

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: BB100

TRACT(S): 1F

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-03-0318-1134-01

APPLICANTS:

CNX Gas Company LLC on behalf of Shirley H. Hess

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 04/19/2005, Recorded on 04/27/2005, Deed Book/Instrument No. 617, Page 205.
2. Supplemental Order, Recorded on 12/12/2007, Deed Book/Instrument No. 70004644.

NOTICE:

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 1F identified in the attached petition.

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(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1F 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. Shirley H. Hess are the gas claimant in Tracts 1F. As such Shirley H. Hess 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 Shirley H. Hess and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

VGOB Disbursement
Unit BB100

VGOB-03-0318-1134-01

Table 1
Tracts: 1F[illegible]

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.

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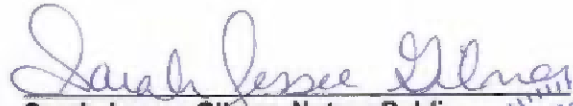
DONE AND EXECUTED this 3 day of December, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 3rd day of December, 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, that he executed the same and was authorized to do so.



Sarah Jessee Gilmer, Notary Public
262946

My Commission expires: July 31, 2017

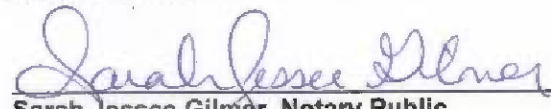
DONE AND PERFORMED this 4 day of December, 2015 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 4th day of December, 2015, 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 03-0318-1134-01

**RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1F (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: BB100**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 of Tract(s) 1F as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Shirley H. Hess.

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. Shirley H. Hess are the gas claimant in Tracts 1F. As such Shirley H. Hess 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 Shirley H. Hess 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.

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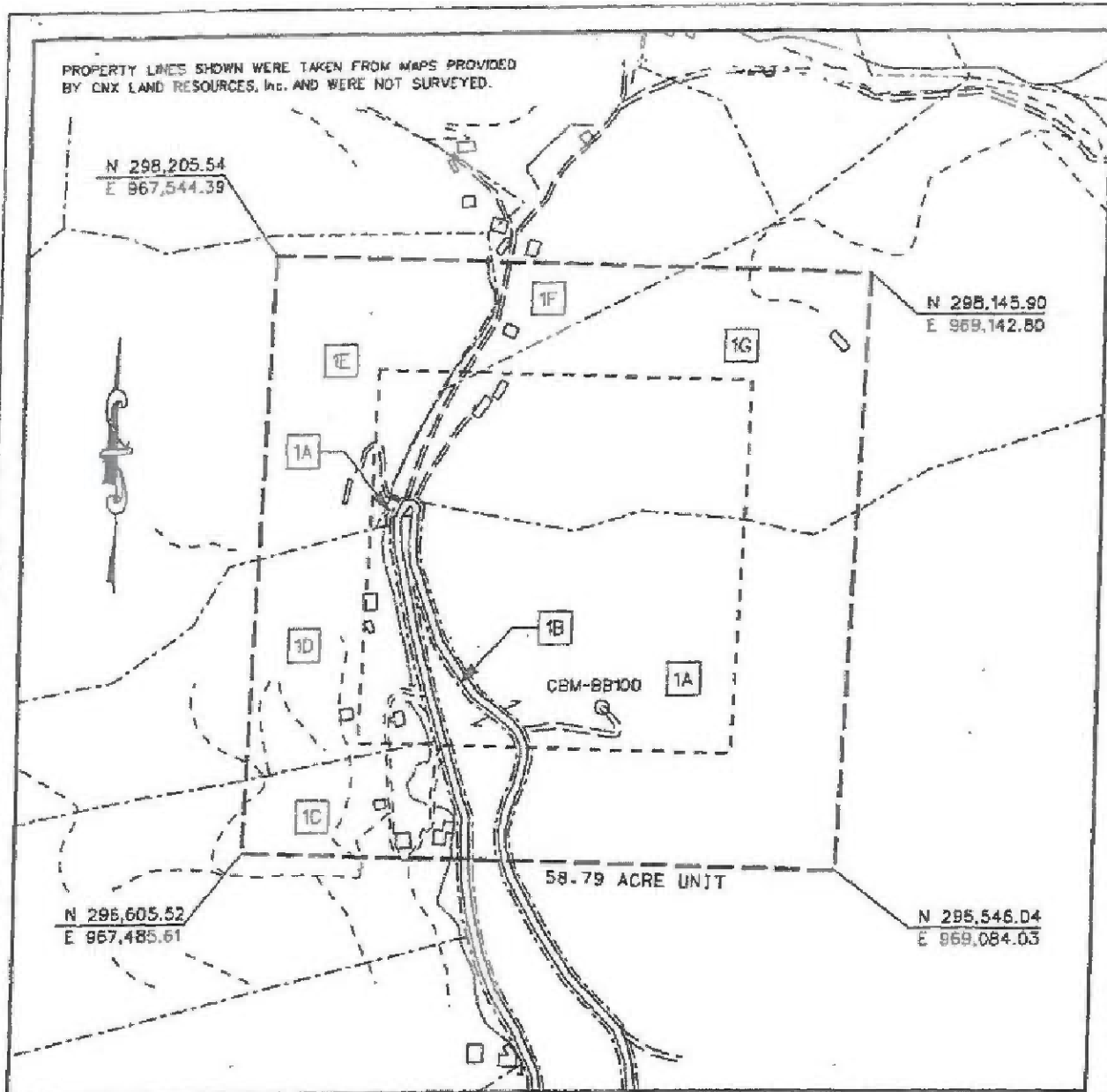
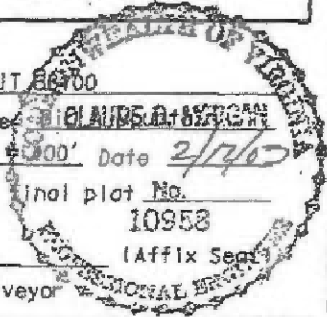


EXHIBIT A
NORA FIELD UNIT BB-100
FORCE POOLING
VGOB-03-0318-1134

Company CONSOL Energy Inc. Well Name and Number UNIT BB-100
 Tract No. _____ Elevation _____ Quadrangle CLAUDE A. 887000
 County Buchanan District Hurricane Scale: 1" = 300' Date 2/2/03
 This plat is a new plat X ; an updated plat _____ ; or a final plat No. _____
 Form OGD-60-7 Charles D. Moyne
 Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor



CONSOL Energy Inc.**Unit BB-100**

Tract Identifications
(68.79 Acre Unk)

- 1A. Harrison - Wyatt, LLC (Big Axe Tr. 4) - Coal
 Buchanan Production Company - CBM Leased
 Phyllis Lambert - Surface and All Minerals except Coal
 Buchanan Production Company - Oil, Gas and CBM Leased
 22.26 acres 37.8636%
- 1B. Harrison - Wyatt, LLC (Big Axe Tr. 4) - Coal
 Buchanan Production Company - CBM Leased
 Phyllis Lambert OR Ruth Harris OR Mary O. Williams OR
 Bill Sheppard, et ux - All Minerals except Coal
 Buchanan Production Company - Oil, Gas and CBM Leased
 Commonwealth of Virginia - Surface
 1.91 acres 3.2489%
- 1C. Harrison - Wyatt, LLC (Big Axe Tr. 4) - Coal
 Buchanan Production Company - CBM Leased
 Mary O. Williams - Surface and All Minerals except Coal
 Buchanan Production Company - Oil, Gas and CBM Leased
 3.31 acres 5.6302%
- 1D. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
 Buchanan Production Company - CBM Leased
 Bill Sheppard, et ux - Surface and All Minerals except Coal
 Buchanan Production Company - Oil, Gas and CBM Leased
 5.82 acres 9.8996%
- 1E. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
 Buchanan Production Company - CBM Leased
 Lowey R. Childress, et ux - Surface and All Minerals except Coal
 Buchanan Production Company - Oil, Gas and CBM Leased
 8.13 acres 13.8289%
- 1F. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
 Buchanan Production Company - CBM Leased
 Shirley H. Hess, et vir - Surface and All Minerals except Coal
 1.90 acres 3.2318%
- 1G. Harrison - Wyatt, LLC (Big Axe Tr. 4) - Coal
 Buchanan Production Company - CBM Leased
 Ruth Harris - Surface and All Minerals except Coal
 Buchanan Production Company - Oil, Gas and CBM Leased
 15.46 acres 26.2970%

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Exhibit E
Unit BB-100
Docket #VGOB 03-0318-1134-01
List of Respondents that require escrow
(58.79 Acre Unit)

	Acres In Unit	Percent of Unit
<u>Tract #1B - 1.91 acres</u>		
<i>Escrow due to Title Conflict</i>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	1.91 acres	3.2489%
<u>OIL & GAS OWNERSHIP</u>		
(1) Phyllis Lambert 401 Tilley Drive Bristol, VA 24201	1.91 acres	3.2489%
<i>*Note: Requests royalties to be paid 1/4 each to her and her sons.</i>		
Christopher R. Lambert 295 Old Abingdon Hwy Bristol, VA 24201		
Steffen D. Lambert 126 Jefferson Drive Bristol, VA 24201		
Denver J. Lambert 417 Randolph Street Bristol, VA 24201		
<i>- OR -</i>		
(1) Ruth Harris c/o Dallas McGlothlin Rt.2 Box 354 Honaker, VA 24260	1.91 acres	3.2489%
<i>- OR -</i>		
(1) Mary O. Williams Rt.2 Box 474 Honaker, VA 24260	1.91 acres	3.2489%
<i>- OR -</i>		
(1) Bill Sheppard, et ux. Rt.2 Box 475 Honaker, VA 24260	1.91 acres	3.2489%

**Note: Although royalty split agreements are in place, this tract requires escrow due to clouded title.*

Exhibit EE
Unit BB-100
VGOB 03-0318-1134-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.78 Acre Unit)

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	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #1A - 22.26 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	22.26 acres	37.8636%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Phyllis Lambert 401 Tilley Drive Bristol, VA 24201	22.26 acres	37.8636%	n/a
<i>*Note: Requests royalties to be paid 1/4 each to her and her sons.</i> Christopher R. Lambert 295 Old Abingdon Hwy Bristol, VA 24201 Steffen D. Lambert 126 Jefferson Drive Bristol, VA 24201 Denver J. Lambert 417 Randolph Street Bristol, VA 24201			
<u>Tract #1C - 3.31 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	3.31 acres	5.6302%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Mary O. Williams 1097 Champion Road Honaker, VA 24260	3.31 acres	5.6302%	n/a
<u>Tract #1D - 5.82 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	5.82 acres	9.8996%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Bill Sheppard, et ux. 2331 Nance White Branch Rd Honaker, VA 24260	5.82 acres	9.8996%	n/a
<u>Tract #1E - 8.13 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	8.13 acres	13.8289%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Lowery R. Childress, et ux. 2371 Nance White Branch Rd Honaker, VA 24260	8.13 acres	13.8289%	n/a

Exhibit EE
Unit BB-100
VGOB 03-0318-1134-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.79 Acre Unit)

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	Acres In Unit	Percent of Unit	Percent of Escrow
<u>Tract #1F - 1.90 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	1.90 acres	3.2318%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Shirley H. & Fred Ramsey Hess T/E Fred Ramsey Hess Heirs, Devisees, Successors or Assigns	1.90 acres	3.2318%	49.8688% HB2058
(1) Shirley H. Hess 71 Ash St. Honaker, VA 24260			
<u>Tract #1G - 15.46 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	15.46 acres	26.2970%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Ruth Harris c/o Dallas McGlothlin Rt.2 Box 354 Honaker, VA 24260	15.46 acres	26.2970%	n/a

INSTRUMENT #150002116
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
DECEMBER 29, 2015 AT 12:14PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLB