

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: BC135

TRACT(S): 9

LOCATION: TAZEWELL County, Virginia

TAX ID NUMBERS: Tax Map Identification Numbers for all parcels affected by this order are shown on: Tract Identification Sheet

DOCKET NUMBER: VGOB-07-0417-1913-01

APPLICANTS: CNX Gas Company LLC on behalf of Coal Creek Coal Company

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 10/18/2007, Recorded on 10/29/2007, Deed Book/Instrument No. 1014, Page 129.
2. Supplemental Order Executed 07/14/2011, Recorded on 08/10/2011, Deed Book/Instrument No. 110002646.

NOTICE:

BK 2017 PG 05801

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 9 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 9 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. Coal Creek Coal Company is the gas claimant in Tracts 9. As such Coal Creek Coal Company is 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 notified 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 Coal Creek Coal Company and not escrow same. See Exhibit EE annexed hereto.

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 29 day of March, 2017 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

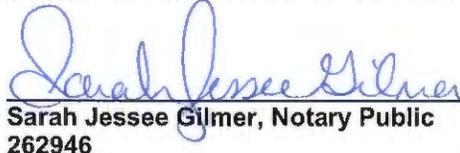
DONE AND PERFORMED this 29 day of March, 2017 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 29th day of March, 2017, 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 07-0417-1913-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 9 (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: BC135

TAZEWELL 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 of Tract(s) 9 as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Coal Creek Coal Company; (3) Dismissal of Coal Owner(s): James and Heather Reedy

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. Coal Creek Coal Company is the gas claimant in Tracts 9. As such Coal Creek Coal Company is 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 Coal Creek Coal Company 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

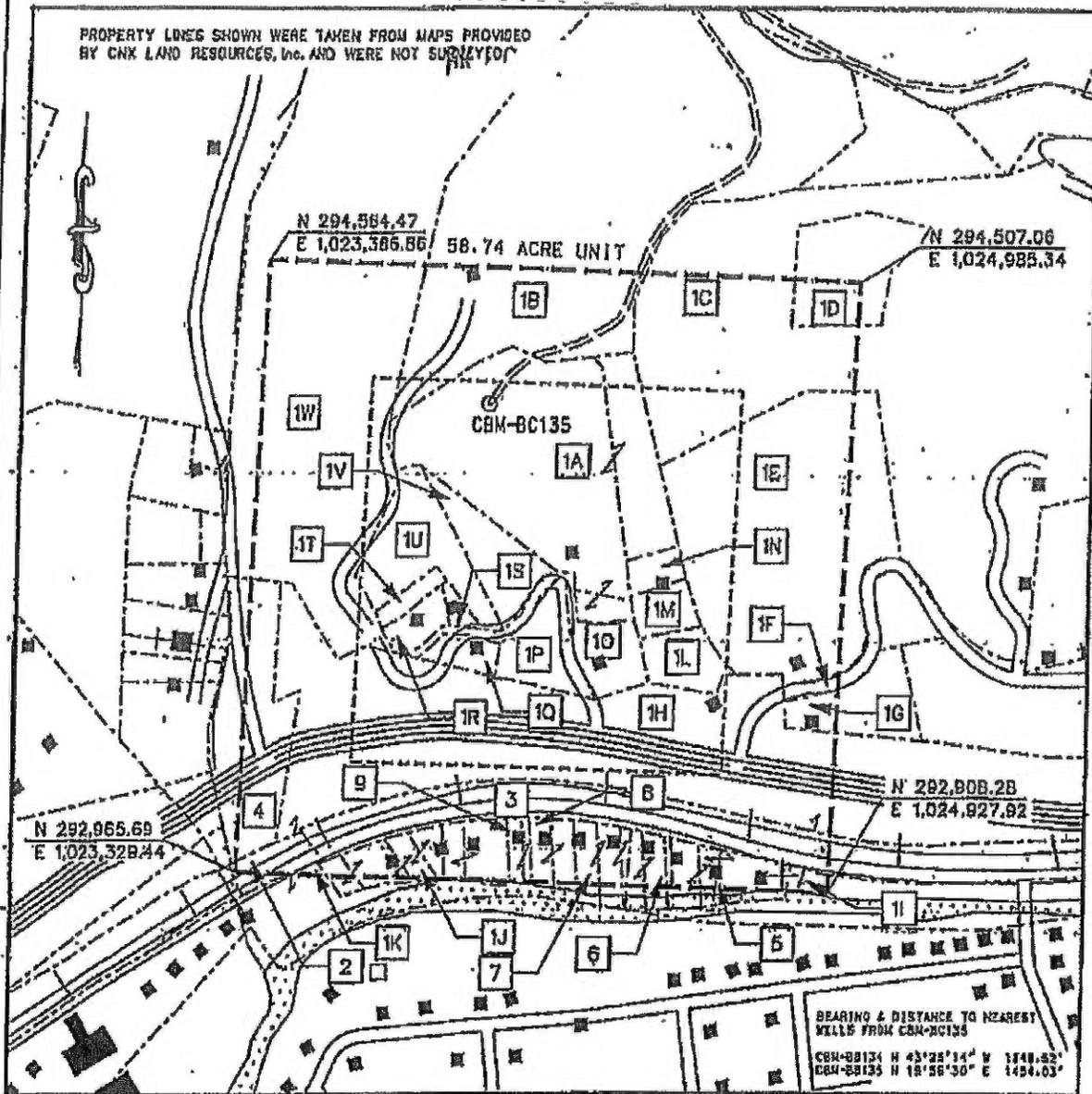


EXHIBIT A
MIDDLE RIDGE FIELD
UNIT BC-135
FORCE POOLING
V.G.O.B. 10-17-1913

Company CNX Gas Company LLC Well Name and Number CLAUDE D. BORGAN
 Tract No. _____ Elevation _____
 County Tazewell District Malden Springs Scale: 1" = 400' Date 3/14/27
 This plat is a new plat X or an updated plat _____ or a final plat _____

Form DGD-60-7 _____ (Affix Seal)
 Rev. 9/91 Charles D. Morgan
 Licensed Professional Engineer or Licensed Land Surveyor

CNX Gas Company LLC**Unit BC-135****Tract Identifications
(58.74 Acre Unit)**

1. **Coal Creek Coal Company Tr. B (Thomas A. Gillespie 168.75 Acre Tract - All Minerals Reserve Coal Properties Company - All Coal Leased Knox Creek Coal Corporation - Coal In Tiller Seam Sublease Reserve Coal Properties Company - Oil and Gas Leased CNX Gas Company LLC - CBM Leased Tax Map 104A Parcel 3A 61.10 acres 86.8935%**
 - 1A. **Brenda Ray - Surface**
 - 1B. **Maudie L. Lawson - Surface**
 - 1C. **Lacy L. Horton, et al - Surface**
 - 1D. **Unknown Surface Owner**
 - 1E. **Unknown Surface Owner**
 - 1F. **Unknown Surface Owner**
 - 1G. **Unknown Surface Owner**
 - 1H. **Commonwealth of Virginia - Surface**
 - 1I. **Unknown Surface Owner**
 - 1J. **Unknown Surface Owner**
 - 1K. **Unknown Surface Owner**
 - 1L. **Unknown Surface Owner**
 - 1M. **Unknown Surface Owner**
 - 1N. **Unknown Surface Owner**
 - 1O. **Unknown Surface Owner**
 - 1P. **Unknown Surface Owner**
 - 1Q. **Unknown Surface Owner**
 - 1R. **Unknown Surface Owner**
 - 1S. **Unknown Surface Owner**
 - 1T. **Unknown Surface Owner**
 - 1U. **Unknown Surface Owner**
 - 1V. **Unknown Surface Owner**
 - 1W. **Coal Creek Coal Company - Surface**
2. **Norfolk Southern Railway Company - Fee Tax Map Insert 104A2 Parcel 000 0.26 acres 0.6129%**
3. **Norfolk Southern Railway Company - Fee Tax Map Insert 104a2 Parcel 000 3.28 acres 5.5838%**
4. **Commonwealth of Virginia - Fee Tax Map Insert 104A2 Parcel 000 1.73 acres 2.9452%**
5. **Commonwealth of Virginia - Fee Tax Map Insert 104A2 Parcel 018 0.71 acres 1.2087%**

CNX Gas Company:LLC
Unit BC-135
Tract Identifications
(58.74 Acre Unit)

- 6. Jerry R. Plaster, et ux -- Fee
Tax Map Insert 104A2 Parcel 016
0.37 acres 0.6299%
- 7. Joan Jamison -- Fee
Tax Map Insert 104A2 Parcel 013
0.50 acres 0.8512%
- 8. James A. Reedy -- Fee
Tax Map Insert 104A2 Parcel 010
0.46 acres 0.7831%
- 9. James A. Reedy, et ux -- All Minerals except Oil and Gas
Coal Creek Coal Company -- Oil and Gas
James A. Reedy, et ux -- Surface
Tax Map Insert 104A2 Parcel 009
0.23 acres 0.3916%

BK 2017 PG 05811

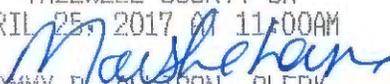
Exhibit E
Unit BC-135
Docket #VGOB 07-0417-1913-01
List of Owners/Claimants that require escrow
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
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Escrowing no longer required

Exhibit EE
 Unit BC-135
 Docket #VGOB 07-0417-1913-01
 List of Respondents with Royalty Split/Court Order/HB2058
 (58.74 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #9, 0.23 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) James A. & Heather Reedy, T/E P.O. Box 1175 Raven, VA 24639	0.23 acres	0.3916%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Coal Creek Coal Company P.O. Box 323 Tazewell, VA 24651	0.23 acres	0.3916%	100.00% HB2058

INSTRUMENT #170001164
 RECORDED IN THE CLERK'S OFFICE OF
 TAZEWELL COUNTY ON
 APRIL 25, 2017 AT 11:00AM

 TAMMY B. ALLISON, CLERK
 RECORDED BY: MLT