

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 16-1115-4100

ELECTIONS: UNIT AY-145 (Well AY145)  
(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 30, 2016, which was recorded at Deed Book 2016, Page 20378 in the Office of the Clerk of the Circuit Court of Tazewell County, Virginia, on December 27, 2016, (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 AY-145;

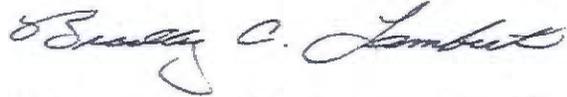
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company 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 19 day of January, 2017 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

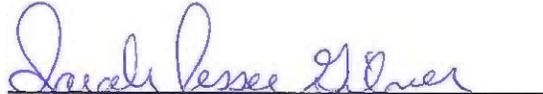
DONE AND PERFORMED this 19 day of January, 2017 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 19<sup>th</sup> day of January, 2017, 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 AY-145  
VGOB 16-1115-4100 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 30, 2016**, 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 27, 2016**;

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 30, 2016**;

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:

None

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:

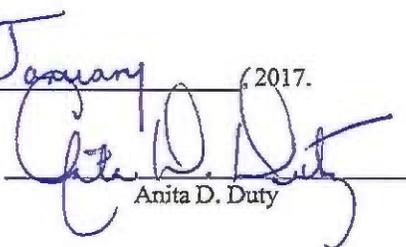
None

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

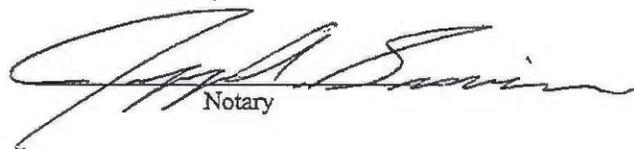
That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Cedar Bluff, Virginia, this 16<sup>th</sup> day of January, 2017.

  
Anita D. Duty

STATE OF VIRGINIA  
COUNTY OF TAZEWELL

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 16<sup>th</sup> day of January, 2017.

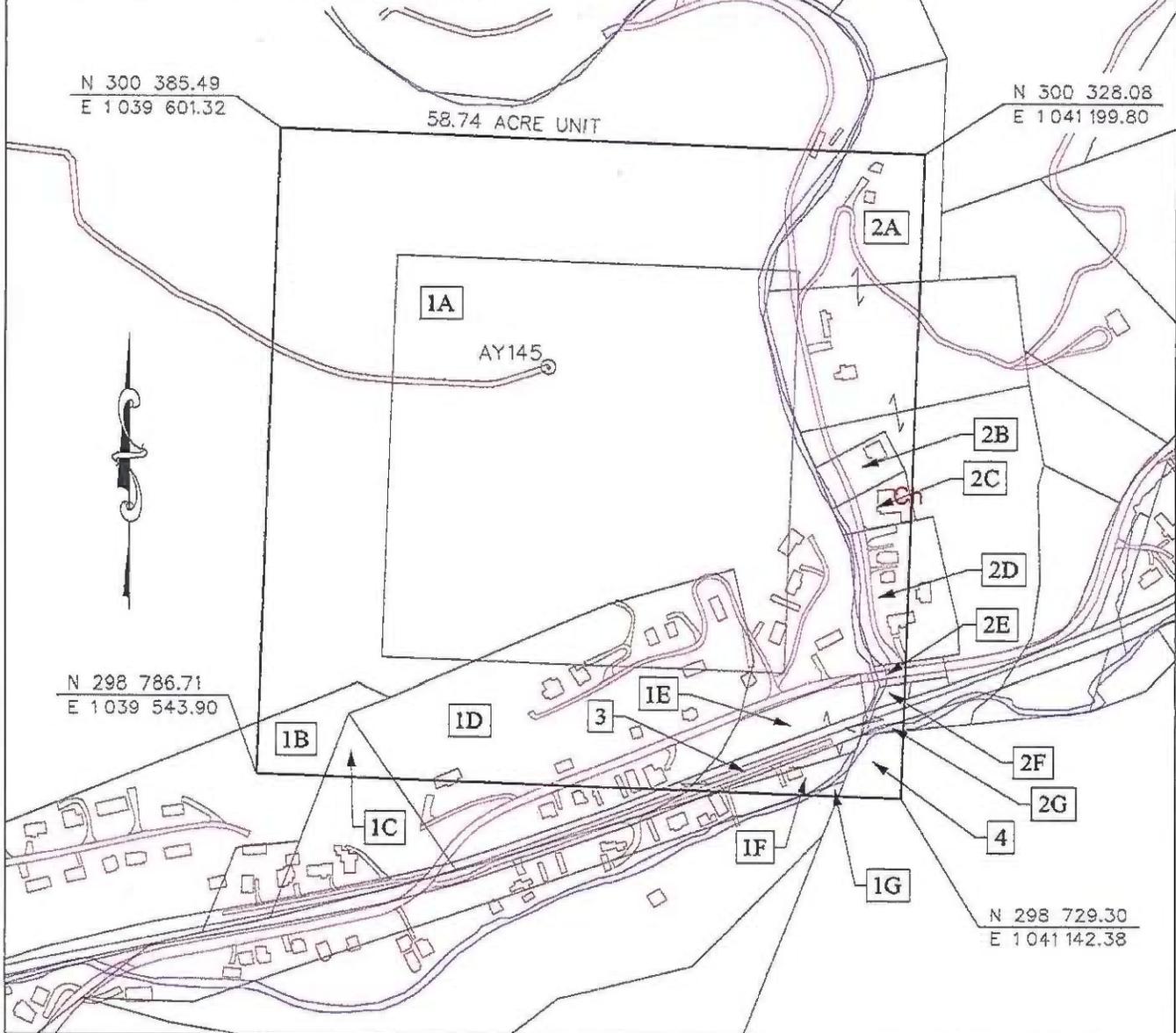
  
Notary

My commission expires: 8-31-2020.

Commonwealth of Virginia  
Jeffrey A. Simmons - Notary Public  
Commission ID: 7215200  
My Commission Expires 08/31/2020

BK 2017 001296

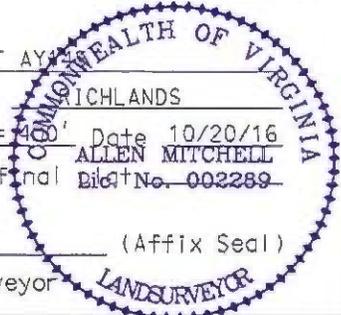
PROPERTY LINES SHOWN ON THIS PLAT WERE PROVIDED BY CNX GAS LLC AND WERE TAKEN FROM DEED DESCRIPTIONS AND CHAIN OF TITLE OF RECORD IT DOES NOT REPRESENT A CURRENT BOUNDARY SURVEY. THE CERTIFICATION HEREON CERTIFIES THE LOCATION OF THE PROPOSED WELL ONLY.



- CBM WELL
- PROPOSED CBM WELL

EXHIBIT A  
 MIDDLE RIDGE FIELD  
 UNIT AY145  
 FORCE POOLING  
 VGOB-16-1115-4100

Company CNX Gas Company LLC Well Name and Number UNIT AY145  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle \_\_\_\_\_  
 County TAZEWELL District MAIDEN SPRINGS Scale: 1" = 400' Date 10/20/16  
 This plat is a new plat X ; an updated plat \_\_\_\_\_ ; or a final 10/20/16



Form DGO-GO-7  
 Rev. 9/91

Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

**CNX Gas Company LLC**  
**Unit AY 145**  
**Tract Identifications**

1. Southern Region Industrial Realty Corp., et al. Tr. 1 (4430 Ac. Tract)- All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 CNX Gas Company LLC – CBM in P-3 Seam  
 CNX Gas Company LLC – CBM Leased (Deemed Leased via JOA)  
 Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
 Tax Map 105 Parcel 30  
 50.02 Acres 85.1549%
  
- 1A. Southern Region Industrial Realty Corporation – Surface  
 Appalachian Forests A., LLC – Timber
- 1B. Unknown Surface Owner
- 1C. Unknown Surface Owner
- 1D. Unknown Surface Owner
- 1E. Unknown Surface Owner
- 1F. Unknown Surface Owner
- 1G. Unknown Surface Owner
  
- 2A. Southern Region Industrial Realty Corp., et al. Tr. 12 (153.17 Ac. Tract) – All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 CNX Gas Company LLC – CBM in P-3 Seam  
 CNX Gas Company LLC – CBM Leased (Deemed Leased via JOA)  
 Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
 Southern Region Industrial Realty Corporation – Surface  
 Appalachian Forests A., LLC – Timber  
 Tax Map 87A Parcel 33  
 5.48 Acres 9.3292%
  
- 2B. Southern Region Industrial Realty Corp., et al. Tr. 12 (153.17 Ac. Tract) – All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 CNX Gas Company LLC – CBM in P-3 Seam  
 CNX Gas Company LLC – CBM Leased (Deemed Leased via JOA)  
 Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
 Unknown Surface Owner  
 Tax Map 106A Parcel 3  
 0.50 Acres 0.8512%
  
- 2C. Southern Region Industrial Realty Corp., et al. Tr. 12 (153.17 Ac. Tract) – All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 CNX Gas Company LLC – CBM in P-3 Seam  
 CNX Gas Company LLC – CBM Leased (Deemed Leased via JOA)  
 Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
 Unknown Surface Owner  
 Tax Map 106A Parcel 00  
 0.42 Acres 0.7150%

"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."

**CNX Gas Company LLC**  
**Unit AY 145**  
**Tract Identifications**

- 2D. Southern Region Industrial Realty Corp., et al. Tr. 12 (153.17 Ac. Tract) – All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 CNX Gas Company LLC – CBM in P-3 Seam  
 CNX Gas Company LLC – CBM Leased (Deemed Leased via JOA)  
 Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
 Unknown Surface Owner  
 Tax Map 106A Parcel 4  
 0.98 Acres 1.6683%
- 2E. Southern Region Industrial Realty Corp., et al. Tr. 12 (153.17 Ac. Tract) – All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 CNX Gas Company LLC – CBM in P-3 Seam  
 CNX Gas Company LLC – CBM Leased (Deemed Leased via JOA)  
 Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
 Commonwealth of Virginia – Surface  
 Tax Map 106A Parcel 00  
 0.08 Acres 0.1361%
- 2F. Southern Region Industrial Realty Corp., et al. Tr. 12 (153.17 Ac. Tract) – All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 CNX Gas Company LLC – CBM in P-3 Seam  
 CNX Gas Company LLC – CBM Leased (Deemed Leased via JOA)  
 Commonwealth of Virginia – Surface, Oil and Gas  
 Tax Map 106A Parcel 00  
 0.08 Acres 0.1361%

**OR**

- Commonwealth of Virginia – Fee  
 Tax Map 106A Parcel 00  
 0.08 Acres 0.1361%
- 2G. Southern Region Industrial Realty Corp., et al. Tr. 12 (153.17 Ac. Tract) – All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 CNX Gas Company LLC – CBM in P-3 Seam  
 CNX Gas Company LLC – CBM Leased (Deemed Leased via JOA)  
 Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
 Southern Region Industrial Realty Corporation – Surface  
 Appalachian Forests A., LLC – Timber  
 Tax Map 106A Parcel 6  
 0.03 Acres 0.0510%
3. Norfolk Southern Railway Company – Fee  
 CNX Gas Company LLC – CBM Leased  
 "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."

**CNX Gas Company LLC**  
**Unit AY 145**  
**Tract Identifications**

Tax Map 106A Parcel 00  
0.69 Acres 1.1746%

4. PJ Brown Heirs (114.11 Ac. Tract) – Coal  
Norfolk Southern Railway Company – Surface, Oil and Gas  
CNX Gas Company LLC – CBM Leased  
Tax Map 106A Parcel 11  
0.46 Acres 0.7831%

"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 2017 PG 01300

Exhibit B-3  
Unit AY-145  
Docket # VGOB 16-1115-4100  
List of Unleased Owners/Claimants  
(58.74 Acre Unit)

	Net Acres in Unit	Interest in Unit
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<u>Tract #2F - 0.08 acres</u>		
(1) Commonwealth of Virginia Department of Transportation 870 Bonham Road Bristol, VA 24201-2002	0.08 acres	0.1362%

Exhibit E  
Unit AY-145  
Docket # VGOB 16-1115-4100  
List of Owners/Claimants Requiring Escrow  
(58.74 Acre Unit)

	Net Acres in Unit	Interest in Unit
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Tract #2F - 0.08 acres

*Escrow due to Title conflict*

OIL & GAS OWNERSHIP

- |   |                                 |         |
|---|---------------------------------|---------|
| (1) Pardee Royalty LLC and Pardee Minerals LLC*   | 0.08 acres                      | 0.1362% |
| (a) Pardee Royalty LLC *<br><i>(Oil, Gas &amp; CBM Owner except CBM in P3 Seam)</i><br>P. O. Box 102904<br>Atlanta, GA 30368-2904           | 0.04 acres<br>1/2 of 0.08 acres | 0.0681% |
| (b) Pardee Minerals LLC*<br><i>(Oil, Gas &amp; CBM Owner except CBM in P3 Seam)</i><br>P. O. Box 102904<br>Atlanta, GA 30368-2904           | 0.04 acres<br>1/2 of 0.08 acres | 0.0681% |
| White Wolf Energy, Inc. *<br>300 Corporate Centre Drive<br>Scott Depot, WV 25660<br><i>(previously Anker Virginia Mining Company, Inc.)</i> |                                 |         |

\* According to a prior agreement, the CBM royalties will be split 50/50.

- |  |            |  |
|--|------------|--|
| (2) CNX Gas Company, LLC <i>(CBM in P3 Seam only)</i> **<br>1000 Consol Energy Drive<br>Canonsburg, PA 15317 | 0.08 acres |  |
|--|------------|--|

\*\* Note: There is no Issue - Does not receive royalty for P3 Seam ownership.

OR

- |   |            |         |
|---|------------|---------|
| (1) Commonwealth of Virginia<br>Department of Transportation<br>870 Bonham Road<br>Bristol, VA 24201-2002 | 0.08 acres | 0.1362% |
|---|------------|---------|

Acres in Tract	0.08
Percentage in Tract	0.1362%

INSTRUMENT #170000290  
RECORDED IN THE CLERK'S OFFICE OF  
TAEWELL COUNTY ON  
JANUARY 31, 2017 AT 01:48PM  
*M. Allison*  
TAMMY B. ALLISON, CLERK  
RECORDED BY: MLT