

1758

120000759

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 93-0216-0326-02

ELECTIONS: UNIT Q-42  
(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 September 8, 2011 which was recorded at Document 110002356 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on September 27, 2011, (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 Q-42;

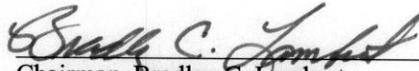
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company PO Box 3860 Kingsport, TN 37664, Attn: Debbie Davis 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 2 day of April, 2012, by a majority of the Virginia Gas and Oil Board.

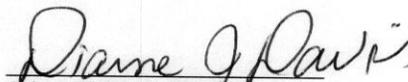
  
Chairman, Bradley C. Lambert

DONE AND PERFORMED THIS 2nd day of APRIL, 2012, by Order of the Board.

  
Rick Cooper  
Principal Executive to the Staff of the Board

STATE OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 2nd 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 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 were authorized to do so.

  
Diane J. Davis, Notary  
174394

My commission expires: September 30, 2013



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 Q-42  
VGOB 93-0216-0326-02 in the Garden District of Buchanan County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein A 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 Resources Inc., 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 September 8, 2011, 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 September 27, 2011;

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 September 8, 2011;

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 dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

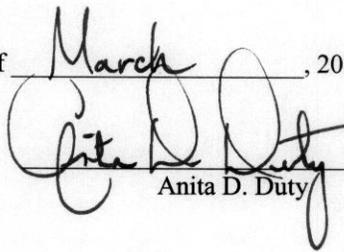
None

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.

See attached Exhibit EE

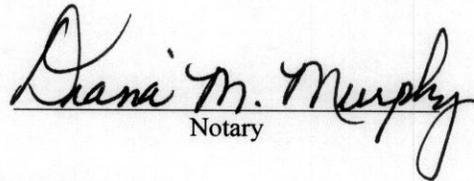
That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 19<sup>th</sup> day of March, 2012.

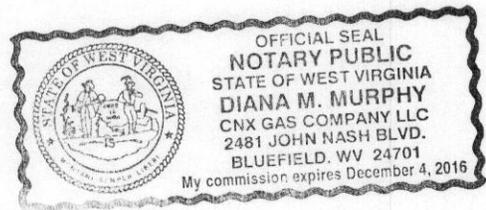
  
Anita D. Duty

STATE OF WEST VIRGINIA  
COUNTY OF MERCER

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Land Resources Inc., on behalf of the corporate Designated Operator, this 19<sup>th</sup> day of March, 2012.

