

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: N74

TRACT(S): A portion of 2, 3A

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-06-0815-1692-01

APPLICANTS: CNX Gas Company LLC on behalf of Audrey Jean Dye, Barbara McClanahan, Betty L Stiltner,
CNX Gas Co LLC, Jeffrey Coleman, Mary S Sanders, Patricia Johnson, Russell Stiltner Jr,
Tammy Stiltner, Tonya Stiltner

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 06/19/2007, Recorded on 06/21/2007, Deed Book/Instrument No. 70002327.
2. Supplemental Order, Recorded on 10/03/2012, Deed Book/Instrument No. 120002296.

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) A portion of 2, 3A identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 2, 3A 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. Audrey Jean Dye, Mary S. Sanders, Barbara McClanahan, Jeffery Coleman, Betty L. Stiltner, Patricia McClanahan, Russell Stiltner, Jr., Tonya Stiltner, Tammy Stiltner, CNX Gas Co LLC is the gas claimant in Tracts 2 & 3A. As such, Audrey Jean Dye, Mary S. Sanders, Barbara McClanahan, Jeffery Coleman, Betty L. Stiltner, Patricia McClanahan, Russell Stiltner, Jr., Tonya Stiltner, Tammy Stiltner, CNX Gas Co LLC 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 Audrey Jean Dye, Mary S. Sanders, Barbara McClanahan, Jeffery Coleman, Betty L. Stiltner, Patricia McClanahan, Russell Stiltner, Jr., Tonya Stiltner, Tammy Stiltner, CNX Gas Co LLC and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

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.

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DONE AND EXECUTED this 3 day of March, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

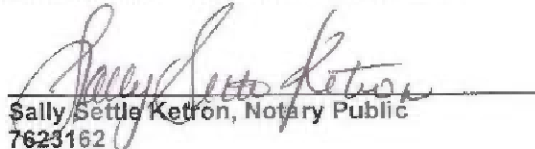
DONE AND PERFORMED this 3 day of March, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 3 day of March, 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.


Sally Settle Ketron, Notary Public
7623162

My Commission expires: January 31, 2019



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 06-0815-1692-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 2, 3A (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: N74

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 & 3A as depicted upon the annexed Table; (2) authorization to begin paying royalties directly to Audrey Jean Dye, Mary S. Sanders, Barbara McClanahan, Jeffery Coleman, Betty L. Stiltner, Patrician McClanahan, Russell Stiltner, Jr., Tonya Stiltner, Tammy Stiltner, CNX Gas Co LLC; (3) Dismissal of Coal Owner(s): Bull Creek Coal Company

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. Audrey Jean Dye, Mary S. Sanders, Barbara McClanahan, Jeffery Coleman, Betty L. Stiltner, Patrician McClanahan, Russell Stiltner, Jr., Tonya Stiltner, Tammy Stiltner, CNX Gas Co LLC is the gas claimant in Tracts 2 & 3A. As such Audrey Jean Dye, Mary S. Sanders, Barbara McClanahan, Jeffery Coleman, Betty L. Stiltner, Patrician McClanahan, Russell Stiltner, Jr., Tonya Stiltner, Tammy Stiltner, CNX Gas Co LLC 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 Audrey Jean Dye, Mary S. Sanders, Barbara McClanahan, Jeffery Coleman, Betty L. Stiltner, Patrician McClanahan, Russell Stiltner, Jr., Tonya Stiltner, Tammy Stiltner, CNX Gas Co LLC 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.

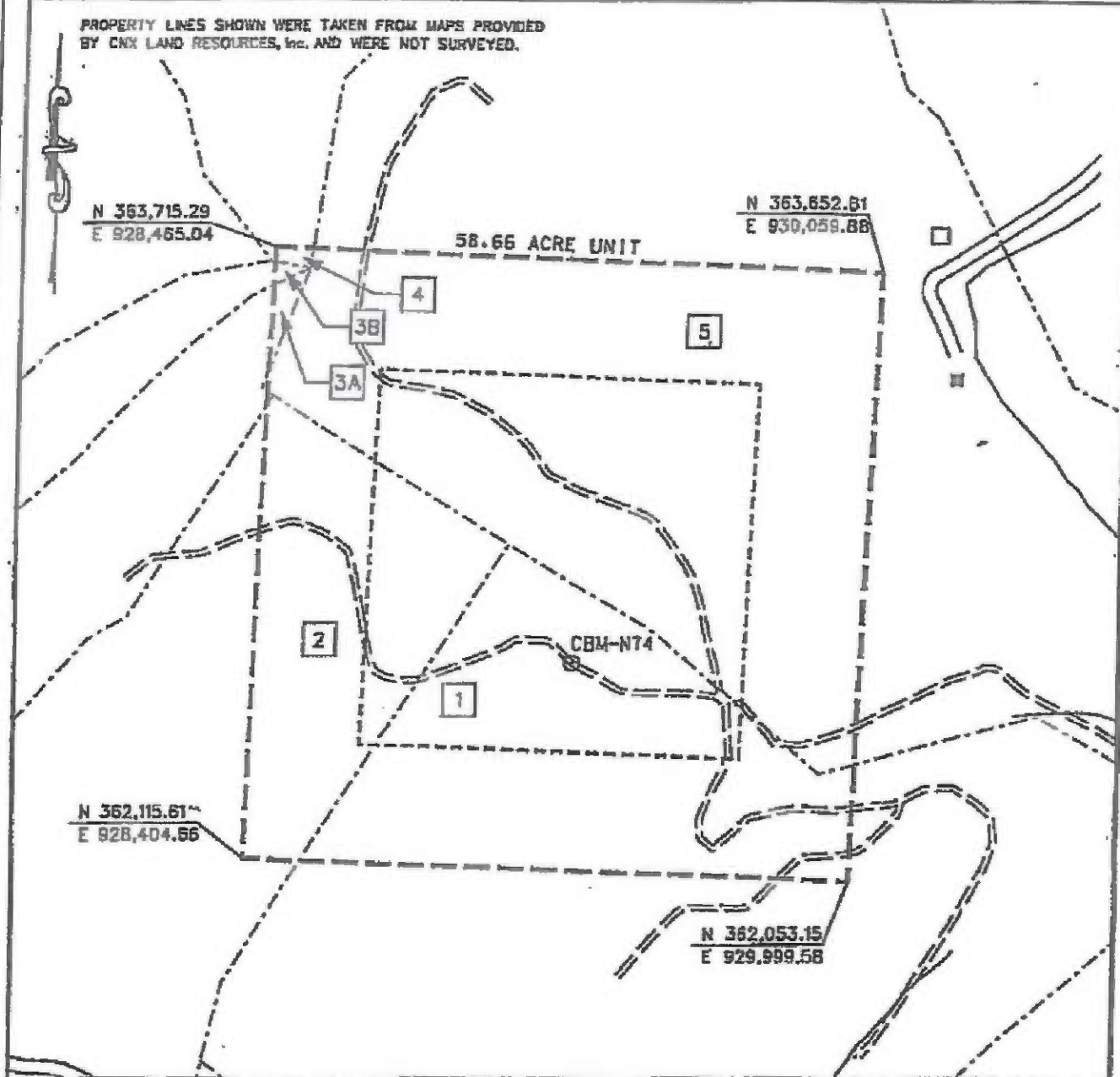
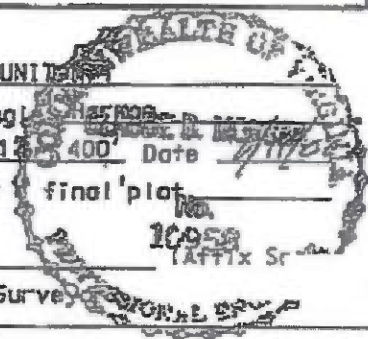


EXHIBIT A
NORA FIELD
UNIT N-74
FORCE POOLING
VGOB-06-0815-1692

Company CNX Gas Company LLC Well Name and Number UNIT N-74
Tract No. _____ Elevation _____ Quadrangle 15000
County Buchanan District Rock Lick Scale: 1" = 400' Date 11/10/06
This plot is a new plot X ; an updated plot _____ ; or final plot _____

Form DGO-60-7
Rev. 9/91

Charles O. Meyer
Licensed Professional Engineer or Licensed Land Surveyor



CNX GAS COMPANY LLC

Unit N 74

Tract Identifications

(58.66 Acre Unit)

1. Bull Creek Coal Company, Tract 32 (Mary J. Belcher 161.07 acres) - All Minerals
Island Creek Coal Company/Consol Energy, Inc. - Coal In and Below the Pocahontas
Number 6 Seam Leased
Rapoca Energy Corporation- Hagy Seam Leased
Range Resources-Appalachia, LLC - Oil and Gas Leased
CNX Gas Company LLC - CBM Leased
ELE, LLC- Surface
16.87 Acres 28.7589%
2. Bull Creek Coal Company, Tract 31 (Levi Clevinger 68.79 acres) -Coal
Rapoca Energy Corporation- Coal in Splash Dam Seam Leased (Subleased from Penn
Virginia)
Rapoca Energy Corporation - Hagy Seam Leased
Bobby Blankenship, et al - Surface, Oil and Gas
CNX Gas Company LLC - CBM Leased
10.88 Acres 18.5476 %
- 3A. Bull Creek Coal Company, Tract 29 (Josh Clevinger 114.85 acres) - Coal
Rapoca Energy Corporation- Coal in Splash Dam Seam Leased (Subleased from Penn
Virginia)
Rapoca Energy Corporation - Hagy Seam Leased
CNX Gas Company LLC-Surface, Oil and Gas
0.26 Acres 0.4432 %
- 3B. Bull Creek Coal Company, Tract 29 (Josh Clevinger 114.85 acres) - Coal
Rapoca Energy Corporation- Coal in Splash Dam Seam Leased (Subleased from Penn
Virginia)
Rapoca Energy Corporation - Hagy Seam Leased
Burton McClanahan, et ux - Surface, Oil and Gas
0.07 Acres 0.1193 %
4. Melba Sexton, et al (71.00 acres)-All Minerals
Southern Kentucky Energy Corporation-Clintwood and Splash Dam Seam of Coal
Leased
Range Resources-Appalachia, LLC - Oil and Gas Leased
CNX Gas Company LLC - CBM Leased
Surface Owner -Unknown
0.10 Acres 0.1705 %
5. Bull Creek Coal Company, Tract 12 (H.W. Pobst 177.00 acres) - All Minerals
Rapoca Energy Corporation-Coal in Splash Dam Seam Leased (Subleased to
Penn Virginia)
Rapoca Energy Corporation-Hagy Seam Leased
Range Resources-Appalachia, LLC - Oil and Gas Leased
CNX Gas Company LLC- CBM Leased
Virgil L. Webb - Surface
30.48Acres 51.9605 %

(This little block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)

Exhibit E
Unit N-74
Docket #VGOB 06-0815-1692-01
List of Owners/Claimants that require escrow
(58.66 Acre Tract)

160000467

	Acres in Unit	Percent of Unit
<u>Tract #2, 10.88 acres</u>		

(1)	Bull Creek Coal Company P.O. Box 187 Tazewell, VA 24651	10.88 acres	18.5476%
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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)	Bobby R. Blankenship, et al.	10.88 acres	18.5476%
(a)	Bobby R. & Peggy Blankenship 182 Romia Rd. Rowe, VA 24628	7.253 acres 2/3 of 10.88 acres	12.3650%
(d)	Virginia F. Stiltner P.O. Box 51 Maxie, VA 24628	0.725 acres 1/15 of 10.88 acres	1.2365%

Tract #3B, 0.07 acres

COAL OWNERSHIP

(1)	Bull Creek Coal Company P.O. Box 187 Tazewell, VA 24651	0.07 acres	0.1193%
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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)	Burton & Audrey McClanahan, I/e Rt.2 Box 382A Grundy, VA 24614	0.07 acres	0.1193%
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Total Escrowed Acreage in Unit	8.0487	
Total Escrowed Percentage in Unit		13.7209%

Docket #VGOB 06-0815-1692-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.66 Acre Tract)

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #2, 10.88 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Bull Creek Coal Company P.O. Box 187 Tazewell, VA 24651	10.88 acres	18.5476%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Bobby R. Blankenship, et al.	10.88 acres	18.5476%	
(b) Audrey Jean Dye P.O. Box 51 Maxie, VA 24628	0.725 acres 1/16 of 10.88 acres	1.2365%	6.4704% HB2058
(c) Mary S. Sanders P.O. Box 55 Maxie, VA 24628	0.725 acres 1/16 of 10.88 acres	1.2365%	6.4704% HB2058
(e) Louise Coleman Heirs, Devisees, Successors or Assigns			
(e.1) Barbara McClanahan P.O. Box 407 Grundy, VA 24614	0.363 acres 1/30 of 10.88 acres	0.6183%	3.2352% HB2058
(e.2) Jeffrey Coleman 18475 John Ashley Dr. Abingdon, VA 24211	0.363 acres 1/30 of 10.88 acres	0.6183%	3.2352% HB2058
(f) Russell Stiltner Heirs, Devisees, Successors or Assigns			
(f.1) Betty L. Stiltner P.O. Box 30 Maxie, VA 24628	0.403 acres 1/27 of 10.88 acres	0.6869%	3.5947% HB2058
(f.2) Patricia Johnson 108 Deaton Ave. Lincolnton, NC 28092	0.081 acres 1/136 of 10.88 acres	0.1374%	0.7189% HB2058
(f.3) Russell Stiltner, Jr. P.O. Box 2574 Grundy, VA 24614	0.081 acres 1/135 of 10.88 acres	0.1374%	0.7189% HB2058
(f.4) Tonya Stiltner P.O. Box 30 Maxie, VA 24628	0.081 acres 1/135 of 10.88 acres	0.1374%	0.7189% HB2058
(f.5) Tammy Stiltner 2063 Old Rocklick Road Big Rock, VA 24603	0.081 acres 1/135 of 10.88 acres	0.1374%	0.7189% HB2058
	Acres in Tract	2.9013	
	Percentage of Tract	4.9460%	

Exhibit EE
Unit N-74
Docket #VGOB 06-0815-1692-01
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.66 Acre Tract)

160000467

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #3A, 0.26 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Bull Creek Coal Company P.O. Box 187 Tazewell, VA 24651	0.26 acres	0.4432%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Peggy C. Matney	Conveyed by Deed of Gift to CNX Gas Company LLC on 7/27/2007, recorded at Instrument #070002859		
(a) CNX Gas Company LLC PO Box 643830 Pittsburgh, PA 15264	0.26 acres	0.4432%	2.3194% HB2058
<u>TOTAL CONFLICTS RESOLVED:</u>			
Acreage in Unit	3.1613		
Percentage of Unit		5.3892%	

INSTRUMENT #160000467
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MARCH 22, 2016 AT 03:37PM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB