

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL  
DOCKET NO. VGOB 93-0216-0325-22

RELIEF SOUGHT: MODIFICATION OF  
OAKWOOD FIELD I RULES

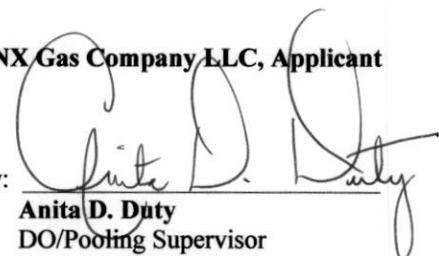
AFFECTED UNITS: D39, E41, E42

APPLICATION

1. **Applicant and its counsel:** Applicant is CNX Gas Company LLC, 2481 John Nash Blvd. Bluefield, West Virginia, 24701. Applicant's Counsel is Mark A. Swartz, 601 Sixth Avenue, Suite 201, St. Albans, WV 25177-1808.
2. **Relief sought:** (1) Modification of the Oakwood Field I Rules, OGCB 3-90 as amended, to allow more than one coalbed gas well to be drilled within each of the 80 acre Oakwood Units identified above. (2) For an administrative order providing that additional well permits may be issued in the Oakwood Field after this application is filed and while it is pending.
3. **Legal authority:** 4 VAC 25-160-50 and § 45.1-361.20 of the Code of Virginia.
4. **Proposed provisions of order sought:** That additional coalbed methane gas wells may be drilled in each of the above referenced Oakwood I Units; and that production/royalties from each coalbed methane well drilled in the said Units shall continue to be allocated solely to the owners and claimants of and to the coalbed methane within the Unit in which the well is located.
5. **Type of wells and field:** Coalbed methane frac wells within the portion of the Oakwood I Field described above.
6. **Formations subject to application:** All coal beds and coal seams below the Tiller seam down to the red and green shales. See Oakwood Field I Rules OGCB 3-90, as amended.
7. **Plat:** See Exhibit A1 annexed hereto.
8. **The boundaries and acreage affected:** See Exhibit A1 annexed hereto.
9. **Attestation:** The foregoing application to the best of my knowledge, information and belief is true and correct.

CNX Gas Company LLC, Applicant

By:

  
Anita D. Duty  
DO/Pooling Supervisor  
2481 John Nash Blvd.  
Bluefield, WV 24701