  
Notary

My commission expires: December 4, 2016



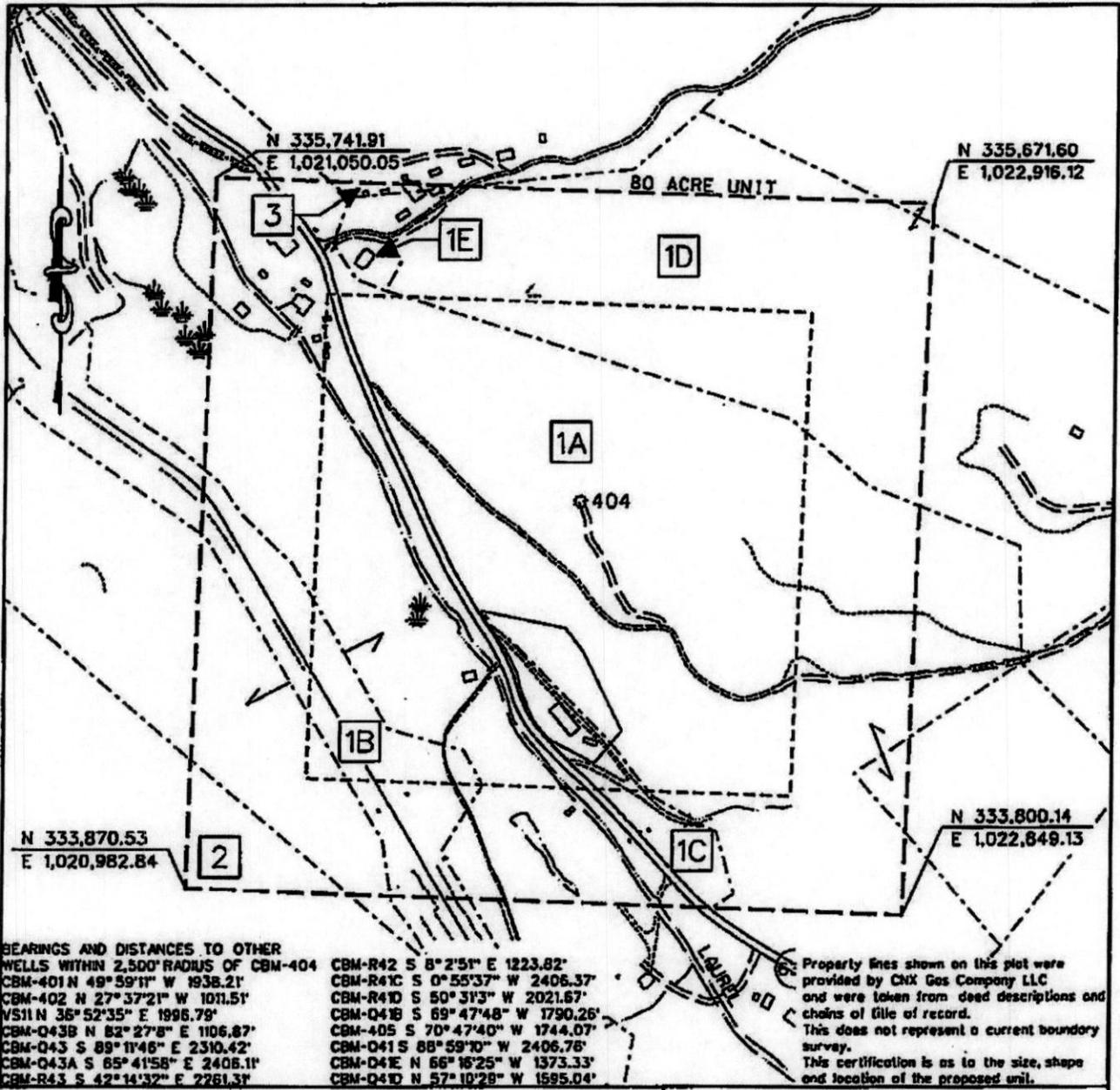


EXHIBIT A  
OAKWOOD FIELD  
UNIT Q42  
FORCE POOLING  
VGOB-93-0216-0326-02

Company CNX Gas Company LLC Well Name and Number CBM-404

Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle Jewell Ridge

County Buchanan District \_\_\_\_\_ Garden \_\_\_\_\_ Scale: 1"

This plot is a new plot  ; an updated plot \_\_\_\_\_ ; or of \_\_\_\_\_

Form DGO-60-7  
Rev. 9/91

Licensed Professional Engineer or Licensed Land Surveyor

**RICHARD G. MURPHY**  
Lic. No. 041898  
(Affix Seal)  
06/01/10  
PROFESSIONAL ENGINEER

# CNX Gas Company LLC

## UNIT Q 42

### Tract Identification

- 1A. James McGuire Land Trust (460.57 Acre Tract) – Coal  
Consolidation Coal Company – Below Drainage Coal Leased  
Jewell Smokeless Coal Corp. - Coal in the Raven Seam Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – Oil and Gas  
Consolidation Coal Company – Surface  
54.30 Acres 67.8750%
- 1B. James McGuire Land Trust (460.57 Acre Tract) – Coal  
Consolidation Coal Company – Below Drainage Coal Leased  
Jewell Smokeless Coal Corp. – Coal in the Raven Seam Leased  
CNX Gas Company LLC – CBM Leased  
Norfolk Southern Railway Company – Surface, Oil and Gas  
CNX Gas Company LLC – CBM Leased  
5.00 Acres 6.2500%
- 1C. James McGuire Land Trust (460.57 Acre Tract) – Coal  
Consolidation Coal Company – Below Drainage Coal Leased  
Jewell Smokeless Coal Corp. – Coal in the Raven Seam Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – Surface, Oil and Gas  
2.08 Acres 2.6000%
- 1D. James McGuire Land Trust (460.57 Acre Tract) – Coal  
Consolidation Coal Company – Below Drainage Coal Leased  
Jewell Smokeless Coal Corp. – Coal in the Raven Seam Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – Oil and Gas  
Consolidation Coal Company – Surface  
16.45 Acres 20.5625%
- 1E. James McGuire Land Trust (460.57 Acre Tract) – Coal  
Consolidation Coal Company – Below Drainage Coal Leased  
Jewell Smokeless Coal Corp. – Coal in the Raven Seam Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – Oil and Gas  
Consolidation Coal Company – Surface  
0.35 Acres 0.4375%
2. Coal Mountain Mining Company L.L.P. Tr. 26 (1355 Acre Tract) – Fee  
Consolidation Coal Company – Coal Below Drainage Leased  
Knox Creek Coal Corporation – Coal Above Drainage Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
1.64 Acres 2.0500%

