

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

UNITWELL NAME: P(-4)

TRACT(S): 2B

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-06-0718-1670-02

APPLICANTS: CNX Gas Company LLC on behalf of Flora Rush

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 11/15/2006, Recorded on 11/17/2006, Deed Book/Instrument No. 060003841.
2. Modification Order -01 Executed 11/06/2008, Recorded on 11/12/2008, Deed Book/Instrument No. 080004232.
3. Supplemental Order, Recorded on 03/12/2010, Deed Book/Instrument No. 100000523.

NOTICE:

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

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

RELIEF GRANTED:

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VGOB Disbursement
Unit P(-4)

VGOB-06-0718-1670-02

Table 1
Tracts: 2B

Item	Tract	Disbursement Table	Fractional Ownership		Net Acreage		Royalty Split		Escrowed Acres		Percent of Escrowed Funds	
			in Tract	in Tract	in Tract	in Tract	Agreement	Disbursed	Disbursed	Disbursed	Disbursed	Disbursed
		Total acreage in escrow before disbursement							0.05000			
2B Tract 2B (total acreage)			0.0500									
1	2B	Flora Rush\PO Box 536, Vansant, VA 24656			0.0500		100.00%		0.0500		100.00000%	

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 certified by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

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DONE AND EXECUTED this 25 day of February, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

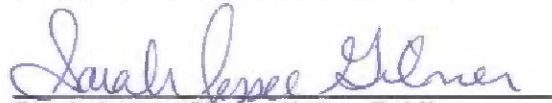
DONE AND PERFORMED this 25 day of February, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 25th 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 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 06-0718-1670-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2B (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: P(-4)

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, attributable to of Tract 2B, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Flora Rush.

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. Flora Rush is the gas claimant in Tracts 2B. As such Flora Rush 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 Flora Rush 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 ON THIS PLAT WERE
TAKEN FROM DEED DESCRIPTIONS AND CHAIN OF TITLE
AND DOES NOT REPRESENT A CURRENT FIELD SURVEY.

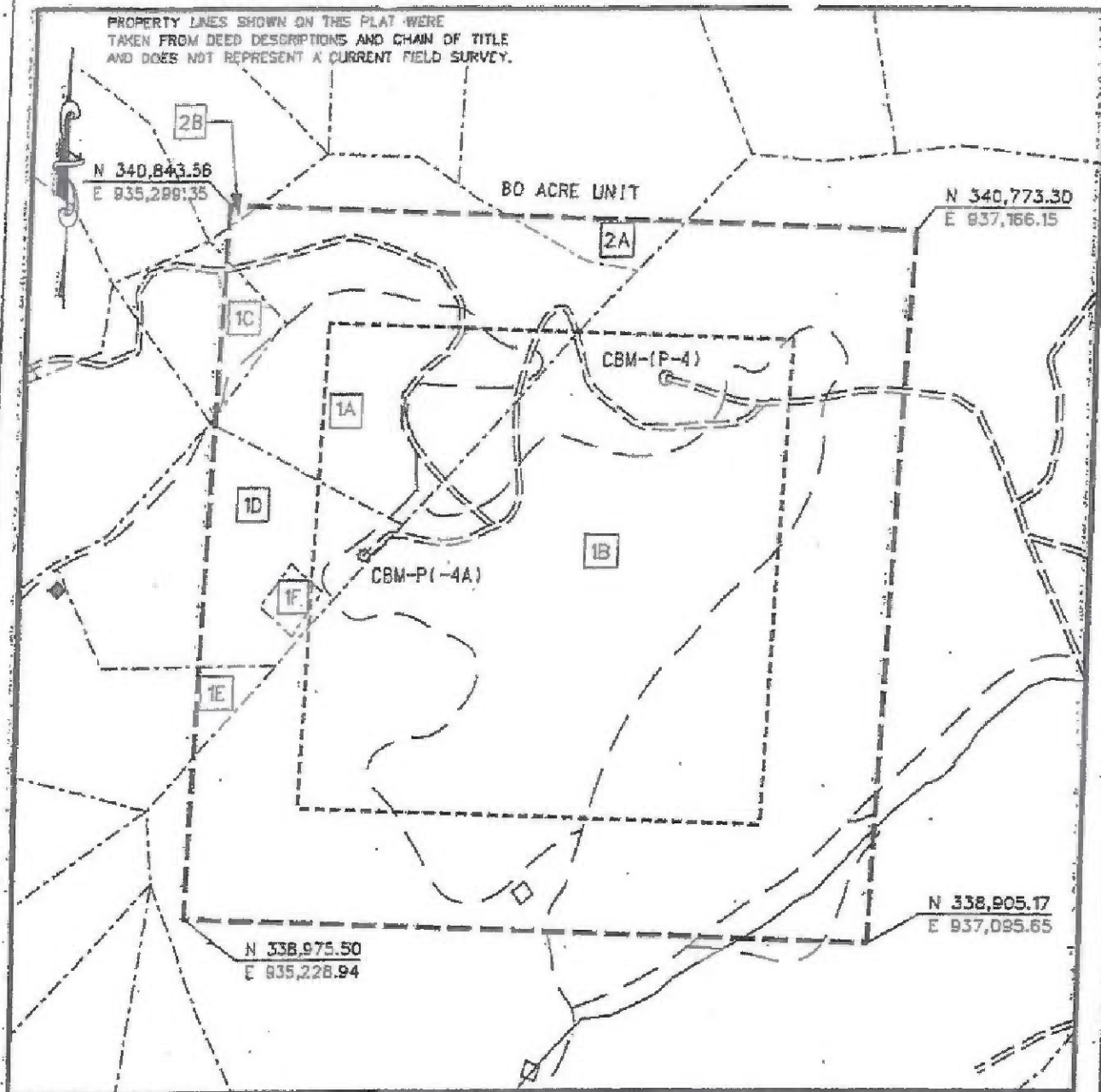


EXHIBIT A
OAKWOOD FIELD
UNIT P-(-4)
FORCE POOLING
VGOB-06-0718-1670-01

Company CNX Gas Company LLC Well Name and Number UNIT P-(-4)
 Tract No. _____ Elevation _____ Quadrangle Prater
 County Buchanan District Prater Scale: 1" = 400'
 This plat is a new plat X ; an updated plat _____ ; or final plat _____
 Form DGO-GO-7
 Rev. 9/91
 Licensed Professional Engineer or Licensed Land Surveyor
 8/6/08
 PROFESSIONAL ENGINEER

CNX Gas Company LLC

Unit P (-4)

Tract Identifications

1. F.H. Combs, II, Testamentary Trust, et al. (1010 Acre Tract) - All Minerals
Pyxis Resources Company/Paramont Coal Corp. - Coal in Clintwood, Eagle and Blair Seams Leased
CNX Gas Company, LLC - Oil, Gas and CBM Leased
79.10 acres 98.8760%
- 1A. Danny Owens, et ux - Surface Owner
1B. Paulette Sullivan - Surface Owner
1C. Barbara Bowman Wagner - Surface Owner
1D. Evelyn M. Belcher - Surface Owner
1E. Jack D. Owens - Surface Owner
1F. Unknown Surface Owner (CEMETERY)
- 2A. ACIN LLC - All Coal except the Splash Dam Seam
Penn Virginia Operating Co., LLC - Splash Dam Seam
Alpha Land Reserves, LLC - All Coal Leased except the Splash Dam Seam
Floyd L. Charles, et ux - Surface and all Minerals except Coal
Range Resources - Pine Mountain, Inc. - Oil, Gas and CBM Leased
0.85 acres 1.0625%
- 2B. ACIN LLC - All Coal except the Splash Dam Seam
Penn Virginia Operating Co., LLC - Splash Dam Seam
Alpha Land Reserves, LLC - All Coal Leased except the Splash Dam Seam
Flora Stewart - Surface and all Minerals except Coal
0.05 acres 0.0625%

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Exhibit E

Unit P(-4)

Docket #VGOB 06-0718-1670-01

List of Conflicting Owners/Claimants that require escrow
(80 Acre Tract)

Percent
of Unit

Acres in Unit

Escrowing no longer required

Exhibit EE
Unit P(-4)
Docket #VGOB 06-0718-1670-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(80 Acre Tract)

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	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #2B - 0.05 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) ACIN LLC c/o Western Pocahontas Properties LP P.O. Box 2827 1035 Third Avenue, Suite 300 Huntington, WV 25727	0.05 acres	0.0625%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Flora Rush PO Box 536 Vansant, VA 24656	0.05 acres	0.0625%	100.0000% HB 2058

INSTRUMENT #160000464
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MARCH 22, 2016 AT 03:32PM

BEVERLY S. TILLER, CLERK
RECORDED BY: GBB