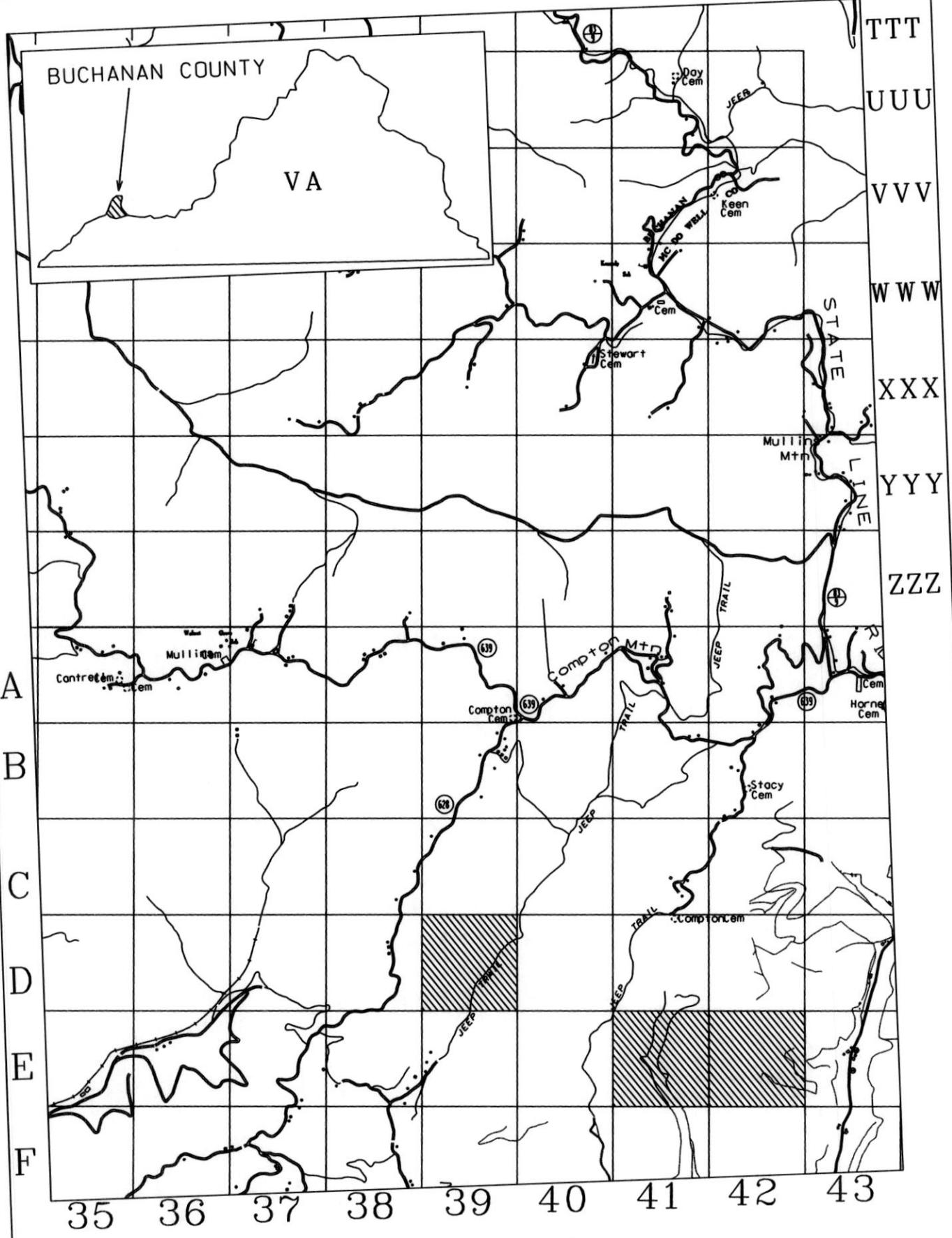
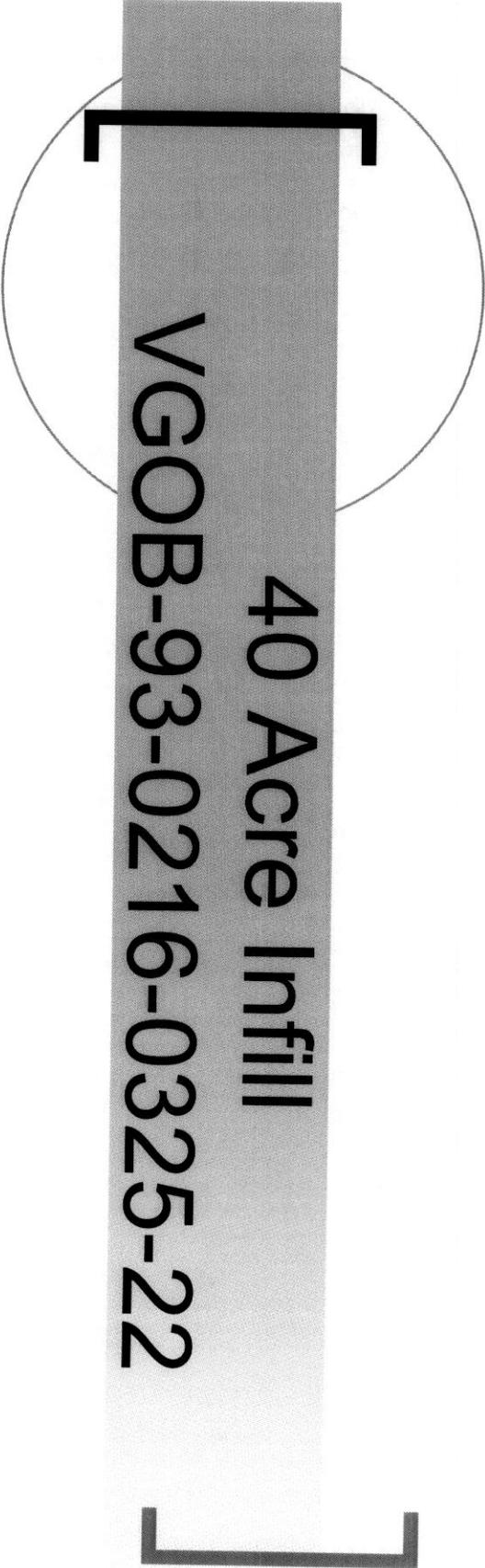