*(This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)*

# CNX Gas Company LLC

## UNIT Q 42

### Tract Identification

3. P. J. Brown Heirs, et al (889 Acre Tract) – All Mineral  
Island Creek Coal Company/Consol Energy, Inc. Company – Coal Below Drainage Leased  
Jewell Smokeless Coal Corporation – Coal Above Drainage Leased  
Dismal Processing, LLC – Lessee (Coal Refuse Only)  
CNX Gas Company LLC – Oil, Gas and CBM Leased (99.86775%)  
P. J. Brown Heirs - Surface  
0.18 Acres                      0.2250%

*(This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)*

Exhibit B-3  
Unit Q-42  
Docket #VGOB 93-0216-0326-02  
List of All Unleased Owners/Claimants

	Net Acres in Unit	Interest in Unit	Interest in	
			16-Right 16.26897%	17-Right 16.07123%
<b>I. COAL OWNERSHIP</b>				
<b><u>Tract #3, 0.18 Acres</u></b>				
(1) Patton J. Brown Heirs, et al. (889.00 Acre Tract)	0.18 acres	0.2250%	0.03661%	0.03616%
(f) James B. Brown Heirs, Devisees, Successors or Assigns (1/6)				
(f.5) Henry P. Brown Heirs, Devisees, Successors or Assigns				
(f.5.4) Eugene Lee Brown Heirs, Devisees Successors or Assigns (1/504)				
(f.5.4.2) Virginia Brown Palmer 26068 NC Highway 8 Denton, NC 27239	0.00005 acres 1/3780 of 0.18 acres	0.0001%	0.00001%	0.00001%
(f.5.4.3) Benjamin Patton Brown 72 Beths Lane Cedar Bluff, VA 24609	0.00005 acres 1/3780 of 0.18 acres	0.0001%	0.00001%	0.00001%
(f.5.4.4) Charles Henry Brown 14376 Peaceful Valley Road Abingdon, VA 24210	0.00005 acres 1/3780 of 0.18 acres	0.0001%	0.00001%	0.00001%
(f.5.4.5) William David Brown 609 Fulton Street Millville, NJ 08332	0.00005 acres 1/3780 of 0.18 acres	0.0001%	0.00001%	0.00001%
(f.5.4.6) Eugene L. Brown, Jr. 3875 Gratton Road Tazewell, VA 24651	0.00005 acres 1/3780 of 0.18 acres	0.0001%	0.00001%	0.00001%
<b>II. OIL &amp; GAS OWNERSHIP</b>				
(1) Patton J. Brown Heirs, et al. (889.00 Acre Tract)	0.18 acres	0.2250%	0.03661%	0.03616%
(f) James B. Brown Heirs, Devisees, Successors or Assigns (1/6)				
(f.5) Henry P. Brown Heirs, Devisees, Successors or Assigns				
(f.5.4) Eugene Lee Brown Heirs, Devisees Successors or Assigns (1/504)				
(f.5.4.2) Virginia Brown Palmer 26068 NC Highway 8 Denton, NC 27239	0.00005 acres 1/3780 of 0.18 acres	0.0001%	0.00001%	0.00001%
(f.5.4.3) Benjamin Patton Brown 72 Beths Lane Cedar Bluff, VA 24609	0.00005 acres 1/3780 of 0.18 acres	0.0001%	0.00001%	0.00001%
(f.5.4.4) Charles Henry Brown 14376 Peaceful Valley Road Abingdon, VA 24210	0.00005 acres 1/3780 of 0.18 acres	0.0001%	0.00001%	0.00001%
(f.5.4.5) William David Brown 609 Fulton Street Millville, NJ 08332	0.00005 acres 1/3780 of 0.18 acres	0.0001%	0.00001%	0.00001%
(f.5.4.6) Eugene L. Brown, Jr. 3875 Gratton Road Tazewell, VA 24651	0.00005 acres 1/3780 of 0.18 acres	0.0001%	0.00001%	0.00001%

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**Exhibit E**  
**Unit Q-42**  
**VGOB# 93-0216-0326-02**  
**List of Conflicting Owners/Claimants that require escrow**

	Net Acres in Unit	Interest in Unit	Interest in	
			16-Right 16.26897%	17-Right 16.07123%
<b><u>COAL OWNERSHIP</u></b>				
(1) James M. McGuire Land Trust (460.57 Acre Tract) P.O. Box 1067 Bluefield, VA 24605	5.00 acres	6.2500%	1.01681%	1.00445%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>				
(1) Norfolk Southern Railway Company	5.00 acres	6.2500%	1.01681%	1.00445%
<i>If no conflict royalties paid to:</i>				
Pocahontas Land Corporation Treasurer, Pocahontas Land Corporation P. O. Box 1517 Bluefield, WV 24701				

Exhibit EE  
Unit Q-42  
VGOB# 93-0216-0326-02  
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Net Acres in Unit	Interest in Unit	Interest in	
			16-Right 16.26897%	17-Right 16.07123%
<b><u>Tract #1A - 54.30 acres</u></b>				
<b><u>COAL OWNERSHIP</u></b>				
(1) James M. McGuire Land Trust (460.57 Acre Tract) P.O. Box 1067 Bluefield, VA 24605	54.30 acres	67.8750%	11.04256%	10.90835%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>				
(1) CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (Previously Reserve Coal Properties)	54.30 acres	67.8750%	11.04256%	10.90835%
<b><u>Tract #1C - 2.08 acres</u></b>				
<b><u>COAL OWNERSHIP</u></b>				
(1) James M. McGuire Land Trust (460.57 Acre Tract) P.O. Box 1067 Bluefield, VA 24605	2.08 acres	2.6000%	0.42299%	0.41785%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>				
(1) CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (Previously Reserve Coal Properties)	2.08 acres	2.6000%	0.42299%	0.41785%
<b><u>Tract #1D - 16.45 acres</u></b>				
<b><u>COAL OWNERSHIP</u></b>				
(1) James M. McGuire Land Trust (460.57 Acre Tract) P.O. Box 1067 Bluefield, VA 24605	16.45 acres	20.5625%	3.34531%	3.30465%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>				
(1) CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (Previously Reserve Coal Properties)	16.45 acres	20.5625%	3.34531%	3.30465%
<b><u>Tract #1E - 0.35 acres</u></b>				
<b><u>COAL OWNERSHIP</u></b>				
(1) James M. McGuire Land Trust (460.57 Acre Tract) P.O. Box 1067 Bluefield, VA 24605	0.35 acres	0.4375%	0.07118%	0.07031%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>				
(1) CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (Previously Reserve Coal Properties)	0.35 acres	0.4375%	0.07118%	0.07031%

INSTRUMENT #120000759  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
APRIL 23, 2012 AT 12:14PM

BEVERLY S. TILLER, CLERK  
RECORDED BY: GGB

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## Hagy, Sharon (DMME)

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**Sent:** Friday, April 27, 2012 12:14 PM  
**To:** Hagy, Sharon (DMME)  
**Subject:** New Transaction F65XX28BG7P03UM1-0002

Transaction details for Sharon Hagy(user shagy\_1) \_\_\_\_\_

Job Id: F65XX28BG7P03UM1-0002

Date: Fri, Apr 27, at 12:14

Transaction Details:

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

Recipient's Email example- [user1@virginia.gov](mailto:user1@virginia.gov), [user2@virginia.gov](mailto:user2@virginia.gov):

[AnitaDuty@consolenergy.com](mailto:AnitaDuty@consolenergy.com), [gloria.clark@dmme.virginia.gov](mailto:gloria.clark@dmme.virginia.gov),  
[hilareymullins@consolenergy.com](mailto:hilareymullins@consolenergy.com)

Message - Describe file attachment: Please see the recorded orders for the following  
dockets: 0326-02 0341-02 0820-01 1509 2756 2848 2849 2929 2943 2944 2945 2980 2981 3023 Let  
me know if you are unable to download the files. Thank you, Sharon  
Notify me when the file is downloaded?: Yes  
Pin: 990872

Files:

- 0326-02\_Supplemental.tif
- 0341-02\_Supplemental.tif
- 0820-01\_Re-Pooling.tif
- 1509\_Supplemental-Original.tif
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- 2848\_Modification of Interest.tif
- 2849\_Supplemental-Original.tif
- 2929\_Supplemental-Original.tif
- 2943\_Supplemental-Original.tif
- 2944\_Supplemental-Original.tif
- 2945\_Supplemental-Original.tif
- 2980\_Supplemental-Original.tif
- 2981\_Supplemental-Original.tif
- 3023\_Pooling-Original.tif

View details here

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