

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: M3

TRACT(S): 5

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-09-0120-2419-01

APPLICANTS:

CNX Gas Company LLC on behalf of CNX Gas Company LLC

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 08/31/2009, Recorded on 10/13/2009, Deed Book/Instrument No. 090003096.
2. Supplemental Order, Recorded on 08/11/2010, Deed Book/Instrument No. 100002220.

NOTICE:

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 5 identified in the attached petition.

150001423

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 5 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:

CNX Gas Company LLC is entitled to 100% of the CBM royalties per House Bill 2058, Said bill allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Table, further, specifies how said royalties are to be paid.

There are no remaining conflicts after the disbursement, escrow is no longer required and account is to be closed after disbursement.

RELIEF GRANTED:

VGOB Disbursement
Unit M3

VGOB-09-0120-2419-01

Table 1

Tracts: 5

Item	Tract	Disbursement Table	Fractional Ownership		Net Acreage		Royalty		Escrowed		Percent of	
			in Tract	Ownership	in Tract	Ownership	Split	Agreement	Acres	Disbursed	Escrowed Funds	Disbursed
		Total acreage in escrow before disbursement							1.69000			
5 Tract 5 (total acreage)			1.69		1.6900		100.00%		1.6900		100.0000%	
1	5	CNX Gas Company LLC\PO Box 643830, Pittsburgh, PA 15284-3830										

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.

150001423

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:

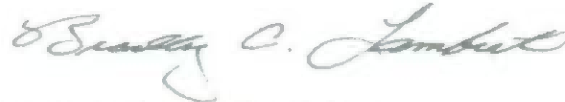
Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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.

150001423

DONE AND EXECUTED this 27 day of August, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 27 day of August, 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 27th day of August, 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, 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 09-0120-2419-01

**RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 5 (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: M3

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, attributable to of Tract 5 as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to the parties per House Bill 2058; CNX Gas Company LLC.

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

CNX Gas Company LLC is entitled to 100% of the CBM royalties per House Bill 2058, Said bill allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Table, further, specifies how said royalties are to be paid.

There are no remaining conflicts after the disbursement, escrow is no longer required and account is to be closed after disbursement.

6. Attestation

The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

150001423

PROPERTY LINES SHOWN ON THIS PLAT WERE TAKEN
FROM DEED DESCRIPTIONS AND CHAIN OF TITLE
AND DOES NOT REPRESENT A CURRENT FIELD SURVEY.

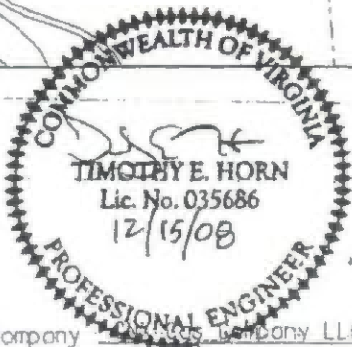
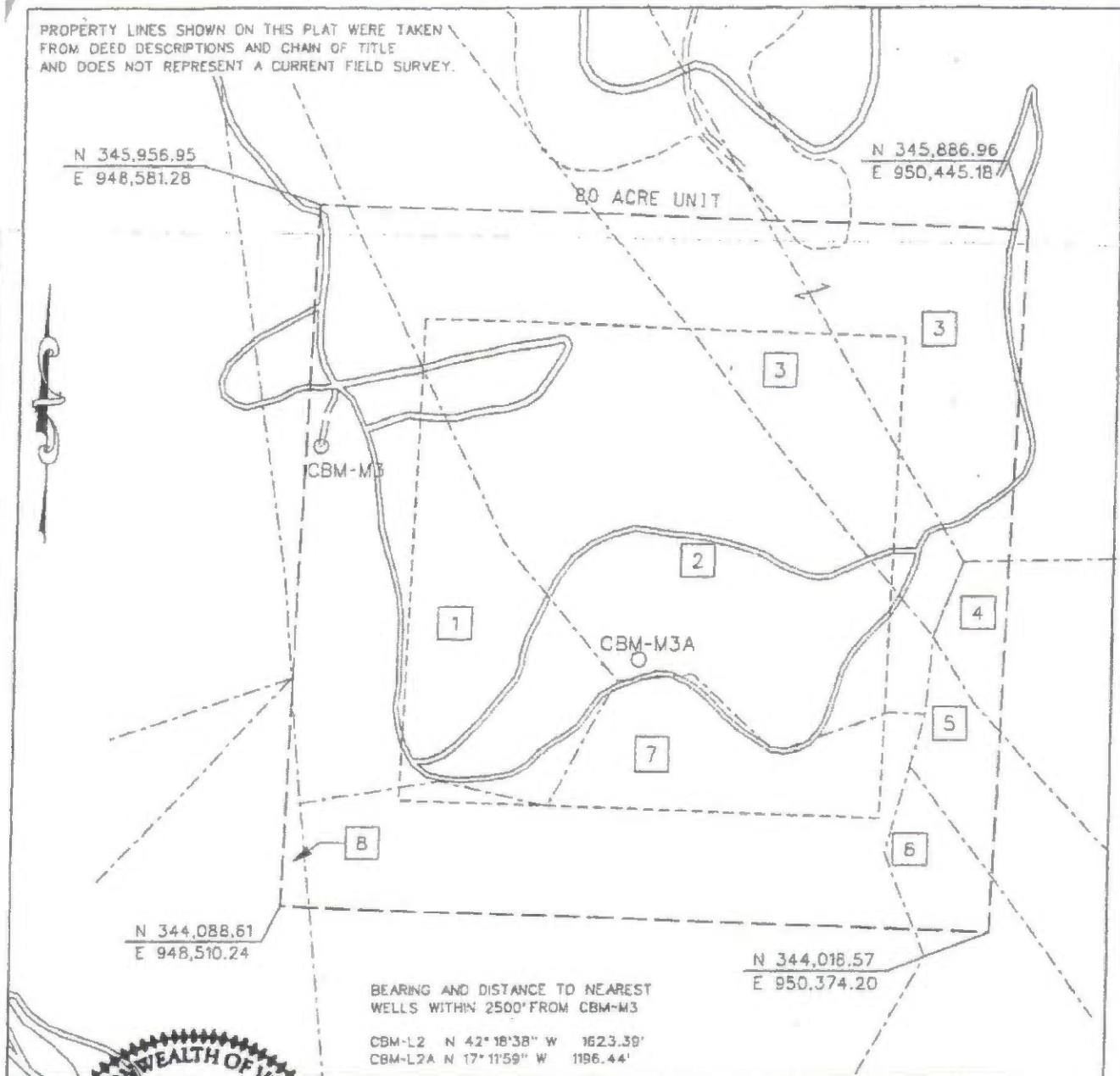


EXHIBIT A
OAKWOOD FIELD
UNIT M3
FORCE POOLING
VGDB 09-0120-2419

Company Force Pooling LLC Well Name and Number UNIT M3
Tract No. Elevation Quadrangle VANSANT
County BUCHANAN District PRATER/SOUTH GRUNDY Scale: 1" = 400' Date 12/15/08
This plat is a new plat ; an updated plat X; or a final plat

Form DGO-GD-7 (Affix Seal)
Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor

CNX Gas Company LLC**UNIT M3****Tract Identification**

1. Callie Looney Heirs, et al (25.00 Acre Tract) – All Minerals
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
Island Creek Coal Company/Consol Energy, Inc. – Surface
17.08 Acres 21.3500%

2. Harold G. Vandyke, Trustee (Mary Vandyke Heirs) (34.00 Acre Tract) – All Minerals except Coal in Tiller Seam
and Above
Island Creek Coal Company/Consol Energy, Inc. – All Minerals except Coal Below Tiller Seam, Oil, Gas, and CBM
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
CNX Gas Company LLC – CBM Leased
Island Creek Coal Company/Consol Energy, Inc. – Surface
25.13 Acres 31.4125%

3. R. V. Venable, et al (92.00 Acre Tract) – Fee
Island Creek Coal Company/Consol Energy, Inc. – Coal in Widow Kennedy and Red Ash Seams Leased
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
CNX Gas Company LLC – CBM Leased
15.71 Acres 19.6375%

4. Gamey Smith, et al – All Minerals
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
Gamey Smith – Surface
1.19 Acres 1.4875%

5. Harold G. Vandyke, Trustee (Mary Vandyke Heirs) – Coal Below Tiller Seam
Island Creek Coal Company/Consol Energy, Inc. – All Coal except Coal Below Tiller Seam
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
CNX Gas Company LLC – Oil, Gas and CBM
Island Creek Coal Company/Consol Energy, Inc. – Surface
1.69 Acres 2.1125%

6. Samuel J. Breeding, Jr., et ux (50.00 Acre Tract) – Fee
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
1.76 Acres 2.2000%

7. Callie Looney Heirs, et al – Fee
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
16.61 Acres 20.7625%

8. Miles and Green Charles Heirs – All Minerals
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Drainage Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased (50%)
Ray Douglas Looney, et ux – Surface
0.83 Acres 1.0375%

Exhibit E
Unit M-3
Docket #VGOB 09-0120-2419-01
List of Respondents requiring escrow

150001423

Acres in Unit

Percent
of Unit

Escrowing not required

Exhibit EE
Unit M-3
Docket #VGOB 09-0120-2419-01
List of Respondents with Royalty Split Agreements and/or Court Orders

150001423

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #5, 1.69 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Mary E. Vandyke Heirs c/o Harold G. Vandyke Trustee 16100 NE 8th Ave. Miami, FL 33162	1.69 acres	2.11250%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) CNX Gas Company LLC 2481 John Nash Blvd. Bluefield, WV 24701	1.69 acres	2.11250%	100.0000%
<i>HB2058 Escrow Release</i>			

INSTRUMENT #150001423
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
SEPTEMBER 2, 2015 AT 09:47AM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB