

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: BE101

TRACT(S): 2

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-02-0618-1032-01

APPLICANTS: CNX Gas Company LLC on behalf of Carson D. Austin

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
September 15, 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. 555, Page 549.
2. Supplemental Order Executed 02/18/2003, Recorded on 02/21/2003, Deed Book/Instrument No. 563, Page 310.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the September 15, 2015 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) 2 identified in the attached petition.

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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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DONE AND EXECUTED this 18 day of September, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 18 day of September, 2015 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 18th day of September, 2015, 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, 2017



BEFORE THE VIRGINIA GAS AND OIL BOARD**PETITIONER:** CNX Gas Company LLC**DIVISION OF GAS AND OIL****DOCKET NO:** VGOB 02-0618-1032-01**RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2 (2) AND
AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES****HEARING DATE:** September 15, 2015**DRILLING UNIT:** BE101**BUCHANAN 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 2 as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the parties to the prevailing plaintiff Carson D. Austin. Unit BE-101.

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

Carson D. Austin is entitled to 100% of the CBM royalties awarded under Case No. CL12000388, Opinion dated April 22, 2015, Said decision allows the Applicant and Designated Operator to pay royalties directly to the person(s) 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.

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

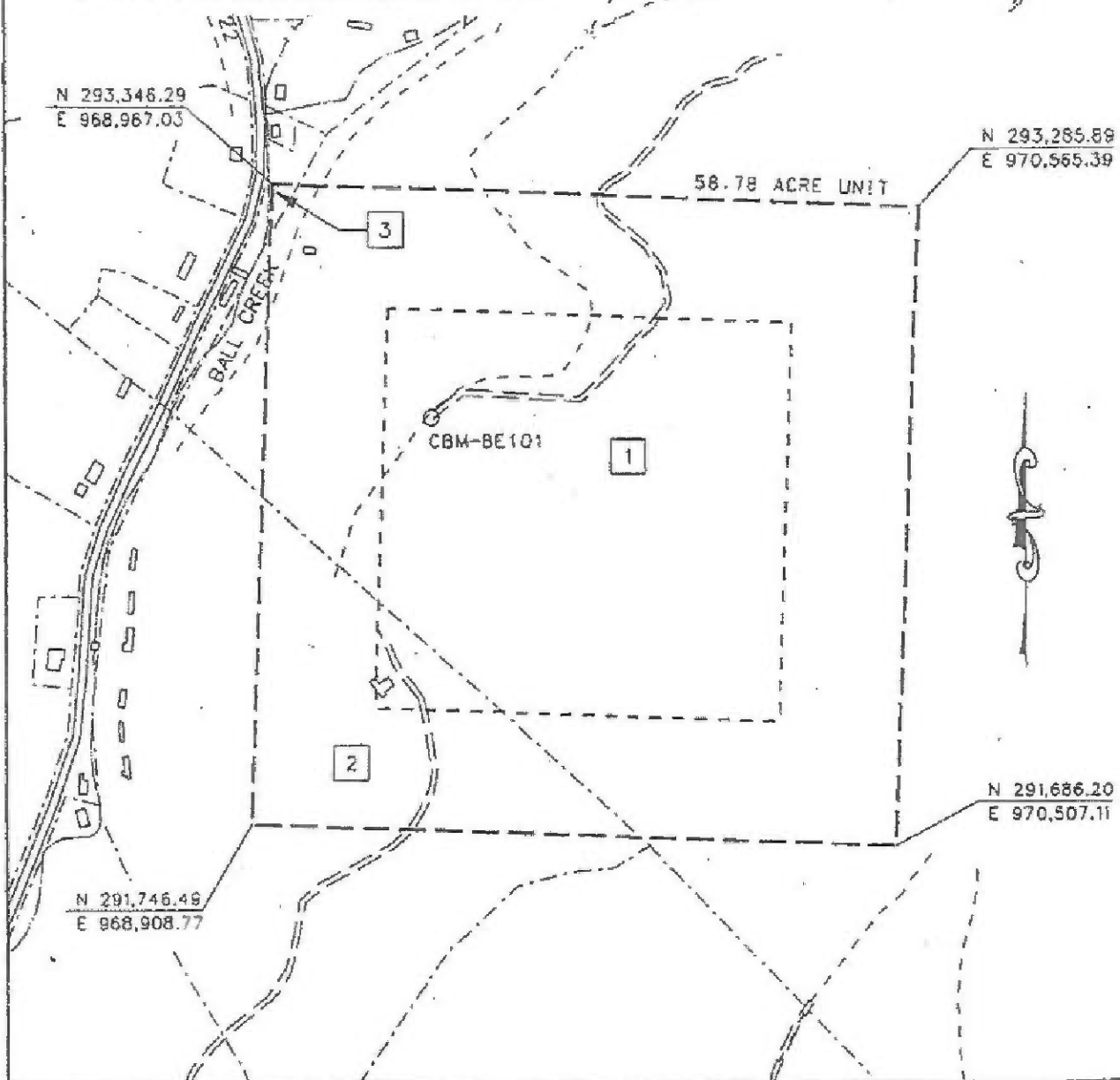


EXHIBIT A
NCRA FIELD UNIT BE-101
FORCE POOLING
VGOB-02-0618-1032

Company CONSOL Energy Inc. Well Name and Number UNIT BE101
 Tract No. _____ Elevation _____ Quadrangle CLAUDE D. MORRIS
 County Buchanan District Hurricane Scale: 1" = 400' Date 5/16/83
 This plat is a new plat X ; an updated plat _____ ; on a final plat 10958
 Form DGD-GO-7 _____
 Rev. 9/91 _____
 Licensed Professional Engineer or Licensed Land Surveyor Claude D. Morris (Affiliated Seal)

CONSOL ENERGY INC.**UNIT BE-101**

Tract Identifications

(58.78 Acre Unit)

1. Emory & Henry College - Fee
Pocahontas Gas Partnership - Oil, Gas & CBM Leased
49.57 acres 84.3314%
2. Harrison-Wyatt, LLC. (Big Axe Tr. 11-3) - Coal
Wellmore Coal Company - Above Drainage Coal Leased
Buchanan Production Company - CBM Leased
Carson D. Austin - Surface, Oil & Gas
9.11 acres 15.4985%
3. Harrison-Wyatt, LLC. (Big Axe Tr. 4) - Coal
Wellmore Coal Company - Above Drainage Coal Leased
Buchanan Production Company - CBM Leased
Lorraine Harris, et al. - Surface, Oil & Gas
Buchanan Production Company - Oil, Gas & CBM Leased
0.10 acres 0.1701%

Exhibit E
Unit BE-101
Docket #VGOB 02-0618-1032-01
List of Respondents that require escrow
(58.78 Acre Unit)

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	Acres in Unit	Percent of Unit
<u>Tract #3 - 0.10 acres</u>		
COAL OWNERSHIP		
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	0.10 acres	0.1701%
OIL & GAS OWNERSHIP		
Lorraine Harris, et al.	0.10 acres	0.17013%
(1) Lorraine Harris Rt.2 Box 485 Honaker, VA 24260	0.09 7/8 of 0.10 acres	0.148650%
(2) Martha Ball Heirs, Devisees, Successors or Assigns	0.01 1/8 of 0.01 acres	0.021266%
(1) Catherine & Henry Baldwin Heirs, Devisees, Successors or Assigns		
(a) Hazel & Reason Musick Rt.4 Box 191 Lebanon, VA 24266	0.0002315 1/54 of 0.01 acres	0.000394%
(b) Bertie Lester Rt.2 Box 482 Honaker, VA 24260	0.0002315 1/54 of 0.01 acres	0.000394%
(c) Ruby & Thomas Mitchell Rt.2 Box 450 Honaker, VA 24260	0.0002315 1/54 of 0.01 acres	0.000394%
(d) Andrew Clarence Baldwin Heirs, Devisees, Successors or Assigns		
(d.1) Shirley & Ralph Chambers Rt.2 Box 124 Pounding Mill, VA 24637	0.0001157 1/108 of 0.01 acres	0.000197%
(d.2) Roger Baldwin 103 Shannon Heights Richlands, VA 24641	0.0001157 1/108 of 0.01 acres	0.000197%
(e) Balford Horn Rt.2 Box 317 Honaker, VA 24260 5/12 Bad address per returned mail	0.0002315 1/54 of 0.01 acres	0.000394%
(f) Virgie Hubbard 209 Garvin Street #A Punta Gorda, FL 33950-5851	0.0002315 1/54 of 0.01 acres	0.000394%
(g) Winfred Baldwin Heirs, Devisees, Successors or Assigns		
(g.1) Janet & Arthur King Address Unknown	0.0000386 1/324 of 0.01 acres	0.000066%
(g.2) Nancy Baldwin Address Unknown	0.0000386 1/324 of 0.01 acres	0.000066%
(g.3) Linda Johnson Address Unknown	0.0000386 1/324 of 0.01 acres	0.000066%
(g.4) Kenneth Baldwin Address Unknown	0.0000386 1/324 of 0.01 acres	0.000066%

Exhibit E
Unit BE-101
Docket #VGOB 02-0618-1032-01
List of Respondents that require escrow
(58.78 Acre Unit)

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	Acres in Unit	Percent of Unit
(g.5) Tammy Osbourne <i>Address Unknown</i>	0.0000385 1/324 of 0.01 acres	0.000066%
(g.6) Angela Baldwin <i>Address Unknown</i>	0.0000388 1/324 of 0.01 acres	0.000066%
(g) Ezra Baldwin HC4 Box 202 Council, VA 24260	0.0002315 1/54 of 0.01 acres	0.000394%
(h) Zethle Ethel Baldwin-Lee 1016 South Market Street Gallion, OH 44833 <i>5/12 Bad address per returned mail</i>	0.0002315 1/54 of 0.01 acres	0.000394%
(2) James Harvey Ball Heirs, Devisees, Successors or Assigns		
(a) Cleveland Ball Heirs, Devisees, Successors or Assigns		
(a.1) Judy Pelley 2810 Hickory Ridge Rd. Madison, WI 53719	0.0001302 1/96 of 0.01 acres	0.000222%
(a.2) Roger Ball 1776 Belvidere Road Port Deposit, MD 21904	0.0001302 1/96 of 0.01 acres	0.000222%
(a.3) Clyde Ball 312 Holmes Street Frankford, KY 40601-2131	0.0001302 1/96 of 0.01 acres	0.000222%
(a.4) Ernie Ball Foxwood Drive Hendersonville, NC 28739	0.0001302 1/96 of 0.01 acres	0.000222%
(b) Nola Mae & Jim Comer Heirs, Devisees, Successors or Assigns		
(b.1) Jerrold & Louise Dowell 3601 Level Village Road Havre De Grace, MD 21078	0.0001042 1/120 of 0.01 acres	0.000177%
(b.2) Harvey Comer 1559 Arena Road Darlington, MD 21034	0.0001042 1/120 of 0.01 acres	0.000177%
(b.3) Marvin Comer 123 Montrose Avenue Essex, MD 21221	0.0001042 1/120 of 0.01 acres	0.000177%
(b.4) Stella & Robert Miller 1618 Podge Road Darlington, MD 21034 <i>5/12 Bad address per returned mail</i>	0.0001042 1/120 of 0.01 acres	0.000177%
(b.5) Arbutus & William Helton 5808 Hanna Road Eldersburg, MD 21784	0.0001042 1/120 of 0.01 acres	0.000177%
(c) Roy Ball 624 Old Robinhood Road Aberdeen, MD 21001	0.0005208 1/24 of 0.01 acres	0.000886%
(d) Myrtle Settle 172 Glendale Drive Elkin, NC 28621	0.0005208 1/24 of 0.01 acres	0.000886%
(3) Virgie & Richard Rasnake Heirs, Devisees, Successors or Assigns		

