

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: X8

TRACT(S): 1B

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-05-0816-1491-01

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 02/02/2006, Recorded on 02/07/2006, Deed Book/Instrument No. 0000395.
2. Supplemental Order, Recorded on 08/27/2009, Deed Book/Instrument No. 090002586.

NOTICE:

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

1600000897

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1B 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. Buchanan County, Virginia is the gas claimant in Tracts 1B. As such Buchanan County, 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 Buchanan County, Virginia and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

VGOB Disbursement

Unit X8

VGOB-05-0816-1491-01

Table 1

Tracts: 1B

Item	Tract	Disbursement Table	Fractional Ownership	Net Acreage Ownership	Royalty Split	Escrowed Acres	Percent of Escrowed Funds	Adjustment Amount
			in Tract	in Tract	Agreement	Disbursed	Disbursed	
		Total acreage in escrow before disbursement				39.81000		
1B Tract 1B (total acreage)			8.0200					
1	1B	Buchanan County, VA\PO box 1056 Grundy VA 24614		8.0200	100.00%	8.0200	20.1457%	

Adjustment Comments:

1600000897

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.

160000897

DONE AND EXECUTED this 6 day of May, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

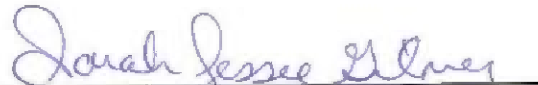
DONE AND PERFORMED this 6 day of May, 2016 by Order of the Virginia Gas and Oil Board.



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

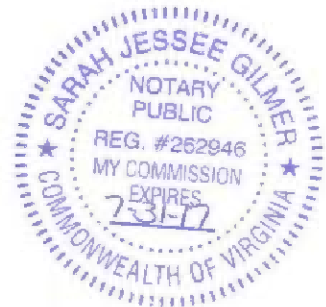
COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 6th day of May, 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 05-0816-1491-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1B (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: X8

BUCHANAN COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is CNX Gas Company LLC, P. O. 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 Tract 1B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Buchanan County, Virginia; (3) Dismissal of coal owner: Harrison-Wyatt, 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

- a. Buchanan County, Virginia is the gas claimant in Tracts 1B. As such Buchanan County, 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 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.

PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED
BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

