

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: BE121

TRACT(S): A portion of 1D

LOCATION: RUSSELL County, Virginia

DOCKET NUMBER: VGOB-05-0419-1427-01

APPLICANTS:

CNX Gas Company LLC on behalf of Raymond P. Slate, Sheila Lofton, Virginia Resources,
LLC

HEARING DATE AND LOCATION:

Russell County Government Center, Lebanon, Virginia
January 19, 2016 and February 16, 2016

APPEARANCES:

Mark A. Swartz on behalf of CNX Gas Company LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 07/21/2005, Recorded on 07/25/2005, Deed Book/Instrument No. 635, Page 684.
2. Supplemental Order, Recorded on 01/28/2008, Deed Book/Instrument No. 684, Page 734.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the January 19, 2016 hearing and was continued to February 16, 2016 where the Board 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 1D identified in the attached petition.

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.

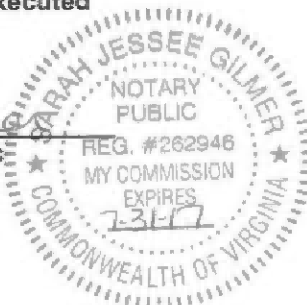
DONE AND EXECUTED this 20 day of February, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 20th 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, that he executed the same and was authorized to do so.


 Sarah Jessee Gilmer, Notary Public
 262946


My Commission expires: July 31, 2017

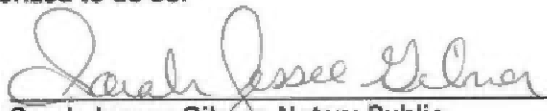
DONE AND PERFORMED this 21 day of February, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 21st day of February, 2016, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is the Principal Executive to the staff of the Virginia Gas and Oil Board, that he 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 05-0419-1427-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 1D (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

HEARING DATE: January 19, 2016

DRILLING UNIT: BE121

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, attributable to Tract 1D, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Swords Creek Land Partnership and Raymond P. Slate, Shelia Slate Lofton and Virginia Resources, LLC.

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

Swords Creek Land Partnership and Raymond P. Slate, Shelia Slate Lofton, Daniel L. Keen and Virginia Resources, 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, further, specifies how said royalties are to be divided and paid.

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.

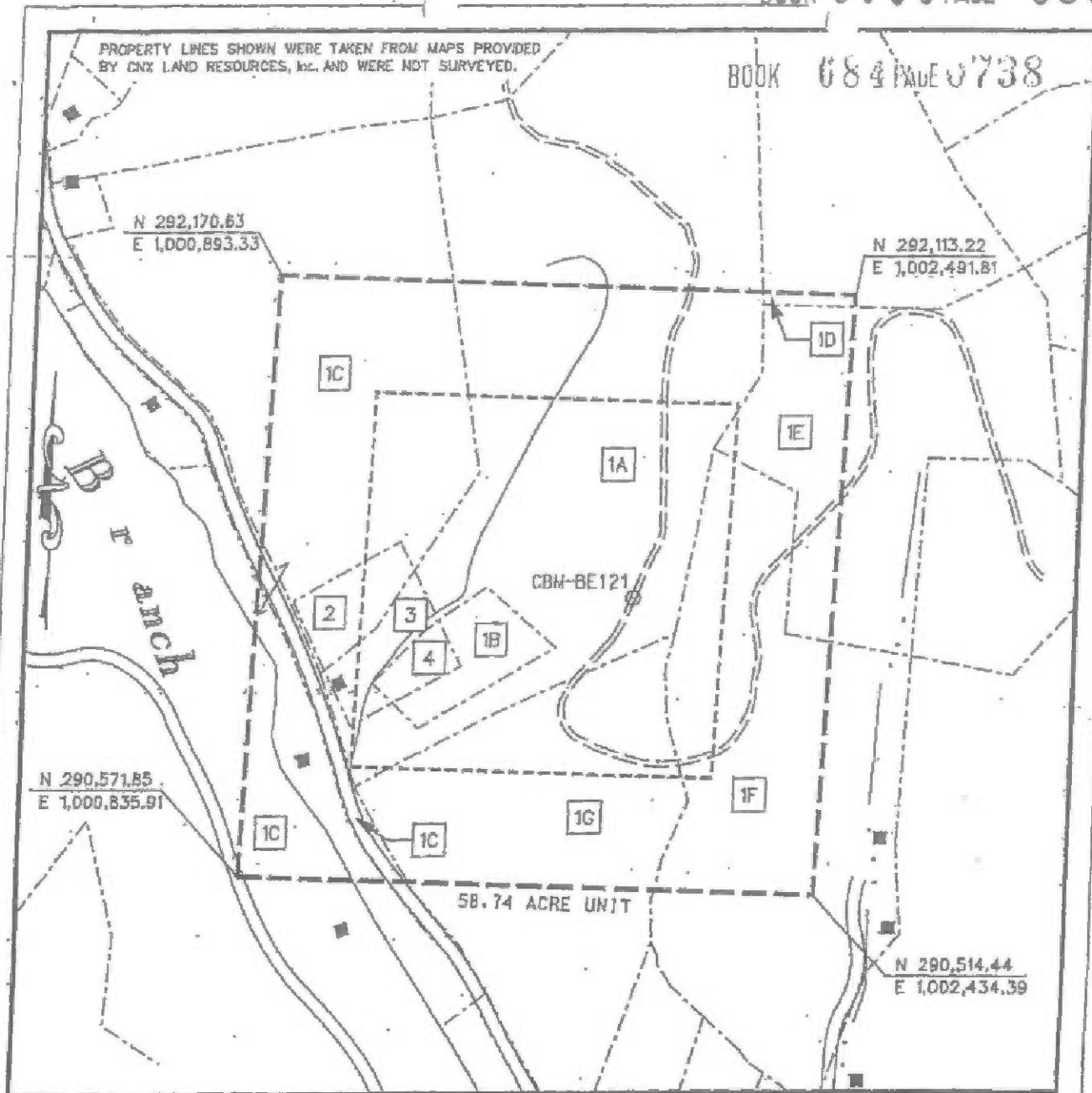


EXHIBIT A
MIDDLE RIDGE 1 FIELD
UNIT BE-121
FORCE POOLING
VGOB-05-0419-1427

Company CNX Gas Company LLC Well Name and Number UNIT-BE 121
 Tract No. _____ Elevation _____
 County Russell District New Garden Scale: 1" = 400' Date 8/11/05
 This plot is a new plot ☒ ; an updated plot _____ or a final plot _____
 Form DGO-CO-7 Charles D. May 10953
 Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor (x Seal)

CNX Gas Company LLC**Unit BE-121****Tract Identifications****(58.74 Acre Unit)**

- 1A. Swords Creek Land Partnership Tr. 13 (574.58 Acre Tract) - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
Robert Hale, II - Surface and All Minerals except Coal
CNX Gas Company, LLC - Oil, Gas and CBM Leased
17.18 acres 29.2475%
- 1B. Swords Creek Land Partnership Tr. 13 (574.58 Acre Tract) - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
David M. Saunders, et ux - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
1.53 acres 2.6047%
- 1C. Swords Creek Land Partnership Tr. 13 (574.58 Acre Tract) - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
Samuel L. Breedlove, et al. - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
14.38 acres 24.4808%
- 1D. Swords Creek Land Partnership Tr. 13 (574.58 Acre Tract) - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
Ruth Byrd, et al. - Surface and All Minerals except Coal
CNX Gas Company, LLC - Oil, Gas and CBM Leased
0.19 acres 0.3235%
- 1E. Swords Creek Land Partnership Tr. 13 (574.58 Acre Tract) - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
Ruby Barton - Surface and All Minerals except Coal
4.15 acres 7.0650%

CNX Gas Company LLC

Unit BE-121

Tract Identifications

(58.74 Acre Unit)

- 1F. Swords Creek Land Partnership Tr. 13 (574.58 Acre Tract) - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
Betty Dye, et al - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
9.33 acres 15.8838%
- 1G. Swords Creek Land Partnership Tr. 13 (574.58 Acre Tract) - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
Sam D. Ray, et al - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
8.01 acres 15.3388%
- 2. Samuel L. Breedlove, et al - Fee
CNX Gas Company LLC - Oil, Gas and CBM Leased
1.28 acres 2.1961%
- 3. Robert E. Hale, II - Fee
CNX Gas Company LLC - Oil, Gas and CBM Leased
1.11 acres 1.8897%
- 4. David M. Saunders, et ux - Fee
CNX Gas Company LLC - Oil, Gas and CBM Leased
0.67 acres 0.9704%

Exhibit E
Unit BE-121
Docket #VGOB 05-0419-1427-01
List of Respondents that require escrow
(58.74 Acre Unit)

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	Acres in Unit	Interest in Unit
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Tract #1D, 0.19 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	0.19 acres	0.3235%
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The respondents listed below did not respond timely to the W9 request and will continue to be escrowed.

OIL & GAS OWNERSHIP

(1) Ruth Byrd, et al. (82.30 acre tract)	0.19 acres	0.3235%
(c) Alice Albert	Conveyed 12/21/98 DB 485/728	
(c.1) Daniel Ray & Rebecca Tucker Rt 1 Box 314 Swords Creek, VA 24649	0.038 acres 1/5 of 0.19 acres	0.0647%

Tract #1E, 4.15 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	4.15 acres	7.0650%
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OIL & GAS OWNERSHIP

The respondents listed below did not respond timely to the W9 request and will continue to be escrowed.

(1) Ruby G. Barton	Kevin D. Tiller, Special Commissioner on behalf of Ruby G. Barton conveyed by Deed dated April 13, 2005 and recorded in Deed Book 629, Page 493	
(a) Terry & Kathy Casey (T/E) 1746 Lynn Springs Road Swords Creek, VA 24649	4.15 acres	7.0650%

Docket #VGOB 05-0419-1427-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1A, 17.18 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24661	17.18 acres	29.2475%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Robert Hale, II, et al.	17.18 acres	29.2475%	
(a) Robert Hale, II Rt.2 Box 180 Honaker, VA 24260	17.18 acres	29.2475%	n/a
<u>Tract #1B, 1.53 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24661	1.53 acres	2.6047%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) David M. Saunders, et ux. P.O. Box 300 Swords Creek, VA 24649	1.53 acres	2.6047%	n/a
<u>Tract #1C, 14.38 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24661	14.38 acres	24.4808%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Samuel L. Breedlove, et al.	14.38 acres	24.4808%	
(a) Samuel L. Breedlove 956 State Rt. 314 Mansfield, OH 44903	12.324 acres 85.70% of 14.38 acres	20.9800%	n/a
(b) Herbert J. Breedlove 3238 North Oketo Street Chicago, IL 60634	2.056 acres 14.30% of 14.38 acres	3.5007%	n/a
<u>Tract #1D, 0.19 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24661	0.19 acres	0.3235%	0.6714% ~ 50%
<u>OIL & GAS OWNERSHIP</u>			
(1) Ruth Byrd, et al.	0.19 acres	0.3235%	

Docket #VGOB 05-0419-1427-01

List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow	
(a) Ruth Byrd P.O. Box 714 Doran, VA 24612	0.038 acres 1/5 of 0.19 acres	0.0647%	n/a	
(b) Daniel L. Keen	Conveyed 12/28/11 DB 743/560			
(b.1) Virginia Resources, LLC PO Box 1320 Honaker, VA 24260	0.038 acres 1/5 of 0.19 acres	0.0647%	0.4476%	- 50%
(c) Victoria Slate Heirs, Devises, Successors or Assigns				
(c.1) Raymond P. Slate 1829 Lynn Springs Rd. Swords Creek, VA 24649	0.010 acres 1/20 of 0.19 acres	0.0162%	0.1119%	- 50%
(c.2) Jeffery W. Slate RR Box 229A Swords Creek, VA 24649	0.019 acres 1/10 of 0.19 acres	0.0323%	n/a	
(c.3) Jackie Dale Slate c/o Keen Mountain Correctional Center, P.O. Box 860 B-138 Oakwood, VA 24631	0.010 acres 1/20 of 0.19 acres	0.0162%	n/a	
(c.4) Sheila Slate-Lofton HC 69, Box 1828 White Sulphur Springs, WV 24984	0.010 acres 1/20 of 0.19 acres	0.0162%	0.1119%	- 50%
(e) Virginia Spiva 326 Martin Court Marietta, GA 30060	0.038 acres 1/5 of 0.19 acres	0.0647%	n/a	

Tract #1F, 9.33 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24661	9.33 acres	15.8836%	n/a
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OIL & GAS OWNERSHIP

(1) Betty Dye, et al.	9.33 acres	15.8836%	
(a) Betty R. Dye Rt.1 Box 692 Swords Creek, VA 24649	1.866 acres 1/5 of 9.33 acres	3.1767%	n/a
(b) Harold Dye 309 Bower Avenue Richlands, VA 24641	1.866 acres 1/5 of 9.33 acres	3.1767%	n/a
(c) Betty Monroe 3004 Deans Ridge Road Lot #6 Augusta, GA 30906	1.866 acres 1/5 of 9.33 acres	3.1767%	n/a
(d) Edith Trueblood Box 67 Coinjock, NC 27923	1.866 acres 1/5 of 9.33 acres	3.1767%	n/a

Exhibit EE
Unit BE-121
Docket #VGOB 05-0419-1427-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.74 Acre Unit)

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	Acres in Unit	Interest in Unit	Percent of Escrow
(e) Ershel Dye 1009 Terry Court 238 Lynchburg, VA 22501	1.886 acres 1/5 of 9.33 acres	3.1767%	n/a

Tract #1G, 9.01 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	9.01 acres	15.3388%	n/a
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OIL & GAS OWNERSHIP

(1) Sam D. Ray, et al. c/o Sam & Anita Ray 505 Brighton Way Castleberry, FL 32707	9.01 acres	15.3388%	n/a
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1600349

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 1:27 o'clock P M, after payment of \$ — tax imposed by Sec. 58.1-802.

Original returned this date to: Sarah Gilmer

TESTE: ANN S. McREYNOLDS, CLERK
BY: Ann S. McReynolds CLERK