Exhibit E
Unit BE-101
Docket #VGOB 02-0618-1032-01
List of Respondents that require escrow
(58.78 Acre Unit)

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	Acres In Unit	Percent of Unit
(a) Dorothy Fay Long 2370 Happy Lane Jacksonville, FL 32218	0.0004167 1/30 of 0.01 acres	0.000709%
(b) Ervin Finley Rasnake 2370 Happy Lane Jacksonville, FL 32218 5/12 Bad address per returned mail	0.0004167 1/30 of 0.01 acres	0.000709%
(c) Clifford Rasnake 2370 Happy Lane Jacksonville, FL 32218 5/12 Bad address per returned mail	0.0004167 1/30 of 0.01 acres	0.000709%
(d) Edna & Monroe Barton Address Unknown	0.0004167 1/30 of 0.01 acres	0.000709%
(e) Sophia Ruth Stanley Heirs, Devisees, Successors or Assigns		
(e.1) Oakley Stanley Rt.1 Box 17D Bruceton Mills, WV 26625	0.0000521 1/240 of 0.01 acres	0.000089%
(e.2) Susie Ballard 10338 Sling Gap Road Bent Mountain, VA 24059	0.0000521 1/240 of 0.01 acres	0.000089%
(e.3) Gladys Dampan 5004 South Woodlawn Chicago, IL 60615	0.0000521 1/240 of 0.01 acres	0.000089%
(e.4) Virginia Hanks P.O. Box 445 Rupert, WV 25984	0.0000521 1/240 of 0.01 acres	0.000089%
(e.5) Melvin Stanley P.O. Box 261 Rupert, WV 25984 5/12 Bad address per returned mail	0.0000521 1/240 of 0.01 acres	0.000089%
(e.6) Sheila R. Lewis Box 165 Sifers Road Meadow Bridge, WV 25976	0.0000521 1/240 of 0.01 acres	0.000089%
(e.7) Richard Stanley P.O. Box 261 Rupert, WV 25984	0.0000521 1/240 of 0.01 acres	0.000089%
(e.8) Velma Demasi 539 Oxford Avenue Akron, OH 44310	0.0000521 1/240 of 0.01 acres	0.000089%
(4) Synthia & Silas Broyles Heirs, Devisees, Successors or Assigns		
(a) Audrey Alene Broyles Wheat 4029 Gravey Hill Havre De Grace, MD 21078	0.0020833 1/6 of 0.01 acres	0.003644%
(5) Elbert & Rosa Ball Heirs, Devisees, Successors or Assigns		
(a) Arnold Ball Address Unknown	0.0006944 1/18 of 0.01 acres	0.001181%
(b) Viola Ball Guynn Box 264H Monaker, VA 24620	0.0006944 1/18 of 0.01 acres	0.001181%

Exhibit E
Unit BE-101
Docket #VGOB 02-0618-1032-01
List of Respondents that require escrow
(58.78 Acre Unit)

	Acres in Unit	Percent of Unit
(c) Lula Ball Harris Heirs, Devisees, Successors or Assigns		
(c.1) Bonnie Austin HC65 Box 110 Rowe, VA 24646	0.0000868 1/144 of 0.01 acres	0.000148%
(c.2) Maudie Harris P.O. Box 1003 Cedar Bluff, VA 24609	0.0000868 1/144 of 0.01 acres	0.000148%
(c.3) Betty Johnson Hi Box 14 Fox Meadows Lebanon, VA 24266	0.0000868 1/144 of 0.01 acres	0.000148%
(c.4) Molly Harris c/o Lonnie Harris RR4 Box 174A Lebanon, VA 24266	0.0000868 1/144 of 0.01 acres	0.000148%
(c.5) Lonnie Harris RR4 Box 174A Lebanon, VA 24266 5/12 Bad address	0.0000868 1/144 of 0.01 acres	0.000148%
(c.6) Pleasant Harris c/o Robin McCraw, Social Worker Southwestern VA Mental Health Institute 340 Bagley Circle Marion, VA 24354	0.0000868 1/144 of 0.01 acres	0.000148%
(c.7) Helen Harris P.O. Box 1472 Honaker, VA 24260	0.0000868 1/144 of 0.01 acres	0.000148%
(c.8) Treble (Patricia) Hess 4010 McIntosh Street Greensboro, NC 27407	0.0000868 1/144 of 0.01 acres	0.000148%
(d) William F. & Beulah Ball 407 Carsons Run Road Aberdeen, MD 21001 5/12 Bad address per returned mail	0.0006944 1/18 of 0.01 acres	0.001181%
(e) Paul & Mary Baldwin P.O. Box 3132 Lebanon, VA 24266 5/12 Bad address per returned mail	0.0006944 1/18 of 0.01 acres	0.001181%
(f) Gracie & Hulett Johnson Address Unknown	0.0006944 1/18 of 0.01 acres	0.001181%