EXHIBIT A1  
 OAKWOOD FIELD MODIFICATION  
 VGOB 93-0216-0325-22



40 Acre Infill

VGOB-93-0216-0325-22

Oakwood Field Units D-39,

E-41 and E-42

September 21, 2010



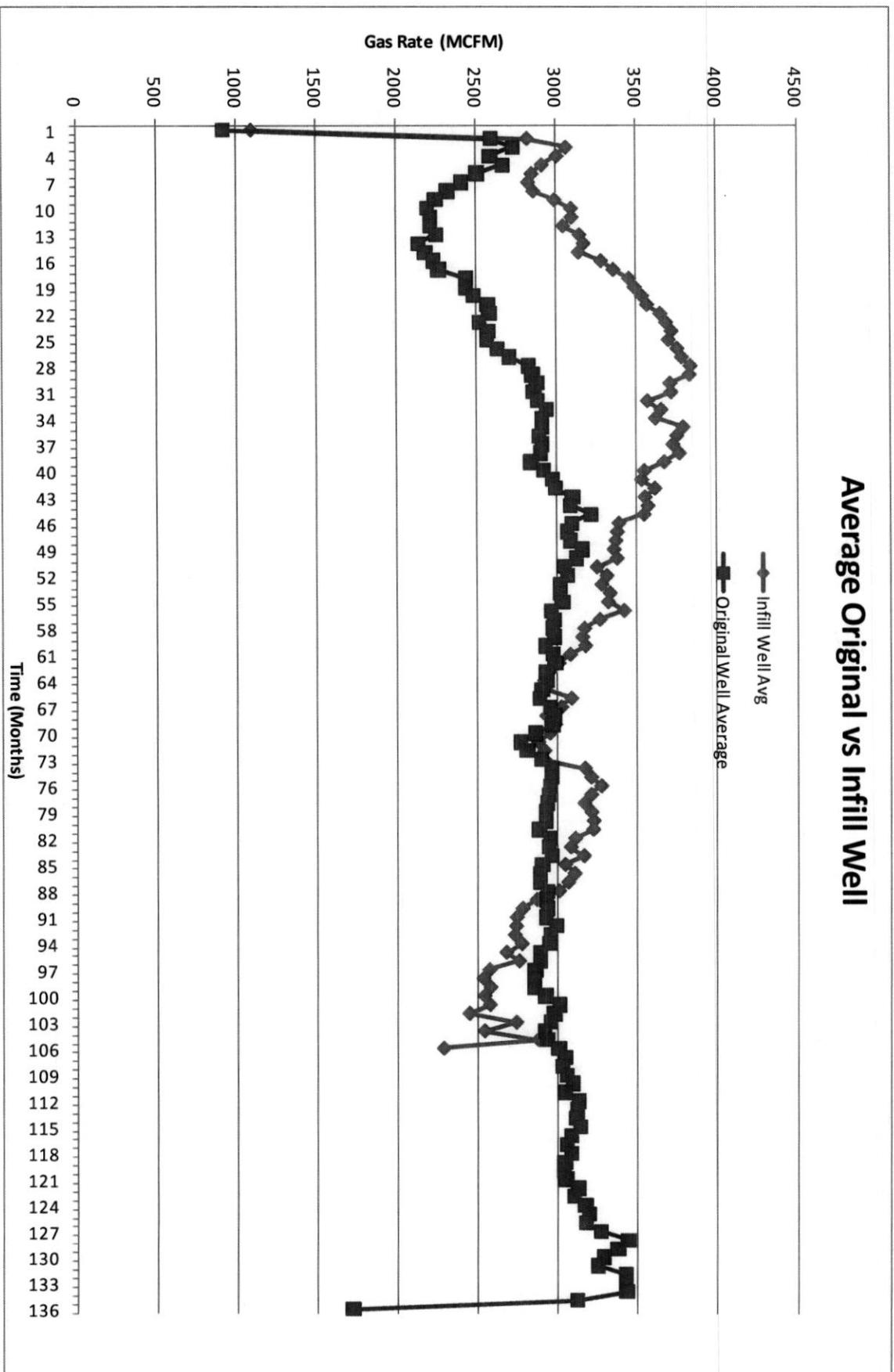
## Actual Results

- Look at the actual results for 40 Acre Infill wells.

