

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: EE36

TRACT(S): 2A, 4

LOCATION: TAZEWELL, RUSSELL County, Virginia

TAX ID NUMBERS:

Tax Map Identification Numbers for all parcels affected by this order are shown on: Tract
Identification Sheet

DOCKET NUMBER:

VGOB-02-1015-1083-02

APPLICANTS:

CNX Gas Company LLC on behalf of Clarence Randall McGlothlin, CNX Gas Co LLC, Teddy
Wayne McGlothlin

HEARING DATE AND LOCATION:

Russell County Government Center, Lebanon, Virginia
April 19, 2016 and May 10, 2016

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.
587, Page 282.
2. Supplemental Order, Recorded on 03/14/2005, Deed Book/Instrument No. 626, Page 1000.
3. Disbursement Order -01 Executed 12/19/2011, Recorded on 01/13/2012, Deed Book/Instrument
No. 1107, Page 0076.
4. Disbursement Order -01 Executed 12/19/2011, Recorded on 01/13/2012, Deed Book/Instrument
No. 1107, Page 0076.

EX2016 007907

BOOK 0802 PAGE 0765

1456

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the April 19, 2016 hearing and was continued to May 10, 2016 where the Board 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) 2A, 4 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2A, 4 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. Clarence Randall McGlothlin was previously escrowed in Tract 4 due to being unlocatable and has been found and has submitted a W9 form.
- b. Teddy Wayne McGlothlin (previous owner) & CNX Gas Company LLC (new owner) are the gas claimant in Tracts 2A. As such Teddy Wayne McGlothlin & 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.
- c. 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.
- d. 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.
- e. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- f. 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.
- g. 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 CNX Gas Company LLC and Clarence Randall McGlothlin and not escrow same. See Exhibit EE annexed hereto.

VGOB Disbursement
Unit EE36

Table 1 (pay exact dollar amount based on account balance of 8/30/2005)
Tracts: 2A, 4

[illegible]

Page Number 3.

Unit EE36

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Table 2 (pay percentage on balance after deducting the above balance)

Tracts: 2A, 4

[illegible]

Adjustment Comments: Escrow Agent to subtract the amount in the adjustment column after the percentage calculation is made for each person with an adjustment amount listed in the percentage table. The new owner's payment (listed in the percentage table), is subtracted from what was paid in the exact pay table to the old owner.

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 and 2.
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 11 day of May, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

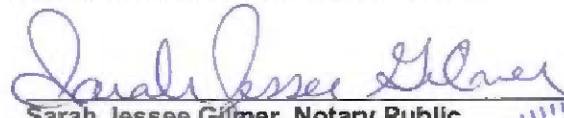
DONE AND PERFORMED this 11 day of May, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 11th day of May, 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 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 02-1015-1083-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2A, 4 (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: April 19, 2016**DRILLING UNIT:** EE36**TAZEWELL, RUSSELL COUNTY, VIRGINIA****PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS****1. Petitioner and its counsel**

Petitioner is CNX Gas Company LLC, P. O. 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, attributable to Tracts 2A & 4, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Teddy Wayne McGlothlin (one time payout from escrow as previous owner) & CNX Gas Company, LLC; authorization to begin paying royalties directly to the party that was previously identified as "unlocatable," Clarence Randall McGlothlin. (3) Dismissal of Coal Owner: Swords Creek Land Partnership.

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. Clarence Randall McGlothlin was previously escrowed in Tract 4 due to being unlocatable and has been found and has submitted a W9 form.
- b. Teddy Wayne McGlothlin (previous owner) & CNX Gas Company LLC (new owner) are the gas claimant in Tracts 2A. As such Teddy Wayne McGlothlin & 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.
- c. 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.
- d. 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.
- e. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- f. 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.
- g. 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 CNX Gas Company LLC and Clarence Randall McGlothlin 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 SURVEYED BY C. E.

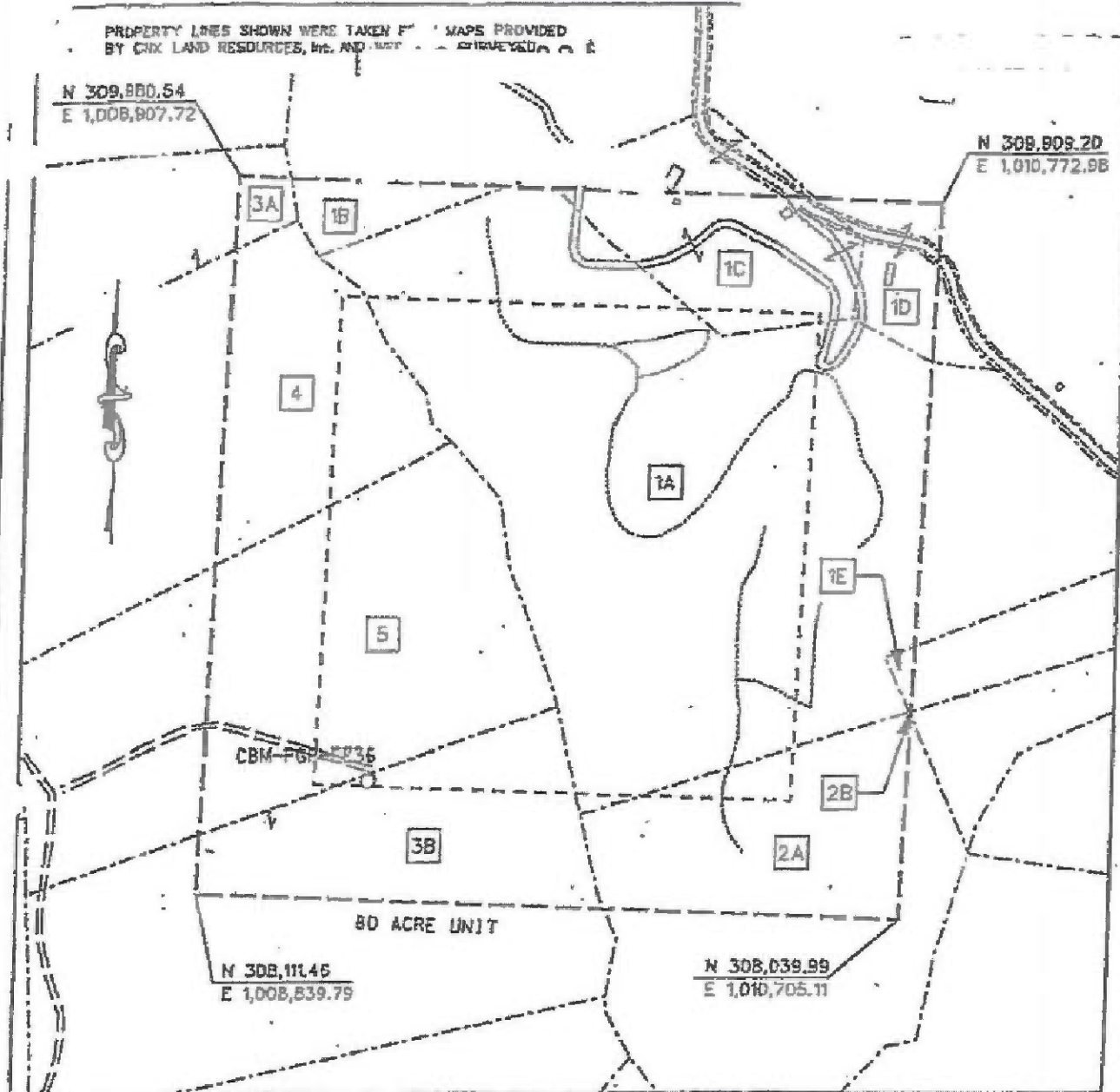
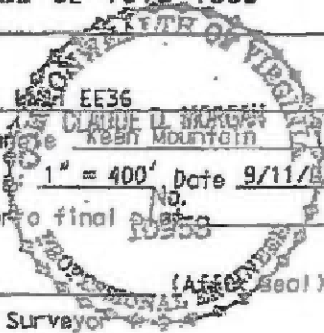


EXHIBIT A
OAKWOOD FIELD UNIT EE-36
FORCE POOLING
VGDB-02-1015-1083

Company Poconantas Gas Partnership Well Name and Number EE36
Tract No. _____ Elevation _____ Quadrangle CLAUDE D. MORGAN
County Tazewell/Russell District Maiden Springs/New Garden Scale: 1" = 400' Date 9/11/02
This plat is a new plat X : an updated plat _____ : or a final plat _____

Form DGD-60-7
Rev. 9/91

Charles D. Morgan
Licensed Professional Engineer or Licensed Land Surveyor



CNX Gas Company LLC**UNIT EE-36****Tract Identifications**

1. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 38 – All Minerals
Reserve Coal Properties Company – Below Drainage Coal Leased
Knox Creek Coal Corporation – Above Drainage Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
42.30 acres 52.8750%
- 1A. James McGlothlin, et ux – Surface (Tax Map 84 Parcel 106)
- 1B. Harold D. McGlothlin, et al – Surface (Tax Map 84 Parcel 107)
- 1C. Charles G. McGlothlin, et al – Surface Tax Map 84 Parcel 108)
- 1D. Charles G. McGlothlin, et al – Surface (Tax Map 84 Parcel 110)
- 1E. Grady G. McGlothlin – Surface (Tax Map 84 Parcel 111)
- 2A. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 18 – Coal
Consolidation Coal Company – Below Drainage Coal Leased
Knox Creek Coal Corporation – Above Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
James M. McGlothlin, et ux – Surface, Oil and Gas
(Tax Map 84 Parcel 116)
7.45 acres 9.3125%
- 2B. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 18 – Coal
Consolidation Coal Company – Below Drainage Coal Leased
Knox Creek Coal Corporation – Above Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Grady G. McGlothlin – Surface, Oil and Gas
(Tax Map 84 Parcel 115)
0.01 acres 0.0125%
- 3A. William R. McCall – Fee
CNX Gas Company LLC – CBM Leased
(Tax Map 84 Parcel 101)
0.52 acres 0.6500%
- 3B. William R. McCall – Fee
CNX Gas Company LLC – CBM Leased
(Tax Map 84 Parcel 107)
8.15 acres 10.1875%
4. Avis Belle Plaster, et al (Lot 5) – Fee
CNX Gas Company LLC – Oil and Gas Leased (69.1%)
CNX Gas Company LLC – CBM Leased (81.61%)
(Tax Map 84 Parcel 4)
7.53 acres 9.4125%

