

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: T20

TRACT(S): 2

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-07-1218-2095-01

APPLICANTS: Pocahontas Gas LLC on behalf of Norfolk Southern Railway Corporation

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 Pocahontas Gas LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 01/31/2008, Recorded on 02/07/2008, Deed Book/Instrument No. 80000450, County BUCHANAN.
2. Supplemental Order, Recorded on 03/12/2010, Deed Book/Instrument No. 100000529, County BUCHANAN.

NOTICE:

200001063

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 2 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2 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. Norfolk Southern Railway Company is the gas claimant in Tract(s) 2. As such Norfolk Southern Railway Company 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 Pocahontas Gas LLC (formerly 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 Norfolk Southern Railway 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:

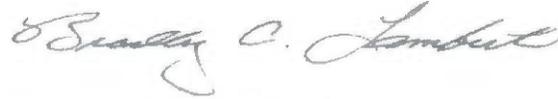
Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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.

200001063

DONE AND EXECUTED this 1 day of September, 2020 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

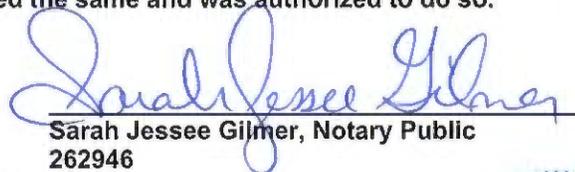
DONE AND PERFORMED this 1 day of September, 2020 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 1st day of September, 2020, 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, 2021



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: Pocahontas Gas LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 07-1218-2095-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2 (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: T20**BUCHANAN COUNTY, VIRGINIA****PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS****1. Petitioner and its counsel**

Petitioner is Pocahontas Gas 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, attributable to Tract 2, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Norfolk Southern Railway Company; (3) Dismissal of Coal Owner(s): Yukon Pocahontas Coal Co, Buchanan Coal Co, and Sayers-Pocahontas Coal Co.

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)

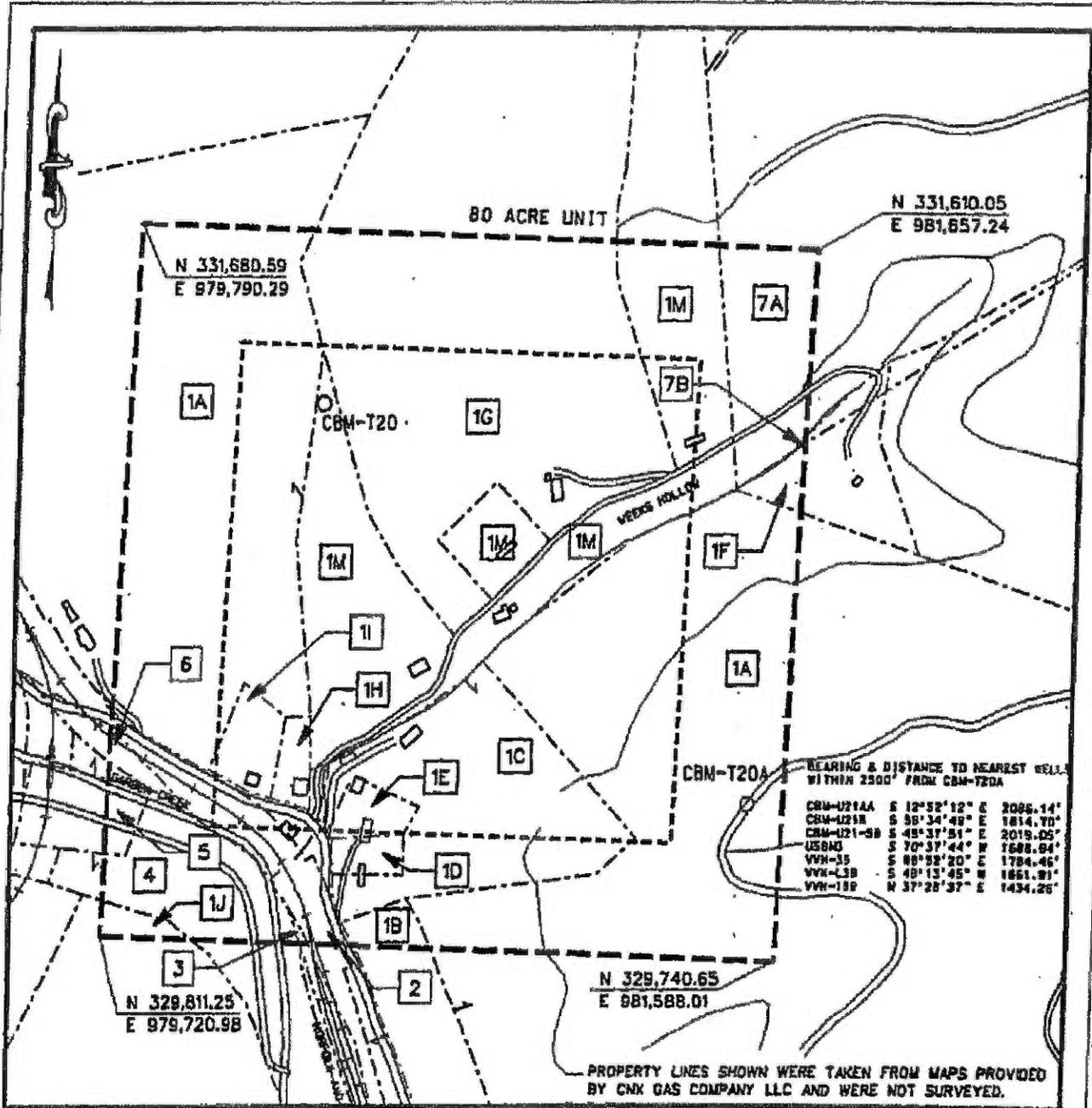
Coalbed Methane

5. Factual basis for relief requested

- a. Norfolk Southern Railway Company is the gas claimant in Tract(s) 2. As such Norfolk Southern Railway Company 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 Pocahontas Gas LLC (formerly 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 Norfolk Southern Railway 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 GAS COMPANY LLC AND WERE NOT SURVEYED.

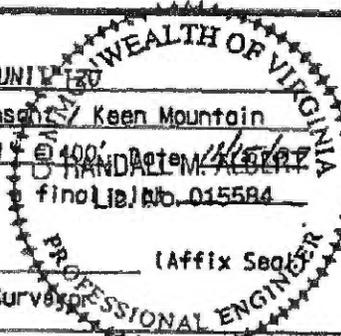
EXHIBIT A
 OAKWOOD FIELD
 UNIT T-20
 FORCE POOLING
 VGOB-07-1218-2095

Company CNX Gas Company LLC Well Name and Number UNIT T20
 Tract No. _____ Elevation _____ Quadrangle Versant / Keen Mountain
 County Buchanan District Hurricane Scale: 1" = 400' Date 11/15/17
 This plat is a new plat _____ ; an updated plat _____ ; or a final plat No. 015584

Form DGD-GD-7
 Rev. 9/91

[Signature]

Licensed Professional Engineer or Licensed Land Surveyor



CNX Gas Company LLC
UNIT T 20
Tract Identifications

1. **Consolidation Coal Company, et al Big Vein Tr. 116 (626 Acre Tract) – All Minerals except Oil, Gas and CBM**
Plum Creek Timberlands, L.P., et al – Oil, Gas and CBM
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
Jewell Smokeless Coal Corporation – Jawbone Seam Leased
CNX Gas Company LLC – CBM Leased
71.34 acres 89.1750%

- 1A. **Consolidation Coal Company - Surface**
- 1B. **Unknown Surface Owner**
- 1C. **Unknown Surface Owner**
- 1D. **Unknown Surface Owner**
- 1E. **Unknown Surface Owner**
- 1F. **Unknown Surface Owner**
- 1G. **Unknown Surface Owner**
- 1H. **Unknown Surface Owner**
- 1I. **Unknown Surface Owner**
- 1J. **Consolidation Coal Company – Surface**
- 1K. **Unknown Surface Owner**
- 1L. **Unknown Surface Owner**
- 1M. **Buford McGlothlin, et ux - Surface**
- 1N. **Unknown Surface Owner**

2. **Norfolk Southern Railway Company – Fee except Coal Below 800 Feet**
CNX Gas Company LLC – CBM Leased In Coal Above 800 Feet
Consolidation Coal Company, et al – Coal Below 800 Feet
Island Creek Coal Company/Consol Energy, Inc. - Coal In Tiller and Below Leased
Jewell Smokeless Coal Corporation – Coal In Jawbone Seam Leased
CNX Gas Company LLC - CBM Leased In Coal Below 800 Feet
1.98 acres 2.4750%

3. **Norfolk Southern Railway Company – Fee**
Consolidation Coal Company – Coal In P-3 Seam Leased
CNX Gas Company LLC – CBM Leased
0.03 acres 0.0375%

4. **H. A. Street Trustees, et al – Fee except Coal In P-3 Seam**
Island Creek Coal Company/Consol Energy, Inc. – Coal In P-3 Seam
2.87 acres 3.7125%

5. **Norfolk Southern Railway Company, et al – Fee except Coal In P-3 Seam**
Island Creek Coal Company/Consol Energy, Inc. – Coal In P-3 Seam
CNX Gas Company LLC – CBM Leased
0.39 acres 0.4875%

200001063

CNX Gas Company LLC
UNIT T 20
Tract Identifications

6. **Norfolk Southern Railway Company – Fee**
Consolidation Coal Company – Coal In P-3 Seam Leased
CNX Gas Company LLC – CBM Leased
0.27 acres 0.3375%
7. **C. L. Ritter Lumber Company - Tr. 11-2 (134.60 Acre Tract) – All Minerals**
Island Creek Coal Company/Consol Energy, Inc. - Coal below Tiller seam Leased
Jewell Smokeless Coal Corporation – Coal In Tiller and Above Leased
Hard Rock Exploration and Carter Oil & Gas - Oil and Gas Leased
CNX Gas Company LLC - CBM Leased
3.02 acres 3.7750%
- 7A. **Consolidation Coal Company - Surface**
7B. **Consolidation Coal Company – Surface**

200001063

Acres In Unit Percent
of Unit

Escrowing no longer required

Exhibit EE
Unit T-20
Docket #VGOB 07-1218-2095-01
List of Respondents with Royalty Split/Court Order/HB2058

200001063

	Acres In Unit	Percent of Unit	Percent of Escrow
<u>Tract #2, 1.98 Acres</u>			
<u>COAL OWNERSHIP</u>			
(2) Yukon Pocahontas Coal Company et al. (Coal below 800')	1.98 acres	2.4750%	
(a) Yukon Pocahontas Coal Company P.O. Box 187 Tazewell, VA 24651	0.99 acres 1/2 of 1.98 acres	1.2375%	n/a
(b) Buchanan Coal Company P.O. Box 187 Tazewell, VA 24651	0.22 acres 1/9 of 1.98 acres	0.2750%	n/a
(c) Sayers-Pocahontas Coal Company P.O. Box 187 Tazewell, VA 24651	0.11 acres 1/18 of 1.98 acres	0.1375%	n/a
(d) Buchanan Mining Company LLC PO Drawer L Oakwood, VA 24631	0.66 acres 1/3 of 1.98 acres	0.8250%	n/a
<u>OIL & GAS OWNERSHIP</u>			
<i>Note: Only the seams that are stimulated below 800' are escrowed. 67.6471% of interest in unit escrowed. 32.3529% of interest in unit has been on direct pay.</i>			
(1) Norfolk Southern Railway Company Real Estate Dept. - Attn: Ann Powell 1200 Peachtree Road; Box 165 Atlanta, GA 30309	1.98 acres	2.4750%	
(a) Norfolk Southern Railway Company Real Estate Dept. - Attn: Ann Powell 1200 Peachtree Road; Box 165 Atlanta, GA 30309	1.3394 acres** (67.6471% of interest)**	1.6743%	100.0000% HB2058
(b) Norfolk Southern Railway Company Real Estate Dept. - Attn: Ann Powell 1200 Peachtree Road; Box 165 Atlanta, GA 30309	0.6406 acres** (32.3529% of interest)**	0.8007%	n/a
<u>Tract #4, 2.97 Acres</u>			
<i>** Tract shown on prior Exhibit E, P3 seam was not stimulated eliminating conflict, tract has always been on direct pay</i>			
<u>COAL OWNERSHIP</u>			
(2) ICC (P3 seam) PO Drawer L Oakwood, VA 24631 <i>(No P3 Seam Stimulated, pay all royalty to HA & ND Street)</i>	2.97 acres	3.7125%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) H.A. Street, et al.	2.97 acres	3.7125%	
(a) H.A. Street, Trustee P.O. Box 969 Grundy, VA 24614	1.49 acres 1/2 of 2.97 acres	1.8563%	n/a
(b) N.D. Street, Trustee P.O. Box 1475 Grundy, VA 24614	1.49 acres 1/2 of 2.97 acres	1.8563%	n/a

200001063

Exhibit EE
Unit T-20

Docket #VGOB 07-1218-2095-01
List of Respondents with Royalty Split/Court Order/HB2058

	Acres In Unit	Percent of Unit	Percent of Escrow
<u>Tract #5, 0.39 Acres</u>			
<i>** Tract shown on prior Exhibit E, P3 seam was not stimulated eliminating conflict, tract has always been on direct pay</i>			
<u>COAL OWNERSHIP</u>			
(2) ICCO (P3 seam) PO Drawer L Oakwood, VA 24631 <i>(No P3 Seam Stimulated, pay all royalty to N/S)</i>	0.39 acres	0.4875%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Norfolk Southern Railway Company Real Estate Dept. - Attn: Ann Powell 1200 Peachtree Road; Box 165 Atlanta, GA 30309	0.39 acres	0.4875%	n/a
	Total Acres Resolved	5.3400	
	Total Percentage Resolved	6.6750%	

INSTRUMENT 200001063
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY CIRCUIT COURT ON
SEPTEMBER 29, 2020 AT 02:28 PM
BEVERLY S. TILLER, CLERK
RECORDED BY: CXE