

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO: VGOB 03-1118-1217-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 1B
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: December 18, 2012

DRILLING UNIT: AV-120

RUSSELL COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. **Petitioner and its counsel:** Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, **SWARTZ LAW OFFICES, PLLC.**, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.

2. **Relief sought:** (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 1B as depicted upon the annexed Exhibit A-1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Swords Creek Land Partnership and Jerry Lee Plaster

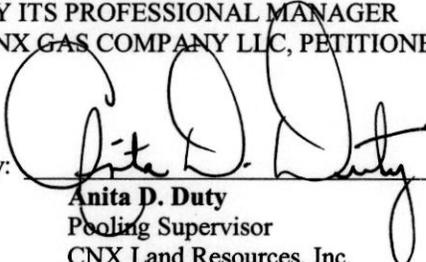
3. **Legal Authority:** Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. **Type of well(s):** Coalbed methane.

5. **Factual basis for relief requested:** Swords Creek Land Partnership and Jerry Lee Plaster have entered into royalty split agreement(s). Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Exhibit A-1, further, specifies how said royalties are to be divided and paid.

6. **Attestation:** The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC
BY ITS PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By: 

Anita D. Duty
Pooling Supervisor
CNX Land Resources, Inc.
2481 John Nash Blvd.
Bluefield, West Virginia 24701

PROPERTY LINES SHOWN WERE TAKEN FROM AS PROVIDED
BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

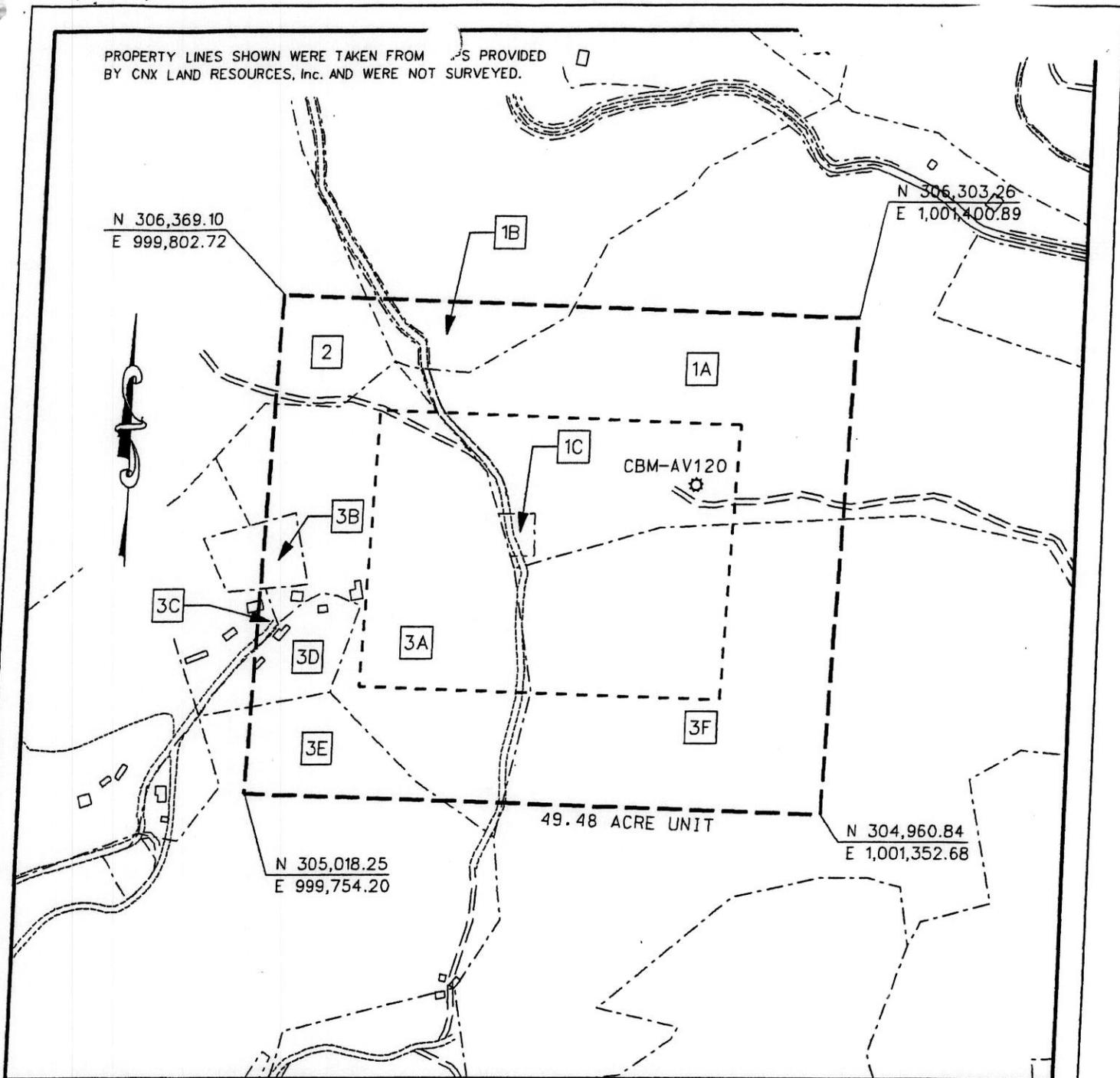


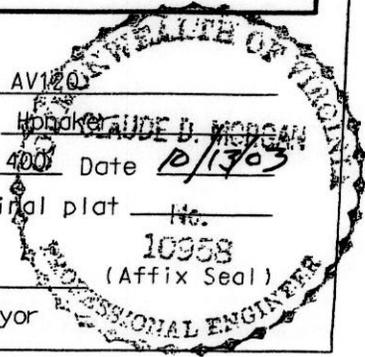
EXHIBIT A
MIDDLE RIDGE 1 FIELD
UNIT AV-120
FORCE POOLING
VGOB-03-1118-1217

Company CNX Gas Company LLC Well Name and Number UNIT AV120
Tract No. _____ Elevation _____ Quadrangle Hopkewick
County Russell District New Garden Scale: 1" = 400' Date 10/13/03
This plat is a new plat X ; an updated plat _____ ; or a final plat No.

Form D60-G0-7
Rev. 9/91

Charles D. Morgan

Licensed Professional Engineer or Licensed Land Surveyor



CNX GAS COMPANY LLC

UNIT AV120

Tract Identifications

(49.48 Acre Unit)

- 1A. Swords Creek Land Partnership Tr. 21 – Coal
Reserve Coal Properties Company – Below Tiller Coal Leased
Knox Creek Coal Corporation – Tiller and Above Coal Leased
CNX Gas Company LLC – CBM Leased
Edith Plaster, et al - Surface and All Minerals except Coal
CNX Gas Company LLC – Oil, Gas and CBM Leased
13.91 acres 28.1124%**
- 1B. Swords Creek Land Partnership Tr. 21 – Coal
Reserve Coal Properties Company – Below Tiller Coal Leased
Knox Creek Coal Corporation – Tiller and Above Coal Leased
CNX Gas Company LLC – CBM Leased
Carlie A. Mutter – Surface and All Minerals except Coal
1.71 acres 3.4559%**
- 1C. Swords Creek Land Partnership Tr. 21 – Coal
Reserve Coal Properties Company – Below Tiller Coal Leased
Knox Creek Coal Corporation – Tiller and Above Coal Leased
CNX Gas Company LLC – CBM Leased
Swords Creek Water Authority – Surface and All Minerals except Coal
0.22 acres 0.4446%**
- 2. Swords Creek Land Partnership Tr. 58 – Fee
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
1.84 acres 3.7187%**
- 3. Swords Creek Land Partnership Tr. 20 – 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
31.80 acres 64.2684%**
- 3A. Limuel J. Dye, et ux - Surface
3B. Kelvin Elkins, et ux – Surface
3C. Limuel J. Dye, et ux – Surface
3D. Harold Dye, et ux – Surface
3E. Harold Dye, et ux – Surface
3F. Eugene J. Sisk, et al – Surface**

Exhibit E
Unit AV-120
Docket #VGOB 03-1118-1217-01
List of Conflicting Owners/Claimants that require escrow
(49.48 Acre Unit)

	Acres in Unit	Interest in Unit
<u>Tract #1C, 0.22 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Swords Creek Land Partnership Tract 21 (1286.81 Acre Tract) P.O. Box 29 Tazewell, VA 24651	0.22 acres	0.4446%
<u>OIL & GAS OWNERSHIP</u>		
(1) Swords Creek Water Authority P.O. Box 359 Swords Creek, VA 24649	0.22 acres	0.4446%

Exhibit EE
Unit AV-120
Docket #VGOB 03-1118-1217-01
List of Conflicting Owners/Claimants with Royalty Split Agreements
(49.48 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1A, 13.91 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.21 P.O. Box 187 Tazewell, VA 24651	13.91 acres	28.1124%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Edith R. Plaster, et al.			
(a) Edith Plaster 103 Nickle Road Swords Creek, VA 24649	<i>Life Estate</i>		
(b) Rita McGlothlin 4815 Red Root Ridge Road Raven, VA 24639	13.91 acres	28.1124%	
<u>Tract #1B, 1.71 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership <i>Tract 21 (1286.81 Acre Tract)</i> P.O. Box 29 Tazewell, VA 24651	1.71 acres	3.4559%	44.3005%
<u>OIL & GAS OWNERSHIP</u>			
(1) Carlie A. Mutter Heirs, Devisees, Successors or Assigns			
(a) Jerry Lee Plaster 3634 Pine Creek Road Swords Creek, VA 24649	1.71 acres	3.4559%	44.3005%

Exhibit A-1
Tract-by-Tract Escrow Calculation
Account Balances as of 6/30/12

Unit AV-120
VGOB 03-1118-1217-01
Acres Escrowed: 1.930000

Owners	Tract #	Acres	Owners' Percent of Escrow (50%)	Amount Due Owners \$5,602.06
Swords Creek Land Partnership - Coal	1B	1.71	44.3005%	\$2,481.74
Jerry Lee Plaster - O&G			44.3005%	\$2,481.74

Wells contributing to the escrow account:

AV120 & AV120A