



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: AB77

TRACT(S): 2B, 2C, 2D

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-09-0421-2501-03

APPLICANTS: CNX Gas Company LLC on behalf of Gordon Cecil Deel, Jr

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 09/14/2009, Recorded on 10/16/2009, Deed Book/Instrument No. 090003179.
2. Supplemental Order, Recorded on 05/19/2010, Deed Book/Instrument No. 100001295.
3. Disbursement Order -01 Executed 02/05/2016, Recorded on 03/02/2016, Deed Book/Instrument No. 160000363.
4. Disbursement Order -02 Executed 08/24/2016, Recorded on 08/30/2016, Deed Book/Instrument No. 160001559.

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NOTICE:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 2B, 2C, 2D identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2B, 2C, 2D 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. Gordon Cecil Deel, Jr is the gas claimants in Tr. 2B, 2C, 2D. As such Gordon Cecil Deel, Jr is entitled to 100% of the CBM royalties attributable to their gas claims that are 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 previously given the notice(s) required by § 45.1-361.22:2.A to all conflicting coal claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That when the Board granted Petitioner's Miscellaneous Petition in VGOB 09-0421-2501-01, it dismissed the coal claimant ACIN LLC c/o Western Pocahontas Properties LP as a Respondent to these proceedings. Accordingly, ACIN LLC c/o Western Pocahontas Properties LP was not provided further notice under § 45.1-361.19 and 22 of the hearing set on this Petition.
- 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 Gordon Cecil Deel, Jr and shall 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:

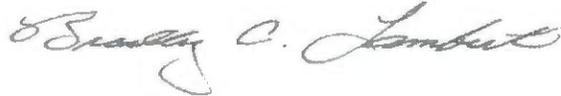
Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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.

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DONE AND EXECUTED this 7 day of March, 2018 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

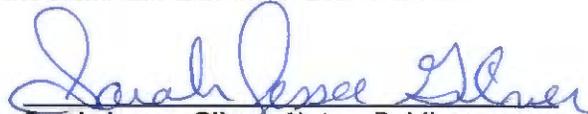
DONE AND PERFORMED this 7 day of March, 2018 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 7th day of March, 2018, 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



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BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 09-0421-2501-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2B, 2C, 2D (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: AB77

BUCHANAN 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, attributable to Tracts 2B, 2C & 2D, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Gordon Cecil Deel, Jr.

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

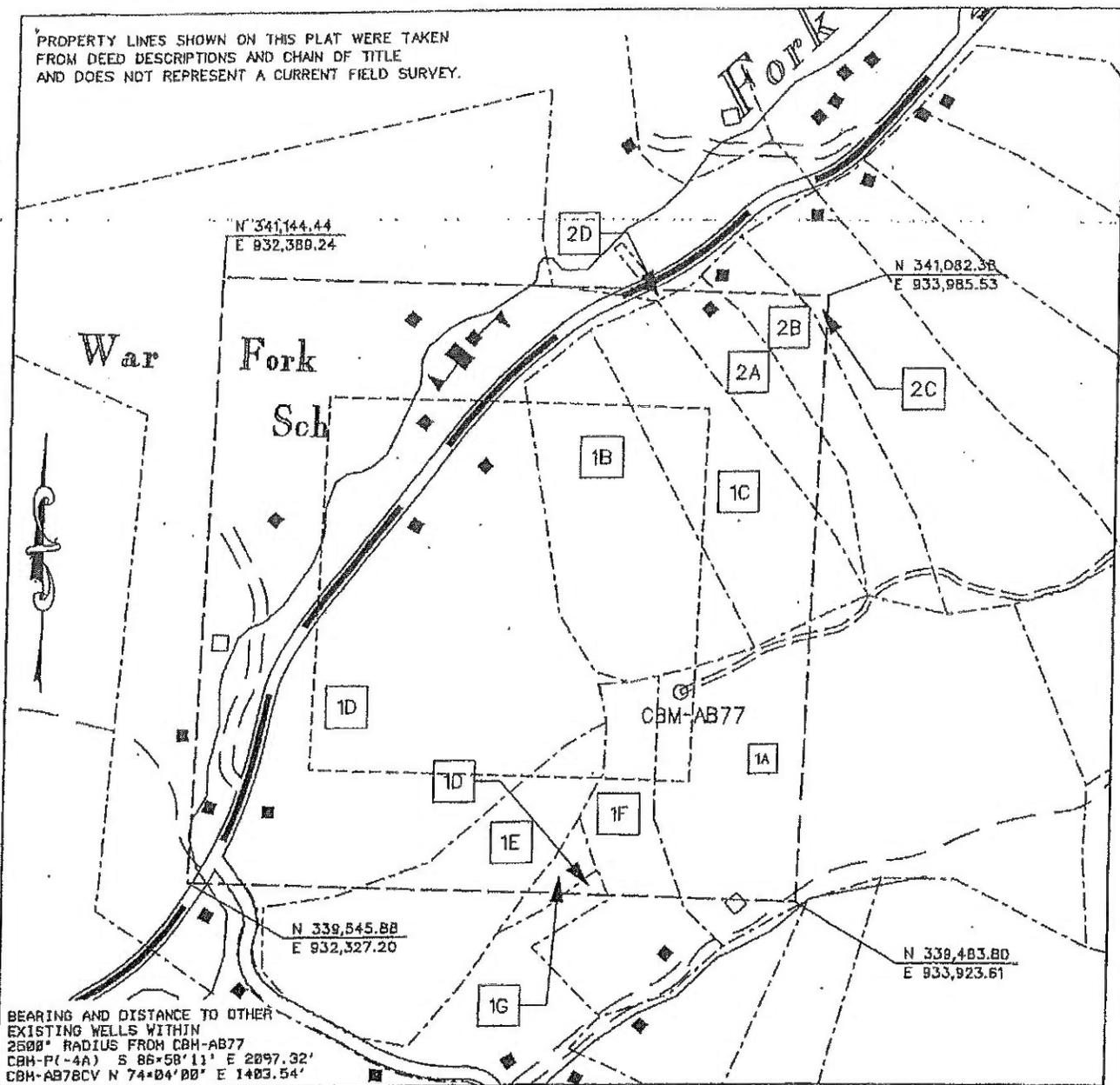
- a. Gordon Cecil Deel, Jr is the gas claimants in Tr. 2B, 2C, 2D. As such Gordon Cecil Deel, Jr is entitled to 100% of the CBM royalties attributable to their gas claims that are now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2.A.
- b. That CNX Gas Company LLC has previously given the notice(s) required by § 45.1-361.22:2.A to all conflicting coal claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That when the Board granted Petitioner's Miscellaneous Petition in VGOB 09-0421-2501-01, it dismissed the coal claimant ACIN LLC c/o Western Pocahontas Properties LP as a Respondent to these proceedings. Accordingly, ACIN LLC c/o Western Pocahontas Properties LP was not provided further notice under § 45.1-361.19 and 22 of the hearing set on this Petition.
- 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 Gordon Cecil Deel, Jr and shall 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.

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



BEARING AND DISTANCE TO OTHER EXISTING WELLS WITHIN 2500' RADIUS FROM CBM-AB77
 CBM-P(-4A) S 86°58'11" E 2097.32'
 CBM-AB76CV N 74°04'00" E 1403.54'

EXHIBIT A
 NORA FIELD
 UNIT AB77
 FORCE POOLING
 VGDB 09-0421-2501

Company CNX Gas Company LLC Well Name and Number UNIT AB77

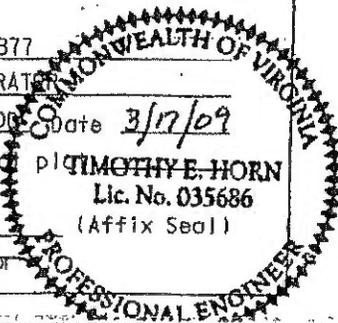
Tract No. _____ Elevation _____ Quadrangle PRATER

County BUCHANAN District PRATER Scale: 1" = 400'

This plat is a new plat _____ ; an updated plat X ; or a final plat _____

Form DGD-GD-7
 Rev. 9/91

[Signature]
 Licensed Professional Engineer or Licensed Land Surveyor



CNX GAS COMPANY LLC**Unit AB77****Tract Identifications****58,76-Acre-Unit**

1. Fredrick H. Combs, II, Testamentary Trust, et al (1010 Acre Tract) – All Minerals
Island Creek Coal Company/Conso Energy, Inc. – Coal Below Drainage Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
55.53 Acres 94.5031%
- 1A. Jerry L. Owens, et al – Surface
1B. Cathy A. Woods Fuller – Surface
1C. Glinda B. Woods Sollien - Surface
1D. Unknown Surface Owner
1E. Unknown Surface Owner
1F. Angela O. Johnson, et vir – Surface
1G. Unknown Surface Owner
- 2A. ACIN, LLC – All Coal except the Splash Dam Seam
Penn Virginia Operating Co., LLC – Splash Dam Seam
Alpha Land and Reserves, LLC – All Coal Leased except the Splash Dam Seam
Arnold Deel, et ux – Surface and All Minerals except Coal
CNX Gas Company LLC – Oil, Gas and CBM Leased
2.03 Acres 3.4547%
- 2B. ACIN, LLC – All Coal except the Splash Dam Seam
Penn Virginia Operating Co., LLC – Splash Dam Seam
Alpha Land and Reserves, LLC – All Coal Leased except the Splash Dam Seam
Cornelia Arguellas, et al – All Minerals except Coal
CNX Gas Company LLC – Oil, Gas and CBM Leased (1/3)
Fred Deel, et ux – Surface
1.00 Acres 1.7018%
- 2C. ACIN, LLC – All Coal except the Splash Dam Seam
Penn Virginia Operating Co., LLC – Splash Dam Seam
Alpha Land and Reserves, LLC – All Coal Leased except the Splash Dam Seam
Henry Deel, et al – All Minerals except Coal
CNX Gas Company LLC – Oil, Gas and CBM Leased (1/3)
Ronald D. Stacy, et ux – Surface
0.09 Acres 0.1532%
- 2D. ACIN, LLC – All Coal except the Splash Dam Seam
Penn Virginia Operating Co., LLC – Splash Dam Seam
Alpha Land and Reserves, LLC – All Coal Leased except the Splash Dam Seam
Gordon C Deel, et ux – Surface and All Minerals except Coal
Chesapeake Appalachia LLC – Oil and Gas Leased
0.11 Acres 0.1872%

Exhibit E
Unit AB77
Docket #VGOB 09-0421-2501-03
List of Respondents that require escrow
(58.76 Acre Unit)

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Acres in Unit

Percent
of Unit

All conflicts resolved

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Exhibit EE
Unit AB77
Docket #VGOB 09-0421-2501-03
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.76 Acre Unit)

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #2A - 2.03 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) ACIN LLC c/o Western Pocahontas Properties LP P.O. Box 2827 1035 Third Avenue, Suite 300 Huntington, WV 25727	2.03 acres	3.4547%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Magalene Deel Randy Wayne Deel 2134 Rose Ridge Clintwood, VA 24228	<i>Conveyed by deed of gift 8/21/2015 Inst.#150001371</i> 2.03 acres	 3.4547%	 n/a
	Acres Percent	2.0300 3.4547%	
<u>Tract #2B - 1.00 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) ACIN LLC c/o Western Pocahontas Properties LP P.O. Box 2827 1035 Third Avenue, Suite 300 Huntington, WV 25727	1.00 acres	1.7018%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Cornella Arguellas, et al <i>(Rufus & Eunice Deel Heirs, Devisees, Successors or Assigns) - 9 acre tract</i>	1.00 acres	1.7018%	
(a) Corena Arguelles 140 Calk Lane Boerne, TX 78006	0.17 acres 1/6 of 1.00 acres	0.2836%	n/a
(b) Magalene Deel 1032 Old Wagon Rd Vansant, VA 24656	0.17 acres 1/6 of 1.00 acres	0.2836%	n/a
(c) Henry Deel P.O. Box 197 Vansant, VA 24656	0.17 acres 1/6 of 1.00 acres	0.2836%	n/a
(d) Donald Deel Heirs, Devisees, Successors or Assigns			
(d.1) Ruby Owens Deel Heirs, Devisees, Successors or Assigns			
(d.1.1) Barbara Ofene Deel Heirs, Devisees, Successors or Assigns			
(d.1.1.1) Erma K. Sikora 758 Buckwheat Road McGrady, NC 28649	0.17 acres 1/6 of 1.00 acres	0.2836%	n/a
(e) Nell Ratliff 23245 Sydney Drive Abingdon, VA 24211	0.17 acres 1/6 of 1.00 acres	0.2836%	n/a

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Exhibit EE
Unit AB77
Docket #VGOB 09-0421-2501-03
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.76 Acre Unit)

	Acres in Unit	Percent of Unit	Percent of Escrow
(f) Gordon Deel Heirs, Devisees, Successors or Assigns			
(f.1) Robert Darrell Deel - predeceased			
(f.1.1) Robert Darrell Deel II Heirs, Devisees, Successors or Assigns			
(f.1.1.1) Vicki Yvonne Deel 201 Crissle Rd Haysl, VA 24256	0.02 acres 1/48 of 1.00 acres	0.0355%	n/a
(f.2) Brenda Sue Johnson 3704 Frostwood Rd Knoxville, TN 37921-1413	0.02 acres 1/48 of 1.00 acres	0.0355%	n/a
(f.3) Freddie Dean Deel 301 Stonehaven Ln Easley, SC 29642-3561	0.02 acres 1/48 of 1.00 acres	0.0355%	n/a
(f.4) Joyce Ann Ford 213 Green Ln Knoxville, TN 37920-6627	0.02 acres 1/48 of 1.00 acres	0.0355%	n/a
(f.5) June Bostic 1124 Log House Rd Vansant, VA 24656-7762	0.02 acres 1/48 of 1.00 acres	0.0355%	n/a
(f.6) Pamela Balley PO Box 2403 Grundy, VA 24614-2403	0.02 acres 1/48 of 1.00 acres	0.0355%	n/a
(f.7) Gordon Cecil Deel, Jr 3244 Mountain Creek Dr Sherrills Ford, NC 28673	0.02 acres 1/48 of 1.00 acres	0.0355%	57.0776% HB2058
(f.8) Rebecca Cook 430 Burns Ln Seymour, TN 37865-5700	0.02 acres 1/48 of 1.00 acres	0.0355%	n/a
	Acres Percent	1.0000 1.7018%	

Tract #2C - 0.09 acresCOAL OWNERSHIP

- (1) ACIN LLC
c/o Western Pocahontas Properties LP
P.O. Box 2827
1035 Third Avenue, Suite 300
Huntington, WV 25727

0.09 acres

0.1532%

n/a

OIL & GAS OWNERSHIP

- (1) Henry Deel, et al.
(Rufus & Eunice Deel Heirs, Devisees,
Successors or Assigns) - 3 acre tract

0.09 acres

0.1532%

- (a) Corena Arguelles
140 Calk Lane
Boeme, TX 78006

0.0150 acres
1/6 of 0.09 acres

0.0255%

n/a

- (b) Magalena Deel
1032 Old Wagon Rd
Vansant, VA 24656

0.0150 acres
1/6 of 0.09 acres

0.0255%

n/a

Exhibit EE
Unit AB77
Docket #VGOB 09-0421-2501-03
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.76 Acre Unit)

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	Acres in Unit	Percent of Unit	Percent of Escrow
(c) Henry Deel P.O. Box 197 Vansant, VA 24656	0.0150 acres 1/6 of 0.09 acres	0.0255%	<i>n/a</i>
(d) Donald Deel Heirs, Devisees, Successors or Assigns			
(d.1) Ruby Owens Deel Heirs, Devisees, Successors or Assigns			
(d.1.1) Barbara Olene Deel Heirs, Devisees, Successors or Assigns			
(d.1.1.1) Erma K. Sikora 758 Buckwheat Road McGrady, NC 28649	0.0150 acres 1/6 of 0.09 acres	0.0255%	<i>n/a</i>
(e) Nell Ratliff 23245 Sydney Drive Abingdon, VA 24211	0.0150 acres 1/6 of 0.09 acres	0.0255%	<i>n/a</i>
(f) Gordon Deel Heirs, Devisees, Successors or Assigns			
(f.1) Robert Darrell Deel - predeceased			
(f.1.1) Robert Darrell Deel II Heirs, Devisees, Successors or Assigns			
(f.1.1.1) Vicki Yvonne Deel 201 Crissie Rd Haysi, VA 24256	0.0019 acres 1/48 of 0.09 acres	0.0032%	<i>n/a</i>
(f.2) Brenda Sue Johnson 3704 Frostwood Rd Knoxville, TN 37921-1413	0.0019 acres 1/48 of 0.09 acres	0.0032%	<i>n/a</i>
(f.3) Freddie Dean Deel 301 Stonehaven Ln Easley, SC 29642-3561	0.0019 acres 1/48 of 0.09 acres	0.0032%	<i>n/a</i>
(f.4) Joyce Ann Ford 213 Green Ln Knoxville, TN 37920-6627	0.0019 acres 1/48 of 0.09 acres	0.0032%	<i>n/a</i>
(f.5) June Bostic 1124 Log House Rd Vansant, VA 24656-7762	0.0019 acres 1/48 of 0.09 acres	0.0032%	<i>n/a</i>
(f.6) Pamela Bailey PO Box 2403 Grundy, VA 24614-2403	0.0019 acres 1/48 of 0.09 acres	0.0032%	<i>n/a</i>
(f.7) Gordon Cecil Deel, Jr 3244 Mountain Creek Dr Sherrills Ford, NC 28673	0.0019 acres 1/48 of 0.09 acres	0.0032%	5.1370% HB2058
(f.8) Rebecca Cook 430 Burns Ln Seymour, TN 37865-5700	0.0019 acres 1/48 of 0.09 acres	0.0032%	<i>n/a</i>
	Acres Percent	0.0900 0.1532%	

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Exhibit EE
Unit AB77
Docket #VGOB 09-0421-2501-03
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.76 Acre Unit)

	Acres in Unit	Percent of Unit	Percent of Escrow
Tract #2D - 0.11 acres			
COAL OWNERSHIP			
(1) ACIN LLC c/o Western Pocahontas Properties LP P.O. Box 2827 1035 Third Avenue, Suite 300 Huntington, WY 25727	0.11 acres	0.1872%	n/a
OIL & GAS OWNERSHIP			
(1) Gordon C. Deel, et al (14.44 Acres)	0.11 acres	0.1872%	
(a) Elma Owens Deel Heirs, Devisees, Successors or Assigns			
(a.1.1) Robert Darrell Deel - predeceased			
(a.1.1) Robert Darrell Deel II Heirs, Devisees, Successors or Assigns			
(a.1.1.1) Vicki Yvonne Deel 201 Crissie Rd Haysi, VA 24256	0.0138 acres 1/8 of 0.011 acres	0.0234%	n/a
(a.1.2) Brenda Sue Johnson 3704 Frostwood Rd Knoxville, TN 37921-1413	0.0138 acres 1/8 of 0.11 acres	0.0234%	n/a
(a.1.3) Freddie Dean Deel 301 Stonehaven Ln Easley, SC 29642-3561	0.0138 acres 1/8 of 0.011 acres	0.0234%	n/a
(a.1.4) Joyce Ann Ford 213 Green Ln Knoxville, TN 37920-6627	0.0138 acres 1/8 of 0.11 acres	0.0234%	n/a
(a.1.5) June Bostic 1124 Log House Rd Vansant, VA 24656-7762	0.0138 acres 1/8 of 0.11 acres	0.0234%	n/a
(a.1.6) Pamela Bailey PO Box 2403 Grundy, VA 24614-2403	0.0138 acres 1/8 of 0.11 acres	0.0234%	n/a
(a.1.7) Gordon Cecil Deel, Jr 3244 Mountain Creek Dr Sherrills Ford, NC 28673	0.0138 acres 1/8 of 0.011 acres	0.0234%	37.6712% HB2058
(a.1.8) Rebecca Cook 430 Burns Ln Seymour, TN 37865-5700	0.0138 acres 1/8 of 0.11 acres	0.0234%	n/a
	Acres	0.1100	
	Percent	0.1872%	
TOTAL CONFLICTS RESOLVED			
	Acres	3.2300	
	Percent	5.4969%	

202-0018

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INSTRUMENT 180000521
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY CIRCUIT COURT ON
March 26, 2018 AT 03:56 PM
BEVERLY S. TILLER , CLERK
RECORDED BY: CXE