

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: J45

TRACT(S): 006

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-02-0716-1043-02

APPLICANTS: CNX Gas Company LLC on behalf of Buchanan County VA

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 07/11/2003, Recorded on 07/14/2003, Deed Book/Instrument No. 573, Page 261.
2. Supplemental Order Executed 11/07/2003, Recorded on 11/17/2003, Deed Book/Instrument No. 581, Page 439.

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) 006 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 006 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. Buchanan County Virginia is the gas claimant in Tract 2. As such, Buchanan County Virginia 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 Buchanan County Virginia and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

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VGOB Disbursement
Unit J45

VGOB-02-0716-1043-02

Table 1

Tracts: 006

Item	Tract	Disbursement Table	Fractional Ownership	Net Acreage Ownership	Royalty Split	Escrowed Acres	Percent of Escrowed Funds
			in Tract	in Tract	Agreement	Disbursed	Disbursed
		Total acreage in escrow before disbursement				2.96000	
006 Tract 006 (total acreage)			2.96				
1	006	Buchanan County VAIP, O. Box 1056, Grundy, VA 24614		2.9600	100.00%	2.9600	100.00000%

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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DONE AND EXECUTED this 16 day of October, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

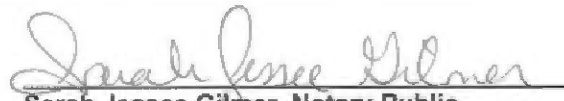
DONE AND PERFORMED this 16 day of October, 2015 by Order of the Virginia Gas and Oil Board.



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

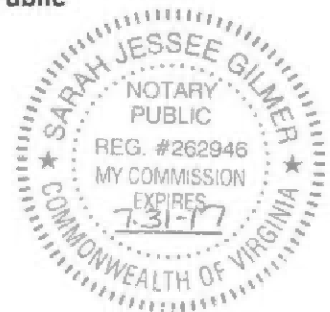
COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 16th day of October, 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 02-0716-1043-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 006 (2) AND
AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

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: J45

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(s) attributable to Tract(s) 6 as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Buchanan County Virginia

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

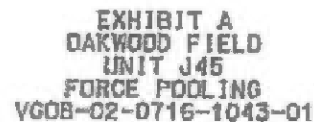
5. Factual basis for relief requested

- a. Buchanan County Virginia is the gas claimant in Tract 2. As such, Buchanan County Virginia 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 Buchanan County Virginia and not escrow same. See Exhibit EE annexed hereto.

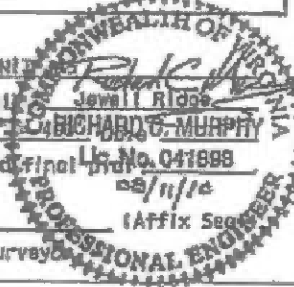
6. Attestation

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

Property facts shown on this plat were provided by CML Data Company LLC and were taken from deed descriptions and chains of title of record. This does not represent a current boundary survey. This certification is as to the date, name and location of the prepared plat.



Company CNX Gas Company LLC Well Name and Number UNIT 1
 Tract No. _____ Elevation _____ Quadrangle Jewell Ridge
 County BUCHANAN District _____ Section _____
 This plat is a new plat X : on updated plat _____ : or of final plat 041889
 Form 000-08-7 Richard C. Murphy (Affix Seal)
 Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor



CNX Gas Company LLC**UNIT J - 45****Tract Identifications**

1. Pocahontas Mining Limited Liability Company (240.28 Acre Tract) - Fee
Reserve Coal Properties Company - P-3 Seam and 250 Feet Above Leased
Jewell Smokeless Coal Corporation - Coal in Red Ash, Jawbone and Tiller Seams Leased
Revelation Energy, LLC - Coal Above the Red Ash Seam Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
43.85 acres 54.8250%
2. Pocahontas Mining Limited Liability Company (1568.15 Acre Tract) - Fee
Reserve Coal Properties Company - P-3 Seam and 250 Feet Above Leased
Jewell Smokeless Coal Corporation - Coal in Red Ash, Jawbone and Tiller Seams Leased
Revelation Energy, LLC - Coal Above the Red Ash Seam Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
19.65 acres 20.8125%
3. A. B. Jewell, Jr., et al (245.00 Acre Tract) - All Minerals
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Tiller Seam Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
15.87 acres 18.8375%
- 3A. A. B. Jewell, Jr., et al - Surface
- 3B. Jewell Valley Presbyterian Church - Surface
4. K. W. Cole (0.32 Acre Tract) - Fee
0.12 acres 0.1500%
5. Kay Jewell McPark (0.35 Acre Tract) - Fee
0.35 acres 0.4375%
6. Buchanan County, Virginia - Fee except Coal Below 800 Feet
CNX Gas Company LLC - CBM Leased
A. B. Jewell, Jr., et al. - Coal Below 800 Feet
Island Creek Coal Company/Consol Energy, Inc. - Coal Below 800 Feet Leased
2.98 acres 3.7800%
7. William F. Messick, Jr. Special Needs Trust (0.30 Acre Tract) - Fee
0.19 acres 0.2375%

Exhibit E
Unit J-45
Docket #VGOB 02-0716-1043-02
List of Respondents that require Escrow

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	Net Acres in Unit	Interest in Unit
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Escrowing not required

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Exhibit EE
Unit J-45
Docket #VGOB 02-0716-1043-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #6, 2.96 acres</u>			
<u>COAL OWNERSHIP</u>			
(2) A. B. Jewell, Jr. et al. (Coal below 800')	2.96 acres	3.7000%	
(a) Artemus B. Jewell, Jr. P.O. Box 117 Columbia Falls, ME 04623-0117	0.74 acres 1/4 of 2.96 acres	0.9250%	n/a
(b) Bucky McConnell, Executrix PO Box 582 Pounding Mill, VA 24637	0.74 acres 1/4 of 2.96 acres	0.9250%	n/a
(c) Nancy J. Lowe P.O. Box 277 Pounding Mill, VA 24637	0.74 acres 1/4 of 2.96 acres	0.9250%	n/a
(d) Polly Ann Mallory PO Box 290 Doran, VA 24612	0.74 acres 1/4 of 2.96 acres	0.9250%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Buchanan County, Virginia P.O. Box 1058 Grundy, VA 24614	2.96 acres	3.7000%	100.0000% HB2058

INSTRUMENT #150001729
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
OCTOBER 27, 2015 AT 11:43AM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB