

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: CC31

TRACT(S): 001B

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-03-0415-1141-01

APPLICANTS:

CNX Gas Company LLC on behalf of Carol S. Benge, Gary Lee Shortt, Judy Ann Rife, Larry Amos Shortt

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 05/12/2003, Recorded on 05/29/2003, Deed Book/Instrument No. 570, Page 749.
2. Supplemental Order Executed 02/04/2004, Recorded on 02/10/2004, Deed Book/Instrument No. 586, Page 339.

NOTICE:

1600000769

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 001B identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 001B 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. Lary Amos Shortt, Carol S. Bengé, Judy Ann Rife, & Gary Lee Shortt are the gas claimant in Tracts 1B. As such Lary Amos Shortt, Carol S. Bengé, Judy Ann Rife, & Gary Lee Shortt 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 Lary Amos Shortt, Carol S. Bengé, Judy Ann Rife, & Gary Lee Shortt and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

DONE AND EXECUTED this 13 day of April, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

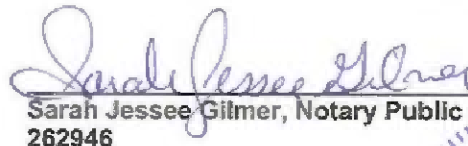
DONE AND PERFORMED this 13 day of April, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 13th day of April, 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 03-0415-1141-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 001B (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: CC31**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) 1B as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Lary Amos Shortt, Carol S. Benge, Judy Ann Rife, & Gary Lee Shortt.

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. Lary Amos Shortt, Carol S. Bengé, Judy Ann Rife, & Gary Lee Shortt are the gas claimant in Tracts 1B. As such Lary Amos Shortt, Carol S. Bengé, Judy Ann Rife, & Gary Lee Shortt 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 Lary Amos Shortt, Carol S. Bengé, Judy Ann Rife, & Gary Lee Shortt 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.

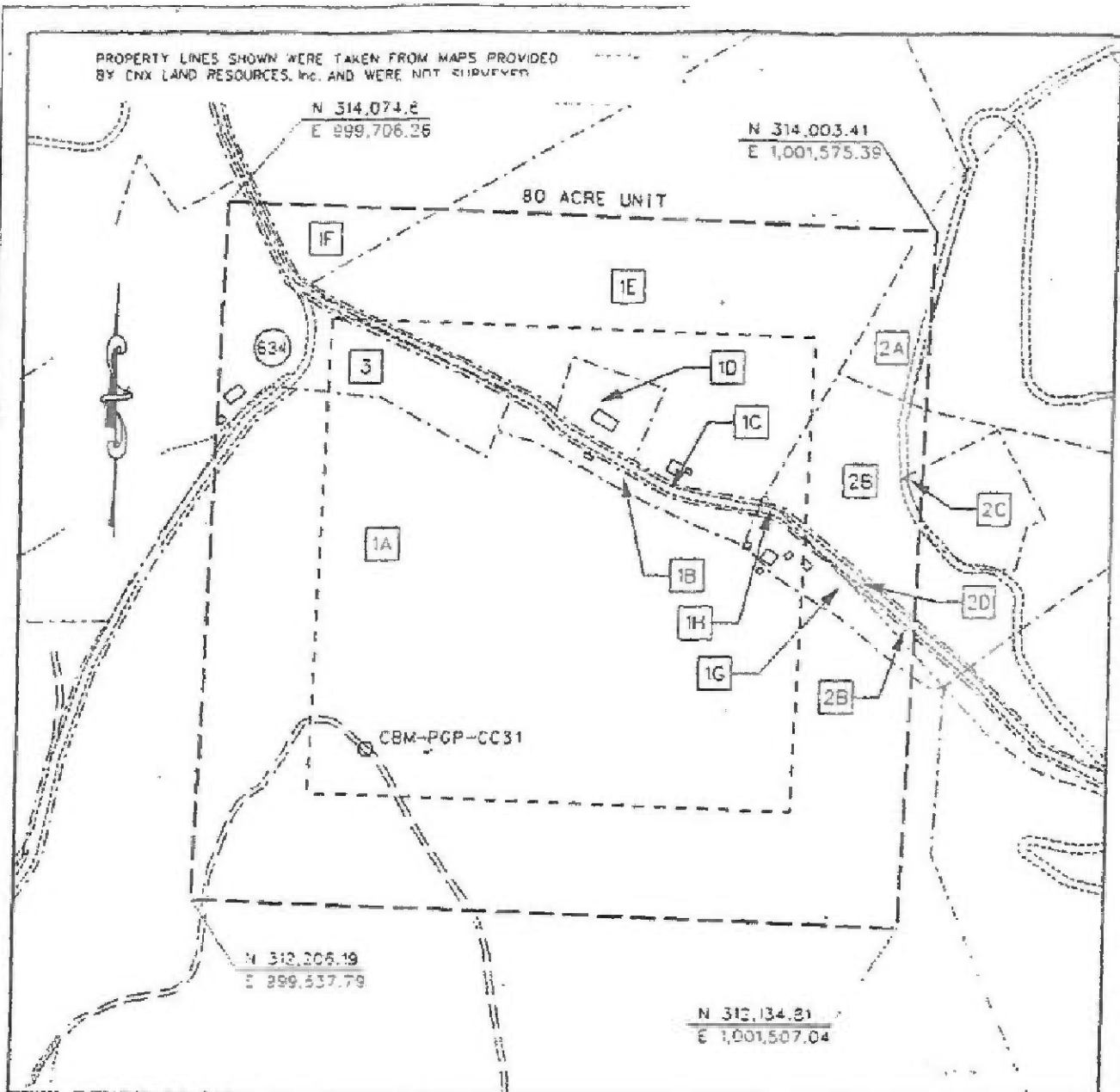


EXHIBIT A
 OAKWOOD FIELD UNIT CC-31
 FORCE POOLING
 VGOB-CC-0115-1141

Company Poconchos Gas Partnership Well Name and Number UNIT CC31
 Tract No. _____ Elevation _____ Quadrangle Keen Mountain
 County Buchanan District Garden Scale: 1" = 400' Date 3/12/83
 This plot is a new plot X ; an updated plot _____ ; or a final plot _____

Form 000-60-7
 Rev. 9/91

Charles E. Morgan
 Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

POCAHONTAS GAS PARTNERSHIP

UNIT CC-31

Tract Identifications

- 1A. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 1 - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
Pocahontas Gas Partnership - CBM Leased
New Garden Coal Corp. - Surface and All Minerals except Coal
Pocahontas Gas Partnership - Oil Gas and CBM Leased
48.92 acres 61.1500%
- 1B. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 1 - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
Pocahontas Gas Partnership - CBM Leased
Amos Short - Surface and All Minerals
0.93 acres 1.1625%
- 1C. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 1 - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
Pocahontas Gas Partnership - CBM Leased
New Garden Coal Corp. - All Minerals except Coal
Pocahontas Gas Partnership - Oil Gas and CBM Leased
Commonwealth of Virginia - Surface
0.96 acres 1.2000%
- 1D. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 1 - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
Pocahontas Gas Partnership - CBM Leased
New Garden Coal Corp. - All Minerals except Coal
Pocahontas Gas Partnership - Oil Gas and CBM Leased
Unknown Surface Owner
1.04 acres 1.3000%
- 1E. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 1 - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
Pocahontas Gas Partnership - CBM Leased
New Garden Coal Corp. - All Minerals except Coal
Pocahontas Gas Partnership - Oil Gas and CBM Leased
Amos Short - Surface
15.20 acres 19.0000%

POCAHONTAS GAS PARTNERSHIP**UNIT CC-31****Tract Identifications**

- 1F. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 1 - Coal
 Reserve Coal Properties Company - Below Drainage Coal Leased
 Knox Creek Coal Corporation - Above Drainage Coal Leased
 Pocahontas Gas Partnership - CBM Leased
 Lida J. Holzgrefe - Surface and All Minerals except Coal
 1.15 acres 1.4375%
- 1G. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 1 - Coal
 Reserve Coal Properties Company - Below Drainage Coal Leased
 Knox Creek Coal Corporation - Above Drainage Coal Leased
 Pocahontas Gas Partnership - CBM Leased
 New Garden Coal Corp. - All Minerals except Coal
 Pocahontas Gas Partnership - Oil Gas and CBM Leased
 Consolidation Coal Company - Surface
 1.15 acres 1.4375%
- 1H. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 1 - Coal
 Reserve Coal Properties Company - Below Drainage Coal Leased
 Knox Creek Coal Corporation - Above Drainage Coal Leased
 Pocahontas Gas Partnership - CBM Leased
 New Garden Coal Corp. - All Minerals except Coal
 Pocahontas Gas Partnership - Oil Gas and CBM Leased
 Commonwealth of Virginia - Surface
 0.10 acres 0.1250%
2. Coal Mountain Mining Company Limited Partnership, L.L.P. Tr. 29 - All Minerals
 Consolidation Coal Company - Below Drainage Coal Leased
 New Garden Coal Corp. - Above Drainage Coal Leased
 Pocahontas Gas Partnership - Oil, Gas and CBM Leased
 5.60 acres 7.0000%
- 2A. Consolidation Coal Company - Surface
 2B. Consolidation Coal Company - Surface
 2C. Unknown Surface Owner
 2D. Commonwealth of Virginia - Surface
3. Mae Wells, et al - Fee
 4.95 acres 6.1875%

Exhibit E
Unit CC-31
Docket #VGOB 03-0415-1141-01
List of Respondents that require escrow

	Net Acres In Unit	Interest In Unit
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Tract #1F - 1.15 acres

COAL OWNERSHIP

(1)	Coal Mountain Mining Company, Tr.1 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	1.15 acres	1.4375%
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OIL & GAS OWNERSHIP

The respondents listed below did not respond timely to the W9 request and will continue to be escrowed.

(1)	Lida J. Holzgrebe 13765 Seabiscuit Drive Reno, NV 89521-8349	1.15 acres	1.4375%
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Exhibit EE
Unit CC-31
Docket #VGOB 03-0415-1141-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1A - 48.92 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.1 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24661	48.92 acres	61.1500%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) New Garden Coal Corporation c/o Edward Vandyke P.O. Box 29 Tazewell, VA 24661	48.92 acres	61.1500%	n/a
<u>Tract #1B - 0.93 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.1 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24661	0.93 acres	1.1625%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Amos (Mont) Short Heirs (0.50 acres)	0.93 acres	1.1625%	
(1.1) Bessie Marie Short Heirs, Devisees, Successors or Assigns			
(1.1.1) Larry Amos Shortt P.O. Box 232 Castlewood, VA 24224	0.23 acres 1/4 of 0.93 acres	0.2906%	11.1779% HB2058
(1.1.2) Carol S. Bange 226 Royal Drive Kingsport, TN 37663	0.23 acres 1/4 of 0.93 acres	0.2906%	11.1779% HB2058
(1.1.3) Judy Ann Rife 3144 Old Kentucky Turnpike Road Raven, VA 24639	0.23 acres 1/4 of 0.93 acres	0.2906%	11.1779% HB2058
(1.1.4) Gary Lee Shortt 1609 Cypress Circle Hoover, AL 35244	0.23 acres 1/4 of 0.93 acres	0.2906%	11.1779% HB2058
<u>Tract #1C - 0.96 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.1 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24661	0.96 acres	1.2000%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) New Garden Coal Corporation c/o Edward Vandyke P.O. Box 29 Tazewell, VA 24661	0.96 acres	1.2000%	n/a

Exhibit EE
Unit CC-31

Docket #VGOB 03-0415-1141-01

List of Respondents with Royalty Split Agreements/Court Orders/HB2058

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1D - 1.04 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.1 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	1.04 acres	1.3000%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) New Garden Coal Corporation c/o Edward Vandyke P.O. Box 29 Tazewell, VA 24651	1.04 acres	1.3000%	n/a
<u>Tract #1E - 15.20 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.1 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	15.20 acres	19.0000%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) New Garden Coal Corporation c/o Edward Vandyke P.O. Box 29 Tazewell, VA 24651	15.20 acres	19.0000%	n/a
<u>Tract #1G - 1.15 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.1 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	1.15 acres	1.4375%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) New Garden Coal Corporation c/o Edward Vandyke P.O. Box 29 Tazewell, VA 24651	1.15 acres	1.4375%	n/a
<u>Tract #1H - 0.10 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.1 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	0.10 acres	0.1250%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) New Garden Coal Corporation c/o Edward Vandyke P.O. Box 29 Tazewell, VA 24651	1.15 acres	1.4375%	n/a

160000769

INSTRUMENT #160000769
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MAY 3, 2016 AT 04:39PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP