

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: AY118

TRACT(S): 3E, 3F, 3G

LOCATION: RUSSELL County, Virginia

DOCKET NUMBER: VGOB-03-1216-1238-02

APPLICANTS:

CNX Gas Company LLC on behalf of Commonwealth of Virginia, Mary Breedlove, Scottie
Dye, Shirley Ann Grizzle

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 03/29/2004, Recorded on 04/02/2004, Deed Book/Instrument No.
605, Page 646.
2. Supplemental Order, Recorded on 03/14/2005, Deed Book/Instrument No. 627, Page 257.
3. Disbursement Order -01 Executed 10/18/2007, Recorded on 10/29/2007, Deed Book/Instrument
No. 680, Page 617.

NOTICE:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 3E, 3F, 3G identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 3E, 3F, 3G 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. Mary M. Breedlove, Scottie L. Dye, Shirley Ann Meadows Grizzle, Commonwealth of Virginia is the gas claimant in Tracts 3E, 3F, 3G As such Mary M. Breedlove, Scottie L. Dye, Shirley Ann Meadows Grizzle, Commonwealth of Virginia 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 Mary M. Breedlove, Scottie L. Dye, Shirley Ann Meadows Grizzle, Commonwealth of Virginia and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

DONE AND EXECUTED this 2 day of February, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

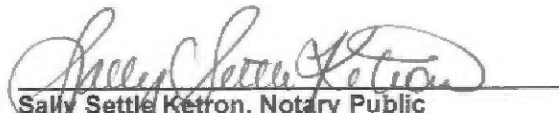
DONE AND PERFORMED this 2 day of February, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 2 day of February, 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.


Sally Settle Ketron, Notary Public
7623162

My Commission expires: January 31, 2019



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 03-1216-1238-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 3E, 3F, 3G (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: AY118

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) 3E, 3F, 3G, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Mary M. Breedlove, Scottie L. Dye, Shirley Ann Meadows Grizzle, & Commonwealth of Virginia.

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. Mary M. Breedlove, Scottie L. Dye, Shirley Ann Meadows Grizzle, Commonwealth of Virginia is the gas claimant in Tracts 3E, 3F, 3G As such Mary M. Breedlove, Scottie L. Dye, Shirley Ann Meadows Grizzle, Commonwealth of Virginia 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 Mary M. Breedlove, Scottie L. Dye, Shirley Ann Meadows Grizzle, Commonwealth of Virginia 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.

