

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: K45

TRACT(S): 11, 2

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-04-0316-1262-02

APPLICANTS:

CNX Gas Company LLC on behalf of Buchanan County VA

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 01/13/2005, Recorded on 01/21/2005, Deed Book/Instrument No. 610, Page 682.
2. Supplemental Order, Recorded on 03/27/2008, Deed Book/Instrument No. 80001176.

NOTICE:

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 11, 2 identified in the attached petition.

150001730

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 11, 2 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. Buchanan County Virginia is the gas claimant in Tract 2. As such, Buchanan County Virginia is 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 Buchanan County Virginia and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

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DONE AND EXECUTED this 16 day of October, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

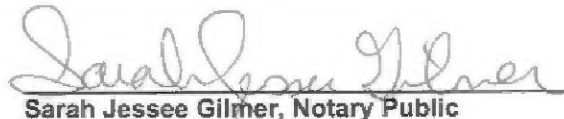
DONE AND PERFORMED this 16 day of October, 2015 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 16th day of October, 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 04-0316-1262-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 11, 2 (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: K45

BUCHANAN 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) 2 & 11 as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Buchanan County 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

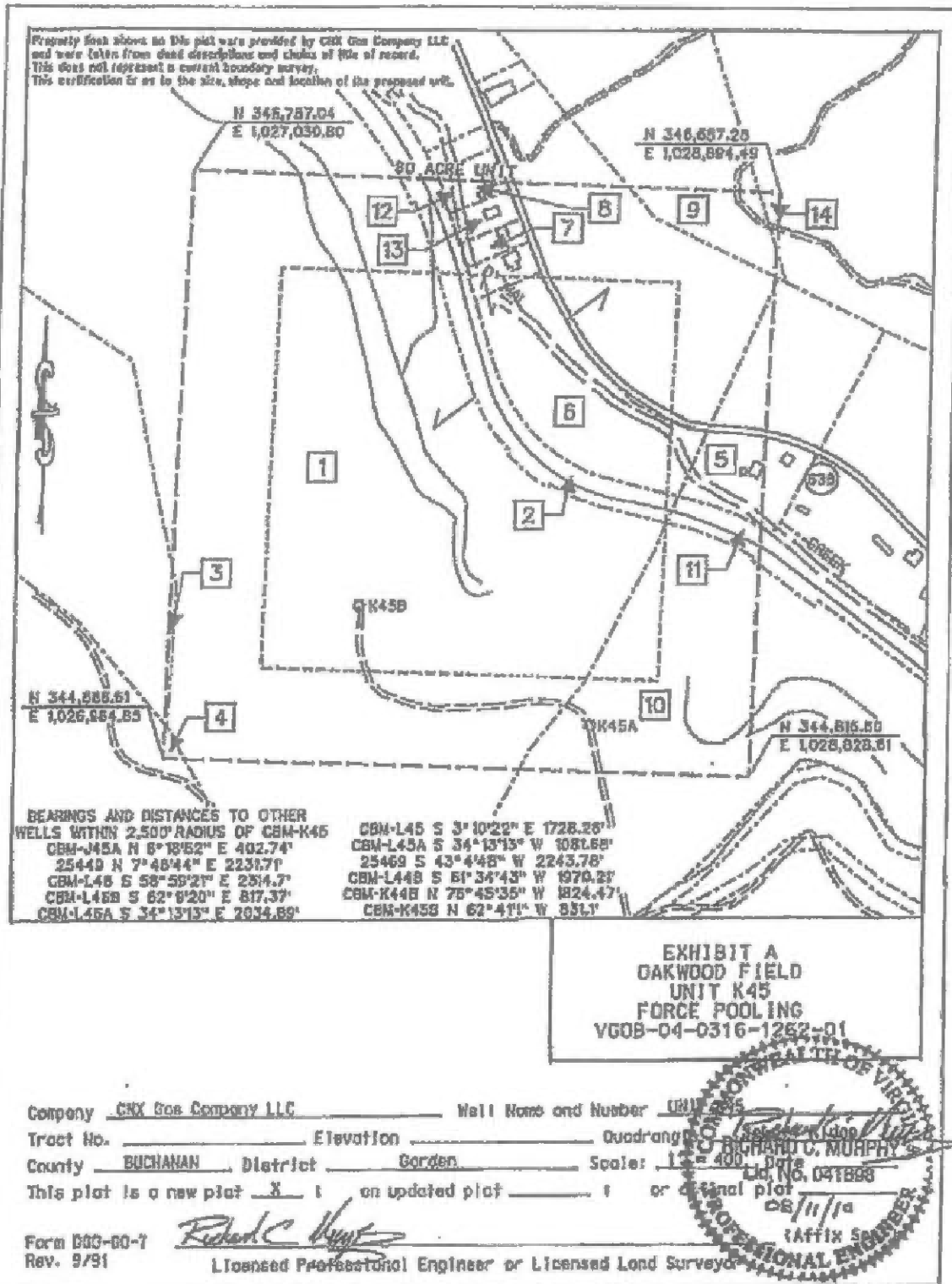
5. Factual basis for relief requested

- a. Buchanan County Virginia is the gas claimant in Tract 2. As such, Buchanan County Virginia is 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 Buchanan County 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.

