

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: AW118

TRACT(S): 7A, 7B

LOCATION: RUSSELL County, Virginia

DOCKET NUMBER: VGOB-03-0513-1147-02

APPLICANTS:

CNX Gas Company LLC on behalf of James A. & Norma Jean Hale, Tivis P. & Mary Frances Brown

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 05/20/2005, Deed Book/Instrument No. 629, Page 779.
2. Supplemental Order, Recorded on 02/27/2007, Deed Book/Instrument No. 435, Page 156.

NOTICE:

BOOK 0795 PAGE 0641

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 7A, 7B identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 7A, 7B relative to the interests of the Applicants identified in the attached petition.
- (3) Continue the escrow account under this docket number.

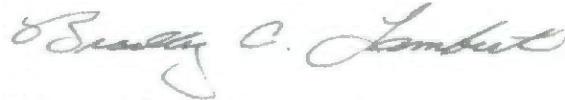
FINDINGS: Code of Virginia § 45.1-361.22 AND § 45.1-361.22:2

Applicant has certified and represented to the Board that:

- a. James A. & Norma Jean Hale, and Tivis P. & Mary Frances Brown are the gas claimant in Tracts 7A & 7B. As such James A. & Norma Jean Hale, and Tivis P. & Mary Frances Brown 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.
- 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 James A. & Norma Jean Hale, and Tivis P. & Mary Frances Brown and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

DONE AND EXECUTED this 6 day of November, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

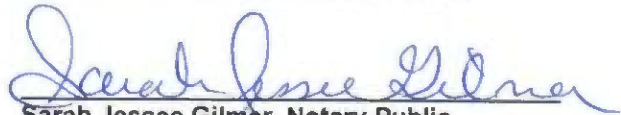
DONE AND PERFORMED this 6 day of November, 2015 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 6th day of November, 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 03-0513-1147-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 7A, 7B (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: AW118

RUSSELL 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) 7A & 7B as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to James A. & Norma Jean Hale, and Tivis P. & Mary Frances Brown

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. James A. & Norma Jean Hale, and Tivis P. & Mary Frances Brown are the gas claimant in Tracts 7A & 7B. As such James A. & Norma Jean Hale, and Tivis P. & Mary Frances Brown 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.
- 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 James A. & Norma Jean Hale, and Tivis P. & Mary Frances Brown 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.

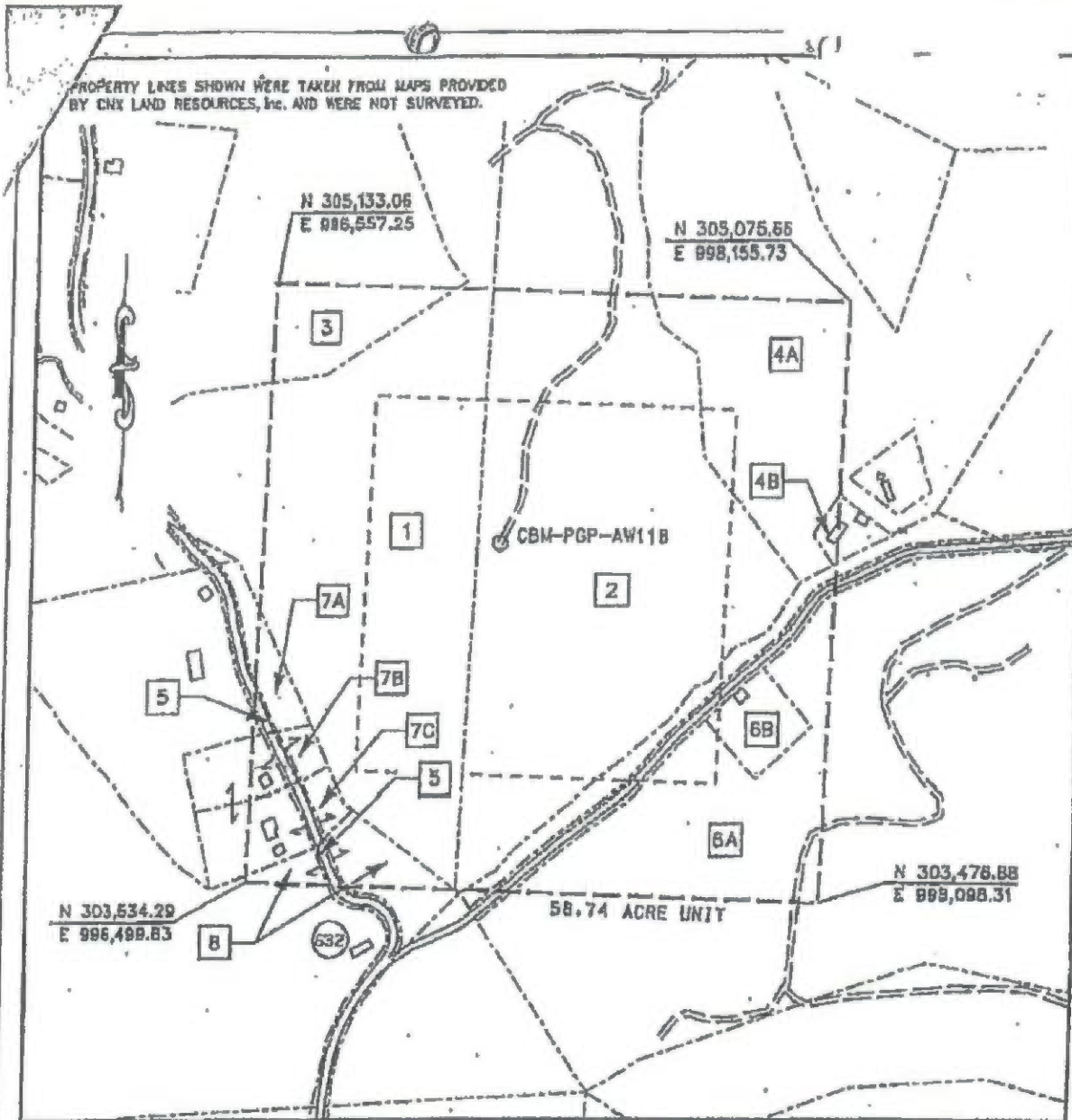
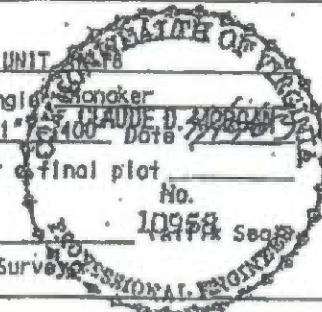


EXHIBIT A
MIDDLE RIDGE 1 FIELD
UNIT AW-118
FORCE POOLING
VGOB-03-0513-1147

Company CNX Gas Company LLC Well Name and Number UNIT AW-118
Tract No. _____ Elevation _____ Quadrangle Shonaker
County Russell District New Garden Scale: 1"=400' Date 7/7/03
This plot is a new plot X ; an updated plot _____ ; or a final plot _____

Form D60-GO-7
Rev. 9/81

Charles D. May
Licensed Professional Engineer or Licensed Land Surveyor



\\P00LW\H1\POOL\gas 04/08/2003 02:23:34 PM

CNX GAS COMPANY LLC

Unit AW-118

Tract Identifications

(58.74 Acre Unit)

1. H. C. Bostle Coal Co., et al - All Minerals (except Coal in Pocahontas Seam)
CNX Gas Company LLC - CBM Leased
Myrtle Donohoe Dye Heirs, Successors or Devisees - Coal in the Pocahontas Seam
H. C. Bostle Coal Company, et al - Surface
16.52 acres 28.1288%
2. Steve M. Hubbard, et al - Fee (except Red Ash Seam and Jawbone Seam)
CNX Gas Company LLC - Oil, Gas and CBM Leased
Martin McGee - Coal in the Jawbone Seam
Ira and Polly Hubbard, Heirs, Devisees or Successors - Coal in the Red Ash Seam
CNX Gas Company LLC - Oil, Gas and CBM Leased
20.53 acres 35.1208%
3. Dorothy Miller, et al - Fee (except Coal in the Red Ash and Jawbone Seams)
Knox Creek Coal Corporation - Coal in Jawbone Seam
L. E. Joyce and W. P. Joyce - Coal in Red Ash Seam
L. E. Joyce and W. P. Joyce - Coal Seams Above Red Ash Seam Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
1.94 acres 3.3027%
4. Martin E. McGee, et al - All Minerals (except Red Ash Seam)
Knox Creek Coal Corporation - Coal in Red Ash Seam
CNX Gas Company LLC - Oil, Gas and CBM Leased
6.02 acres 10.2486%
 - 4A. Emmanuel Hubbard, et al - Surface
 - 4B. Unknown Surface Owner
5. Commonwealth of Virginia - Fee
0.61 acres 0.8682%
6. Swords Creek Land Partnership Tr. 20 - All Minerals
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Coal in the Tiller and Above Seams Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
8.87 acres 16.8029%
 - 6A. Cecil E. Dye, et ux - Surface
 - 6B. Unknown Surface Owner

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CNX GAS COMPANY LLC

Unit AW-118

Tract Identifications

(68.74 Acre Unit)

- 7A. Swords Creek Land Partnership Tr. 17 - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Coal in Tiller and Above Leased
CNX Gas Company LLC - CBM Leased
James A. Hale, et ux - Surface and All Minerals except Coal
0.66 acres 0.9534%
- 7B. Swords Creek Land Partnership Tr. 17 - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Coal in Tiller and Above Leased
CNX Gas Company LLC - CBM Leased
Tylee P. Brown, et ux - Surface and All Minerals except Coal
0.54 acres 0.9193%
- 7C. Swords Creek Land Partnership Tr. 17 - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Coal in Tiller and Above Leased
CNX Gas Company LLC - CBM Leased
Tylee P. Brown, et ux or James A. Hale, et ux - Surface and All Minerals except Coal
0.97 acres 1.6513%
- 8. Swords Creek Land Partnership Tr. 17 - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Coal in Tiller and Above Leased
Jearldine Whitte - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
1.18 acres 2.0089%

Exhibit E
Unit AW-118
Docket #VGOB 03-0513-1147-02
List of Respondents that require escrow
(58.74 Acre Unit)

BOOK 0795 PAGE 0650

	Acres in Unit	Interest in Unit
<u>Tract #7C, 0.97 acres</u>		
<i>Escrow due to Title conflict</i>		
<u>COAL OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr. 17 P.O. Box 29 Tazewell, VA 24651	0.97 acres	1.6513%
<u>OIL & GAS OWNERSHIP</u>		
(1) Tivis P. Brown, et ux. 4991 Lynn Springs Rd. Swords Creek, VA 24649	0.97 acres	1.6513%
-OR-		
(1) James A. Hale, et ux. 4997 Lynn Springs Rd. Swords Creek, VA 24649	0.97 acres	1.6513%

Exhibit EE
Unit AW-118
Docket #VGOB 03-0513-1147-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.74 Acre Unit)

BOOK 0795 PAGE 0651

	Acres in Unit	Interest in Unit	Percent of Escrow
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Tract #1, 16.52 acres

COAL OWNERSHIP

(2) Myrtle Donohoe Dye Heirs, Devisees, Successors or Assigns (Pocahontas Seam)	16.52 acres	28.1238%	
(a) James R. Grace " 18128 Brekenridge Court Abingdon, VA 24211	5.51 acres 1/3 of 16.52 acres	9.3746%	n/a
(b) Helen McReynolds " PO Box 747 Cedar Bluff, VA 24609	5.51 acres 1/3 of 16.52 acres	9.3746%	n/a
(c) Peggy Arnett " 2590 Lester Court Mansfield, OH 44903	5.51 acres 1/3 of 16.52 acres	9.3746%	n/a

1502266

OIL & GAS OWNERSHIP

(1) H.C. Bostic Coal Company " P.O. Box 220 Swords Creek, VA 24649	16.52 acres	28.1238%	n/a
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* NOTE: Although the tract is 16.52 acres, only the ownership of the Pocahontas Seam is in conflict.
To calculate acres escrowed: 16.52 acres x 42.8572% (Which indicates Pocahontas Seam) = 7.08 acres in conflict

Tract #7A, 0.56 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership, Tr.17 P.O. Box 29 Tazewell, VA 24651	0.56 acres	0.9534%	n/a
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OIL & GAS OWNERSHIP

(1) James A. & Norma Jean Hale, TE 4997 Lynn Springs Rd. Swords Creek, VA 24649	0.56 acres	0.9534%	27.0531% HB2058
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Tract #7B, 0.54 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership, Tr.17 P.O. Box 29 Tazewell, VA 24651	0.54 acres	0.9193%	n/a
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OIL & GAS OWNERSHIP

(1) Tivis P. & Mary Frances Brown, TE 4991 Lynn Springs Rd. Swords Creek, VA 24649	0.54 acres	0.9193%	26.0870% HB2058
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Tract #8, 1.18 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership, Tr.17 P.O. Box 29 Tazewell, VA 24651	1.18 acres	2.0089%	n/a
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OIL & GAS OWNERSHIP

(1) Jearldine Whited 4881 Lynn Springs Rd. Swords Creek, VA 24649	1.18 acres	2.0089%	n/a
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VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 11-14 2015. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 2:31 o'clock P. M. after payment of \$ tax imposed by Sec. 58.1-802.

TESTE: ANN S. McREYNOLDS, CLERK
BY: *Jimmy Hendrick* D. CLERK

Original returned this date to: *Sara Gilmer*