Exhibit EE
Unit BE-101
Docket #VGOB 02-0618-1032-01
List of Respondents with Royalty Split Agreements and/or Court Orders
(58.78 Acre Unit)

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #2 - 9.11 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.11-3) P.O. Box 11000 Danville, VA 24543	9.11 acres	15.4985%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Carson D. Austin 1059 Austin Bison Ranch Rd. Honaker, VA 24260	9.11 acres	15.4985%	98.9142%

*Prevailing plaintiff under Case No. CL12000388
Awarded 100% of the CBM royalty.*

CARSON AUSTIN,

Plaintiff

v.

Case No. CL12000388

HARRISON-WYATT, LLC, ET AL.

Defendant

FINAL ORDER ENTERING JUDGMENT

This cause came to be heard upon the First Amended Motion for Judgment of Defendant, Harrison-Wyatt, LLC, for entry of judgment pertaining to the coal-bed methane gas within the following tracts and the below named and described units that have been permitted pursuant to the Virginia Gas and Oil Act, Va. Code Ann. § 45.1-361.1 et seq.:

- a. From Unit BG-98, Forced Pooling Supplemental Order, Entered March 29, 2013, Regarding Docket No. VGOB-06-0919-1714, Tract 1(B) of Exhibit A (pg. 6) to the order, 16.34 acres; and,

- b. From Unit BG-99, Forced Pooling Supplemental Order, Entered July 14, 2011, Regarding Docket No. VGOB-07-0320-1898, Tract 1(C) of Exhibit A (pg. 6) to the order, 32.54 acres; and,
- c. From Unit BG-99, Forced Pooling Supplemental Order, Entered July 14, 2011, Regarding Docket No. VGOB-07-0320-1898, Tract 1(D) of Exhibit A (pg. 6) to the order, 4.23 acres; and,
- d. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(D) of Exhibit A (Inst. No. 120002473) to the order, 2.82 acres; and,
- e. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(E) of Exhibit A (Inst. No. 120002473) to the order, 17.20 acres; and,
- f. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(F) of Exhibit A (Inst. No. 120002473) to the order, 0.47 acres; and,
- g. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(G) of Exhibit A (Inst. No. 120002473) to the order, 11.59 acres; and,
- h. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(L) of Exhibit A (Inst. No. 120002473) to the order, 0.22 acres; and,

- i. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(M) of Exhibit A (Inst. No. 120002473) to the order, 0.42 acres; and,
- j. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(N) of Exhibit A (Inst. No. 120002473) to the order, 0.11 acres; and,
- k. From Unit BE101, Forced Pooling Supplemental Order, Entered February 18, 2003, Regarding Docket No. VGOB-02-0618-1032, Tract 2 of Exhibit A (bk 563, Pg 314) to the order, 9.11 acres.
- l. From Unit BF101, Forced Pooling Supplemental Order, Entered August 27, 2012, Regarding Docket No. VGOB-05-1018-1507, Tract 2A of Exhibit A (Inst. No. 120002475) (Pg 5) to the order, 6.84 acres.
- m. From Unit BF101, Forced Pooling Supplemental Order, Entered August 27, 2012, Regarding Docket No. VGOB-05-1018-1507, Tract 2B of Exhibit A (Inst. No. 120002475) (Pg 5) to the order, 31.42 acres.
- n. From Unit BF101, Forced Pooling Supplemental Order, Entered August 27, 2012, Regarding Docket No. VGOB-05-1018-1507, Tract 2C of Exhibit A (Inst. No. 120002475) (Pg 5) to the order, 1.13 acres.
- o. From Unit BF101, Forced Pooling Supplemental Order, Entered August 27, 2012, Regarding Docket No. VGOB-05-1018-1507, Tract 2D of Exhibit A (Inst. No. 120002475) (Pg 5) to the order, 8.89 acres.

The above described tracts within the named units are referred to in this Order as the ("Subject Properties").

And, it appearing to the court from Defendant's First Amended Motion for Judgment that Defendant Harrison-Wyatt is the coal owner of the Subject Properties and seeks to disclaim certain interests in and to the CBM, but that the Plaintiff's title is not proved as to the Subject Properties.

Now therefore, it is **Adjudged, Ordered and Decreed** that upon Defendant Harrison-Wyatt's First Amended Motion for Judgment on file herein, that the Defendant, Harrison-Wyatt, LLC has disclaimed any interest in and to the CBM and accordingly is not entitled to any royalties relating to the extraction of coal-bed methane gas by CNX Gas, LLC from the Subject Properties listed as items a. through e. and items k, n. and o. listed above, and that it is not a conflicting claimant to the ownership of the CBM or the production royalties as identified in submissions made to, and orders entered by, the Virginia Gas and Oil Board with respect to the Subject Properties listed as a. through e. above, and items k, n. and o. listed above, therefore this Order is final as to Harrison-Wyatt and the Subject Properties listed as items a. through e. above, and items k, n. and o. listed above.

It is further; **Adjudged, Ordered and Decreed** that the Defendant, Harrison-Wyatt, LLC has disclaimed any interest in and to the CBM and accordingly is not entitled to any royalties relating to the extraction of coal-bed methane gas by CNX Gas, LLC from the Subject Properties listed as items f., g., h., i. and j. above, and that it is not a conflicting claimant to the ownership of

the CBM or the production royalties as identified in submissions made to, and orders entered by, the Virginia Gas and Oil Board with respect to the Subject Properties listed as f., g., h., i., and j. above, and that this Order is final as to Harrison-Wyatt and the Subject Properties listed as items f., g., h., i, and j. above. However, it appearing to the court that a conflicting claim exists as to the Subject Properties listed as items f., g., h., i, and j. above with respect to Plaintiff and the Virginia Department of Transportation, Buchanan County, Virginia, and/or the Mary Leftwich heirs, and therefore this matter is continued as to the Subject Properties listed as items f., g., h., i, and j. above pending determination of title.

It is further; **Adjudged, Ordered and Decreed** that, as to the remaining Subject Properties, namely the items listed as l., and m. above, a conflicting claim exists between Plaintiff, and Harrison-Wyatt. Therefore this matter is continued as to the Subject Properties listed as l., and m., pending determination of title.

The Clerk is directed to mail copies of this Order to counsel of record for Harrison Wyatt, CNX Gas, and Plaintiff.

ENTER: This, the 22nd day April, 2015.



MICHAEL L. MOORE, JUDGE

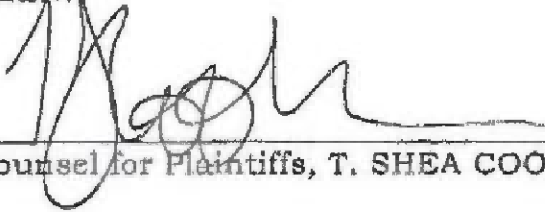
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REQUESTED:



Counsel for Defendant, HARRISON-WYATT, LLC

SEEN:



Counsel for Plaintiffs, T. SHEA COOK, ESQ.

INSTRUMENT #150001569
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
SEPTEMBER 28, 2015 AT 03:32PM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB