

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: AX127

TRACT(S): 003D, 003E

LOCATION: RUSSELL, 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-07-0619-1941-03

APPLICANTS:

CNX Gas Company LLC on behalf of Kermit Cantrell, Terry E. Wicks

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. Modification Order -01 Executed 01/31/2008, Recorded on 02/08/2008, Deed Book/Instrument No.
1021, Page 472.
2. Original Pooling Order Executed 01/31/2008, Recorded on 02/08/2008, Deed Book/Instrument No.
685, Page 569.
3. Supplemental Order, Recorded on 03/17/2010, Deed Book/Instrument No. 718.
4. Supplemental Order, Recorded on 03/17/2010, Deed Book/Instrument No. 718.

2015 016207

BOOK 0794 PAGE 0877

3144

5. Disbursement Order -02 Executed 03/23/2015, Recorded on 04/02/2015, Deed Book/Instrument No. 150000889.

NOTICE:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 003D, 003E identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 003D, 003E 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. Kermit Cantrell & Terry Wicks are the gas claimant in Tracts 3D & 3E. As such Kermit Cantrell & Terry Wicks 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 Kermit Cantrell & Terry Wicks and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

2015 M16208

BOOK 0794 PAGE 0878

VGOB Disbursement
Unit AX127

VGOB-07-0619-1941-03

Table 1

Tracts: 003D, 003E

Item	Tract	Disbursement Table	Fractional Ownership		Net Acreage		Royalty Split		Escrowed Acres		Percent of Escrowed Funds	
			In Tract		In Tract		Agreement		Disbursed		Disbursed	
		Total acreage in escrow before disbursement							5.55000			
003D Tract 003D (total acreage)			2.68									
1	003D	Terry E. Wicks\P.O. Box 15, Freeburn KY 41528			2.6800		100.00%		2.6800		48.2883%	
003E Tract 003E (total acreage)			2.23									
1	003E	Kernit Cantrell\PO Box 8005, Gray, TN 37615			2.2300		100.00%		2.2300		40.1802%	

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.

DONE AND EXECUTED this 16 day of October, 2015 by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert

Chairman, Bradley C. Lambert

DONE AND PERFORMED this 16 day of October, 2015 by Order of the Virginia Gas and Oil Board.

Rick Cooper

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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 16th day of October, 2015, 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

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 07-0619-1941-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 003D, 003E (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: AX127

RUSSELL, TAZEWELL 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) 3D & 3E as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Kermit Cantrell & Terry Wicks.

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. Kermit Cantrell & Terry Wicks are the gas claimant in Tracts 3D & 3E. As such Kermit Cantrell & Terry Wicks 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 Kermit Cantrell & Terry Wicks 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.

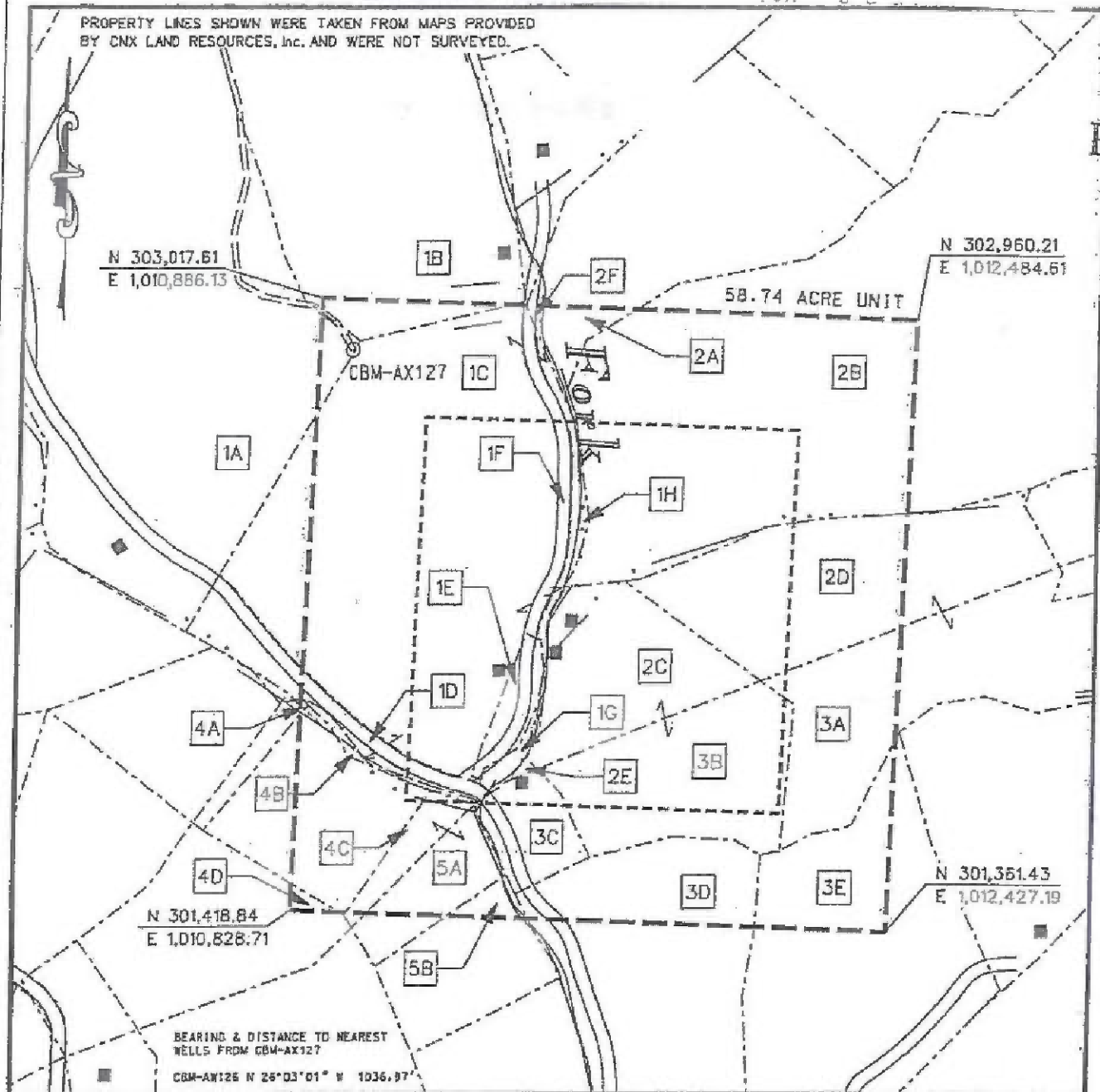
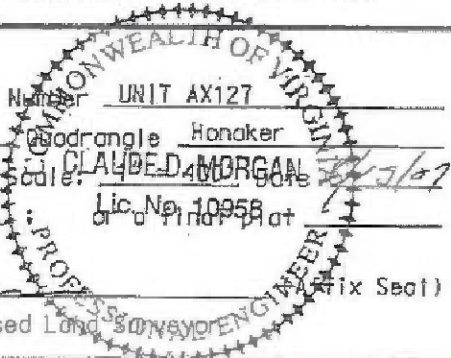


EXHIBIT A
MIDDLE RIDGE FIELD
UNIT AX-127
FORCE POOLING
VGDB-07-0619-1941-01

Company CNX Gas Company LLC Well Name and Number UNIT AX127
Tract No. _____ Elevation _____ Quadrangle Honaker
County Russell/Tazewell District New Garden/Maiden Springs Scale: 1" = 400' 00"
This plat is a new plat X ; an updated plat _____ Lic No. 10958
or a final plat _____

Form D60-GO-7
Rev. 9/91

Licensed Professional Engineer or Licensed Land Surveyor



CNX Gas Company LLC
UNIT AX-127
 Tract Identifications

1. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 41 (168.50 Acre Tract) - All Minerals
 Reserve Coal Properties Company - Below Drainage Coal Leased
 Knox Creek Coal Corporation - Above Drainage Coal Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 Tax Map 84 Parcel 0000
 18.62 acres 31.6990%

- 1A. Ballard Whited, et ux - Surface
- 1B. Ralph Whited, et ux - Surface
- 1C. Linda Whited - Surface
- 1D. Commonwealth of Virginia - Surface
- 1E. Unknown Surface Owner
- 1F. Commonwealth of Virginia - Surface
- 1G. Unknown Surface Owner
- 1H. Unknown Surface Owner

- 2A. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 22 (121.50 Acre Tract) - Coal
 Reserve Coal Properties Company - Below Drainage Coal Leased
 Knox Creek Coal Corporation - Above Drainage Coal Leased
 CNX Gas Company LLC - CBM Leased
 William Cordle Heirs or Ralph Whited - Surface and All Minerals except Coal
 Tax Map 84A Parcel 28
 0.64 acres 1.0895%

- 2B. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 22 (121.50 Acre Tract) - Coal
 Reserve Coal Properties Company - Below Drainage Coal Leased
 Knox Creek Coal Corporation - Above Drainage Coal Leased
 CNX Gas Company LLC - CBM Leased
 David Salyers, et al - Surface and All Minerals except Coal
 Tax Map 84A Parcel 29
 12.18 acres 20.7364%

- 2C. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 22 (121.50 Acre Tract) - Coal
 Reserve Coal Properties Company - Below Drainage Coal Leased
 Knox Creek Coal Corporation - Above Drainage Coal Leased
 CNX Gas Company LLC - CBM Leased
 William C. Gearhart, et ux - Surface and All Minerals except Coal
 CNX Gas Company LLC - Oil, Gas and CBM
 Tax Map 84A Parcel 34
 3.79 acres 6.4522%

CNX Gas Company LLC

UNIT AX-127

Tract Identifications

- 2D. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 22 (121.50 Acre Tract) - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Raymond E. Salyers, et al - Surface and All Minerals except Coal
Tax Map 84A Parcel 33
4.66 acres 7.9333%
- 2E. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 22 (121.50 Acre Tract) - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Kennith J. Miller, et ux - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
Tax Map 84A Parcel 35
0.04 acres 0.0681%
- 3A. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 43 (377 Acre Tract) - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Raymond E. Salyers, et al - Surface and All Minerals except Coal
Tax Map 84A Parcel 45
2.91 acres 4.9540%
- 3B. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 43 (377 Acre Tract) - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
William C. Gearhart, et ux - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
Tax Map 84A Parcel 34
4.59 acres 7.8141%
- 3C. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 43 (377 Acre Tract) - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Kennith J. Miller, et ux - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
Tax Map 84A Parcel 35
1.38 acres 2.3493%

CNX Gas Company LLC**UNIT AX-127****Tract Identifications**

- 3D. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 43 (377 Acre Tract) - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Terry E. Wicks - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
Tax Map 84A Parcel 38
2.68 acres 4.5625%
- 3E. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 43 (377 Acre Tract) - Coal
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Kermit Cantrell - Surface and All Minerals except Coal
Tax Map 84A Parcel 38
2.23 acres 3.7964%
4. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 45 (11.13 Acre Tract) - All Minerals
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Tax Map 33L Parcel 0000
3.57 acres 6.0776%
- 4A. Unknown Surface Owner
4B. Unknown Surface Owner
4C. Unknown Surface Owner
4D. Unknown Surface Owner
5. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 46 (36.50 Acre Tract) - All Minerals
Reserve Coal Properties Company - Below Drainage Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Tax Map 33L Parcel 0000
1.45 acres 2.4685%
- 5A. Unknown Surface Owner
5B. Unknown Surface Owner

2015 116217
Exhibit E
Unit AX-127
Docket #VGOB 07-0619-1941-03
List of Owners in escrow
(58.74 Acre Tract)

BOOK 0794 PAGE 0887

	Acres In Unit	Interest in Unit
<u>Tract #2A, 0.64 acres</u>		
<i>Escrow due to Title Conflict</i>		
<u>COAL OWNERSHIP</u>		
(1) Coal Mountain Mining Company, Tr.22 Limited Partnership P.O. Box 675 Tazewell, VA 24651	0.64 acres	1.0895%
<u>OIL & GAS OWNERSHIP</u>		
(1) William Cordle Heirs <i>Heirs / Addresses Unknown</i>	0.64 acres	1.0895%
- OR -		
(1) Ralph Whitfed, et ux PO Box 567 Raven, VA 24639	0.64 acres	1.0895%

2015 016218

BOOK 0794 PAGE 0888

Exhibit EE
Unit AX-127

Docket #VGOB 07-0619-1941-03

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

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #2B, 12.18 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.22 Limited Partnership P.O. Box 675 Tazewell, VA 24651	12.18 acres	20.7354%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) David R. Salyers, et al	12.18 acres	20.7354%	
(a) David R. Salyers 3281 Road Ridge Turnpike Raven, VA 24639	6.09 acres 1/2 of 12.18 acres	10.3677%	n/a
(b) Steven D. Salyers P.O. Box 700 Raven, VA 24639	6.09 acres 1/2 of 12.18 acres	10.3677%	n/a
<u>Tract #2C, 3.79 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.22 Limited Partnership P.O. Box 675 Tazewell, VA 24651	3.79 acres	6.4522%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) William Gearhart, et ux 174 Wild Rose Dr. Raven, VA 24639	3.79 acres	6.4522%	n/a
<u>Tract #2D, 4.66 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.22 Limited Partnership P.O. Box 675 Tazewell, VA 24651	4.66 acres	7.9333%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Raymond E. Salyers, et al			
(a) Deborah S. Gregger Heirs, Devisees, Successors or Assigns			
(b) Raymond E. Salyers PO Box 1150 Raven, VA 24639	4.66 acres	7.9333%	n/a
<u>Tract #2E, 0.04 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.22 Limited Partnership P.O. Box 675 Tazewell, VA 24651	0.04 acres	0.0681%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Kenneth J. Miller, et ux P.O. Box 542 Raven, VA 24639	0.04 acres	0.0681%	n/a

2015 M16219

Exhibit EE
Unit AX-127

BOOK 0794 PAGE 0889

Docket #VGOB 07-0619-1941-03

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

	Acres In Unit	Interest In Unit	Percent of Escrow
<u>Tract #3A, 2.91 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.43 Limited Partnership P.O. Box 675 Tazewell, VA 24661	2.91 acres	4.9540%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Raymond E. Salyers, et al			
(a) Deborah S. Gregger Heirs, Devisees, Successors or Assigns			
(b) Raymond E. Salyers PO Box 1150 Raven, VA 24639	2.91 acres	4.9540%	n/a
<u>Tract #3B, 4.59 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.43 Limited Partnership P.O. Box 675 Tazewell, VA 24661	4.59 acres	7.8141%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) William C. Gearhart, et ux 174 Wild Rose Dr. Raven, VA 24639	4.59 acres	7.8141%	n/a
<u>Tract #3C, 1.38 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.43 Limited Partnership P.O. Box 675 Tazewell, VA 24661	1.38 acres	2.3493%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Kenneth J. Miller, et ux P.O. Box 542 Raven, VA 24639	1.38 acres	2.3493%	n/a
<u>Tract #3D, 2.68 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.43 Limited Partnership P.O. Box 675 Tazewell, VA 24661	2.68 acres	4.5625%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Terry E. Wicks P.O. Box 15 Freeburn, KY 41528	2.68 acres	4.5625%	48.2883% HB2058

2015 M16220
Exhibit EE
Unit AX-127

BOOK 0794 PAGE 0890

Docket #VGOB 07-0619-1941-03
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.74 Acre Tract)

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #3E, 2.23 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Coal Mountain Mining Company, Tr.43 Limited Partnership P.O. Box 675 Tazewell, VA 24661	2.23 acres	3.7964%	
<u>OIL & GAS OWNERSHIP</u>			
(1) Kermit Cantrell P.O. Box 8005 Gray, TN 37615	2.23 acres	3.7964%	40.1802% HB2058
Total Acreage Resolved	34.4600		
Total Percentage Resolved		58.6653%	

INSTRUMENT #150003164
RECORDED IN THE CLERK'S OFFICE OF
TAZEWELL COUNTY ON
OCTOBER 26, 2015 AT 04:28PM
1502102
TAMMY B. ALLISON, CLERK
RECORDED BY: MLT
Mark

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 10-26 2015. This deed was this day
presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 1:29 o'clock P M, after
payment of \$ tax imposed by Sec. 58.1-802.

Original returned this date to: Sara Gilmer

TESTE: ANN S. McREYNOLDS, CLERK
BY: Jennifer Kendrick D. CLERK