

120001094

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)

UNIT/WELL NAME: Z-12
TRACT(S): Tract 2A
(Due to Dismissal Order Issued by the Circuit Court
of Buchanan County, Case No. 162-90, entered on
October 6, 2010.)

LOCATION: Buchanan County, Virginia

DOCKET NUMBER: VGOB-91-0521-0126-01

APPLICANTS: CNX Gas Company LLC on behalf of Harrison-Wyatt, LLC (with "Courtesy
Copy" to surface owners James C. Street, Et. Al.).

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
October 18, 2011 and November 15, 2011.

APPEARANCES: Mark Swartz, of Swartz Law Offices, PLLC, on behalf of CNX.

PRIOR PROCEEDINGS:

1. Original Pooling Order, Executed 06/06/1991; Recorded 06/06/1991, Deed Book 375, Page 812.
2. Supplemental Order, Executed 06/07/1993; Recorded 06/10/1993, Deed Book 409, Page 372.
3. Amended Supplemental Order, Executed 05/23/1997; Recorded 06/04/1997, Deed Book 463, Page 279 .

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the October 18, 2011 hearing and was continued to November 15, 2011 where the Board considered whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract 2A identified in the attached miscellaneous petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract 2A relative to the interests of the Applicants identified in the attached miscellaneous petition.
- (3) Close the escrow account under this docket number.

FINDINGS: *Code of Virginia* § 45.1-361.22

Applicant has certified and represented to the Board that:

1. The owners of the coal estate and the oil and gas estate for Tract 2A is Harrison-Wyatt, LLC.
2. The basis for the relief sought in the Petition is the dismissal order of Case No. 162-90 entered on October 6, 2010, issued by the Circuit Court of Buchanan County.
3. For Tract 2A, the aforementioned owner is granted 100% royalty payment as referenced in the attached miscellaneous petition, as shown in Table 1.

RELIEF GRANTED:

VGOB Approved Disbursement VGOB-91-0521-0126-01 Z-12					Fractional Ownership in Tract	Net Acreage Ownership in Tract	Royalty Split Agreement	Escrowed Acres Disbursed	Percent of Escrowed Funds Disbursed
Table 1 (Tract 2A)									
Item	Tract	Disbursement Table							
		Total acreage in escrow before disbursement (per CNX testimony, plat, and Exhibit EE)						75.56	
	2A	Tract 2A total acreage			75.56				
1	2A	Harrison-Wyatt, LLC (Coal / Oil and Gas)	P.O. Box 11000, Danville, VA 24543		100.00%	75.56	100.00%	75.56	100.00%
	2A	James H. Street Heirs, James C. Street, ET AL.			0.00%	---	---	---	---
		(Conflicting surface owner claim to the CBM dismissed by Dismissal Order by the Circuit Court of Buchanan County Case No. 162-90.)							

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.**

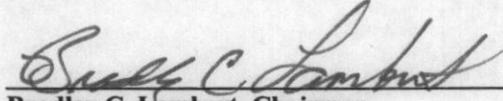
APPEALS:

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.

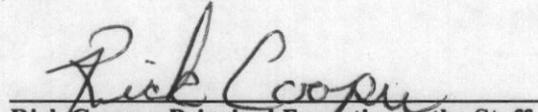
Effective Date:

This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 17 day of April, 2012, by a majority of the Virginia Gas and Oil Board.

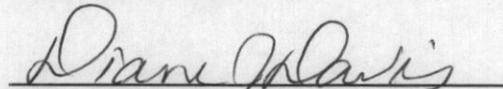

Bradley C. Lambert, Chairman
Virginia Gas and Oil Board

DONE AND PERFORMED this 17th day of April, 2012 BY Order of the Virginia Gas and Oil Board.

