

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: AY109

TRACT(S): 999

LOCATION: RUSSELL County, Virginia

DOCKET NUMBER: VGOB-11-0517-2941-01

APPLICANTS: CNX Gas Company LLC on behalf of CNX Gas Company LLC

HEARING DATE AND LOCATION:

Russell County Government Center, Lebanon, Virginia
September 15, 2015

APPEARANCES: Mark A. Swartz on behalf of CNX Gas Company LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 11/29/2011, Recorded on 12/13/2011, Deed Book/Instrument No. 742, Page 0719.
2. Supplemental Order, Recorded on 11/04/2014, Deed Book/Instrument No. 782, Page 229.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the September 15, 2015 hearing and considered whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 999 identified in the attached petition.

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.

DONE AND EXECUTED this 18 day of September, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 18 day of September, 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 18th day of September, 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



1501927

Page Number 4.

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 9-29 2015. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 12:52 o'clock P M, after payment of \$ tax imposed by Sec. 58.1-802.

TESTE: ANN S. McREYNOLDS, CLERK

Original returned this date to: Sally Ketron

BY: Sheila Ketron D. CLERK

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 11-0517-2941-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 999 (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

HEARING DATE: September 15, 2015

DRILLING UNIT: AY109

RUSSELL 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) Reimbursement of funds incorrectly deposited with the Board's Escrow Agent attributable to unit AY109 to 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)

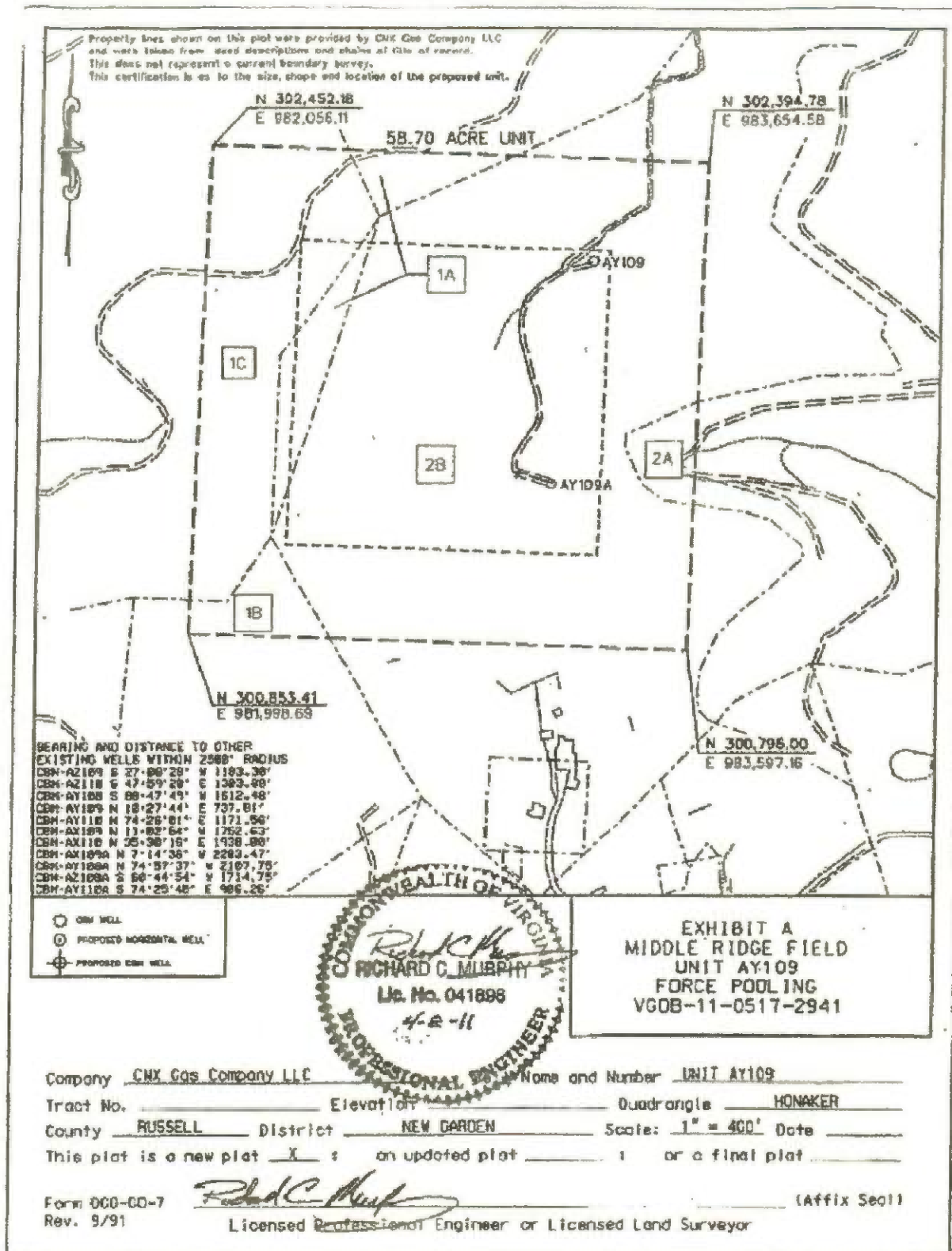
Coalbed Methane

5. Factual basis for relief requested

The escrow account has been overpaid because the Order was vacated 11/4/2014 due to the reversal of Record no. 130306 – CNX Gas Company LLC vs. James Rasnake, et al in the Circuit Court of Russell County on January 10, 2014. Funds remaining in escrow need to be reimbursed to CNX Gas Company LLC.

6. Attestation

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



CNX GAS COMPANY LLC**Unit AY109****Tract Identifications****(58.7 Acre Unit)**

- 1A. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) – Coal
Knox Creek Coal Company – Above Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Peggy Rasnake, et al – Surface, Oil and Gas
CNX Gas Company LLC – Oil, Gas and CBM Leased
3.37 acres 5.7411%
- 1B. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) – Coal
Knox Creek Coal Company – Above Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Genl Enterprises, LLP – Oil and Gas
CNX Gas Company LLC - Oil, Gas & CBM Leased
James P. Blankenship - Surface
1.72 acres 2.9301%
- 1C. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) - Fee
Knox Creek Coal Company – Above Drainage Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
11.08 acres 18.8756%
- 2A. Buckhorn Coal Company (H. C. Stuart 405 Acre Tract) – Coal
Knox Creek Coal Company – Above Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Michael Whited, et al – Oil and Gas
CNX Gas Company LLC – Oil, Gas and CBM Leased
Michael Whited – Surface
1.20 acres 2.0443%
- 2B. Buckhorn Coal Company (H. C. Stuart 405 Acre Tract) – Coal
Knox Creek Coal Company – Above Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Peggy Rasnake, et al – Surface, Oil and Gas
CNX Gas Company LLC – Oil, Gas and CBM Leased
41.33 acres 70.4089%

"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."

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August 11, 2014

Exhibit E
Unit AY-109
Docket VGOB# 11-0517-2941
List of Conflicting Owners/Claimants that require escrow
(58.70 Acre Unit)

Acres in Unit	Interest In Unit
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All Conflicts Resolved - Escrow is not required

	Acres in Unit	Interest in Unit
<u>Tract #1A, 3.37 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) P. O. Box 187 Tazewell, VA 24651	3.37 acres	5.7411%
<u>OIL & GAS OWNERSHIP</u>		
(1) Peggy Rasnake, et al. (122 acre tract)	3.37 acres	5.7411%
(a) Mike O. Rasnake Heirs, Devisees, Successors or Assigns		
(a.1) Peggy Rasnake 73 Miller Creek Rd. Honaker, VA 24260	Entitled to a Life Estate in all Royalties & Minerals	
<u>Tract #1B, 1.72 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) P. O. Box 187 Tazewell, VA 24651	1.72 acres	2.9301%
<u>OIL & GAS OWNERSHIP</u>		
(1) Gent Enterprises, LLP PO Box 330 Honaker, VA 24260	1.72 acres	2.9301%
<u>Tract #2A, 1.20 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Buckhorn Coal Company (H.C. Stuart 405 Acre Tract) P. O. Box 187 Tazewell, VA 24651	1.20 acres	2.0443%
<u>OIL & GAS OWNERSHIP</u>		
(1) Michael Whited, et al (aka Columbus Earl Whited Heirs) (26.40 acre tract)	1.20 acres	2.0443%
(a) Michael Whited P.O. Box 297 Swords Creek, VA 24649	0.12 acres 1/10 of 1.20 acres	0.2044%
(b) Ferrel Whited P.O. Box 1471 Honaker, VA 24260	0.22 acres 9/50 of 1.20 acres	0.3680%
(c) Marty Whited P.O. Box 881 Lebanon, VA 24266	0.22 acres 9/50 of 1.20 acres	0.3680%
(d) Cathy Darlene Ward 2014 Miller Creek Rd. Swords Creek, VA 24649	0.22 acres 9/50 of 1.20 acres	0.3680%
(e) Herald Whited 120 Clifton Farm Rd. Honaker, VA 24260	0.22 acres 9/50 of 1.20 acres	0.3680%

Exhibit EE
Unit AY109
Docket #VGOB 11-0517-2941
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Interest in Unit
(f) Melissa Skeens 120 Clifton Farm Rd. Honaker, VA 24260	0.22 acres 9/50 of 1.20 acres	0.3680%

Tract #2B, 41.33 acres

COAL OWNERSHIP

(1) Buckhorn Coal Company (H.C. Stuart 405 Acre Tract) P. O. Box 187 Tazewell, VA 24651	41.33 acres	70.4089%
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OIL & GAS OWNERSHIP

(1) Peggy Rasnake, et al. (122 acre tract)	41.33 acres	70.4089%
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(a) Mike O. Rasnake Heirs, Devisees,
Successors or Assigns

(a.1) Peggy Rasnake
73 Miller Creek Rd.
Honaker, VA 24260

Entitled to a Life Estate in all Royalties & Minerals

TOTAL CONFLICTS RESOLVED:

Acreage in Unit	47.6200	
Percentage of Unit		81.1244%