffix
[Strouth]	[Daily]	[]	[Jr.]
[CNX Gas Company, LLC]	[]	[]	[]

Grantee Address (Name) [CNX Gas Company, LLC]
 (Address 1) [1000 Consol Energy Drive]
 (Address 2) []
 (City, State, Zip) [Cannonsburg] [PA] [15317-6506]

Consideration [0.00] Existing Debt [0.00] Assumption Balance [0.00]

Prior Instr. Recorded at: City ☐ County ☒ [Russell County] Percent. in this Juris. [100]

Book [756] Page [0757] Instr. No []

Parcel Identification No (PIN) []

Tax Map Num. (if different than PIN) []

Short Property Description [Report to the Board]

[]

Current Property Address (Address 1) []

(Address 2) []

(City, State, Zip) [] [] []

Instrument Prepared by [Virginia Gas & Oil Board]

Recording Paid for by [DMME]

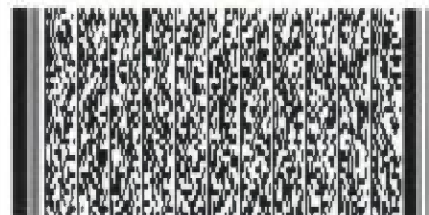
Return Recording to (Name) [DMME - Division of Gas & Oil]

(Address 1) [P. O. Drawer 159]

(Address 2) []

(City, State, Zip) [Lebanon] [VA] [24266]

Customer Case ID [] [] []



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: AZ115

TRACT(S): 1B, 5

LOCATION: RUSSELL County, Virginia

DOCKET NUMBER: VGOB-02-0521-1028-01

APPLICANTS:

CNX Gas Company LLC on behalf of CNX Gas Company LLC, Daily Strouth, Jr.

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 10/04/2002, Recorded on 10/09/2002, Deed Book/Instrument No. 566, Page 480.
2. Supplemental Order Executed 02/18/2003, Recorded on 02/25/2003, Deed Book/Instrument No. 576, Page 0001.
3. Supplemental Order, Recorded on 01/11/2013, Deed Book/Instrument No. 0756, Page 0757.

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) 1B, 5 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1B, 5 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. Daily Strouth, Jr. and CNX Gas Company LLC is the gas claimant in Tracts 1B & 5. As such Daily Strouth, Jr. and CNX Gas Company LLC 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 Daily Strouth, Jr. and CNX Gas Company LLC and not escrow same. See Exhibit EE annexed hereto.

Tracts: 1B, 5

VGOB Disbursement Unit AZ115										
VGOB-02-0521-1028-01										
Table 1										
Tracts: 1B, 5										
Item	Tract	Disbursement Table			Fractional Ownership	Net Acreage	Royalty Split	Escrowed Acres	Percent of Escrowed Funds	Adjustment Amount
		Total acreage in escrow before disbursement						16.11000		
1B		Tract 1B (total acreage)			0.0100					
1	1B	Daily Strouth, Jr.\48 Timber Land Dr., Honaker, VA 24260				0.0100	100.00%	0.0100	0.0621%	
5		Tract 5 (total acreage)			1.7500					
1	5	CNX Gas Company LLC\PO Box 643830, Canonsburg, PA 15264-3830				1.7500	100.00%	1.7500	10.8628%	

Adjustment Comments:

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.

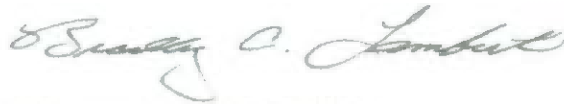
CONCLUSION:

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.

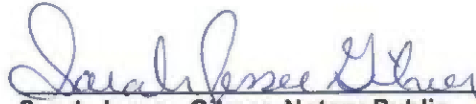
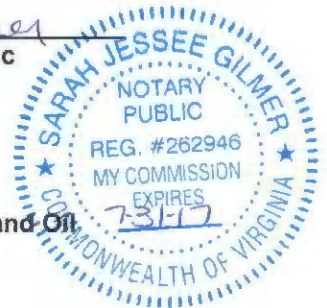
DONE AND EXECUTED this 24 day of August, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 24th day of August, 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

