

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER
VGOB 08-0115-2122-01

ELECTIONS: **UNIT AZ-143** (*Wells AZ143 & AZ143A*)
(herein Subject Drilling Unit)

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on **November 20, 2014**, which was recorded at **Deed Book 2014, Page 19165** in the Office of the Clerk of the Circuit Court of **Tazewell County, Virginia**, on **December 12, 2014**, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to **Unit AZ-143**;

Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, **First Bank & Trust Company 38 E. Valley Drive, Bristol, VA 24201, Attn: Escrow Agent** or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 25 day of March, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

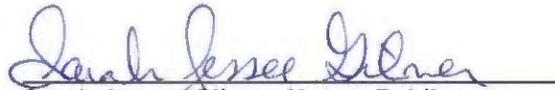
DONE AND PERFORMED this 25 day of March, 2015 by Order of the Virginia Gas and Oil Board.



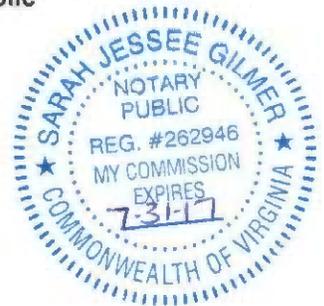
Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 25th day of March, 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 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



VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit AZ-143
VGOB 08-0115-2122-01 in the Maiden Springs District of Tazewell County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "Designated Operator") REGARDING
ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Land LLC, as a Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on **November 20, 2014**, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on **December 12, 2014**;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of **November 20, 2014**;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

See attached Exhibit B-2

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be added and/or dismissed as respondents; the Operator requests that the following persons be added and/or dismissed as Respondents:

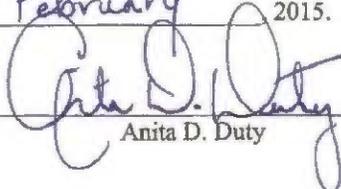
Richlands Coal Company

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

None

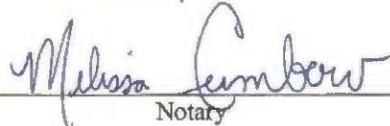
That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 24th day of February, 2015.


Anita D. Duty

STATE OF WEST VIRGINIA
COUNTY OF MERCER

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Land LLC on behalf of the corporate Designated Operator, this 24th day of February, 2015.


Notary

My commission expires: April 9, 2023



CNX Gas Company LLC
 Unit AZ 143
 Tract Identifications
 (58.74 Acre Unit)

BK 2014 PG 19177

1. Southern Region Industrial Realty Corporation, Tr. 1 (4430 Acre Tract) - All Coal Except P-3 Seam
 CNX RCPC LLC - Coal in P-3 Seam
 CNX Gas Company LLC - CBM in P-3 Seam
 White Wolf Energy, Inc. - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams
 Massey Energy - Coal in Raven, Tiller and Lower Seaboard Seams Leased
 Pardee Royalty LLC (50%) and Pardee Minerals LLC (50%) - Oil, Gas and CBM except CBM in P-3 Seam
 CNX Gas Company LLC - CBM - Deemed Leased via JOA
 Southern Region Industrial Realty Corporation - Surface
 Appalachian Forests A., LLC - Timber
 (Tax Map 105 Parcel 30)
 50.09 Acres 85.2741%
- 2A. Richlands Coal Corporation (40.00 Acre Tract) - All coal
 CNX RCPC LLC - All Coal except "edge Seams" Leased
 CNX Gas Company, LLC - CBM Leased
 Fred A. Sayers - Surface, Oil and Gas
 CNX Gas Company, LLC - Oil, Gas and CBM Leased
 (Tax Map 105A 501 Parcel 01 Tr 8)
 4.94 Acres 8.4100%
- 2B. Richlands Coal Corporation (40.00 Acre Tract) - All coal
 CNX RCPC LLC - All Coal except "edge Seams" Leased
 CNX Gas Company, LLC - CBM Leased
 M.M. Strouth, et ux - Surface, Oil and Gas
 (Tax Map 105A 501 Parcel 01 Tr 23)
 3.69 Acres 6.2819%
- 2C. Richlands Coal Corporation (40.00 Acre Tract) - All coal
 CNX RCPC LLC - All Coal except "edge Seams" Leased
 CNX Gas Company, LLC - CBM Leased
 Danny K. Clevinger, et ux - Surface, Oil and Gas
 (Tax Map 105A 501 Parcel 01 Tr 38)
 0.02 Acres 0.0340%

"This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coal bed methane ownership and should not be relied upon for such purpose."

BK 2015 PG 04495

Exhibit B-2
Unit AZ-143

Docket #VGOB 08-0115-2122-01
List of Respondents to be Added/Dismissed
(58.74 Acre Unit)

| | Net Acres in Unit | Interest in Unit | Reason for Dismissal |
|---|----------------------|---------------------|-------------------------|
| I. COAL OWNERSHIP | | | |
| <u>Tract #2A - 4.94 acres</u> | | | |
| (1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641 | 4.94 acres | 8.4100% | Leased |
| <u>Tract #2B - 3.69 acres</u> | | | |
| (1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641 | 3.69 acres | 6.2819% | Leased |
| <u>Tract #2C - 0.02 acres</u> | | | |
| (1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641 | 0.02 acres | 0.0340% | Leased |

BK 2015 PG 04496

Exhibit B-3

Unit AZ-143

Docket #VGOB 08-0115-2122-01

List of All Unleased Owners/Claimants

(58.74 Acre Unit)

| | Net Acres in Unit | Interest in Unit |
|---|----------------------|---------------------|
| II. OIL & GAS OWNERSHIP | | |
| <u>Tract #2B - 3.69 acres</u> | | |
| (1) M.M. Strouth, et ux 2101 Cain Street Seagoville, TX 75159 | 3.69 acres | 6.2819% |
| <u>Tract #2C - 0.02 acres</u> | | |
| (1) Danny K. Clevinger, et ux 211 Mountain Road Richlands, VA 24641 | 0.02 acres | 0.0340% |
| <u>TOTAL OIL & GAS UNLEASED:</u> | | |
| | Acreege in Unit | 3.71 |
| | Percentage of Unit | 6.3160% |

BK 2015 PG 04497

Exhibit E

Unit AZ-143

Docket #VGOB 08-0115-2122

List of Conflicting Owners/Claimants that require escrow
(58.74 Acre Unit)

| | Net Acres in Unit | Interest in Unit |
|---|----------------------|---------------------|
| <u>Tract #2A - 4.94 acres</u> | | |
| <u>COAL OWNERSHIP</u> | | |
| (1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641 | 4.94 acres | 8.4100% |
| <u>OIL & GAS OWNERSHIP</u> | | |
| (1) Fred A. Sayers PO Box 355 Doran, VA 24612 | 4.94 acres | 8.4100% |
| <u>Tract #2B - 3.69 acres</u> | | |
| <u>COAL OWNERSHIP</u> | | |
| (1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641 | 3.69 acres | 6.2819% |
| <u>OIL & GAS OWNERSHIP</u> | | |
| (1) M.M. Strouth, et ux 2101 Cain Street Seagoville, TX 75159 | 3.69 acres | 6.2819% |
| <u>Tract #2C - 0.02 acres</u> | | |
| <u>COAL OWNERSHIP</u> | | |
| (1) Richlands Coal Company (40.00 Acre Tract) PO Box 704 Richlands, VA 24641 | 0.02 acres | 0.0340% |
| <u>OIL & GAS OWNERSHIP</u> | | |
| (1) Danny K. Clevinger, et ux 211 Mountain Road Richlands, VA 24641 | 0.02 acres | 0.0340% |
| <u>TOTAL CONFLICTS:</u> | | |
| Acreage in Unit | 8.65 | |
| Percentage of Unit | | 6.3160% |

INSTRUMENT #150000888
RECORDED IN THE CLERK'S OFFICE OF
TAZEWELL COUNTY ON
APRIL 2, 2014 AT 03:57PM

TAMMY B. ALLISON, CLERK
RECORDED BY: ADR