

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: BA115

TRACT(S): 1, 5

LOCATION: RUSSELL County, Virginia

DOCKET NUMBER: VGOB-04-0921-1329-01

APPLICANTS:

CNX Gas Company LLC on behalf of Daily Strouth, Jr.

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 01/20/2005, Deed Book/Instrument No. 624, Page 1.
2. Supplemental Order, Recorded on 08/08/2012, Deed Book/Instrument No. 751, Page 0406.

NOTICE:

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 1, 5 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1, 5 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. Daily Strouth, Jr is the gas claimant in Tracts 1 & 5. As such Daily Strouth, Jr 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 Daily Strouth, Jr and not escrow same. See Exhibit EE annexed hereto.

Tracts: 1, 5

Adjustment Comments:

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 close 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 25 day of July, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

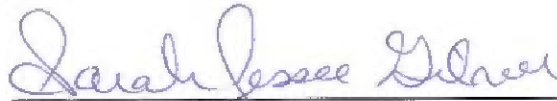
DONE AND PERFORMED this 25 day of July, 2016 by Order of the Virginia Gas and Oil Board.



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

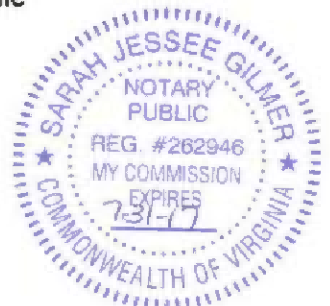
COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 25th day of July, 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.



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 04-0921-1329-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1, 5 (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: BA115

RUSSELL 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(s) attributable to Tracts 1 & 5, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Daily Strouth, Jr.; (3) Dismissal of Coal Owner(s): CNX Gas Company, LLC; David Strouth, Clifford Strouth, Arfey Strouth Miller, Barbara Honaker, Lawrence Meadows, Stephen Meadows, Willa May Stiltner, Anna Whitt, Oliver Price, Glenda Spencer, Maydean Ball, Geraldeane Newberry, Judy Carol Boyd

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. Daily Strouth, Jr is the gas claimant in Tracts 1 & 5. As such Daily Strouth, Jr 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 Daily Strouth, Jr 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.

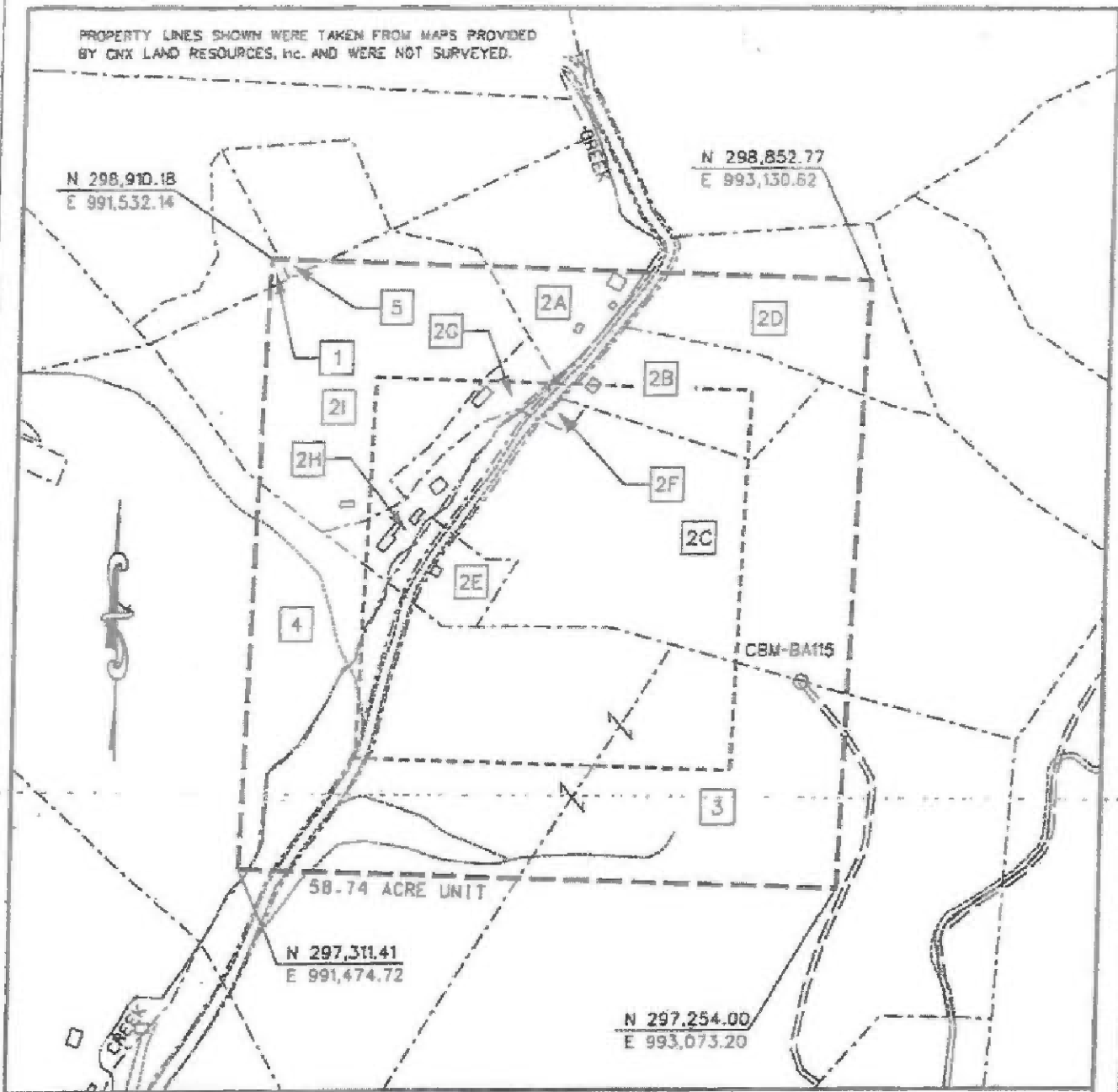
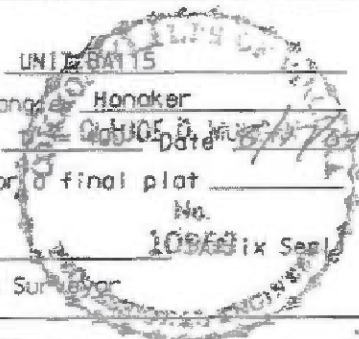


EXHIBIT A
MIDDLE RIDGE 1 FIELD
UNIT BA115
FORCE POOLING
VCOB-04-0921-1329

Company CNX Gas Company LLC Well Name and Number UNIT BA115
Tract No. _____ Elevation _____ Quadrangle Hanaker
County Russell District New Garden Scale: 1" = 400' Date 8/1/04
This plat is a new plat X ; on updated plat _____ ; or a final plat _____

Form DGO-GO-7
Rev. 9/91

Charles J. May
Licensed Professional Engineer or Licensed Land Surveyor



CNX Gas Company LLC**Unit-BA-115****Tract Identifications
(58.74 Acre Unit)**

1. CNX Gas Company LLC - Coal
Reserve Coal Properties Company - Coal In and Above Tiller Seam Leased
Dally Strouth, Jr. - Surface and All Minerals except Coal
0.05 acres 0.0851%
2. Swords Creek Land Partnership Tr. 16 - All Minerals
Consolidation Coal Company - Below Tiller Coal Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
33.36 acres 56.7927%
- 2A. CNX Gas Company LLC - Surface
- 2B. CNX Gas Company LLC - Surface
- 2C. James T. Dye, et ux. - Surface
- 2D. CNX Gas Company LLC - Surface
- 2E. Unknown Surface Owner
- 2F. Unknown Surface Owner
- 2G. Paul Perkins, et al. - Surface
- 2H. Ebbie Hess - Surface
- 2I. Dally Strouth, Jr. - Surface
3. David O. Kaylor, et al. - Fee
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
21.07 acres 35.8699%
4. David O. Kaylor, et al. - All Minerals
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - Oil, Gas and CBM Leased
Allen D. Kestner, et ux. - Surface
4.19 acres 7.1331%
5. CNX Gas Company LLC - (1/6) and J. P. Strouth Heirs, Devisees, Successors or
Assigns (5/6) - Coal
Dally Strouth, Jr. - Surface and All Minerals except Coal
0.47 acres 0.8091%

Exhibit E
Unit BA-115
Docket #VGOB 04-0921-1329-01
List of Conflicting Owners/Claimants that require escrow
(58.74 Acre Unit)

BOOK 0506 PAGE 0195

	Acres in Unit	Interest in Unit
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Escrow no longer required

Exhibit EE
Unit BA-115
Docket #VGOB 04-0921-1329-01
List of Owners with Royalty Splits/Court Orders/HB2058
(58.74 Acre Unit)

BOOK 0506 PAGE 0196

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1, 0.05 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) CNX Gas Company LLC P.O. Box 947 Bluefield, VA 24605 (previously Pocahontas Gas Partnership)	0.05 acres	0.0851%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Daily Strouth, Jr. 48 Timber Lane Dr Honaker, VA 24260	0.05 acres	0.0851%	46.1681% HB2058
<u>Tract #5, 0.07 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) J. P. Strouth Helton Heirs, Devisees, Successors or Assigns (2.00 Acre Tract - Coal)	0.07 acres	0.1192%	n/a
(a) Daily Strouth, Sr. Heirs Devisees, Successors, or Assigns			
(a.1) Daily Strouth, Jr. 48 Timber Lane Dr Honaker, VA 24260	0.012 acres 1/6 of 0.07 acres	0.0199%	n/a
(b) Garlin Strouth Heirs, Devisees, Successors or Assigns			
(b.1) David Strouth Box 824 Honaker, VA 24260	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(b.2) Clifford Strouth 1041 Henry Road Ferrum, VA 24088	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(b.3) Arfey Strouth Miller P.O. Box 142 Abingdon, VA 24212	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(b.4) Barbara Miller Strouth Honaker 17045 Northfork River Road Abingdon, VA 24201	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(b.5) Maudie Honaker Strouth, Widow		Life Estate Only	
(c) Ida Meadows Heirs, Devisees, Successors or Assigns			
(c.1) Lawrence Meadows 5584 Page Dr. Oakwood, VA 24631	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(c.2) Stephen L. Meadows P.O. Box 22 Rowe, VA 24646	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a

Exhibit EE
Unit BA-115
Docket #VGOB 04-0921-1329-01
List of Owners with Royalty Splits/Court Orders/HS2058
(58.74 Acre Unit)

BOOK 0806 PAGE 0197

	Acres in Unit	Interest in Unit	Percent of Escrow
(c.3) Willa May Stiltner HC65 Box 24 Oakwood, VA 24631	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(c.4) Anna Whitt P.O. Box 190 Doran, VA 24612	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(e) Oliver Price c/o Charlie Price Rt.1 Box 241 Swords Creek, VA 24649	0.012 acres 1/6 of 0.07 acres	0.0199%	n/a
(f) Eartrue Spencer Heirs, Devisees, Successors or Assigns			
(f.1) Glenda Spencer P.O. Box 56 Swords Creek, VA 24649	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(f.2) Maydean Ball 24040 US Highway 19 Cedar Bluff, VA 24609	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(f.3) Geraldeane Newberry P.O. Box 1652 Richlands, VA 24641	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(f.4) Judy Carol Boyd 513 Lee Street Bristol, VA 24201-4414	0.003 acres 1/24 of 0.07 acres	0.0050%	n/a
(g) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	0.012 acres 1/6 of 0.07 acres	0.0199%	n/a

OIL & GAS OWNERSHIP

(1) Dally Strouth, Jr. 48 Timber Lane Dr Honaker, VA 24260	0.07 acres	0.1192%	
	0.012 acres 1/6 of 0.07 acres	0.0199%	n/a
** Previously placed on pay with RSO for 1/6			
	0.058 acres 5/6 of 0.07 acres	0.0993%	53.8627% HS2058
** Pay remaining 5/6 with disbursement 01			

TOTALS:

Total Acreage in Unit	0.1200
Total Percentage of Unit	0.2043%

1601408

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 8-2 2016, This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 3:45 o'clock P M, after payment of \$ _____ tax imposed by Sec. 58.1-802.

Original returned this date to: Sally Ketron

TESTE: ANN S. McREYNOLDS, CLERK
BY: Jennifer Kendrick D. CLERK

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