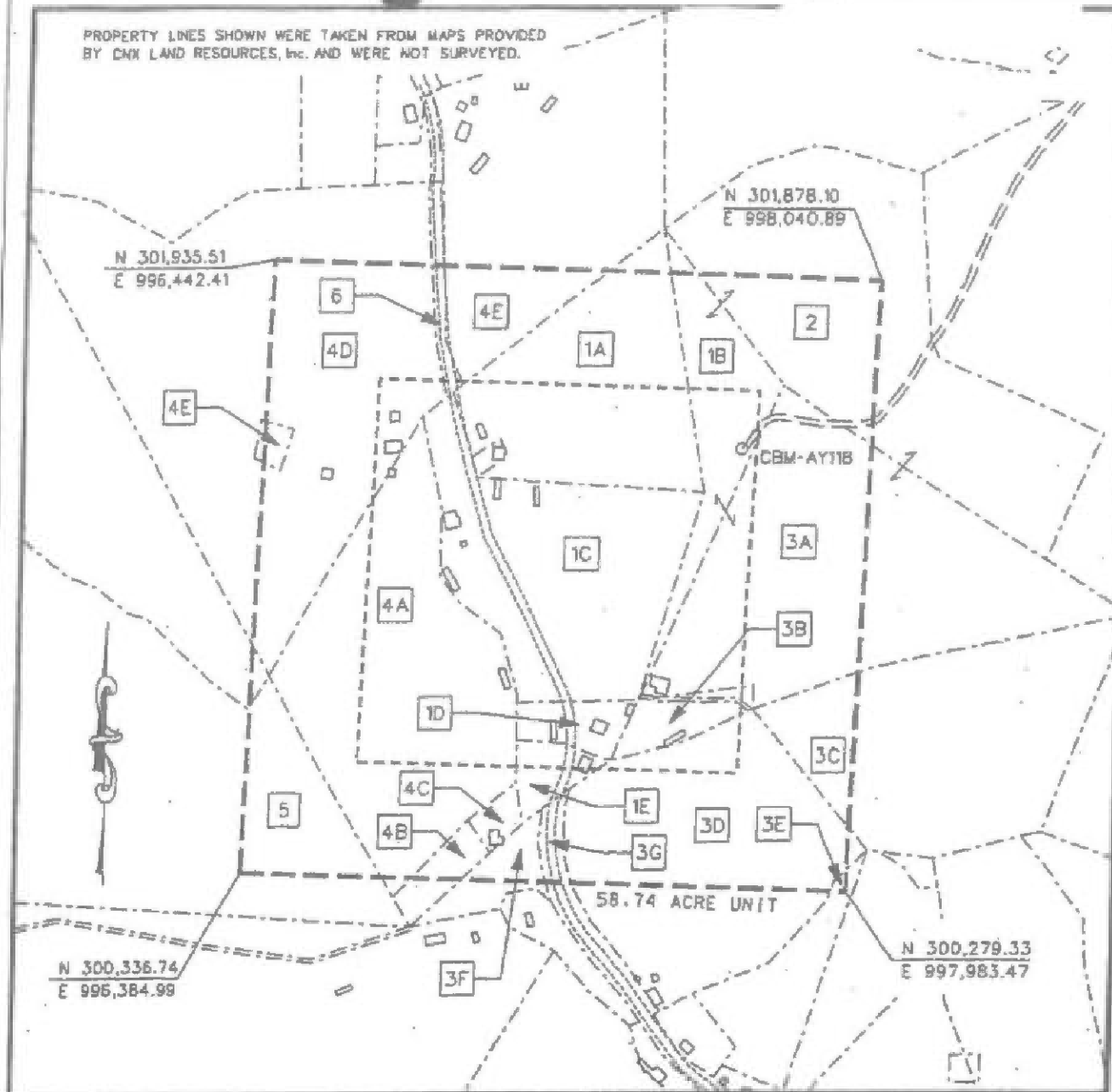
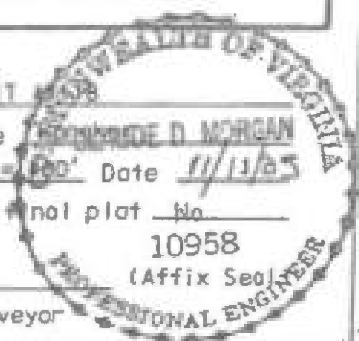


EXHIBIT A
MIDDLE RIDGE 1 FIELD
UNIT AY-118
FORCE POOLING
VGOB-03-1216-1238

Company CNX Gas Company LLC Well Name and Number UNIT AY-118
 Tract No. _____ Elevation _____ Quadrangle SPRINGDALE D. MORGAN
 County Russell District New Garden Scale: 1" = 400' Date 11/11/85
 This plot is a new plot X ; on updated plot _____ ; or a final plot No

