

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: V52

TRACT(S): 11, 2, 3

LOCATION: 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-09-0818-2575-01

APPLICANTS:

CNX Gas Company LLC on behalf of Pardee Minerals LLC, Pardee Royalty 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 11/04/2009, Recorded on 12/18/2009, Deed Book/Instrument No.
1067, Page 811.
2. Supplemental Order, Recorded on 05/09/2010, Deed Book/Instrument No. 1075, Page 63.

NOTICE:

OK 2016 PG 03798

748

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 11, 2, 3 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 11, 2, 3 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. Pardee Royalty LLC and Pardee Minerals LLC are the gas claimants of Tracts 2, 3 and 11. As such, 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 and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

DK2016 PG03801

DONE AND EXECUTED this 3 day of March, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

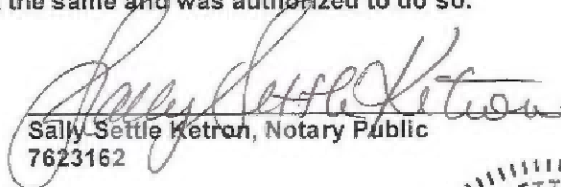
DONE AND PERFORMED this 3 day of March, 2016 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 3 day of March, 2016, 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.



Sally Settle Ketron, Notary Public
7623162

My Commission expires: January 31, 2019



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 09-0818-2575-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 11, 2, 3 (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: V52

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, attributable to of Tracts 2, 3 and 11, as depicted upon the annexed table; and (2) authorization to begin paying royalties directly to Pardee Royalty LLC and Pardee Minerals 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

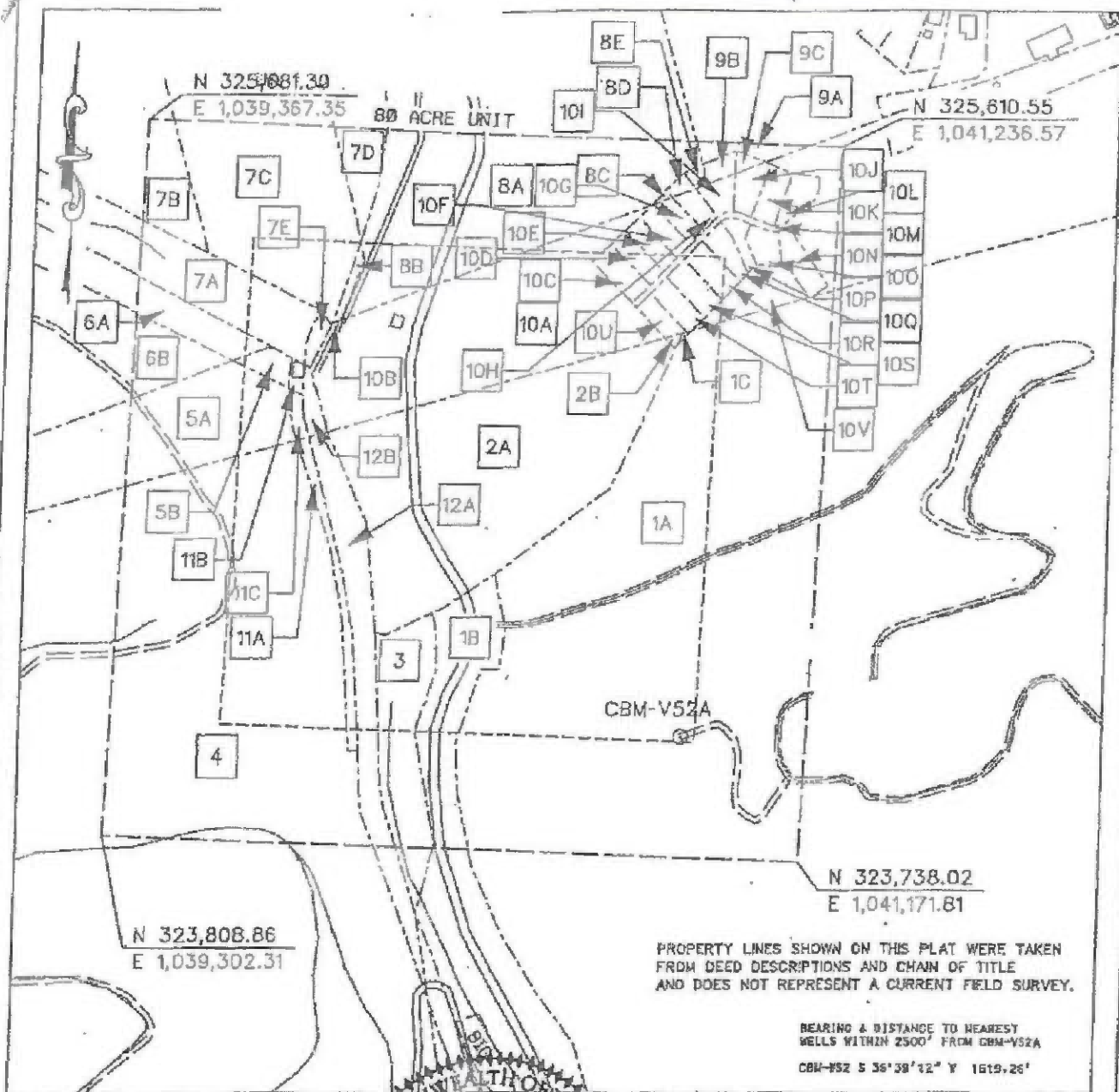
5. Factual basis for relief requested

- a. Pardee Royalty LLC and Pardee Minerals LLC are the gas claimants of Tracts 2, 3 and 11. As such, 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 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.

K2016 M03804



COMMONWEALTH OF VIRGINIA
TIMOTHY E. HORN
Lic. No. 035686
7/15/09
PROFESSIONAL ENGINEER

EXHIBIT A
DAKWOOD FIELD
UNIT V52
FORCE POOLING
VGDB 09-0818-2575

Company CNX Gas Company LLC Well Name and Number UNIT V52
Tract No. _____ Elevation _____ Quadrangle JEVELL RIDGE
County TAZEWELL District MAIDEN SPRINGS Scale: 1" = 400' Date 7/15/09
This plat is a new plat X ; an updated plat _____ ; or a final plat _____

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

**CNX Gas Company LLC
UNIT V52
Tract Identifications**

1. Southern Region Industrial Realty Corporation, Tr.29 (256.27 Acre Tract) -- All Coal Except P-3 Seam
Reserve Coal Properties Company -- Coal in P-3 Seam and CBM in P-3 Seam
White Wolfe Energy, Inc. -- All Coal except P-3, Raven Tiller and Lower Seaboard Seams Leased
Massey Energy -- Raven, Tiller and Lower Seaboard Seams Leased
CNX Gas Company LLC -- CBM Leased
Penn Virginia Oil and Gas Corporation -- All Minerals except Coal
(Tax Map 47A, Parcel 69)
25.35 Acres 31.6875%

- 1A. Southern Region Industrial Realty Corporation - Surface
1B. Commonwealth of Virginia - Surface
1C. Unknown Surface Owner

2. Massey Energy (7.57 Acre Tract) -- All Minerals Except Oil and Gas
Penn Virginia Oil and Gas Corporation -- All Minerals except Coal
(Tax Map 47A, Parcel 00)
8.39 Acres 10.4875%

- 2A. Massey Energy -- Surface
2B. Unknown Surface Owner

3. Norfolk Southern Railway Company (1.00 Acre Tract) -- Fee Except Oil and Gas
Penn Virginia Oil and Gas Corporation -- All Minerals except Coal
(Tax Map 47A, Parcel 00)
1.71 Acres 2.1375%

4. Southern Region Industrial Realty Corporation, Tr.27 (108.58 Acre Tract) -- All Coal Except P-3 Seam
Reserve Coal Properties Company -- Coal in P-3 Seam and CBM in P-3 Seam
White Wolfe Energy, Inc. -- All Coal except P-3, Raven Tiller and Lower Seaboard Seams Leased
Massey Energy -- Raven, Tiller and Lower Seaboard Seams Leased
CNX Gas Company LLC -- CBM Leased
Penn Virginia Oil and Gas Corporation -- All Minerals except Coal
Southern Region Industrial Realty Corporation - Surface
(Tax Map 46A, Parcel 47)
14.02 Acres 17.5250%

5. Southern Region Industrial Realty Corporation, Tr.4 (9.49 Acre Tract) -- All Coal Except P-3 Seam
Reserve Coal Properties Company -- Coal in P-3 Seam and CBM in P-3 Seam
White Wolfe Energy, Inc. -- All Coal except P-3, Raven Tiller and Lower Seaboard Seams Leased
Massey Energy -- Raven, Tiller and Lower Seaboard Seams Leased
CNX Gas Company LLC -- CBM Leased
Penn Virginia Oil and Gas Corporation -- All Minerals except Coal
(Tax Map 46A, Parcel 46)
2.43 Acres 3.0375%

- 5A. Southern Region Industrial Realty Corporation -- Surface
5B. Massey Energy -- Surface

**CNX Gas Company LLC
UNIT V52
Tract Identifications**

6. Southern Region Industrial Realty Corporation, Tr.28 (11.90 Acre Tract) -- All Coal Except P-3 Seam
Reserve Coal Properties Company -- Coal in P-3 Seam and CBM in P-3 Seam
White Wolfe Energy, Inc. -- All Coal except P-3, Raven Tiller and Lower Seaboard Seams Leased
Massey Energy -- Raven, Tiller and Lower Seaboard Seams Leased
CNX Gas Company LLC -- CBM Leased
Penn Virginia Oil and Gas Corporation -- All Minerals except Coal
(Tax Map 46A, Parcel 45)
1.35 Acres 1.6875%

- 6A. Massey Energy -- Surface
- 6B. Southern Region Industrial Realty Corporation - Surface

7. Southern Region Industrial Realty Corporation, Tr.33 (158.85 Acre Tract) -- All Coal Except P-3 Seam
Reserve Coal Properties Company -- Coal in P-3 Seam and CBM in P-3 Seam
White Wolfe Energy, Inc. -- All Coal except P-3, Raven Tiller and Lower Seaboard Seams Leased
Massey Energy -- Raven, Tiller and Lower Seaboard Seams Leased
CNX Gas Company LLC -- CBM Leased
Penn Virginia Oil and Gas Corporation -- All Minerals except Coal
(Tax Map 46A, Parcel 50)
7.13 Acres 8.9125%

- 7A. Massey Energy -- Surface
- 7B. Southern Region Industrial Realty Corporation - Surface
- 7C. Unknown Surface Owner
- 7D. Southern Region Industrial Realty Corporation -- Surface
- 7E. Unknown Surface Owner

8. Pocahontas Mining Company Tr. H1 (26.77 Acre Tract) -- All Minerals
Reserve Coal Properties Company -- Coal in P-3 Seam and 250' Above Leased
Jewell Smokeless Coal Corporation -- Coal in Tiller and Raven Seams and All Seams Between Leased
CNX Gas Company LLC -- Oil, Gas and CBM Leased
(Tax Map 47A, Parcel 18A)
6.21 Acres 7.7625%

- 8A. Pocahontas Mining Company - Surface
- 8B. Unknown Surface Owner
- 8C. Unknown Surface Owner
- 8D. Unknown Surface Owner
- 8E. Unknown Surface Owner

9. Pocahontas Mining Company Tr. 2 (58.94 Acre Tract) -- All Minerals
Reserve Coal Properties Company -- Coal in P-3 Seam and 250' Above Leased
Jewell Smokeless Coal Corporation -- Coal in Tiller and Raven Seams and All Seams Between Leased
CNX Gas Company LLC -- Oil, Gas and CBM Leased
(Tax Map 47A, Parcel 18A)
0.39 Acres 0.4875%

- 9A. Pocahontas Mining Company -- Surface
- 9B. Unknown Surface Owner
- 9C. Unknown Surface Owner

CNX Gas Company LLC
UNIT V52
Tract Identifications

10. Pocahontas Mining Company Tr. 77 (Samuel M. Graham 20.12 Acre Tract) – All Minerals
 Reserve Coal Properties Company – Coal in P-3 Seam and 250' Above Leased
 Jewell Smokeless Coal Corporation – Coal in Tiller and Raven Seams and All Seams Between Leased
 CNX Gas Company LLC – Oil, Gas and CBM Leased
 (Tax Map 47A, Parcel 19)
 10.84 Acres 13.5500%
- 10A. Pocahontas Mining Company – Surface
 10B. Unknown Surface Owner
 10C. Unknown Surface Owner
 10D. Unknown Surface Owner
 10E. Unknown Surface Owner
 10F. Unknown Surface Owner
 10G. Unknown Surface Owner
 10H. Unknown Surface Owner
 10I. Unknown Surface Owner
 10J. Unknown Surface Owner
 10K. Unknown Surface Owner
 10L. Unknown Surface Owner
 10M. Unknown Surface Owner
 10N. Unknown Surface Owner
 10O. Unknown Surface Owner
 10P. Unknown Surface Owner
 10Q. Unknown Surface Owner
 10R. Unknown Surface Owner
 10S. Unknown Surface Owner
 10T. Unknown Surface Owner
 10U. Unknown Surface Owner
 10V. Unknown Surface Owner
11. Pocahontas Mining Company (0.42 Acre Tract) – All Minerals except Oil and Gas
 Reserve Coal Properties Company – Coal in P-3 Seam and 250' Above Leased
 Jewell Smokeless Coal Corporation – Coal in Tiller and Raven Seams and All Seams Between Leased
 CNX Gas Company LLC – CBM Leased
 Penn Virginia Oil and Gas Corporation – All Minerals except Coal
 (Tax Map 46A, Parcel 46)
 0.65 Acres 0.8125%
- 11A. Pocahontas Mining Company - Surface
 11B. Massey Energy – Surface
 11C. Southern Region Industrial Realty Corporation – Surface

CNX Gas Company LLC
UNIT V52
Tract Identifications

- 12. Norfolk Southern Railway Company – All Minerals
CNX Gas Company LLC – CBM Leased
1.53 Acres 1.9125%
- 12A. Norfolk Southern Railway Company – Surface
- 12B. Southern Region Industrial Realty Corporation – Surface

EX2016 003809

Exhibit E
Unit V-52

VGOB Docket #09-0818-2575-01

List of Conflicting Owners/Claimants that require escrow

Net Acres In Unit	Interest in Unit
----------------------	---------------------

Escrowing is no longer required

Exhibit EE
Unit V-52
VGOB Docket #09-0818-2575-01
List of Conflicting Owners/Claimants to be paid under HB2058

	Net Acres In Unit	Interest in Unit	Percent of Escrow
<u>Tract #2 - 8.39 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Jewell Ridge Coal Corporation (7.57 acre tract) c/o Robert A. McGregor P.O. Box 1268 Abingdon, VA 24212-1268	8.39 acres	10.4875%	n/a
<i>Note: Previously shown as being purchased by Massey, but after further review, it was discovered that this particular property was not included in the conveyance.</i>			
<u>OIL & GAS OWNERSHIP</u>			
(1) Pardee Royalty LLC, et al.	8.39 acres	10.4875%	n/a
(a) Pardee Royalty LLC 1717 Arch St. Suite 4010 Philadelphia, PA 19103	4.195 acres 1/2 of 8.39 acres	5.2438%	39.0233% HB2058
(b) Pardee Minerals LLC 1717 Arch St. Suite 4010 Philadelphia, PA 19103	4.195 acres 1/2 of 8.39 acres	5.2438%	39.0233% HB2058
<u>Tract #3, 1.71 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Norfolk Southern Railway Company	1.71 acres	2.1375%	n/a
<i>If no conflict, Royalties paid to:</i> Pocahontas Land Corporation Treasurer, Pocahontas Land Corporation P. O. Box 1517 Bluefield, WV 24701			
<u>OIL & GAS OWNERSHIP</u>			
(1) Pardee Royalty LLC, et al.	1.71 acres	2.1375%	n/a
(a) Pardee Royalty LLC 1717 Arch St. Suite 4010 Philadelphia, PA 19103	0.855 acres 1/2 of 1.71 acres	1.0688%	7.9535% HB2058
(b) Pardee Minerals LLC 1717 Arch St. Suite 4010 Philadelphia, PA 19103	0.855 acres 1/2 of 1.71 acres	1.0688%	7.9535% HB2058
<u>Tract #11 - 0.65 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Pocahontas Resources LLC (0.42 acre tract) P. O. Box 1837 Abingdon, VA 24212	0.65 acres	0.8125%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Pardee Royalty LLC, et al.	0.65 acres	0.8125%	n/a

2016 003811

Exhibit EE
Unit V-52
VGOB Docket #09-0818-2575-01
List of Conflicting Owners/Claimants to be paid under HB2058

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(a) Pardee Royalty LLC 1717 Arch St. Suite 4010 Philadelphia, PA 19103	0.325 acres 1/2 of 1.71 acres	0.4063%	3.0233% HB2058
(b) Pardee Minerals LLC 1717 Arch St. Suite 4010 Philadelphia, PA 19103	0.325 acres 1/2 of 1.71 acres	0.4063%	3.0233% HB2058
Total Acreage Resolved		10.7500	
Total Percentage Resolved			13.4375%

INSTRUMENT #160000748
RECORDED IN THE CLERK'S OFFICE OF
TAEWELL COUNTY ON
MARCH 24, 2016 AT 02:40PM
Angela Ray
TAMMY B. ALLISON, CLERK
RECORDED BY: ADR