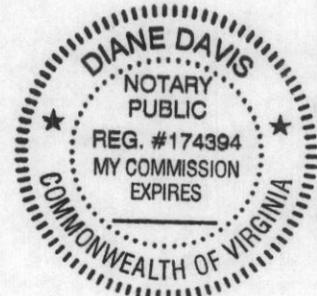

Rick Cooper, Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL)

Acknowledged on this 17th day of April, 2012, 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 Acting Principal Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and were authorized to do so.


Diane J. Davis, Notary Public #174394

My commission expire: 09/30/2013



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO: VGOB 91-0521-0126-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 2A DUE TO
DISMISSAL ORDER ISSUED BY THE CIRCUIT
COURT OF BUCHANAN COUNTY; (2) VACATE
BOARD ORDER POOLING UNIT (*Royalties currently paid
under VP8SGU3, VGOB 06-0321-1598*)

HEARING DATE: October 18, 2011

UNIT NUMBER: Z-12
BUCHANAN COUNTY, VIRGINIA

NOTICE OF HEARING

HEARING DATE: **October 18, 2011**
PLACE: Russell County Conference Center
135 Highlands Drive
Lebanon, Virginia 24266
TIME: 9:00 AM

COMMONWEALTH OF VIRGINIA:

To: *Harrison-Wyatt, L.L.C.; James H. Street Heirs, Devisees, Successors or Assigns including James C. Street, Mays S. Blankenship, Alvin R. Anderson, Jr., Sharon M. Bernhardt, Janice C. Taylor, Dorothy J. Shortridge, Ella B. Anderson, Davie Street, Barry Street, Rose Mary Street, Lottie V. Rocha, Vivian L. Street Peisch, William A. Prine, Jr., Wiltha Street Parazoo, Clifford Dean Street, Norma S. Nichols, Mary S. Alexander, Bea Street Fletcher, Sheila D. Deguise and Kimberly E. Perkins*

1. **Petitioner and its counsel:** Petitioner is CNX Gas Company LLC, 2481 John Nash Blvd., Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, **SWARTZ LAW OFFICES, PLLC**, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.

2. **Relief sought:** (1) the disbursement of entire balance on deposit with the Board's Escrow Agent(s) attributable to Tract(s) 2A to Harrison-Wyatt, LLC; and (2) Vacate Board Order.

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.

Notice of Petition and Hearing Date were provided by certified mail return receipt requested and by publication.

4. **Type of well(s):** Coalbed methane.

5. **Factual basis for relief requested:** Upon request of Harrison-Wyatt LLC, CNX Gas Company LLC petitions for disbursement of all funds currently in escrow due to a surface owner claim to the CBM royalties on Tract 2A. The basis for the relief sought in this Petition is the dismissal order of Case No. 162-90 entered on October 6, 2010.

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

CNX GAS COMPANY LLC
BY IT'S PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By: 
Anita D. Duty
Pooling Supervisor
CNX Land Resources Inc.
2481 John Nash Blvd.
Bluefield, West Virginia 24701



VIRGINIA:

IN THE CIRCUIT COURT OF BUCHANAN COUNTY

JAMES C. STREET, ET AL
Plaintiffs

v.

OXY USA, INC., ET AL
Respondent

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Case No.: 162-90

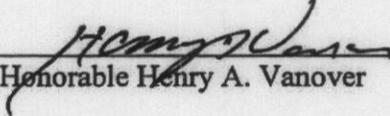
ORDER

This cause came to be heard upon plaintiff's Motion for Nonsuit filed in this action.

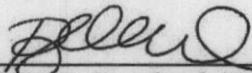
UPON CONSIDERATION WHEREOF, it is ORDERED that this case be and the same is hereby dismissed without prejudice.

The Clerk is directed to send an attested copy of this Order to counsel of record.

ENTER this the 6th day of ^{October} ~~September~~, 2010.

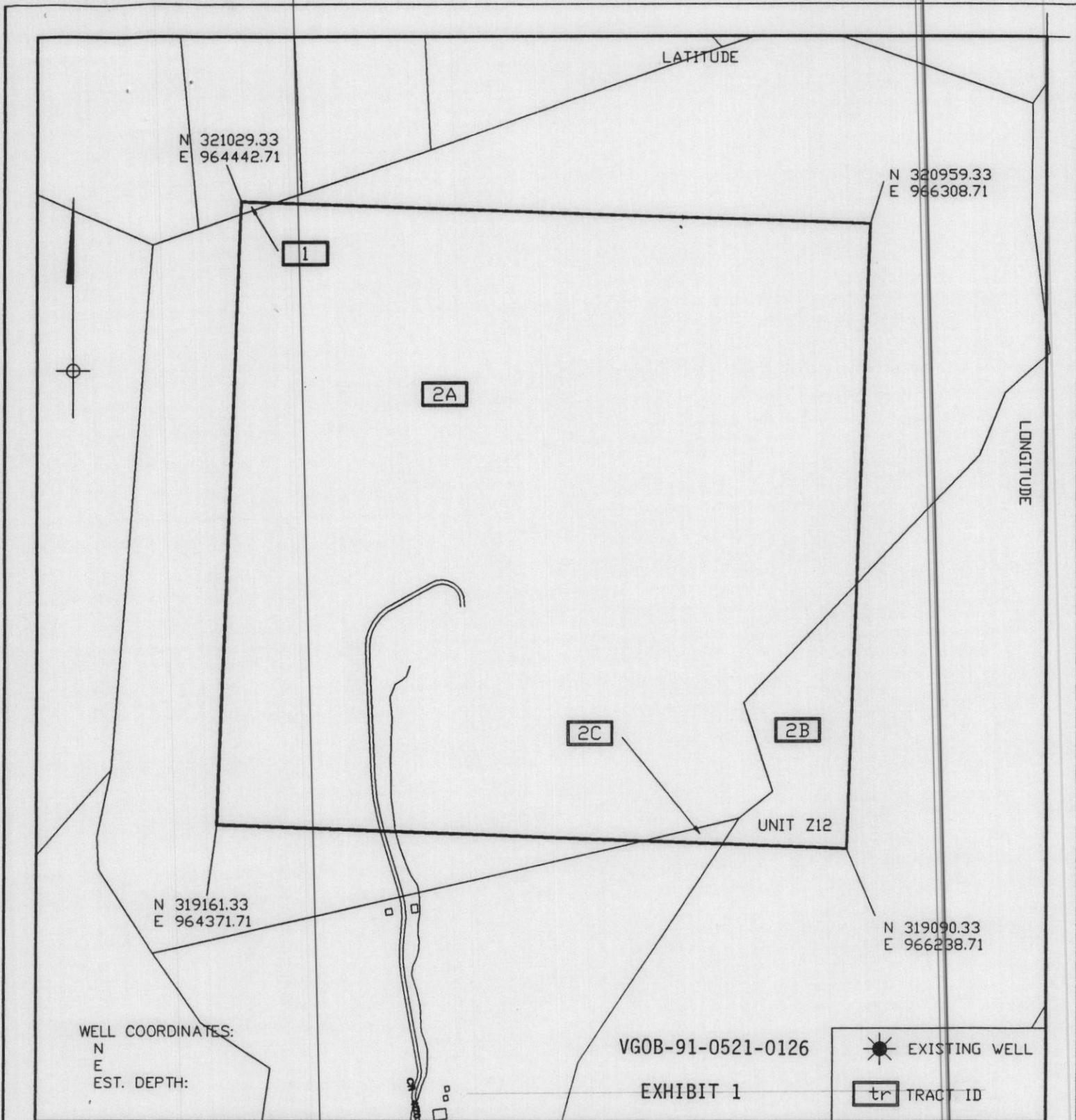

Honorable Henry A. Vanover

REQUESTED BY:


Robert T. Copeland, Esq., VSB #14575
COPELAND & BIEGER, P.C.
P.O. Box 1296
Abingdon, Virginia 24212
(276) 628-9525
Counsel for Plaintiff

A Copy
Teste: Beverly S. Tiller, Clerk
Circuit Court of Buchanan
County, Virginia

Deputy Clerk



UNIT MAP

Company CONSOL INC. Well Name and Number UNIT Z12
 Tract No. _____ Elevation _____ Quadrangle CONSANT
 County BUCHANAN District _____ Scale: 1" = 400 FEET

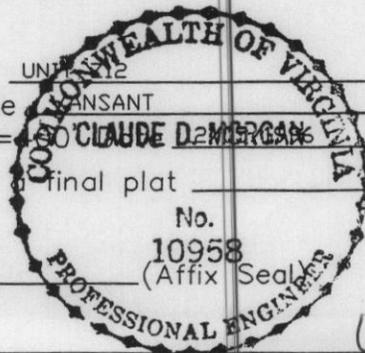
This plat is a new plat xxx; an updated plat _____; or a final plat _____

Denotes the location of a well on United States Topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

Form DGO-GO-7
 Rev. 9/91

Licensed Professional Engineer

Claude D. Morgan



ll

**Buchanan Production Company
Oakwood Field Unit Z-12**

EXHIBIT 2

1. Big Axe Land Company - Tr. 10 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Island Creek Coal Company
Buchanan Production Company - CBM Lessee
Buchanan Production Company - Oil & Gas Lessee
0.10 acres - 0.1250%

- 2A. Big Axe Land Company - Tr. 27 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Island Creek Coal Company
Buchanan Production Company - CBM Lessee
Buchanan Production Company - Oil & Gas Lessee
75.56 acres - 94.4500%

James H. Street Heirs - Surface, CBM Claimiant

- 2B. Big Axe Land Company - Tr. 27 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Island Creek Coal Company
Buchanan Production Company - CBM Lessee
Buchanan Production Company - Oil & Gas Lessee
4.14 acres - 05.1750%

- 2C. Big Axe Land Company - Tr. 27 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Island Creek Coal Company
Buchanan Production Company - CBM Lessee
Buchanan Production Company - Oil & Gas Lessee
0.20 acres - 0.2500%

Exhibit B-3
Oakwood Field Unit Z-12
VGOB-91-0521-0126-01
List of Unleased Owners/Claimants

Net Acres in Unit	Interest in Unit	Division of Interest in 8-West 24.9312%	Division of Interest in 9-West 30.3943%
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This unit is 100% Leased

Exhibit EE
 Oakwood Field Unit Z-12
 VGOB-91-0521-0126-01

List of Conflicting Owners/Claimants with Court Decisions

	Net Acres in Unit	Interest in Unit	Division of Interest in 8-West 24.9312%	Division of Interest in 9-West 30.3943%	Percent of Escrow
<u>TRACT #2A - 75.56 acres</u>					
<u>COAL OWNERSHIP</u>					
(1) Harrison-Wyatt, LLC P.O. Box 11000 Danville, VA 24543	75.56 acres	94.4500%	23.5475%	28.7074%	
There is no longer any conflicting claims to Harrison-Wyatt LLC's ownership of the CBM A non-suit order was issued under Case No: 162-90 on October 6, 2010					
<u>OIL & GAS OWNERSHIP</u>					
(1) Harrison-Wyatt, LLC P.O. Box 11000 Danville, VA 24543	75.56 acres	94.4500%	23.5475%	28.7074%	100.0000%
There is no longer any conflicting claims to Harrison-Wyatt LLC's ownership of the CBM A non-suit order was issued under Case No: 162-90 on October 6, 2010					

INSTRUMENT #120001094
 RECORDED IN THE CLERK'S OFFICE OF
 BUCHANAN COUNTY ON
 JUNE 4, 2012 AT 02:34PM
 BEVERLY S. TILLER, CLERK
 RECORDED BY: GGB

9

Hagy, Sharon (DMME)

From: VITASHARE System [vitashare@vita.virginia.gov]
Sent: Tuesday, June 12, 2012 9:52 AM
To: Hagy, Sharon (DMME)
Subject: New Transaction QUTHEGVFXI7S49I-0003

Transaction details for Sharon Hagy(user shagy_1)

Job Id: QUTHEGVFXI7S49I-0003

Date: Tue, Jun 12, at 09:52

Transaction Details:

Acknowledge Security Policy: I understand that this system is not intended for sensitive data.

Recipient's Email example- user1@virginia.gov, user2@virginia.gov:
AnitaDuty@consolenergy.com, dldavis@firstbank.com, gloria.clark@dmme.virginia.gov,
hilareymullins@consolenergy.com

Message - Describe file attachment: Please see the recorded disbursement orders for dockets: 0115-01 0126-01 0526-04 0563-03 0564-02 0565-02 0649-05 1984-02 Let me know if you are unable to download the files. Thank you, Sharon

Notify me when the file is downloaded?: Yes
Pin: 328667

Files:

- 0115-01_Disbursement.tif
- 0126-01_Disbursement.tif
- 0526-04_Disbursement.tif
- 0563-03_Disbursement.tif
- 0564-02_Disbursement.tif
- 0565-02_Disbursement.tif
- 0649-05_Disbursement.tif
- 1984-02_Disbursement.tif

View details here

<<http://vitashare.vita.virginia.gov/fcweb/viewJobLink.do?JOBIDX=QUTHEGVFXI7S49I>>

Total Estimated File Size: 1691 KB
Total Number of Files: 8
Estimated Upload Time: 00:01:45

Five hundred ten thousand and one hundred one and 70/100

PAY TO THE ORDER OF

HARRISON WYATT LLC
% WYATT BUICK PONTIAC
PO BOX 11000
DANVILLE VA 24043-0107

First Bank & Trust Company
 Trade Date 06/13/2012
 Settlement Date 06/13/2012

Time Modified 06/13/2012
 Description VGOB Docket # 91-0521-0126-01
 Well: Z-12 Tract # 2A
 Payee Harrison-Wyatt LLC
 FBO Harrison-Wyatt LLC
 Tax Year 2012
 Transaction Type Distribution Per Virginia Gas & Oil Board

Check Number 29275
 Gross Distribution \$510,101.71
 Less:
 Net Distribution \$510,101.70

8000126 - Z12
 Trade Date 06/13/2012
 Settlement Date 06/13/2012
 Time Modified 06/13/2012
 Description VGOB Docket # 91-0521-0126-01
 Well: Z-12 Tract # 2A
 Payee Harrison-Wyatt LLC
 FBO Harrison-Wyatt LLC
 Tax Year 2012
 Transaction Type Distribution Per Virginia Gas & Oil Board

Check Number 29275
 Gross Distribution \$510,101.70
 Less:
 Net Distribution \$510,101.70

510,144.21

THIS DOCUMENT HAS A MULTI-COLORED FACE THAT CHANGES COLOR GRADUALLY.

SEE LIST OF SECURITY FEATURES ON THE BACK. DO NOT CASH UNLESS ALL ARE PRESENT.

First Bank & Trust Company
 Wealth Management Group
 8000126 - Z12

TRUST DIVISION
 38 E VALLEY DRIVE
 BRISTOL, VA 24201
 (866) 505-1496

06/13/2012

68-446
 514

CHECK NO. 029275

\$510,101.70

Dollars

Five hundred ten thousand one hundred one and 70/100

PAY TO THE ORDER OF

HARRISON-WYATT LLC
 % WYATT BUICK PONTIAC
 PO BOX 11000
 DANVILLE VA 24543-5017

[Signature]

⑈029275⑈ 1:0514044641: 2001 004 7⑈