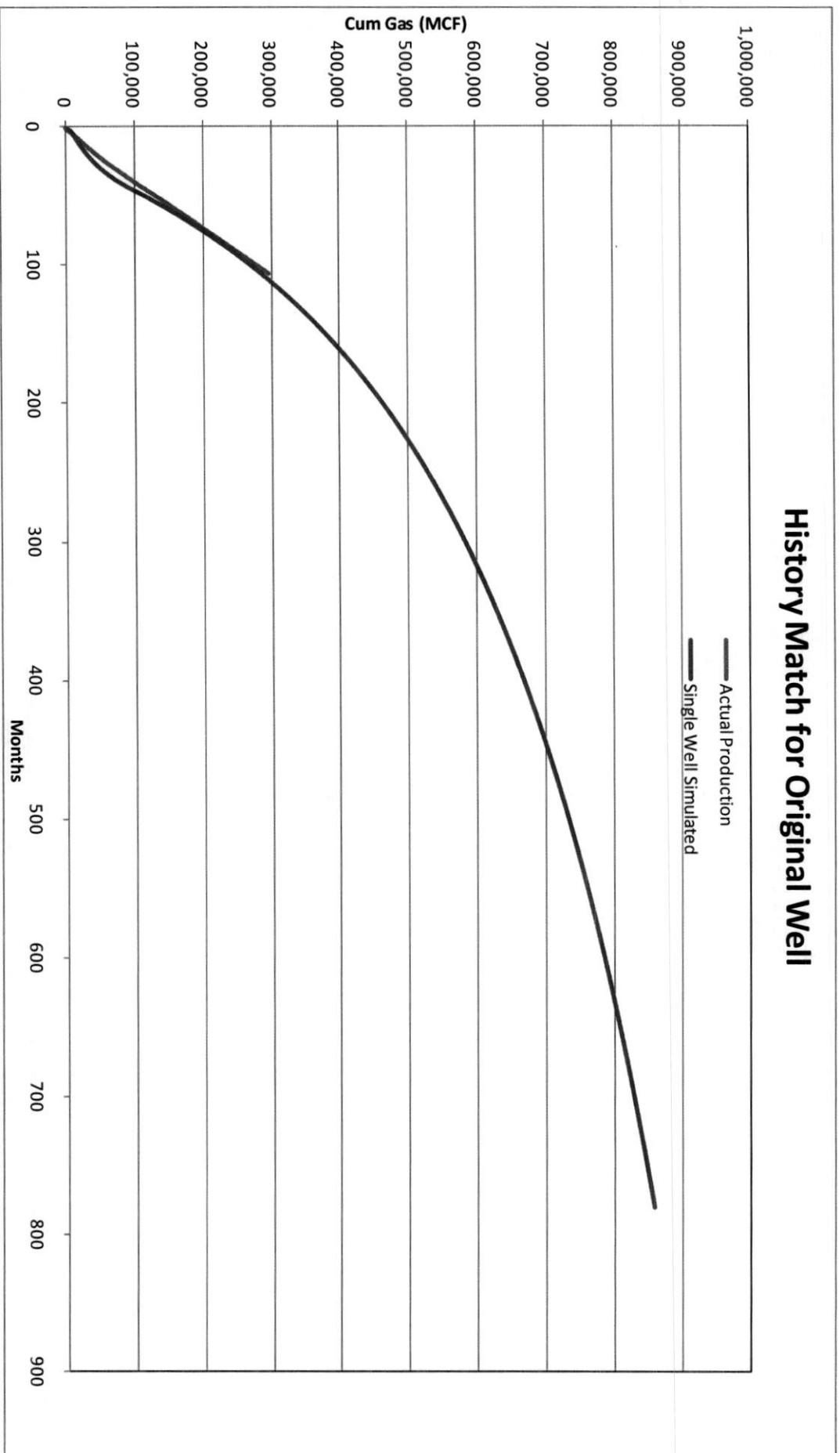
## Future Results

- Forecast the results of drilling infill wells.
- Estimate the reserve impact for drilling the 40 Acre Infills.

# Average Original vs Infill Well

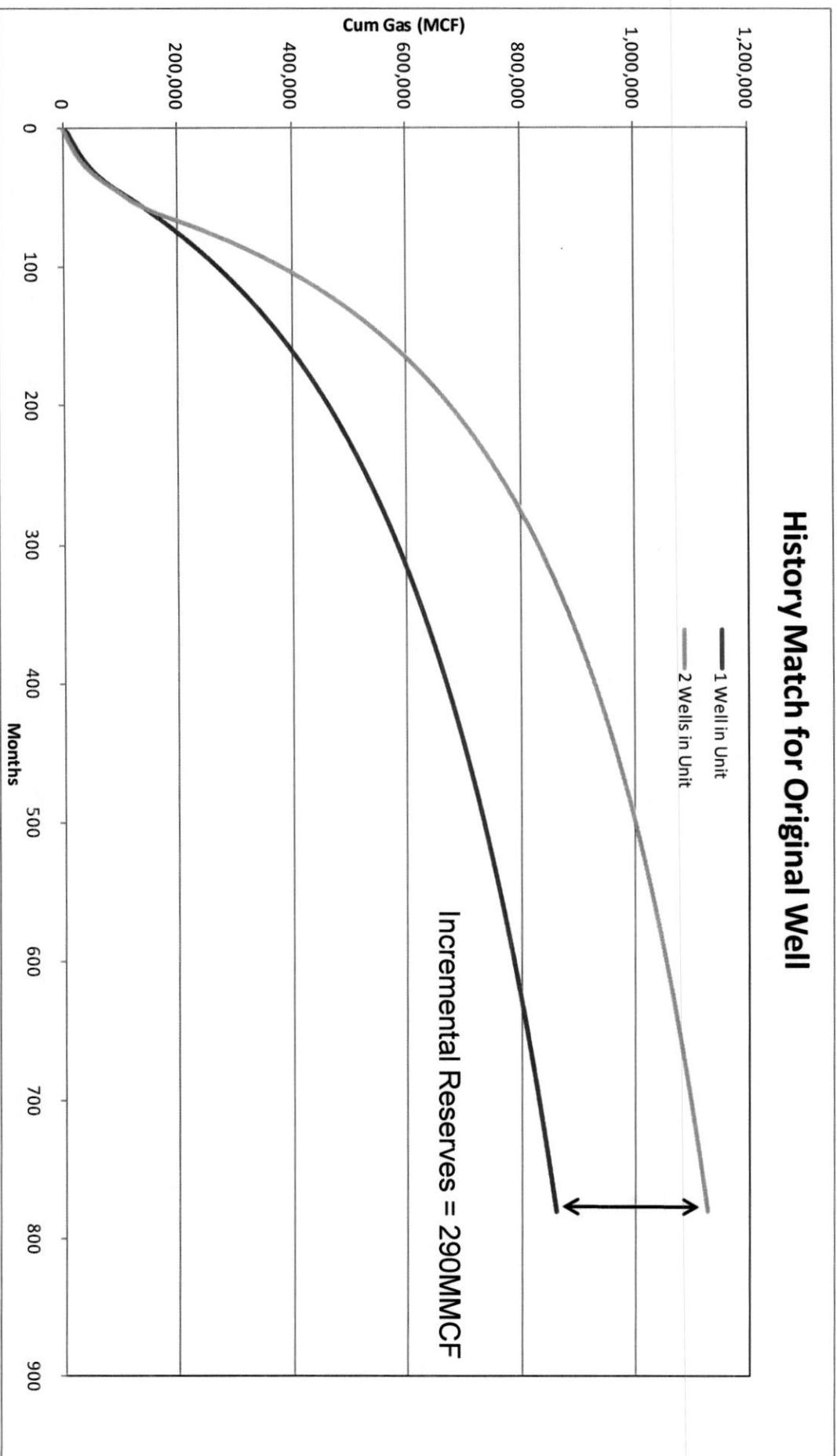


## History Match for Original Well



**Cumulative Reserves = 860 MMCF**

### History Match for Original Well



**Single Well Cumulative Reserves = 860 MMCF**

**2 Wells in Unit Cumulative Reserves = 1,150 MMCF**

**AFFIDAVIT OF DUE DILIGENCE**

**COMMONWEALTH OF VIRGINIA  
COUNTY OF BUCHANAN**

I, Anita D. Duty, after being duly sworn upon oath, state as follows:

1. I am a Pooling Supervisor of CNX Land Resources, Inc. and am responsible for the notification process required by Va. Code Ann. §45.1-361.19 and VR 480-05-22.2 §4.
2. That CNX Gas Company LLC has exercised due diligence in attempting to locate and notice all owners and claimants who are unleased and/or who were not previously pooled by prior order(s) of the Virginia Gas and Oil Board regarding **the Oakwood I Field Modification / Infill Drilling #22**, all as required by Va. Code Ann. §45.1-361.19 and VR 480-05-22.2.
3. That on **July 16, 2010** a true and correct copy of the Notice of Hearing with Exhibits will be mailed, via certified mail return receipt requested, to all owners and claimants listed in Exhibit

B-3 for who

*Street*

4. Tha

underlying

*Example*

or unknow

filing of

*Cherry*

Bluefield

5.

locate

located

*increased  
sel@streetlaw.  
firm.com*

and or unpooled interest in the methane gas

**tion / Infill Drilling #22**, whether known

address were unknown, was notified of the

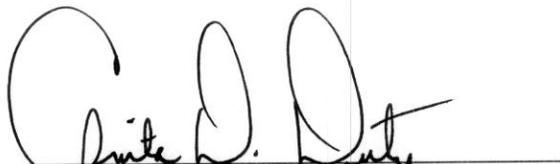
publication of the Notice of Hearing in the

to exercise due diligence in attempting to

ly unknown or unlocatable parties and, if

Company LLC's application.

I have read the foregoing, and the information given above is true and correct to the best of my knowledge and belief.

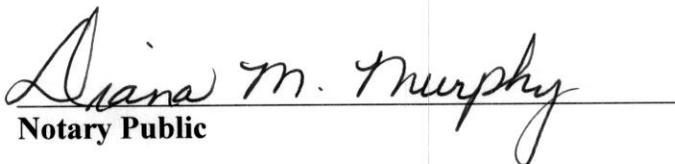
  
Anita D. Duty  
Pooling Supervisor  
for CNX Land Resources, Inc.

ACKNOWLEDGMENT

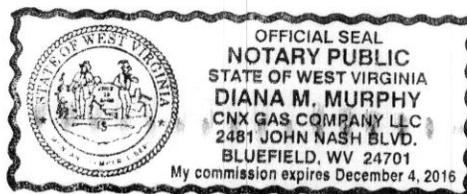
STATE OF WEST VIRGINIA

COUNTY OF MERCER, TO-WIT:

TAKEN, SUBSCRIBED AND SWORN to before me this 13<sup>th</sup> day of  
September, 2010.

  
Diana M. Murphy  
Notary Public

My commission expires: December 4, 2016



BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC DIVISION OF GAS AND OIL DOCKET NO. VGOB 93-0216-0325-22

RELIEF SOUGHT: MODIFICATION OF OAKWOOD I FIELD RULES

AFFECTED UNITS: D39, E41, E42

NOTICE OF HEARING

HEARING DATE: August 17, 2010
PLACE: Russell County Conference Center
135 Highlands Drive
Lebanon, Virginia 24266

TIME: 9:00 AM

COMMONWEALTH OF VIRGINIA:

To: Pocahontas Mining Company; Robert S. Mullin, Jr., et al including Grat M. Mullin, Agent, Robert S. Mullin, Jr., Alex R. Valdo & Marguerite M. Valdo; Tazewell Coal & Iron; Appalachain Energy

1. Applicant and its counsel: Applicant is CNX Gas Company LLC, 2481 John Nash Blvd, Bluefield, West Virginia, 24701. Applicant's Counsel is Mark A. Swartz, 601 Sixth Avenue, Suite 201, St. Albans, WV 25177-1808.

2. Relief sought: (1) Modification of the Oakwood I Field Rules, OGCB 3-90 as amended, to allow more than one coalbed gas well to be drilled within each of the 80 acre Oakwood Units identified above. (2) For an administrative order providing that additional well permits may be issued in the Oakwood Field after this application is filed and while it is pending.

3. Legal authority: 4 VAC 25-160-50 and § 45.1-361.20 of the Code of Virginia.

4. Proposed provisions of order sought: That additional coalbed methane gas wells may be drilled in each of the above referenced Oakwood I Units; and that production/royalties from each coalbed methane well drilled in the said Units shall continue to be allocated solely to the owners and claimants of and to the coalbed methane within the Unit in which the well is located.

5. Type of wells and field: Coalbed methane frac wells within the portion of the Oakwood I Field described above.

6. Formations subject to application: All coal beds and coal seams below the Tiler lam down to the red and green shales. See Oakwood I Field Rules OGCB 3-90, as amended.

7. Description of interest/claim of persons being notified: Coalbed methane.

8. Estimated reserves in each Oakwood Unit identified above: 125 to 550 MMCF.

9. Plat: See Exhibit A1 annexed hereto.

10. Boundaries and acreage affected:

Unit D39 beginning at a point, Virginia State Plane NAD 27 coordinate of N:360270.290 1016335.570 feet to a point; S:87°52'19" E 1866.46 feet to a point; S:02°04'12" W 172.32 feet to a point; N:87°52'11" W 1866.56 feet to a point; N:02°04'23" E 1872.26 feet to a point of beginning, containing 80.00 acres

Units E41 & E42 beginning at a point, Virginia State Plane NAD 27 coordinate of N:358260.530 1019997.170 feet to a point; S:87°52'11" E 1860.45 feet to a point; S:87°52'11" E 64.76 feet to a point; S:02°03'01" W 1872.21 feet to a point; N:87°52'00" W 1864.97 feet to a point; N:87°52'01" W 1860.73 feet to a point; N:02°03'56" E 1872.03 feet to a point of beginning, containing 160.00 acres.

