

Order prepared under
CODE OF VIRGINIA
§ 45.1-361.26

Instrument prepared by
VIRGINIA GAS AND OIL BOARD

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: AZ98

TRACT(S): A portion of 2A

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-04-0316-1261-03

APPLICANTS: CNX Gas Company LLC on behalf of Julia O'Quinn

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 07/21/2005, Recorded on 07/26/2005, Deed Book/Instrument No. 621, Page 724.
2. Supplemental Order, Recorded on 01/23/2008, Deed Book/Instrument No. 80000282.
3. Disbursement Order -01 Executed 01/21/2016, Recorded on 02/02/2016, Deed Book/Instrument No. 160000145.
4. Disbursement Order -02 Executed 06/22/2016, Recorded on 07/07/2016, Deed Book/Instrument No. 1100001185.

NOTICE:

- (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 2A identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 2A 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. Julia O'Quinn is the gas claimant(s) in a portion of Tr. 2A. As such, Julia O'Quinn is entitled to 100% of the CBM royalties attributable to their gas claims that are 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 previously given the notice(s) required by § 45.1-361.22:2.A to all conflicting coal claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That when the Board granted Petitioner's Miscellaneous Petition in VGOB 04-0316-1261-02, it dismissed the coal claimant(s) H-W Financial, LLC as a Respondent to these proceedings. Accordingly, H-W Financial, LLC was not provided further notice under § 45.1-361.19 and 22 of the hearing set on this Petition.
- 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 Julia O'Quinn and shall 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:

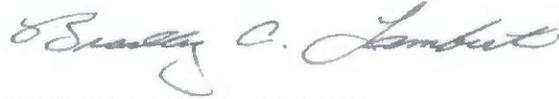
Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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.

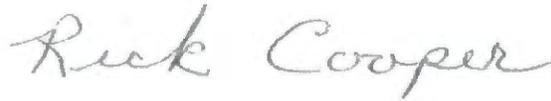
170001697

DONE AND EXECUTED this 4 day of August, 2017 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 4 day of August, 2017 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 August, 2017, 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: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 04-0316-1261-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 2A (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: 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: AZ98**BUCHANAN COUNTY, VIRGINIA****PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS****1. Petitioner and its counsel**

Petitioner is CNX Gas Company 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 Tract 2A, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Julia O'Quinn.

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. Julia O'Quinn is the gas claimant(s) in a portion of Tr. 2A. As such Julia O'Quinn is entitled to 100% of the CBM royalties attributable to their gas claims that are 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 previously given the notice(s) required by § 45.1-361.22:2.A to all conflicting coal claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That when the Board granted Petitioner's Miscellaneous Petition in VGOB 04-0316-1261-02, it dismissed the coal claimant(s) H-W Financial, LLC as a Respondent to these proceedings. Accordingly, H-W Financial, LLC was not provided further notice under § 45.1-361.19 and 22 of the hearing set on this Petition.
- 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 Julia O'Quinn and shall 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.

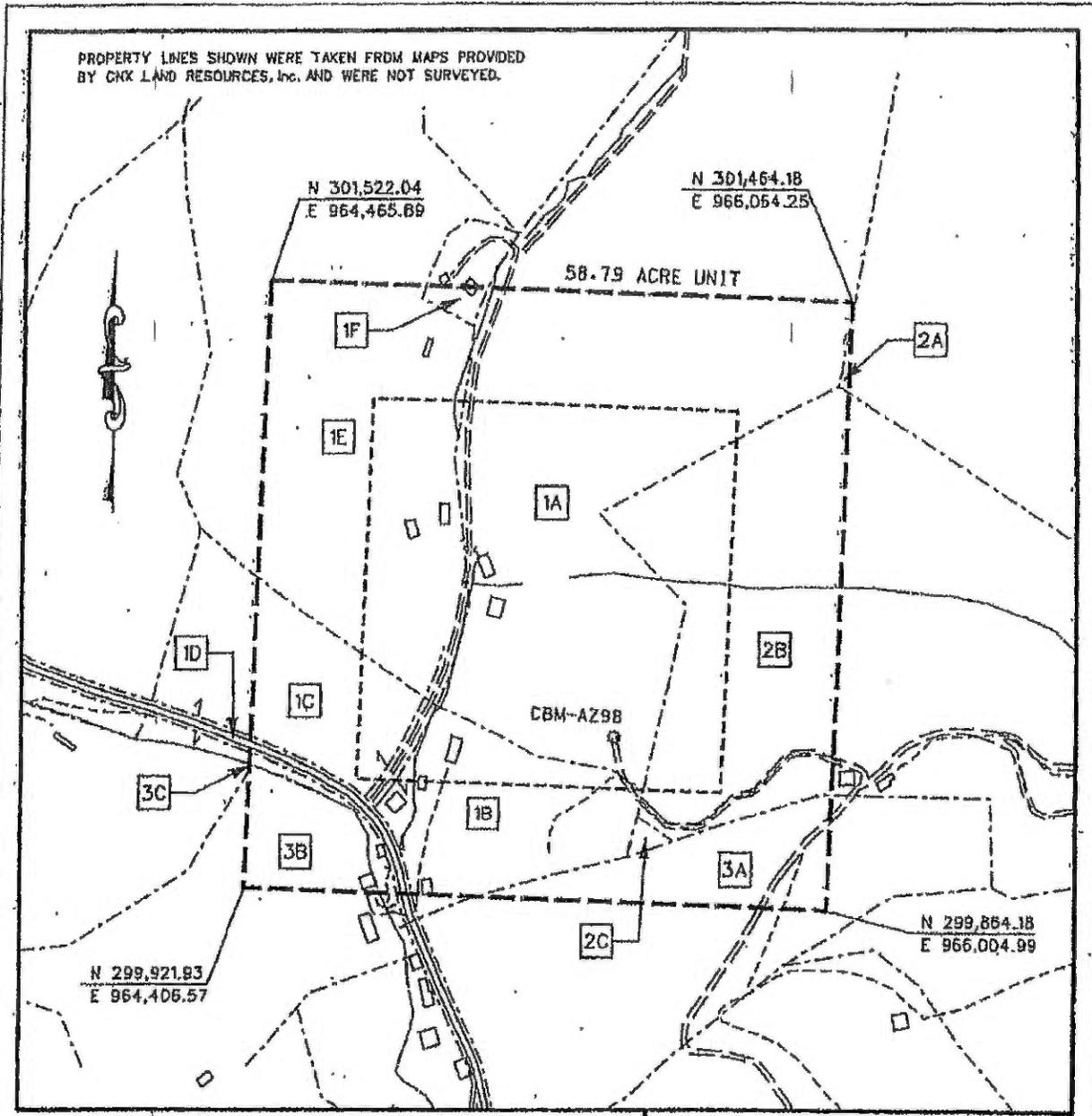


EXHIBIT A
NORA FIELD
UNIT AZ-98
FORCE POOLING
VGOB-04-0316-1261

Company CNX Gas Company LLC Well Name and Number UNIT AZ98

Tract No. _____ Elevation _____ Quadrangle Big A Mountain

County Buchanan District Hurricane Scale: 1" = 400' Date 2/16/91

This plat is a new plat ; an updated plat _____ ; or a final plat _____

Form DGO-GO-7 _____
Rev. 9/91

Charles D. Meyer
Licensed Professional Engineer or Licensed Land Surveyor

No. 10955
Pattix Seal
PROFESSIONAL ENGINEER

Force Pooling AZ98 POOL.dgn 02/06/2004 08:11:53 AM

CNX Gas Company LLC

UNIT AZ-98

Tract Identifications

(58.79 Acre Unit)

1. Harrison-Wyatt, L.L.C. (Big Axe Tr. 2) - All Minerals
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 41.44 acres 70.4882%
- 1A. Emma Jane Harris - Surface
 1B. Gregory D. Austin, et ux - Surface
 1C. Myra K. Austin - Surface
 1D. Commonwealth of Virginia - Surface
 1E. Teresa Harris, et al - Surface
 1F. Brian Hess, et ux - Surface
- 2A. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 Fielden Sanders Heirs, et al. - Surface and All Minerals except Coal
 CNX Gas Company LLC - Oil, Gas and CBM Leased (85%)
 0.05 acres 0.1021%
- 2B. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 Gregory D. Austin, et ux - Surface and All Minerals except Coal
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 11.76 acres 20.0034%
- 2C. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 Gregory D. Austin, et ux - Surface and All Minerals except Coal (Cemetery)
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 0.14 acres 0.2381%
3. Harrison-Wyatt, L.L.C. (Big Axe Tr. 8) - All Minerals
 Jewell Smokeless Coal Corp. - Coal in Tiller and Above Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 5.39 acres 9.1682%
- 3A. Chester McGlothlin, et ux - Surface
 3B. Unknown Surface Owner
 3C. Unknown Surface Owner

Exhibit E
Unit AZ-98
Docket #VGOB 04-0316-1261-03
List of Respondents requiring escrow
(58.79 Acre Unit)

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	Acres in Unit	Percent of Unit
<u>Tract #2A - 0.06 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) H-W Financial, LLC (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	0.06 acres	0.1021% <i>Dismissed under -02 petition</i>
<u>OIL & GAS OWNERSHIP</u>		
(1) Fielden Sanders Heirs, Devisees, Successors or Assigns, et al.	0.06 acres	0.1021%
<i>Outstanding W9/Affidavits</i>		
(c) Lena Sanders Sutorka 751 Forest Hill Road Gordenville, VA 22942	0.0029 1/21 of 0.06 acres	0.0049%
(d) Daniel E. Sanders Heirs, Devisees, Successors or Assigns		
(d.1) Orle Wangler (Gerard) Rt 2 Box 466 McLoud, OK 74851	0.0007 1/84 of 0.06 acres	0.0012%
(d.2) Wainoke Lynn Kummell 16826 Topeka Ln Choctaw, OK 74020	0.0007 1/84 of 0.06 acres	0.0012%
(d.3) Latrenda Sanders Rt 2 Box 466 McLoud, OK 74851	0.0007 1/84 of 0.06 acres	0.0012%
(d.4) Lamona Heck PO Box 1407 Bedford, VA 24523	0.0007 1/84 of 0.06 acres	0.0012%
(f) Ellis Sanders Heirs, Devisees, Successors or Assigns		
(f.1) Beatrice Jane MacCormac 8732 Phipps Farm Way Manassas, VA 20109	0.0014 1/42 of 0.06 acres	0.0024%
(g) Walter Sanders Heirs, Devisees, Successors or Assigns		
(g.2) Adrinne Sanders Horn Box 652 Burnett Street Richlands, VA 24641	0.0007 1/84 of 0.06 acres	0.0012%
(g.4) Terry Sanders 271 Pleasant Ridge Road Franklinville, NC 27248	0.0007 1/84 of 0.06 acres	0.0012%
Total Acres Remaining in Escrow	0.0086	
Total Percentage Remaining in Escrow		0.0146%

Exhibit EE
Unit AZ-98
Docket #VGOB 04-0316-1261-03
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.79 Acre Unit)

170001697

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #2A - 0.06 acres</u>			
COAL OWNERSHIP			
(1) H-W Financial, LLC (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	0.06 acres	0.1021%	<i>n/a</i>
OIL & GAS OWNERSHIP			
(1) Fielden Sanders Heirs, Devisees, Successors or Assigns, et al.	0.06 acres	0.1021%	
(1) Ora Sanders Heirs, Devisees, Successors or Assigns			
(a) Oma Sanders Tiller Heirs, Devisees, Successors or Assigns (1/21)			
(a.1) Edward V. Tiller 7491 Red Bud Highway Honaker, VA 24260	0.0014 1/42 of 0.06 acres	0.0024%	<i>n/a</i>
(a.2) Loeita Austin 74 Hillcrest Court Lebanon, VA 24266	0.0014 1/42 of 0.06 acres	0.0024%	<i>n/a</i>
(f.2) Betty Sue Fletcher P.O. Box 691 Marion, VA 24354	0.0014 1/42 of 0.06 acres	0.0024%	<i>n/a</i>
(b) Lethia (Leafy) Sanders Tiller Heirs, Devisees, Successors or Assigns			
(b.1) Christa Dawn Hess 3319 Wayfield Dr Johnson City, TN 37601	0.0014 1/42 of 0.06 acres	0.0024%	<i>n/a</i>
(b.2) Ronnie Wayne Tiller 7918 Gold Leaf Circle Spotsylvania, VA 22551	0.0014 1/42 of 0.06 acres	0.0024%	<i>n/a</i>
(e) Julia Sanders O'Quinn 1232 Green Cook Road Sunbury, OH 43074	0.0029 1/21 of 0.06 acres	0.0049%	25.0627% HB2058
(g) Walter Sanders Heirs, Devisees, Successors or Assigns			
(g.1) Nadine Sanders Hurley 631 Belfast School Rd Cedar Bluff, VA 24609	0.0007 1/84 of 0.06 acres	0.0012%	<i>n/a</i>
(g.3) Roger Sanders P.O. Box 82 Pilgrims Knob, VA 24634	0.0007 1/84 of 0.06 acres	0.0012%	<i>n/a</i>
(2) Fielden Sanders Heirs, Devisees, Successors or Assigns			
(a) Chester Sanders 408W Dartmouth Avenue Melbourne, FL 32901	0.0100 1/6 of 0.06 acres	0.0170%	<i>n/a</i>
(b) Dave Sanders 590 Bailey Switch Rd Bluefield, VA 24605	0.0100 1/6 of 0.06 acres	0.0170%	<i>n/a</i>
(c) Norman Sanders Heirs, Devisees, Successors, or Assigns			

Exhibit EE
Unit AZ-98
Docket #VGOB 04-0316-1261-03
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.79 Acre Unit)

170001697

	Acres in Unit	Percent of Unit	Percent of Escrow
(c.1) Shirley Sanders 2013 Otterdale Road Midlothian, VA 23112	0.0100 1/6 of 0.06 acres	0.0170%	<i>n/a</i>
(d) Estll Sanders Heirs, Devisees, Successors or Assigns			
(d.4) Harley Sanders 172 Vantage Drive Tazewell, VA 24651	0.0010 1/63 of 0.06 acres	0.0016%	<i>n/a</i>
(d.5) Jerry Sanders PO Box 1931 Honaker, VA 24260	0.0010 1/63 of 0.06 acres	0.0016%	<i>n/a</i>
(d.7) Allen Sanders P.O. Box 2254 Lebanon, VA 24266	0.0010 1/63 of 0.06 acres	0.0016%	<i>n/a</i>
(d.8) Evelyn Sanders Nash 19 Heritage Drive Honaker, VA 24260	0.0010 1/63 of 0.06 acres	0.0016%	<i>n/a</i>

Tract #2B - 11.76 acres

COAL OWNERSHIP

(1) H-W Financial, LLC (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	11.76 acres	20.0034%	<i>n/a</i>
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OIL & GAS OWNERSHIP

(1) Gregory D. & Diana F Auslin, et ux. 4654 Old Grissom Honaker, VA 24260	11.76 acres	20.0034%	<i>n/a</i>
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Tract #2C - 0.14 acres

COAL OWNERSHIP

(1) H-W Financial, LLC (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	0.14 acres	0.2381%	<i>n/a</i>
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OIL & GAS OWNERSHIP

(1) Gregory D. & Diana F Auslin, et ux. 4654 Old Grissom Honaker, VA 24260	0.14 acres	0.2381%	<i>n/a</i>
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Total Acres Resolved	11.9452	
Total Percentage Resolved		20.3185%

INSTRUMENT 170001697
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY CIRCUIT COURT ON
August 14, 2017 AT 04:41 PM
BEVERLY S. TILLER, CLERK
RECORDED BY: GBB