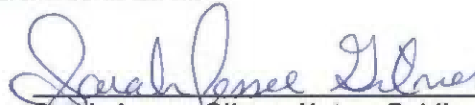
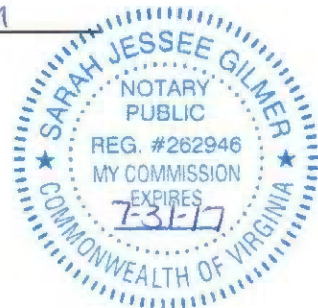
DONE AND PERFORMED this 25 day of August, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 25th day of August, 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 02-0521-1028-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1B, 5 (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: AZ115

RUSSELL 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) 1B & 5 as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Daily Strouth, Jr. and CNX Gas Company LLC; (3) Dismissal of Coal Owner(s): Maydean Ball, Judy Carol Boyd, Barbara Honaker, Lawrence Meadows, Stephen L. Meadows, Arfey Miller, Geraldeane Newberry, Oliver Price, Glenda Spencer, Willa Mae Stiltner, Beverly Strouth, David Strouth, Daily Strouth, Jr., Anna Whitt & 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

- a. Daily Strouth, Jr. and CNX Gas Company LLC is the gas claimant in Tracts 1B & 5. As such Daily Strouth, Jr. and CNX Gas Company LLC 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 Daily Strouth, Jr. and CNX Gas Company LLC 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.

PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED BY CNX LAND RESOURCES, INC. AND WERE NOT SURVEYED.

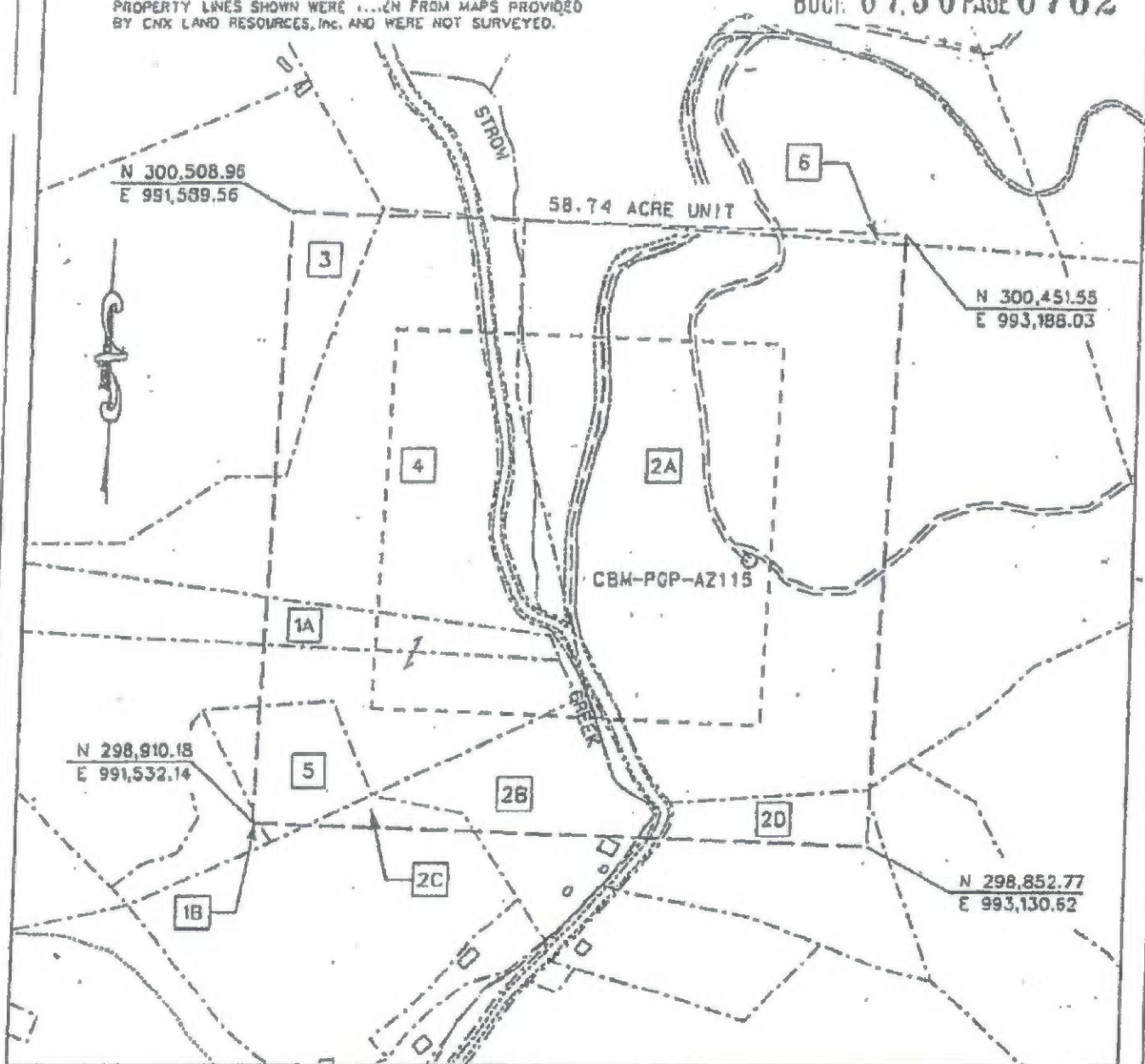


EXHIBIT A
MIDDLE RIDGE 1 FIELD
UNIT AZ-115
FORCE POOLING
VGOB-02-0521-1028

Company Pocahontas Gas Partnership Well Name and Number UNIT AZ115

Tract No. _____ Elevation _____ Quadrangle Horner

County Russell District New Garden Scale: 1" = 400'

This plot is a new plot X : an updated plot _____ : or a final _____

Form DGO-GO-1
Rev. 9/91

Keith A. Franklin

Licensed Professional Engineer or Licensed Land Surveyor

KEITH A. FRANKLIN

No. 023780

CNX Gas Company LLC

UNIT AZ115

Tract Identifications
(58.74 Acre Unit)

- 1A. CNX Gas Company LLC - Fee
Reserve Coal Properties Company - Coal In and Above Tiller Seam Leased
5.75 acres 9.7889 %
- 1B. CNX Gas Company LLC - Coal
Reserve Coal Properties Company - Coal In and Above Tiller Seam Leased
Dally Strouth, Jr. - Surface, Oil and Gas
0.01 acres 0.0170 %
2. Swords Creek Land Partnership Tr. 16 (Moses Strow 117.60 Acre Tract) - All Minerals
Reserve Coal Properties Company - Below Tiller Coal Leased
Knox Creek Coal Company - Tiller and Above Coal Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
34.61 acres 58.9207 %
- 2A. H. C. Bostic Coal Company, Inc. - Surface
- 2B. CNX Gas Company LLC - Surface
- 2C. Dally Strouth, Jr. - Surface
- 2D. James Deel, et ux - Surface
- 2E. Unknown Surface Owner
3. Barbara Foote, et al - All Minerals
Knox Creek Coal Corporation - Tiller and Above Coal Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
Bernie D. Dye - Surface
2.00 acres 3.4048 %
4. H. C. Bostic Coal Company, Inc. (16.34 Acre Tract) - Coal
H. C. Bostic Coal Company, Inc. OR Joseph L. Strouth - Oil and Gas
CNX Gas Company LLC - Oil, Gas and CBM Leased (If owned by H. C. Bostic Coal Company, Inc.)
Tivis W. Hubbard, et ux - Surface
14.35 acres 24.4297 %
5. CNX Gas Company LLC - (1/6) / J. P. Strouth Heirs, Devisees, Successors or Assigns (5/6) - Coal
CNX Gas Company LLC - CBM Leased (29.17%) (CNX owns 1/6 interest)
CNX Gas Company LLC - Surface, Oil and Gas
1.75 acres 2.9792 %
6. Buckhorn Coal Company Tr. 7 (M. W. Lytton 1000.00 Acre Tract) - Fee
Knox Creek Coal Company - Above Drainage Coal Leased
Reserve Coal Properties Company - Below Drainage Coal Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
0.27 acres 0.4597 %

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

7

Exhibit E
Unit AZ-115
Docket #VGOB 02-0521-1028-01
List of Conflicting Owners/Claimants that require escrow
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
<u>Tract #4, 14.35 acres</u>		
<u>Escrow due to Title Conflict</u>		
<u>COAL OWNERSHIP</u>		
(1) H.C. Bostic Coal Co., Inc. P.O. Box 220 Swords Creek, VA 24649	14.35 acres	24.4297%
<u>OIL & GAS OWNERSHIP</u>		
(1) H.C. Bostic Coal Co., Inc. P.O. Box 220 Swords Creek, VA 24649	14.35 acres	24.4297%
- OR -		
(1) Joseph L. Strouth Address Unknown	14.35 acres	24.4297%
<u>TOTAL ACRES IN ESCROW:</u>		
Acres in Unit	14.3500	
Percentage of Unit		24.4297%

Exhibit EE
Unit AZ-115
Docket #VGOB 02-0521-1028-01
List of Owners with Royalty Splits/Court Orders/HB2058
(58.74 Acre Unit)

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	Acres in Unit	Interest in Unit	Percent of Escrow
18.1100			
<u>Tract #1B, 0.01 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 <i>previously Pocahontas Gas Partnership</i>	0.01 acres	0.0170%	<i>n/a</i>
<u>OIL & GAS OWNERSHIP</u>			
(1) Dally Strouth, Jr. 48 Timber Lane Dr Honaker, VA 24260	0.01 acres	0.0170%	0.0621% HB2058
<u>Tract #5, 1.75 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) J. P. Strouth Helton Heirs, Devisees, Successors or Assigns (2 acre tract)	1.75 acres	2.9792%	
(a) Dally Strouth, Sr. Heirs Devisees, Successors, or Assigns			
(a.1) Dally Strouth, Jr. 48 Timber Lane Dr Honaker, VA 24260	0.29 acres 1/6 of 1.75 acres	0.4965%	<i>n/a</i>
(b) Garlin Strouth Heirs, Devisees, Successors or Assigns			
(b.1) David Strouth Box 824 Honaker, VA 24260	0.07 acres 1/24 of 1.75 acres	0.1241%	<i>n/a</i>
(b.2) Clifford Strouth 1041 Henry Road Ferrum, VA 24088	0.07 acres 1/24 of 1.75 acres	0.1241%	<i>n/a</i>
(b.3) Arfey Strouth Miller P.O. Box 142 Abingdon, VA 24212	0.07 acres 1/24 of 1.75 acres	0.1241%	<i>n/a</i>
(b.4) Barbara Miller Strouth Honaker 17045 Northfork River Road Abingdon, VA 24201	0.07 acres 1/24 of 1.75 acres	0.1241%	<i>n/a</i>
(b.5) Maudie Honaker Strouth, Widow	<i>Life Estate Only</i>		
(c) Ida Meadows Heirs, Devisees, Successors or Assigns			
(c.1) Lawrence Meadows HC65 Box 24 Oakwood, VA 24631	0.07 acres 1/24 of 1.75 acres	0.1241%	<i>n/a</i>
(c.2) Stephen L. Meadows P.O. Box 22 Rowe, VA 24646	0.07 acres 1/24 of 1.75 acres	0.1241%	<i>n/a</i>

Exhibit EE
Unit AZ-115
Docket #VGOB 02-0521-1028-01
List of Owners with Royalty Splits/Court Orders/HB2058
(58.74 Acre Unit)

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	Acres in Unit	Interest in Unit	Percent of Escrow
			16.1100
(c.3) Willa May Stiltner HC65 Box 24 Oakwood, VA 24631	0.07 acres 1/24 of 1.75 acres	0.1241%	n/a
(c.4) Anna Whitt P.O. Box 190 Doran, VA 24612	0.07 acres 1/24 of 1.75 acres	0.1241%	n/a
(e) Oliver Price c/o Charlie Price Rt.1 Box 241 Swords Creek, VA 24649	0.29 acres 1/6 of 1.75 acres	0.4965%	n/a
(f) Eartrue Spencer Heirs, Devisees, Successors or Assigns			
(f.1) Glenda Spencer P.O. Box 56 Swords Creek, VA 24649	0.07 acres 1/24 of 1.75 acres	0.1241%	n/a
(f.2) Maydean Ball 24040 US Highway 19 Cedar Bluff, VA 24609	0.07 acres 1/24 of 1.75 acres	0.1241%	n/a
(f.3) Geraldeane Newberry P.O. Box 1652 Richlands, VA 24641	0.07 acres 1/24 of 1.75 acres	0.1241%	n/a
(f.4) Judy Carol Boyd 513 Lee Street Bristol, VA 24201-4414	0.07 acres 1/24 of 1.75 acres	0.1241%	n/a

OIL & GAS OWNERSHIP

(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	1.75 acres	2.9792%	10.8628% HB2058
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TOTAL ACRES RESOLVED:

Acreage in Unit	1.7600
Percentage of Unit	2.9963%

1601670

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 8-30, 2016. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at _____ o'clock P M, after payment of \$ _____ tax imposed by Sec. 58.1-802.

Original returned this date to: Sarah Gilmer

TESTE: ANN S. McREYNOLDS, CLERK
BY: Kathy Huff D. CLERK