

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: AV120

TRACT(S): 001B, 001C

LOCATION: RUSSELL County, Virginia

DOCKET NUMBER: VGOB-03-1118-1217-02

APPLICANTS:

CNX Gas Company LLC on behalf of Jerry Lee Plaster, Russell County PSA

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 03/22/2004, Recorded on 04/02/2004, Deed Book/Instrument No. 605, Page 664.
2. Supplemental Order, Recorded on 03/14/2005, Deed Book/Instrument No. 627, Page 278.

NOTICE:

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 001B, 001C identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 001B, 001C relative to the interests of the Applicants identified in the attached petition.

(3) Close 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. Jerry Lee Plaster & Russell County PSA is the gas claimant in Tracts 1B & 1C. As such Jerry Lee Plaster & Russell County PSA 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 Jerry Lee Plaster & Russell County PSA and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

DONE AND EXECUTED this 4 day of December, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

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 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 03-1118-1217-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 001B, 001C (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: AV120

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 Mail 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, attributable to of Tracts 1B & 1C as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Jerry Lee Plaster & Russell County PSA.

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. Jerry Lee Plaster & Russell County PSA is the gas claimant in Tracts 1B & 1C As such Jerry Lee Plaster & Russell County PSA 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 Jerry Lee Plaster & Russell County PSA 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.

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

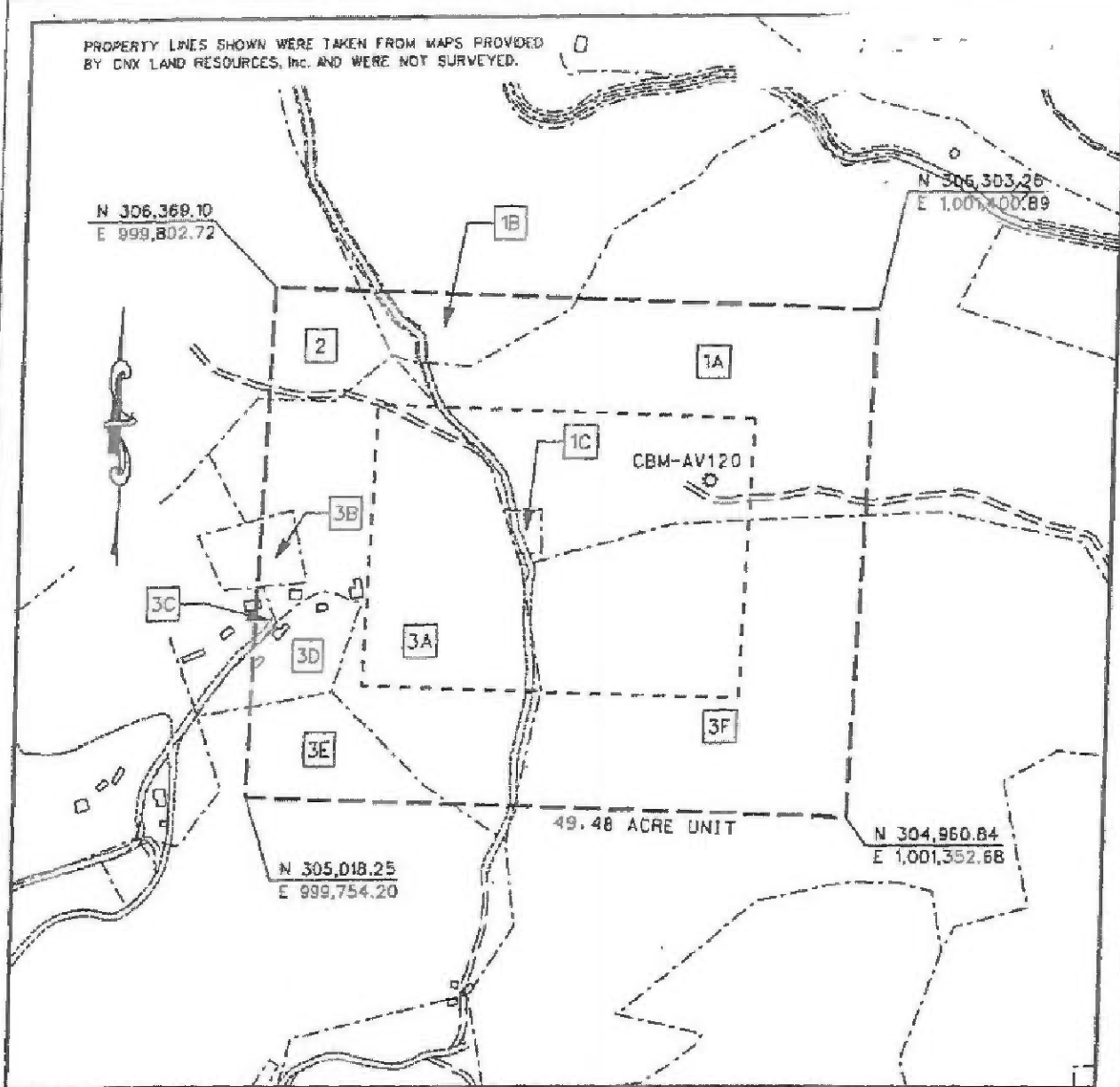
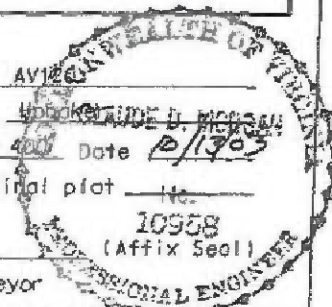


EXHIBIT A
MIDDLE RIDGE 1 FIELD
UNIT AV-120
FORCE POOLING
VGOB-03-1118-1217

Company CNX Gas Company LLC Well Name and Number UNIT AV120
Tract No. _____ Elevation _____ Quadrangle Upoket
County Russell District New Garden Scale: 1" = 400' Date 2/13/03
This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form D60-GO-7
Rev. 9/91

Charles D. [Signature]
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-126
Docket #VGOB 03-1118-1217-02
List of Respondents that require escrow
(49.48 Acre Unit)

	Acres in Unit	Interest in Unit
Escrowing not required		

Exhibit EE
Unit AV-120
Docket #VGOB 03-1118-1217-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(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%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Edith R. Plaster, et al.			
(a) Edith Plaster 103 Nickle Road Swords Creek, VA 24649	Life Estate		
(b) Rita McGlothlin 4815 Red Root Ridge Road Raven, VA 24639	13.91 acres	28.1124%	n/a
<u>Tract #1B, 1.71 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership Tract 21 (1286.81 Acre Tract) P.O. Box 29 Tazewell, VA 24651	1.71 acres	3.4558%	n/a
<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	3.4558%	88.6010% HB2058
<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%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Russell County PSA previously Swords Creek Water Authority P.O. Box 359 Swords Creek, VA 24649	0.22 acres	0.4446%	11.3990% HB2058

1502537

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 12-28, 2015. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 1:32 o'clock P. M, after payment of \$ tax imposed by Sec. 58.1-802.

Original returned this date to: SARAH Gilmer

TESTE: ANN S. McREYNOLDS, CLERK
BY: Ann S. McReynolds CLERK