CNX Gas Company LLC
UNIT EE-36
Tract Identifications

5. Avis Belle Plaster, et al (Lot 6) – Fee
 CNX Gas Company LLC – CBM Leased (100%)
 (Tax Map 84 Parcel 2)
 14.04 acres 17.5300%

Exhibit E
Unit EE-36
Docket #VGOB 02-1015-1083-02
List of Respondents that require escrow

	Acres in Unit	Interest in Unit
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Escrow no longer required

2016 007919

Exhibit EE
Unit EE-36

Docket #VGOB 02-1015-1083-02

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List of Respondents with Royalty Splits/Court Orders/HB2058

	Acres In Unit	Interest in Unit	Percent of Escrow
<u>Tract #2A, 7.45 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	7.45 acres	9.3125%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) James M. & Audrey G. McGlothlin Heirs, Devisees, Successors or Assigns	Deeded to CNX Gas Company LLC 6/21/2005		
<i>The royalties accumulated until the date deeded to CNX will be paid to the heir of James M. and Audrey McGlothlin listed below:</i>			
(a) Teddy Wayne McGlothlin 36 Maple Gap Road Swords Creek, VA 24649	Will receive a one-time payout, See Table 1		
(2) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830	7.45 acres	9.3125%	97.9361% HB2058

Tract #2B, 0.01 acres**COAL OWNERSHIP**

(1) Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	0.01 acres	0.0125%	
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OIL & GAS OWNERSHIP

(1) Joel Absher 4674 Road Ridge Turnpike Raven, VA 24639 (Previously Grady G. McGlothlin)	0.01 acres	0.0125%	n/a
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Note: CBM ownership was adjudicated to the prevailing plaintiffs under Case no. CL 11-461
The Corrected Final Order was executed June 13, 2011 and plaintiffs were awarded 100% of the
Coalbed Methane Gas underlying this tract.

Tract #4, 7.53 acres*Previously Escrowed due to Unknown and/or Unlocatable***COAL OWNERSHIP**

(1) Avis Belle Plaster, et al. (Emily McGlothlin Heirs) (Lot #5)	7.53 acres	9.4125%	
(b) J.P. McGlothlin Heirs, Devisees, Successors or Assigns			
(b.4) C.L. McGlothlin Heirs, Devisees, Successors or Assigns			
(b.4.1) Sybil McGlothlin Heirs, Devisees, Successors or Assigns			

2016 007920

Exhibit EE

Unit EE-36

Docket #VGOB 02-1015-1083-02

List of Respondents with Royalty Splits/Court Orders/HB2058

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	Acres in Unit	Interest in Unit	Percent of Escrow
(b.4.2) Clarence Randall McGlothlin 120 Viewpoint Lane Mooresville, NC 28117-7558 (Previously Unknown Address - Located)	0.157 acres 1/48 of 7.53 acres	0.1961%	

OIL & GAS OWNERSHIP

(1) Avis Belle Plaster, et al. (Emily McGlothlin Heirs) (Lot #5)	7.53 acres	9.4125%	
(b) J.P. McGlothlin Heirs, Devisees, Successors or Assigns			
(b.1) Dora Belle Robinson Heirs, Devisees, Successors or Assigns			
(b.4) C.L. McGlothlin Heirs, Devisees, Successors or Assigns			
(b.4.1) Sybil McGlothlin Heirs, Devisees, Successors or Assigns			
(b.4.2) Clarence Randall McGlothlin 120 Viewpoint Lane Mooresville, NC 28117-7558 (Previously Unknown Address - Located)	0.157 acres 1/48 of 7.53 acres	0.1961%	2.0639%

INSTRUMENT #160001456
RECORDED IN THE CLERK'S OFFICE OF
TAEWELL COUNTY ON
MAY 24, 2016 AT 10:16AM
TAMMY B. ALLISON, CLERK
RECORDED BY: ADR

1600929

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 5-23 2016. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 1:49 o'clock P. M, after payment of \$ tax imposed by Sec. 58.1-802.

Original returned this date to: Sarah Dilmer

TESTE: ANN S. McREYNOLDS, CLERK
BY: Sheila Kettis D. CLERK