

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: EE37

TRACT(S): 1A

LOCATION: TAZEWELL 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-03-1021-1205-03

APPLICANTS:

CNX Gas Company LLC on behalf of 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 12/15/2003, Recorded on 12/22/2003, Deed Book/Instrument No. 898, Page 237.
2. Supplemental Order Executed 10/08/2004, Recorded on 10/19/2004, Deed Book/Instrument No. 924, Page 860.
3. Disbursement Order -01 Executed 12/19/2011, Recorded on 01/13/2012, Deed Book/Instrument No. 1107, Page 0087.
4. Disbursement Order -02 Executed 02/08/2013, Recorded on 04/01/2013, Deed Book/Instrument No. 2013, Page 5869.

OK 2016 PG 07981

1459

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) 1A identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1A 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. Teddy Wayne McGlothlin (previous owner) & CNX Gas Company LLC (new owner) are the gas claimant in Tracts 1A. 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.
- 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 CNX Gas Company LLC and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED;

VGOB Disbursement

Unit EE37

VGOB-03-1021-1205-03

Table 1 (pay exact dollar amount based on account balance of 8/30/2005)

Tracts: 1A

Item	Tract	Disbursement Table	Account		Fractional Ownership		Net Acreage Ownership		Royalty Split		Escrowed Acres		Percent of Escrowed Funds Disbursed		Disbursement	
			Balance	Date	in Tract	in Tract	in Tract	in Tract	Agreement	Disbursed	Disbursed	Disbursed	Disbursed	Disbursed	Disbursed	Disbursed
		Total acreage in escrow before disbursement									34.46000					
1A Tract 1A (total acreage)					1.3200											
1	1A	Teddy Wayne McGlothlin\36 Maple Gap Rd, Swords Creek, VA 24649					1.3200		100.00%	1.3200			3.8305%		\$1,140.89	

OK 2016 PG 07983

Unit EE37

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

Tracts: 1A

[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.

DK2016 PG07984

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 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.

DONE AND EXECUTED this 11 day of May, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

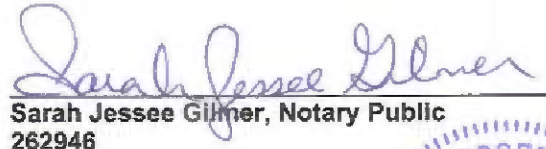
DONE AND PERFORMED this 11 day of May, 2016 by Order of the Virginia Gas and Oil Board.



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 03-1021-1205-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1A (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: EE37

TAZEWELL 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 Tract 1A, 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. (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. Teddy Wayne McGlothlin (previous owner) & CNX Gas Company LLC (new owner) are the gas claimant in Tracts 1A. 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.
- 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 CNX Gas Company LLC 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.

2016 07989

PROPERTY LINES SHOWN WERE TAKEN FROM MAPS
PROVIDED BY CONSOL INC. AND WERE NOT SURVEYED

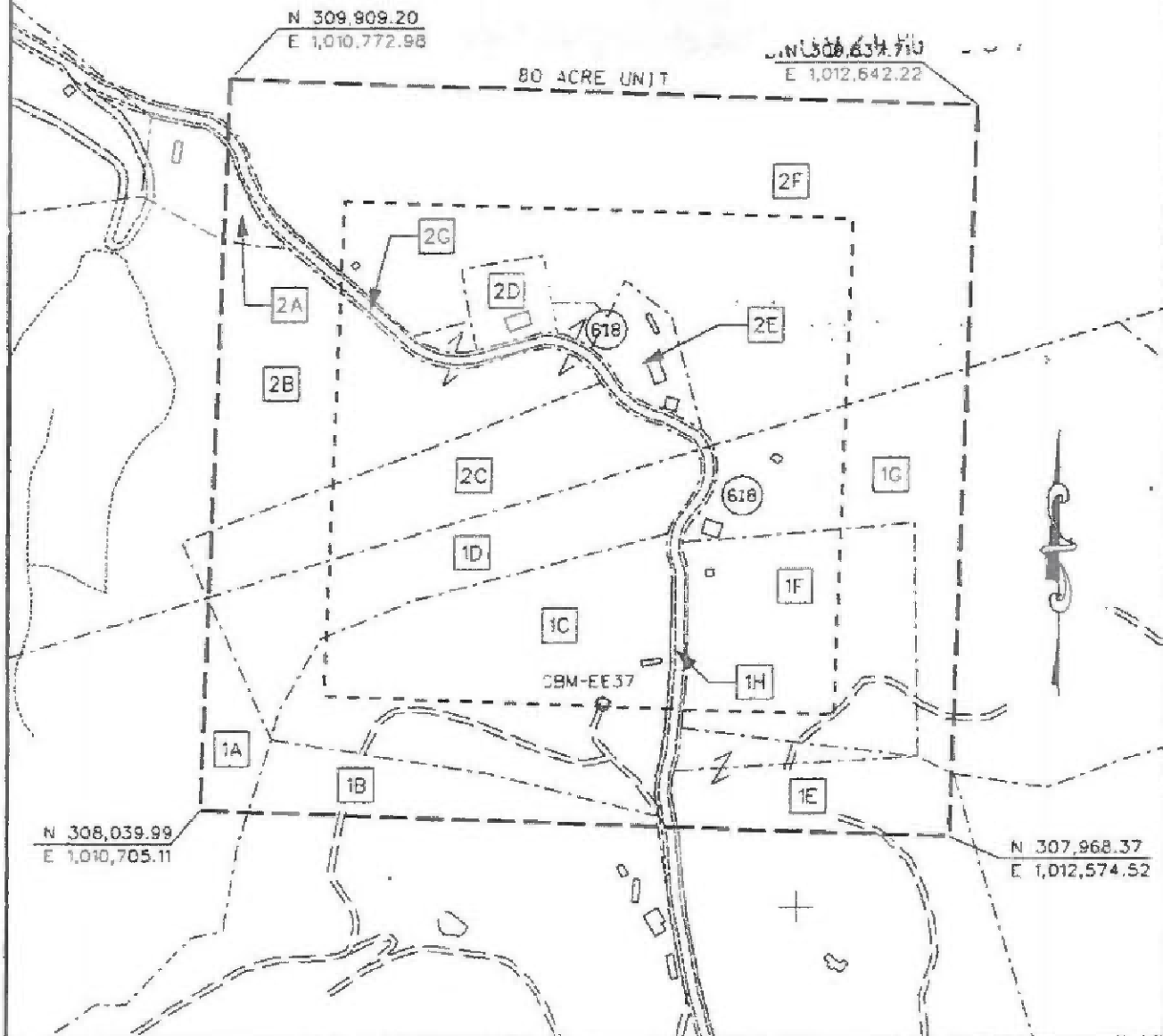


EXHIBIT A
OAKWOOD FIELD UNIT EE-37
FORCE POOLING
VGOB-03-1021-1205

Company CNX Gas Company LLC Well Name and Number UNIT EE37
Tract No. _____ Elevation _____ Quadrangle Keokuk Mountain, Iowa
County Tazewell District Maiden Springs Scale: 1" = 400' Date 9/14/03
This plat is a new plat X : an updated plat _____ : or a find plat No
Form OGD-GD-7 10958
Rev. 9/91 _____ (Affix Seal)
Licensed Professional Engineer or Licensed Land Surveyor

CNX GAS COMPANY LLC**UNIT EE-37****Tract Identifications**

- 1A. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased
CNX Gas Company LLC - Oil, Gas, CBM Leased
James M. McGlothlin, et ux. - Surface and All Minerals except Coal
1.32 acres 1.6500%
- 1B. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Harold D. McGlothlin, et ux. - Surface And All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
2.73 acres 3.4125%
- 1C. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased
CNX Gas Company LLC - Oil, Gas, CBM Leased
Larry Absher, et ux. - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
10.29 acres 12.8625%
- 1D. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased
CNX Gas Company LLC - Oil, Gas, CBM Leased
Grady G. McGlothlin - Surface and All Minerals except Coal
5.43 acres 6.7875%
- 1E. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased
CNX Gas Company LLC - Oil, Gas, CBM Leased
Jerry T. Absher, et ux. - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
3.50 acres 4.3750%
- 1F. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased
CNX Gas Company LLC - Oil, Gas, CBM Leased
James T. Absher - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
6.96 acres 8.7000%
- 1G. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased
CNX Gas Company LLC - Oil, Gas, CBM Leased
James T. Absher - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
6.05 acres 7.5625%

CNX GAS COMPANY LLC**UNIT EE-37****Tract Identifications**

- 1H. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal
Consolidation Coal Company - Below Drainage Coal Leased
CNX Gas Company LLC - Oil, Gas, CBM Leased
Jeremiah Cordill Heirs OR Commonwealth of Virginia - All Minerals except Coal
Commonwealth of Virginia - Surface
0.91 acres 1.1375%
2. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 38 - All Minerals
Consolidation Coal Company - Below Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
42.81 acres 53.5125%
- 2A. Charlie G. McGlothlin, et ux. - Surface
2B. James M. McGlothlin, et ux. - Surface
2C. Grady G. McGlothlin, et ux. - Surface
2D. Kenneth Thomas Osborne, et ux. - Surface
2E. Daniel Lee Johnson, et ux. - Surface
2F. James T. Absher - Surface
2G. Commonwealth of Virginia - Surface

DK 2016 PG 07992

Exhibit E
Unit EE-37
Docket #VGOB 03-1021-1205-03
List of Respondents that require escrow

	Acres in Unit	Interest in Unit
<u>Tract #1H, 0.91 acres</u>		
<i>Escrow due to Title Conflict</i>		
<u>COAL OWNERSHIP</u>		
(1) Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	0.91 acres	1.1375%
<u>OIL & GAS OWNERSHIP</u>		
(1) Jeremiah Cordill Heirs, Devisees, Successors or Assigns <i>Heirs / Addresses Unknown</i>	0.91 acres	1.1375%
- OR -		
(1) Commonwealth of Virginia Dept. of Transportation 870 Bonham Rd. Bristol, VA 24201-2002	0.91 acres	1.1375%

BK 2016 PB07993

Exhibit EE
Unit EE-37Docket #VGOB 03-1021-1205-03
List of Respondents with Royalty Splits/Court Orders/HB2058

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1A, 1.32 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	1.32 acres	1.6500%	
<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		
(1) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264-3830 (Previously James M. McGlothlin, et ux)	1.32 acres	1.6500%	59.1928% HB2058
<u>Tract #1B, 2.73 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	2.73 acres	3.4125%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Harold D. and Letha J. McGlothlin 4495 Roadridge Turnpike Raven, VA 24639	2.73 acres	3.4125%	n/a
<u>Tract #1C, 10.29 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	10.29 acres	12.8625%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Larry Absher, et ux. P.O. Box 907 Raven, VA 24639	10.29 acres	12.8625%	n/a

Note: CBM ownership was adjudicated to the prevailing plaintiffs under Case no. CL 11-451
The Corrected Final Order was executed June 13, 2011 and plaintiffs were awarded 100% of the
Coalbed Methane Gas underlying this tract.

BK 2016 PG 07994

Exhibit EE
Unit EE-37

Docket #VGOB 03-1021-1205-03

List of Respondents with Royalty Splits/Court Orders/HB2058

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1D, 5.43 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	5.43 acres	6.7875%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Joel Absher 4674 Road Ridge Turnpike Raven, VA 24639 (Previously Grady G. McGlothlin)	5.43 acres	6.7875%	n/a
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.			
<u>Tract #1E, 3.50 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	3.50 acres	4.3750%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Jerry T. Absher, et ux. 4276 Roadridge Turnpike Raven, VA 24639	3.50 acres	4.3750%	n/a
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.			
<u>Tract #1F, 6.96 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	6.96 acres	8.7000%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (Previously James T. Absher)	6.96 acres	8.7000%	n/a
Note: CBM ownership was adjudicated to the prevailing plaintiffs under Case no. CL 11000906 The Final Order was executed November 9, 2011 and plaintiffs were awarded 100% of the Coalbed Methane Gas underlying this tract.			

* There will be a one time payout of 70% of the escrow to the heirs of James T. Absher and 30% to CNX Gas Company LLC (CNX) for their proportionate share up to March 2007 production. CNX purchased the property on 3/17/07 and will be paid at 100% from April 2007 production forward.

Exhibit EE
Unit EE-37

2016 007995

Docket #VGOB 03-1021-1205-03
List of Respondents with Royalty Splits/Court Orders/HB2058

	Acres in Unit	Interest in Unit	Percent of Escrow
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Tract #1G, 6.05 acres

COAL OWNERSHIP

(1) Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	6.05 acres	7.5625%	n/a
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OIL & GAS OWNERSHIP

(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (Previously James T. Absher)	6.05 acres	7.5625%	n/a
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Note: CBM ownership was adjudicated to the prevailing plaintiffs under Case no. CL 11000906
The Final Order was executed November 9, 2011 and plaintiffs were awarded 100% of the
Coalbed Methane Gas underlying this tract.

There will be a one time payout of 70% of the escrow to the heirs of James T. Absher and
30% to CNX Gas Company LLC (CNX) for their proportionate share up to March 2007 production.
CNX purchased the property on 3/17/07 and will be paid at 100% from April 2007 production forward.

Total Acres Resolved: 36.2800
Total Percentage Resolved: 45.3600%

INSTRUMENT #160001459
RECORDED IN THE CLERK'S OFFICE OF
TAXEWELL COUNTY ON
MAY 24, 2016 AT 10:25AM
TAMMY B. ALLISON, CLERK
RECORDED BY: ADR