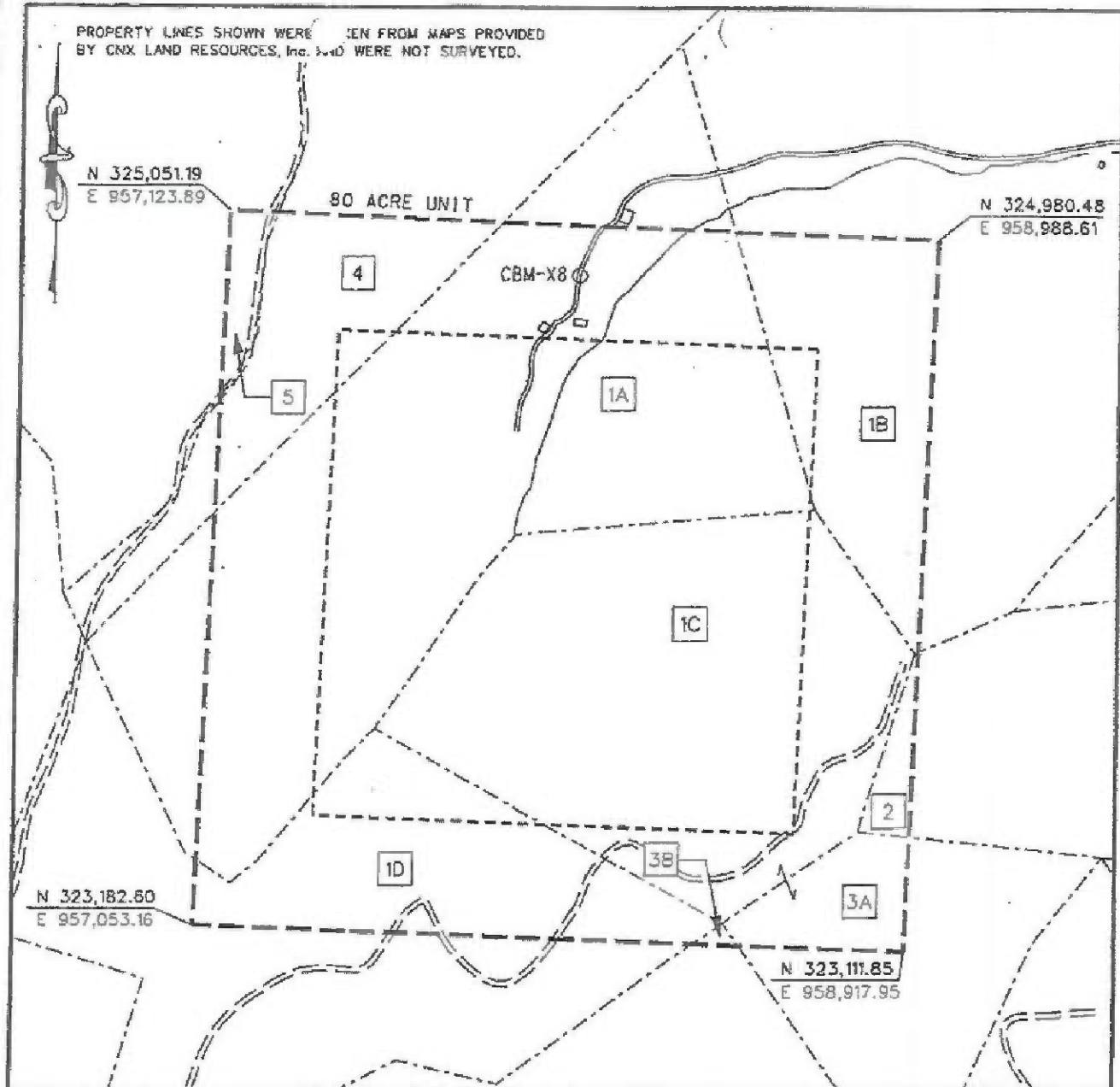


EXHIBIT A
OAKWOOD FIELD
UNIT X-8
FORCE POOLING
VGQB-05-0816-1491

Company CNX Gas Company LLC Well Name and Number UNIT X-8
Tract No. _____ Elevation _____ Quadrangle Warrant
County Buchanan District Prater Scale: 1" = 400' Date 7/15/05
This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DGO-GD-7
Rev. 9/91

Charles D. Meyer
Licensed Professional Engineer or Licensed Land Surveyor

10558
(Affix Seal)

CNX Gas Company LLC**UNIT X8****Tract Identifications**

- 1A. Harrison-Wyatt, LLC Big Axe Tr. 27 (200 Acre Tract) - Coal
 Island Creek Coal Company/Consol Energy, Inc. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Company - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 CNX Gas Company LLC - All Minerals except Coal
 Island Creek Coal Company/Consol Energy, Inc. - Surface
 30.15 acres 37.6875%
- 1B. Harrison-Wyatt, LLC Big Axe Tr. 27 (200 Acre Tract) - Coal
 Island Creek Coal Company/Consol Energy, Inc. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Company - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 Buchanan County - Surface and All Minerals except Coal
 8.02 acres 10.0250%
- 1C. Harrison-Wyatt, LLC Big Axe Tr. 27 (200 Acre Tract) - Coal
 Island Creek Coal Company/Consol Energy, Inc. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Company - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 Ronald E and Teresa H. Brents, Trustees - Surface and All Minerals except Coal
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 22.78 acres 28.4750%
- 1D. Harrison-Wyatt, LLC Big Axe Tr. 27 (200 Acre Tract) - Coal
 Island Creek Coal Company/Consol Energy, Inc. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Company - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 CNX Gas Company LLC - All Minerals except Coal
 Island Creek Coal Company/Consol Energy, Inc. - Surface
 9.25 acres 11.5625%
2. Harrison-Wyatt, LLC Big Axe Tr. 40 (155 Acre Tract) - All Minerals
 Island Creek Coal Company/Consol Energy, Inc. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Company - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 CNX Gas Company LLC - Surface
 0.78 acres 0.9875%
3. Harrison-Wyatt, LLC Big Axe Tr. 37 (105 Acre Tract) - Coal
 Island Creek Coal Company/Consol Energy, Inc. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Corporation - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 James A. Tiller Heirs and Frank Howard Heirs - All Minerals except Coal
 2.43 acres 3.0375%
- 3A. Ronald E. and Teresa H. Brents, Trustees - Surface
 3B. Unknown Surface Owner

CNX Gas Company LLC**UNIT X8****Tract Identifications**

4. T. R. Mullins, et al - Coal
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Tiller Seam Leased
Bobby H. C. Jackson, et al - Surface and All Minerals except Coal
5.68 acres 7.1000%
5. Harrison-Wyatt, LLC Big Axe Tr. 23 (900 Acre Tract) - Coal
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Tiller Seam Leased
Jewell Smokeless Coal Company - Coal Above Jawbone Seam Leased
CNX Gas Company LLC - CBM Leased
Bobby H. C. Jackson, et al - Surface and All Minerals except Coal
0.80 acres 1.1250%

Exhibit E
Unit X-8
Docket #VGOB 05-0816-1491-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit	Interest in VP8-2 South Panel 8.6552%
<u>Tract #1C, 22.78 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C., Tr.27 P.O. Box 11000 Danville, VA 24543	22.78 acres	28.47500%	2.4646%
<u>OIL & GAS OWNERSHIP</u>			
<i>Affidavit not received</i>			
(1) Ronald E. And Teresa H. Brants, Trustees Rt.4 Box 294 Stuart Draft, VA 24477	22.78 acres	28.47500%	2.4646%
<u>Tract #3, 2.43 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C., Tr.37 P.O. Box 11000 Danville, VA 24543	2.43 acres	3.03750%	0.2629%
<u>OIL & GAS OWNERSHIP</u>			
<i>The ownership listed below is currently being reviewed and documentation is being requested to verify title</i>			
(1) James A. Tiller Heirs & Frank Howard Heirs, Devisees, Successors or Assigns <i>Heirs / Addresses Unlocatable</i>	2.43 acres	3.03750%	0.2629%
<u>Tract #4, 5.68 Acres</u>			
<u>COAL OWNERSHIP</u>			
T.R. Mullins, et al.	5.68 acres	7.10000%	0.6145%
(1) Theodore A. Mullins Heirs, Devisees, Successors or Assigns			
(a) Theodore Blaine Mullins 1468 Rock Cliff Drive, Apt #3 Martinsburg, WV 25401	0.63 acres 1/9 of 5.68 acres	0.78889%	0.06828%
(b) Cornelia Maurice Mullins P.O. Box 51 Clendenin, WV 25045	0.63 acres 1/9 of 5.68 acres	0.78889%	0.06828%
(c) Marilyn Mullins 19107 Park Place Blvd. Eustis, FL 32736	0.63 acres 1/9 of 5.68 acres	0.78889%	0.06828%
(2) John L. & Lucille M. Mullins Sr. Heirs, Devisees, Successors or Assigns			
(a) George W. Mullins, Sr. 165 Muller Road Cottageville WV 25239	0.47 acres 1/12 of 5.68 acres	0.59167%	0.05121%
(b) Jo Ann Barker 668 Copper Beech Blvd. Deltona, FL 32725-8812	0.47 acres 1/12 of 5.68 acres	0.59167%	0.05121%
(c) John L. Mullins, Jr. Heirs, Devisees, Successors or Assigns			
(c.1) Stephanie Mullins-Williams 1701 Sir John Court Orlando, FL 32837-6309	0.12 acres 1/48 of 5.68 acres	0.14792%	0.01280%