Form DGO-GO-7
Rev. 9/91

Charles D. Morgan
Licensed Professional Engineer or Licensed Land Surveyor



CNX Gas Company LLC**Unit AY-118****Tract Identifications
(58.74 Acre Unit)**

1. Swords Creek Land Partnership Tr. 3 – All Minerals
Reserve Coal Properties Company – Coal In and Below Tiller Seam Leased
Knox Creek Coal Corporation – Coal Above Drainage Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
17.73 acres 30.1839%
- 1A. Unknown Surface Owner
- 1B. Sylvia Price, et al – Surface
- 1C. Charles Bascom Price - Surface
- 1D. Unknown Surface Owner
- 1E. Unknown Surface Owner
2. Swords Creek Land Partnership Tr. 19 – All Minerals
Reserve Coal Properties Company – Below Tiller Coal Leased
Knox Creek Coal Corporation – Tiller and Above Coal Leased
CNX Gas Company LLC – CBM Leased
Sylvia Price, et al - Surface
2.74 acres 4.6646%
- 3A. Swords Creek Land Partnership Tr. 55 – Coal
Consolidation Coal Company - Below Tiller Coal Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
CNX Gas Company LLC – CBM Leased
Dorice Cacy Brown – All Minerals except Coal
Sylvia Irene Price - Surface
6.96 acres 11.8488%
- 3B. Swords Creek Land Partnership Tr. 55 – Coal
Consolidation Coal Company – Below Tiller Coal Leased
Knox Creek Coal Corporation – Tiller and Above Coal Leased
CNX Gas Company LLC – CBM Leased
Joyce Price Monk – Surface and All Minerals except Coal
0.66 acres 1.4641%
- 3C. Swords Creek Land Partnership Tr. 55 – Coal
Consolidation Coal Company – Below Tiller Coal Leased
Knox Creek Coal Corporation – Tiller and Above Coal Leased
CNX Gas Company LLC – CBM Leased
Nellie Corns – Surface and All Minerals except Coal
1.26 acres 2.1450%

CNX Gas Company LLC**Unit AY-118****Tract Identifications****(58.74 Acre Unit)**

- 3D. Swords Creek Land Partnership Tr. 55 – Coal
 Consolidation Coal Company – Below Tiller Coal Leased
 Knox Creek Coal Corporation – Tiller and Above Coal Leased
 CNX Gas Company LLC – CBM Leased
 Sallie Irene Breedlove – Surface and All Minerals except Coal
 CNX Gas Company LLC – Oil, Gas and CBM Leased
 5.83 acres 9.9251%
- 3E. Swords Creek Land Partnership Tr. 55 – Coal
 Consolidation Coal Company – Below Tiller Coal Leased
 Knox Creek Coal Corporation – Tiller and Above Coal Leased
 CNX Gas Company LLC – CBM Leased
 Randy L Dye, et ux – Surface and All Minerals except Coal
 0.03 acres 0.0511%
- 3F. Swords Creek Land Partnership Tr. 55 – Coal
 Consolidation Coal Company – Below Tiller Coal Leased
 Knox Creek Coal Corporation – Tiller and Above Coal Leased
 CNX Gas Company LLC – CBM Leased
 Shirley Ann Meadows Grizzle – Surface and All Minerals except Coal
 0.47 acres 0.8001%
- 3G. Swords Creek Land Partnership Tr. 55 – Coal
 Consolidation Coal Company – Below Tiller Coal Leased
 Knox Creek Coal Corporation – Tiller and Above Coal Leased
 CNX Gas Company LLC – CBM Leased
 Commonwealth of Virginia – Surface and All Minerals except Coal
 0.32 acres 0.5448%
4. Swords Creek Land Partnership Tr. 18 – All Minerals
 Consolidation Coal Company – Below Tiller Coal Leased
 Knox Creek Coal Corporation – Tiller and Above Coal Leased
 CNX Gas Company LLC – CBM Leased
 19.70 acres 33.5377%
- 4A. Rafty Dye – Surface
 4B. Unknown Surface Owner
 4C. Unknown Surface Owner
 4D. Rafty Dye – Surface Owner
 4E. Unknown Surface Owner (Cemetery)

CNX Gas Company LLC
Unit AY-118
Tract Identifications
(58.74 Acre Unit)

5. **Buckhorn Coal Mining Tr. 7 – Fee**
Consolidation Coal Company – Below Drainage Coal Leased
Knox Creek Coal Corporation – Above Drainage Coal Leased Except Kennedy Seam
H.C. Bostic Coal Company – Kennedy Seam Leased
CNX Gas Company LLC – CBM Leased
2.58 acres 4.3922%
6. **Commonwealth of Virginia – Fee**
0.26 acres 0.4426%

Exhibit E
Unit AY-118
Docket #VGOB 03-1216-1238-01
List of Conflicting Owners/Claimants that require escrow
(58.74 Acre Unit)

BOOK 0799 PAGE 209

	Acres in Unit	Interest in Unit
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Tract #3C, 1.26 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership, Tr.55 P.O. Box 29 Tazewell, VA 24651	1.26 acres	2.1450%
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OIL & GAS OWNERSHIP

Unresolved Cloud on Title*

(1) Roy Corns, et al 8.00 Acres T000214 (Previously Nellie Corns)	1.26 acres	2.1450%
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(a) Nellie Corns Heirs, devisees, Successors or Assigns

Conveyed 7/25/01 DB 551/3 to Roy Corns, et al as joint tenants with full rights of survivorship

(a.1) Roy Harlen Corns
7146 Township Rd 85
Mt Gilead, OH 43338

(a.2) Ellen Carello
1607 Reynolds Ln
Honaker, VA 24260

(a.3) Truel Corns
Deceased 12/24/14

(a.4) Martha Womack
PO Box 19
Pounding Mill, VA 24637

(a.5) Douglas Wayne Hale
Deceased 1/30/05

*No Power of Attorney for Nellie Corns naming Truel Corns as Attorney in Fact. This document is needed to complete the chain of title and give him authority to make the conveyance in DB 551/3

Exhibit EE
Unit AY-118
Docket #VGOB 03-1216-1238-01
List of Respondents with Royalty Splits/Court Orders/HB2058
(58.74 Acre Unit)

BOOK 0799 PAGE 210

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #3A, 6.96 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.55 P.O. Box 29 Tazewell, VA 24651	6.96 acres	11.8488%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Dorcie Cacy Brown Osborne P.O. Box 296 Cedar Bluff, VA 24609	6.96 acres	11.8488%	n/a
<u>Tract #3B, 0.86 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.55 P.O. Box 29 Tazewell, VA 24651	0.86 acres	1.4641%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Joyce Price Monk P.O. Box 247 Swords Creek, VA 24649	0.86 acres	1.4641%	n/a
<u>Tract #3D, 5.83 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.55 P.O. Box 29 Tazewell, VA 24651	5.83 acres	9.9251%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Sallie Irene Breedlove P.O. Box 138 Swords Creek, VA 24649	5.83 acres	9.9251%	n/a
<u>Tract #3E, 0.03 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.55 P.O. Box 29 Tazewell, VA 24651	0.03 acres	0.0511%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Mary Breedlove, et al 5.00 Acres (Previously Randy L. Dye, et ux)	0.03 acres	0.0511%	
(a) Mary M. Breedlove PO Box 271 Swords Creek, VA 24649	0.015 acres 1/2 of 0.03 acres	0.0255%	0.7212% HB 2058
(b) Scottie L. Dye PO Box 271 Swords Creek, VA 24649	0.015 acres 1/2 of 0.03 acres	0.0255%	0.7212% HB 2058

Exhibit EE
Unit AY-118
Docket #VGOB 03-1216-1238-01
List of Respondents with Royalty Splits/Court Orders/HB2058
(58.74 Acre Unit)

BOOK 0799 PAGE 211

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #3F, 0.47 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.55 P.O. Box 29 Tazewell, VA 24651	0.47 acres	0.8001%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Shirley Ann Meadows Grizzle P.O. Box 382 Swords Creek, VA 24649	0.47 acres	0.8001%	22.5962% HB 2058

Tract #3G, 0.32 acres

<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.55 P.O. Box 29 Tazewell, VA 24651	0.32 acres	0.5448%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Commonwealth of Virginia Dept. of Transportation P.O. Box 1768 Bristol, VA 24203	0.32 acres	0.5448%	15.3846% HB 2058

1600355

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 2-29 2016. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 1:41 o'clock P M, after payment of \$ tax imposed by Sec. 58.1-802.

TESTE: ANN S. McREYNOLDS, CLERK

Original returned this date to: Sarah Gilmer

BY: Sheila Ketter D. CLERK