10. Attestation: The foregoing notice to the best of my knowledge, information and belief is true and correct.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence at the time and place first stated above and that notice will be published as required by law and the Rules of the Virginia Gas and Oil Board.

NOTICE IS FURTHER GIVEN that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. For further information or a copy of the application and any exhibits thereto, you may contact the Virginia Gas and Oil Board, State Oil and Gas Inspector, Department of Mines, Minerals and Energy, Division Gas and Oil, P. O. Box 159, Lebanon, Virginia 24266, 276/415-9650 or the Applicant at the address shown below.

CNX Gas Company LLC, Applicant
Anita D. Dupuy
DO/Pooling Supervisor
2481 John Nash Blvd.
Bluefield, WV 24701

CERTIFICATE OF PUBLICATION

State of West Virginia,

To-wit:-

County of Mercer,

Kay Gilbert

of the

Bluefield Daily Telegraph, a daily newspaper published in the City of Bluefield, Mercer County, West Virginia, do certify that the notice attached hereto under the caption:

was published in the said Bluefield Daily Telegraph

One (1)

Times

on the following day(s), namely: July 26 in the year 2010.

Publication Fee \$214.99

Handwritten signature of Kay Gilbert

Subscribed and sworn to before me this 26th day of July 2010.

My Commission expires Dec 16, 2010

Handwritten signature of Notary Public



275 3x12 1/4

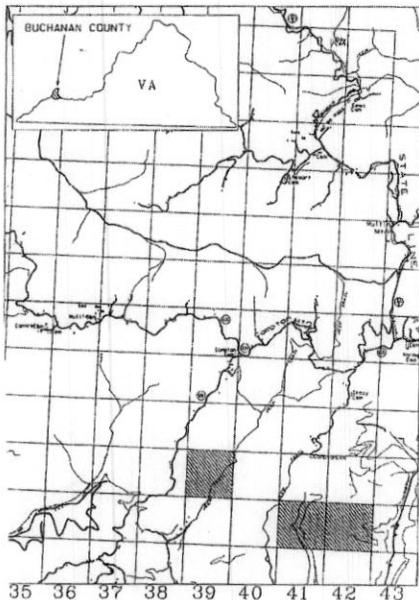


EXHIBIT A1
OAKWOOD FIELD MODIFICATION
VGOB 93-0216-0325-22

CERTIFICATION OF NOTICE  
CNX Gas Company LLC

Infill Drilling  
VGOB 93-0216-0325-22  
Oakwood I Field Rules Mod #22

Last Name	First Name	MAILED	RECEIPT #		RECEIVED	
Appalachian Energy		7/16/10	7009 1680 0001 0891	9720	7/19/2010	1
Mullin, Agent	Grat M.	7/16/10	7009 1680 0001 0891	9737	7/29/2010	2
Mullin, Jr.	Robert S.	7/16/10	7009 1680 0001 0891	9744	7/19/2010	3
Pocahontas Mining Co.		7/16/10	7009 1680 0001 0891	9751	7/19/2010	4
Tazewell Coal & Iron Co.		7/16/10	7009 1680 0001 0891	9768	7/17/2010	5
Valdo	Alex R. Valdo & Marguerite M.	7/16/10	7009 1680 0001 0891	9775	7/19/2010	6

**SENDER: COMPLETE THIS SECTION**  
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.  
Print your name and address on the reverse so that we can return the card to you.  
Attach this card to the back of the mailpiece, or on the front if space permits.  
1. Article Addressed to:

Appalachian Energy  
Attn: Frank Henderson  
PO Box 2406  
Abingdon, VA 24212

2. Article Number 7009 1680 0001 0891 9720  
(Transfer from s) Oakwood#22  
PS Form 3811, February 2004 Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**  
A. Signature  Agent  
B. Received by (Printed Name)  Addressee  
C. Date of Delivery 7/19/10  
D. Is delivery address different from item 17?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  
 Registered  
 Insured Mail  
 Express Mail  
 Return Receipt for Merchandise  
 C.O.D.  
4. Restricted Delivery? (Extra Fee)  Yes

**SENDER: COMPLETE THIS SECTION**  
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Print your name and address on the reverse so that we can return the card to you.  
Attach this card to the back of the mailpiece, or on the front if space permits.  
1. Article Addressed to:

Grat M. Mullin, Agent  
479 Tivoli Drive  
Jacksonville, FL 32259

2. Article Number 7009 1680 0001 0891 9737  
(Transfer from s) Oakwood#22  
PS Form 3811, February 2004 Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**  
A. Signature  Agent  
B. Received by (Printed Name)  Addressee  
C. Date of Delivery 7-29-10  
D. Is delivery address different from item 17?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  
 Registered  
 Insured Mail  
 Express Mail  
 Return Receipt for Merchandise  
 C.O.D.  
4. Restricted Delivery? (Extra Fee)  Yes

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1. Article Addressed to:

Robert S. Mullin, Jr.  
1588 Leaning Oak Road  
Boones Mill, VA 24065

2. Article Number 7009 1680 0001 0891 9744  
(Transfer from s) Oakwood#22  
PS Form 3811, February 2004 Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**  
A. Signature  Agent  
B. Received by (Printed Name)  Addressee  
C. Date of Delivery 7/19/10  
D. Is delivery address different from item 17?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  
 Registered  
 Insured Mail  
 Express Mail  
 Return Receipt for Merchandise  
 C.O.D.  
4. Restricted Delivery? (Extra Fee)  Yes

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1. Article Addressed to:

Poconontas Mining Company  
Attn: Pamela G. Blackburn  
PO Box 1837  
Abingdon, VA 24212

2. Article Number 7009 1680 0001 0891 9751  
(Transfer from s) Oakwood#22  
PS Form 3811, February 2004 Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**  
A. Signature  Agent  
B. Received by (Printed Name)  Addressee  
C. Date of Delivery 7-19-10  
D. Is delivery address different from item 17?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  
 Registered  
 Insured Mail  
 Express Mail  
 Return Receipt for Merchandise  
 C.O.D.  
4. Restricted Delivery? (Extra Fee)  Yes

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1. Article Addressed to:

Tazewell Coal & Iron  
c/o John W. Gillespie  
Box 675  
Tazewell, VA 24651

2. Article Number 7009 1680 0001 0891 9768  
(Transfer from s) Oakwood#22  
PS Form 3811, February 2004 Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**  
A. Signature  Agent  
B. Received by (Printed Name)  Addressee  
C. Date of Delivery 7-17-10  
D. Is delivery address different from item 17?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  
 Registered  
 Insured Mail  
 Express Mail  
 Return Receipt for Merchandise  
 C.O.D.  
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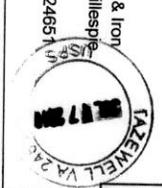
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Attach this card to the back of the mailpiece, or on the front if space permits.  
1. Article Addressed to:

Alex R. Valdo  
Marguerite M. Valdo  
10541 East Cedar Waxwing Dr.  
Sun Lakes, AZ 85248

2. Article Number 7009 1680 0001 0891 9775  
(Transfer from s) Oakwood#22  
PS Form 3811, February 2004 Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**  
A. Signature  Agent  
B. Received by (Printed Name)  Addressee  
C. Date of Delivery 7-19-10  
D. Is delivery address different from item 17?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  
 Registered  
 Insured Mail  
 Express Mail  
 Return Receipt for Merchandise  
 C.O.D.  
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BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL  
DOCKET NO. VGOB 93-0216-0325-22

RELIEF SOUGHT: MODIFICATION OF  
OAKWOOD I FIELD RULES

AFFECTED UNITS: D39, E41, E42

NOTICE OF HEARING

HEARING DATE: August 17, 2010  
PLACE: Russell County Conference Center  
135 Highlands Drive  
Lebanon, Virginia 24266  
TIME: 9:00 AM



COMMONWEALTH OF VIRGINIA:

To: *Pocahontas Mining Company; Robert S. Mullin, Jr., et al including Grat M. Mullin, Agent, Robert S. Mullin, Jr., Alex R. Valdo & Marguerite M. Valdo; Tazewell Coal & Iron; Appalachian Energy*

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**Units E41 & E42**

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

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**CNX Gas Company LLC, Applicant**

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DO/Pooling Supervisor  
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Bluefield, WV 24701