Exhibit E
Unit X-8
Docket #VGOB 05-0816-1491-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit	Interest in VP8-2 South Panel 8.6552%
(c.2) John David Mullins 2801 Sandtrap Lane #D Melbourne, FL 32935	0.12 acres 1/48 of 5.68 acres	0.14792%	0.01280%
(c.3) Bamdon Overton Mullins 2801 Sandtrap Lane #D Melbourne, FL 32935	0.12 acres 1/48 of 5.68 acres	0.14792%	0.01280%
(c.4) Heather L. Dawson 1675 Adview Road Estates / Bayside Lakes Palm Bay, FL 32909	0.12 acres 1/48 of 5.68 acres	0.14792%	0.01280%
(d) Thomas L. Mullins 1394 Poca River Road South Poca, WV 25159	0.47 acres 1/12 of 5.68 acres	0.59167%	0.05121%
(3) Augustus C. Mullins Heirs, Devisees, Successors or Assigns			
(a) Madeline Hunt, widow P.O. Box 7305 Zephyrhills, FL 33543	1.89 acres 1/3 of 5.68 acres	2.36667%	0.20484%

OIL & GAS OWNERSHIP

(1) Bobby H.C. Jackson, et al.

Affidavit not received

(a) Bobby H.C. Jackson P.O. Box 872 Lester Prairie, MN 55354	5.68 acres <i>(Subject to the Life Estate of Henry Jackson)</i>	7.10000%	0.6145%
(b) Henry Lawrence Jackson P.O. Box 116 Vansant, VA 24656		<i>Life Estate</i>	

Tract #5. 0.90 Acres**COAL OWNERSHIP**

(1) Harrison-Wyatt, L.L.C., Tr.23 P.O. Box 11000 Danville, VA 24543	0.90 acres	1.12500%	0.0974%
---	------------	----------	---------

OIL & GAS OWNERSHIP

(1) Bobby H.C. Jackson, et al.

Affidavit not received

(a) Bobby H.C. Jackson P.O. Box 872 Lester Prairie, MN 55354	0.90 acres <i>(Subject to the Life Estate of Henry Jackson)</i>	1.12500%	0.0974%
(b) Henry Lawrence Jackson P.O. Box 116 Vansant, VA 24656		<i>Life Estate</i>	

Total Acreage in Conflict	31.7900
Total Percentage in Conflict	39.7375%

Exhibit EE
Unit X-8
Docket #VGOB 05-0816-1491-01
List of Conflicting Owners/Claimants with Royalty Split Agreements/HB 2058

	Acres in Unit	Percent of Unit	Interest in VP8-2 South Panel 8.6552%	Percent of Escrow
Tract #1A, 30.15 Acres				
COAL OWNERSHIP				
(1) Harrison-Wyatt, L.L.C., Tr.27 P.O. Box 11000 Danville, VA 24543	30.15 acres	37.6875%	3.2619%	n/a
OIL & GAS OWNERSHIP				
(1) CNX Gas Company LLC P.O. Box 947 Bluefield, VA 24605	30.15 acres	37.6875%	3.2619%	n/a
Tract #1B, 8.02 Acres				
COAL OWNERSHIP				
(1) Harrison-Wyatt, L.L.C., Tr.27 P.O. Box 11000 Danville, VA 24543	8.02 acres	10.0250%	0.8677%	n/a
OIL & GAS OWNERSHIP				
(1) Buchanan County P.O. Box 1058 Grundy, VA 24614	8.02 acres	10.0250%	0.8677%	20.1457% HB2058
Tract #1D, 9.25 Acres				
COAL OWNERSHIP				
(1) Harrison-Wyatt, L.L.C., Tr.27 P.O. Box 11000 Danville, VA 24543	9.25 acres	11.5625%	1.0008%	n/a
OIL & GAS OWNERSHIP				
(1) CNX Gas Company LLC P.O. Box 947 Bluefield, VA 24605	9.25 acres	11.5625%	1.0008%	n/a
Total Acreage Resolved		47.4200		
Total Percentage Resolved			59.2750%	

INSTRUMENT #160000897
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MAY 19, 2016 AT 04:43PM

BEVERLY S. TILLER, CLERK
RECORDED BY: SLP