

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:** AX112

**TRACT(S):** A portion of 1B, 2

**LOCATION:** RUSSELL County, Virginia

**DOCKET NUMBER:** VGOB-03-1118-1220-02

**APPLICANTS:** Pocahontas Gas LLC on behalf of Buckhorn Coal Company, CNX Gas Company LLC, Gent Enterprises LLC

**HEARING DATE AND LOCATION:** Russell County Government Center, Lebanon, Virginia  
September 17, 2019

**APPEARANCES:** Mark A. Swartz on behalf of Pocahontas Gas LLC

**PRIOR PROCEEDINGS:**

1. Original Pooling Order Executed 03/22/2004, Recorded on 04/02/2004, Deed Book/Instrument No. 605, Page 924, County RUSSELL.
2. Supplemental Order, Recorded on 03/14/2005, Deed Book/Instrument No. 627, Page 146, County RUSSELL.
3. Supplemental Order, Recorded on 09/13/2011, Deed Book/Instrument No. 739, Page 0215, County RUSSELL.
4. Disbursement Order -01 Executed 04/17/2012, Recorded on 06/05/2012, Deed Book/Instrument No. 748, Page 0759, County RUSSELL.

**NOTICE:**

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the September 17, 2019 hearing and 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) A portion of 1B, 2 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 1B, 2 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. Under Case #CL10000662-00, executed May 12, 2011, the Circuit Court of Russell County clarified the conveyances from the Rasnakes to the Gents in DB 223/PG53, dated 10/26/1970. The conveyances included all right and title in and to the oil, gas, (including coalbed methane gas and deep gas), minerals (other than coal), etc., which allows the interest to be paid under the terms of the royalty split agreement previously executed by the parties. Buckhorn Coal Company and Gent Enterprises, LLC 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 Table 1, further, specifies how said royalties are to be divided and paid.
- b. CNX Gas Company LLC is entitled to 100% of the CBM royalties awarded under Case No. 16-1165, Opinion dated July 3, 2019. Said decision allows the Applicant and Designated Operator to pay royalties directly to the person(s) identified in Exhibit EE annexed hereto, and the annexed Table 1, further, specifies how said royalties are to be paid.
- c. That Pocahontas Gas LLC (formerly 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.
- d. 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.
- e. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- f. 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.
- g. 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.



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.
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 19 day of September, 2019 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

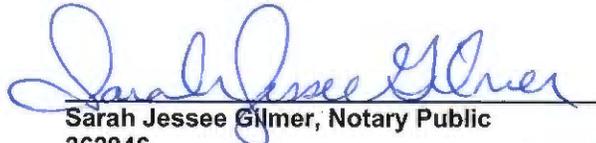
DONE AND PERFORMED this 19 day of September, 2019 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 19<sup>th</sup> day of September, 2019 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, 2021



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: Pocahontas Gas LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 03-1118-1220-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 1B, 2 (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: September 17, 2019

DRILLING UNIT: AX112

RUSSELL COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is Pocahontas Gas LLC, PO 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 a portion of Tracts 1B and 2, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to: Buckhorn Coal Company, Gent Enterprises, LLC, and CNX Gas Company LLC; (3) Dismissal of coal owner(s): Buckhorn Coal Company

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. Under Case #CL10000662-00, executed May 12, 2011, the Circuit Court of Russell County clarified the conveyances from the Rasnakes to the Gents in DB 223/PG53, dated 10/26/1970. The conveyances included all right and title in and to the oil, gas, (including coalbed methane gas and deep gas), minerals (other than coal), etc., which allows the interest to be paid under the terms of the royalty split agreement previously executed by the parties. Buckhorn Coal Company and Gent Enterprises, LLC 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 Table 1, further, specifies how said royalties are to be divided and paid.
- b. CNX Gas Company LLC is entitled to 100% of the CBM royalties awarded under Case No. 16-1165, Opinion dated July 3, 2019. Said decision allows the Applicant and Designated Operator to pay royalties directly to the person(s) identified in Exhibit EE annexed hereto, and the annexed Table 1, further, specifies how said royalties are to be paid.
- c. That Pocahontas Gas LLC (formerly 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.
- d. 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.
- e. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- f. 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.
- g. 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.

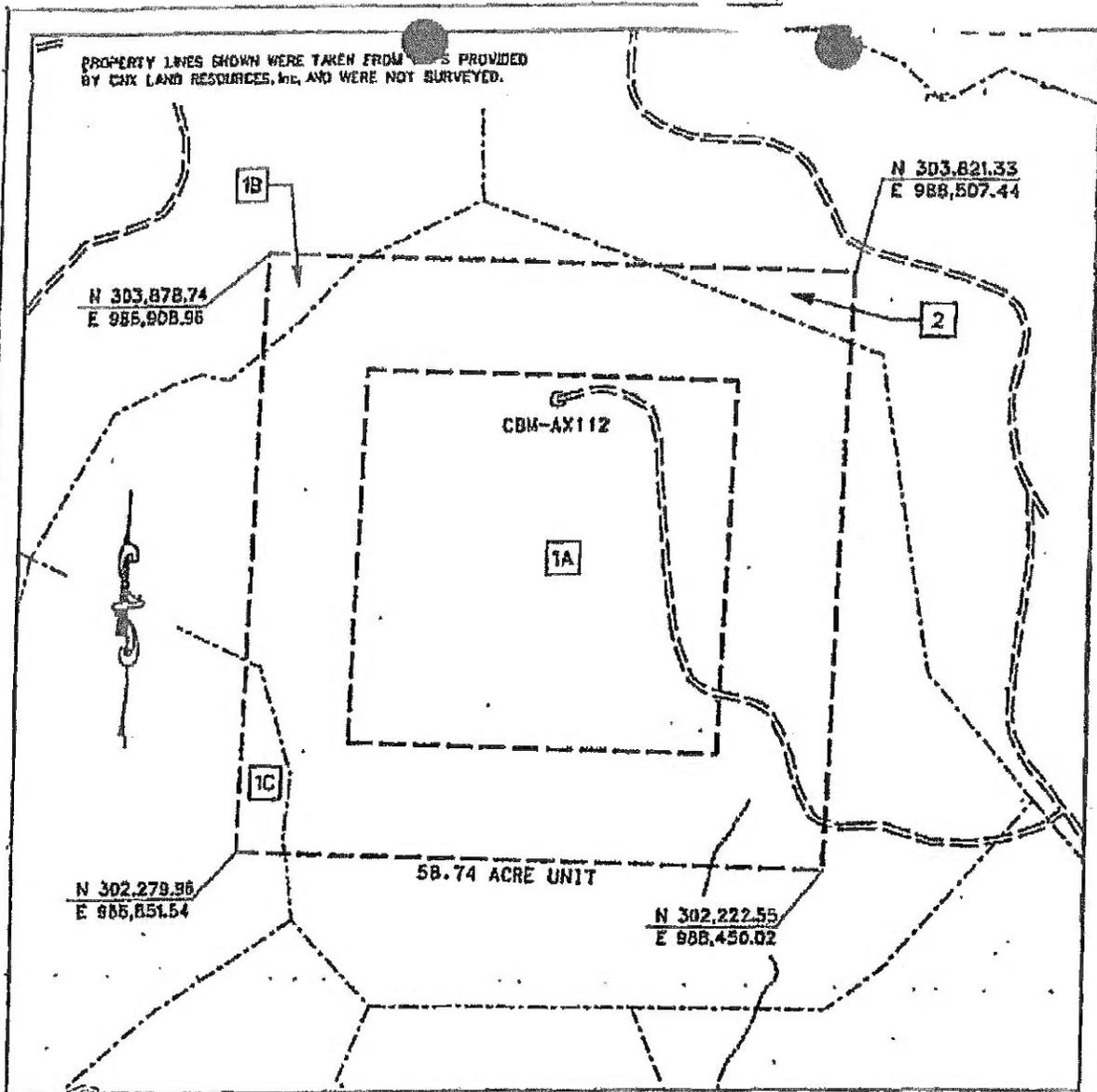
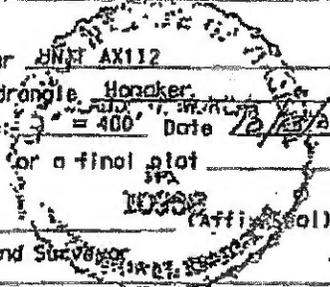


EXHIBIT A  
 MIDDLE RIDGE 1 FIELD  
 UNIT AX-112  
 FORCE POOLING  
 VGOB-03-1118-1220

Company CNX Gas Company LLC Well Name and Number UNIT AX112  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle Harker  
 County Russell District New Garden Scale: 1" = 400' Date 7/13/25  
 This plot is a new plot X : an updated plot \_\_\_\_\_ : or a final plot \_\_\_\_\_

Form DGO-60-7  
 Rev. 9/91

Charles A. Mays  
 Licensed Professional Engineer or Licensed Land Surveyor



Force Pooling\0112POOL.dwg 10/13/2025 02:18:10 PM

**CNX GAS COMPANY LLC**  
**Unit AX-112**  
**Tract Identifications**  
**(58.74 Acre Unit)**

- 1A. Buckhorn Coal Company (Jacob Fuller 463 Acre Tract) - Coal  
 Knox Creek Coal Corporation - Above Drainage Coal Leased  
 CNX Gas Company LLC - CBM Leased  
 CNX Gas Company LLC - Surface and All Minerals except Coal  
 55.39 acres 94.2869%
- 1B. Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) - Coal  
 Knox Creek Coal Corporation - Above Drainage Coal Leased  
 CNX Gas Company LLC - CBM Leased  
 Earl Whitel OR Heirs, devisees, Successors or Assigns of Dr. L. M. Harrison -  
 Surface and All Minerals except Coal (1/8)  
 Earl Whitel OR Gent Enterprises, LLP. - Surface and All Minerals except Coal (7/8)  
 CNX Gas Company LLC - Oil, Gas and CBM Leased  
 0.84 acres 1.4300%
- 1C. Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) - Coal  
 Knox Creek Coal Corporation - Above Drainage Coal Leased  
 CNX Gas Company LLC - CBM Leased  
 Earl Whitel OR Elijah Stacy Heirs - Surface and All Minerals except Coal  
 CNX Gas Company LLC - Oil, Gas and CBM Leased  
 1.27 acres 2.1621%
2. Buckhorn Coal Company (Corns & Fletcher Tract) - Coal  
 Knox Creek Coal Corporation - Above Drainage Coal Leased  
 CNX Gas Company LLC - CBM Leased  
 Heirs, devisees, Successors or Assigns of B. W. Stras, et al. OR Heirs, devisees,  
 Successors or Assigns of S. J. Corn and Susan E. Corn OR Heirs, devisees  
 Successors or Assigns of David Keane OR CNX Gas Company LLC,  
 Swain Perkins, OR Lincous Perkins and Dorothy Perkins - All Minerals except  
 Coal  
 CNX Gas Company LLC - Oil, Gas and CBM Leased (Swain Perkins Interest Only)  
 Dottie Gay Robinette Miller - Surface  
 1.24 acres 2.1110%

Exhibit E  
Unit AX-112  
Docket #VGOB 03-1118-1220-02  
List of Conflicting Owners/Claimants that require escrow  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
<b><u>Tract #1B, 0.84 acres</u></b>		
<b><i>Escrow due to title conflict</i></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Buckhorn Coal Company <i>(Jacob Fuller 453 Acre Tract)</i> P. O. Box 187 Tazewell, VA 24651	0.84 acres	1.4300%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Gent Enterprises, et al <i>(Previously listed as a title conflict between Michael Whited, et al, Dr L.M. Harrison Heirs, or Gent Enterprises, LLC)</i>	0.84 acres	1.4300%
(a) Dr. L.M. Harrison, Heirs, Devisees, Successors or Assigns <i>Heirs / Addresses Unknown</i>	0.11 acres 1/8 of 0.84 acres	0.1788%
<b>-OR-</b>		
(a) Gent Enterprises, LLC. P.O. Box 330 Honaker, VA 24260 Honaker, VA 24260	0.11 acres 1/8 of 0.84 acres	0.1788%
<b><u>Tract #1C, 1.27 acres</u></b>		
<b><i>Escrow due to title conflict</i></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Buckhorn Coal Company <i>(Jacob Fuller 453 Acre Tract)</i> P. O. Box 187 Tazewell, VA 24651	1.27 acres	2.1621%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
Michael Whited, et al	1.27 acres	2.1621%
(1) Michael Whited, et al <i>(Previously Columbus Earl Whited heirs)</i>		
(a) Michael Whited PO Box 297 Swords Creek, VA 24649	0.13 acres 1/10 of 1.27 acres	0.2162%
(b) Ferrel Whited PO Box 1471 Honaker, VA 24260	0.23 acres 9/50 of 1.27 acres	0.3892%
(c) Marty Whited PO Box 881 Lebanon, VA 24266	0.23 acres 9/50 of 1.27 acres	0.3892%

**Exhibit E**  
**Unit AX-112**  
**Docket #VGOB 03-1118-1220-02**  
**List of Conflicting Owners/Claimants that require escrow**  
**(58.74 Acre Unit)**

	Acres in Unit	Interest in Unit
(d) Cathy Darlene Ward 2014 Miller Creek Rd. Swords Creek, VA 24649	0.23 acres 9/50 of 1.27 acres	0.3892%
(d) Herald Whited 120 Clifton Farm Rd. Honaker, VA 24260	0.23 acres 9/50 of 1.27 acres	0.3892%
(e) Melissa Skeens 120 Clifton Farm Rd. Honaker, VA 24260	0.23 acres 9/50 of 1.27 acres	0.3892%
<i>(OR)</i>		
(1) Elijah & Zella Stacy Heirs, Devisees, Successors or Assigns	1.27 acres	2.1621%
(a) Fayne E. Stacy 209 Windham Lane Mars, PA 16046	0.423 acres 1/3 of 1.27 acres	0.7207%
(b) Nancy C. Stacy 2830 Jerman Town Road Oakton, VA 22124	0.212 acres 1/6 of 1.27 acres	0.3603%
(c) Janice Shortridge 9966 Longford Court Veina, VA 22180	0.212 acres 1/6 of 1.27 acres	0.3603%
(d) Myra J. Stacy, widow 2611 Stoneridge Court Arlington, TX 76014	<i>Life Estate</i>	
(e) Alan Stacy 2611 Stoneridge Court Arlington, TX 76014	0.423 acres 1/3 of 1.27 acres	0.7207%
<b>Total Acres in Escrow</b>		1.38
<b>Total Percentage in Escrow</b>		2.3408%

Exhibit EE  
 Unit AX112  
 Docket #VGOB 03-1118-1220-02  
 List of Conflicting Owners/Claimants with Royalty Split Agreements  
 (58.74 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
--	---------------	------------------	-------------------

Tract #1A, 55.39 acres

COAL OWNERSHIP

(1) Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) P. O. Box 187 Tazewell, VA 24651	55.39 acres	94.2969%	n/a
---	-------------	----------	-----

OIL & GAS OWNERSHIP

(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317-6506	55.39 acres	94.2969%	n/a
--	-------------	----------	-----

Tract #1B, 0.84 acres

COAL OWNERSHIP

(1) Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) P. O. Box 187 Tazewell, VA 24651	0.84 acres	1.4300%	10.9701% Royalty Division Agreement
---	------------	---------	--

OIL & GAS OWNERSHIP

(1) Gent Enterprises, et al <i>(Previously listed as a title conflict between Michael Whited, et al, Dr L.M. Harrison Heirs, or Gent Enterprises, LLC)</i>	0.84 acres	1.4300%	
(2) Gent Enterprises, LLC. P.O. Box 330 Honaker, VA 24260	0.74 acres 7/8 of 0.84 acres	1.2513%	10.9701% Royalty Division Agreement

*Under Case #CL10000662-00, executed May 12, 2011, the Court of Russell County clarified the conveyances from the Rasnakes to the Gents in DB 223/ PG 53, dated 10/26/70 included all right, title in and to the oil, gas, (including coalbed methane gas and deep gas), minerals (other than coal), etc.*

*Royalties can be paid based on the royalty agreement between Buckhorn / Gent Enterprises*

Tract #2, 1.24 acres

COAL OWNERSHIP

(1) Buckhorn Coal Company, Tr. B (Corn & Fletcher 89.50 Acre Tract) P. O. Box 187 Tazewell, VA 24651	1.24 acres	2.1110%	n/a
---	------------	---------	-----

OIL & GAS OWNERSHIP

(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317-6506	1.24 acres	2.1110%	37.0149% Court Order
--	------------	---------	-------------------------

*Pursuant to Case 16-1165, Order entered July 3, 2019, a settlement has been reached amongst parties with potential ownership and CNX Gas Company LLC. All amounts in escrow are to be delivered to David Grant Altizer for delivery to the attorneys and parties, as set forth in the Order. In exchange, the plaintiffs will execute deeds for all potential interests to CNX Gas Company LLC, with the result being that CNX Gas Company LLC owns 100% of the gas and oil under the 55.5 acre tract.*

\*\*\* All prior obligations having been paid from Unit(s) AW112, AX113, and AY113, balance in escrow due to CNX Gas Company LLC pursuant to Item 10 of referenced order

Total Acres Resolved 57.37  
 Total Percentage Resolved 97.6592%

1901747

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 9-26-2019. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 3:04 p M, after payment of \$ tax imposed by Sec. 58.1-802.

TESTE: ANN S. McREYNOLDS, CLERK  
 BY: Bathyl Huff D. CLERK

Original returned this date to: OMME