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CNX Gas Company LLC
UNIT K- 45
Tract Identifications

1. A. B. Jewell, Jr., et al (285.00 Acre Tract) - Fee
 Island Creek Coal Company/Consol Energy, Inc. - Coal Below Tiller Seam Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 58.41 acres 70.6125%
2. Buchanan County, Virginia - Fee except Coal Below 800 Feet
 CNX Gas Company LLC - CBM Leased
 A. B. Jewell, Jr., et al - Coal Below 800 Feet
 Island Creek Coal Company/Consol Energy, Inc. - Coal Below 800 Feet Leased
 3.10 acres 3.6750%
3. Nancy J. Cole (88.92 Acre Tract) - Fee
 CNX Gas Company LLC - CBM Leased
 0.13 acres 0.1625%
4. Ralph H. Cox, et ux (88.12 Acre Tract) - Fee
 CNX Gas Company LLC - CBM Leased
 0.08 acres 0.1125%
5. Louise Ratliff Helms (5.94 Acre Tract) - All Minerals
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 Unknown Surface Owner
 2.32 acres 2.8000%
6. James Shelby Jewell, et al (6.83 Acre Tract) - Fee
 5.68 acres 7.1125%
7. James S. Jewell (0.40 Acre Tract) - Fee
 0.37 acres 0.4625%
8. K. W. Cole (0.32 Acre Tract) - Fee
 0.28 acres 0.2500%
9. Pocahontas Mining Limited Liability Company (240.28 Acre Tract) - Fee
 Reserve Coal Properties Company - P-3 Seam and 250 Feet Above Leased
 Jewell Smokeless Coal Company - Tiller Seam and Above Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased.
 1.69 acres 1.9875%
10. David S. Horton, et al (246.00 Acre Tract) - All Minerals
 Reserve Coal Properties Company - Coal Below Tiller Seam Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 Reserve Coal Properties Company - Surface
 8.71 acres 10.8875%

CNX Gas Company LLC**UNIT K- 46****Tract Identifications**

11. Buchanan County, Virginia - Fee except Coal Below 800 Feet
 CNX Gas Company LLC - CBM Leased
 David S. Horton, et al - Coal Below 800 Feet
 Island Creek Coal Company/Consolid Energy, Inc. - Coal Below 800 Feet Leased
 0.64 acres 0.8000%
12. William F. Messick, Jr, Special Needs Trust (0.30 Acre Tract) - Fee
 0.13 acres 0.1625%
13. Ruthe Dale Jewell (0.45 Acre Tract) - Fee
 0.49 acres 0.6000%
14. Potomac Mining Limited Liability Company (1568.15 Acre Tract) - Fee
 Reserve Coal Properties Company - F-3 Seam and 250 Feet Above Leased
 Jewell Smokeless Coal Company - Tiller Seam and Above Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 0.14 acres 0.1750%

Exhibit E
Unit K-45
Docket #VGOB 04-0316-1262-02
List of Respondents that require Escrow

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Net Acres
in Unit

Interest in
Unit

Escrowing not required

Exhibit EE
Unit K-45
Docket #VGOB 04-0316-1262-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058

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	Net Acres in Unit	Interest in Unit	Percent of Escrow
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Tract #2, 3.10 acres

COAL OWNERSHIP

(2) A. B. Jewell, Jr. et al. (Coal below 800')	3.10 acres	3.87500%	
(a) Artemus B. Jewell, Jr. P.O. Box 117 Columbia Falls, ME 04823-0117	0.78 acres 1/4 of 3.10 acres	0.9688%	n/a
(b) Bucky McConnell, Executrix PO Box 582 Pounding Mill, VA 24637	0.78 acres 1/4 of 3.10 acres	0.9688%	n/a
(c) Nancy J. Lowe P.O. Box 277 Pounding Mill, VA 24637	0.78 acres 1/4 of 3.10 acres	0.9688%	n/a
(d) Polly Ann Mallory PO Box 290 Doran, VA 24612	0.78 acres 1/4 of 3.10 acres	0.9688%	n/a

OIL & GAS OWNERSHIP

(1) Buchanan County, Virginia P.O. Box 1056 Grundy, VA 24614	3.10 acres	3.87500%	82.8877% HB2058
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Tract #11, 0.64 acres

COAL OWNERSHIP

(2) David Horton, et al (Coal below 800')	0.64 acres	0.8000%	
(a) David S. Horton &/or Brenda C. Horton PO Box 459 Richlands, VA 24641	0.58 acres 9/10 of 0.64 acres	0.7200%	n/a
(b) David S. Horton Irrevocable Trust c/o Beth Osborne Skinner, Trustee PO Box 1809 Bristol, VA 24203-1809	0.06 acres 1/10 of 0.64 acres	0.0800%	n/a

OIL & GAS OWNERSHIP

(1) Buchanan County, Virginia P.O. Box 1056 Grundy, VA 24614	0.64 acres	0.80000%	17.1123% HB2058
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INSTRUMENT #150001730
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
OCTOBER 27, 2015 AT 11:45AM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB