

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: Q41
TRACT(S): A portion of 4
LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-93-0216-0327-05

APPLICANTS: CNX Gas Company LLC on behalf of CNX Gas Company LLC, Greta Meek, James M. McGuire Land Trust, Tamala Pelphrey

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
October 22, 2013

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

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 04/05/1993, Recorded on 04/08/1993, Deed Book/Instrument No. 406, Page 475.
2. Supplemental Order Executed 12/06/1993, Recorded on 12/16/1993, Deed Book/Instrument No. 416, Page 796.
3. Disbursement Order -01 Executed 02/18/2002, Recorded on 02/21/2003, Deed Book/Instrument No. 563, Page 27.
4. Supplemental Order Executed 02/18/2003, Recorded on 02/21/2003, Deed Book/Instrument No. 563, Page 27.

130002301

5. Disbursement Order -04 Executed 04/14/2011, Recorded on 05/03/2011, Deed Book/Instrument No. 110001087.
6. Modification Order -03 Executed 04/14/2011, Recorded on 05/03/2011, Deed Book/Instrument No. 110001085.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the October 22, 2013 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) A portion of 4 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 4 relative to the interests of the Applicants identified in the attached petition.
- (3) Continue the escrow account under this docket number.

FINDINGS: Code of Virginia § 45.1-361.22

Applicant has certified and represented to the Board that:

James M McGuire Land Trust and Greta Meek, Tamala M. Pelphrey, and Consolidation Coal Company/ CNX Gas Company LLC, successor in title have entered into royalty split agreement(s). Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Exhibit A-1, further, specifies how said royalties are to be divided and paid.

RELIEF GRANTED:

VGOB Disbursement
Unit Q41

VGOB-93-0216-0327-05

Table 1 (pay exact dollar amount based on account balance of 11/30/2011)
Tracts: A portion of 4

			Fractional	Net Acreage	Royalty	Escrowed	Percent of	Disbursement
			Ownership	Ownership	Split	Acres	Escrowed	
			In Tract	In Tract	Agreement	Disbursed	Disbursed	
Item	Tract	Disbursement Table						
		Total acreage in escrow before disbursement				6.95000		
4 Tract 4 (total acreage)			5.26					
1	4	Greta Meek\177 Colvin Branch, Oil Springs, KY 41238	1/18	0.2922	50.00%	0.1461	2.1023%	\$1,129.59
2	4	James M. McGuire Land Trust\P.O. Box 1067, Bluefield, VA 24605	1/18	0.2922	50.00%	0.1461	2.1023%	\$1,129.59
3	4	Tamala Pelphrey\10809 Meeting St. Prospect, KY 40059	1/18	0.2922	50.00%	0.1461	2.1023%	\$1,129.59
4	4	James M. McGuire Land Trust\P.O. Box 1067, Bluefield, VA 24605	1/18	0.2922	50.00%	0.1461	2.1023%	\$1,129.59

VGOB Disbursement
Unit Q41

VGOB-93-0216-0327-05

Table 2 (pay percentage on balance after deducting the above balance)
Tracts: A portion of 4

			Fractional	Net Acreage	Royalty	Escrowed	Percent of
			Ownership	Ownership	Split	Acres	Escrowed
			In Tract	In Tract	Agreement	Disbursed	Disbursed
Item	Tract	Disbursement Table					
		Total acreage in escrow before disbursement				6.95000	
4 Tract 4 (total acreage)			5.26				
1	4	James M. McGuire Land Trust\P.O. Box 1067, Bluefield, VA 24605	1/18	0.2922	50.00%	0.1461	2.1023%
2	4	CNX Gas Company LLC\2481 John Nash Blvd., Bluefield, VA 24605	1/18	0.2922	50.00%	0.1461	2.1023%
3	4	James M. McGuire Land Trust\P.O. Box 1067, Bluefield, VA 24605	1/18	0.2922	50.00%	0.1461	2.1023%
4	4	CNX Gas Company LLC\2481 John Nash Blvd. Bluefield, WV 24701	1/18	0.2922	50.00%	0.1461	2.1023%

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 and 2.

2. The Escrow Agent is ordered to continue 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.

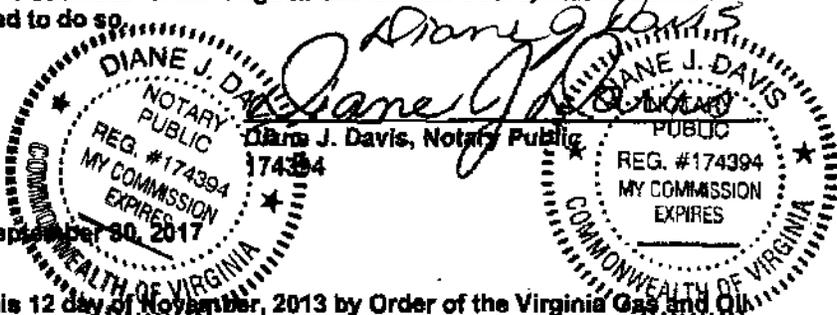
DONE AND EXECUTED this 8 day of November, 2013 by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert

Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 8th day of NOV 2013, 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, that he executed the same and was authorized to do so.



My Commission expires: September 30, 2017

DONE AND PERFORMED this 12 day of November, 2013 by Order of the Virginia Gas and Oil Board.

Rick Cooper

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

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 12th day of NOV 2013, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is the Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis
Diane J. Davis, Notary Public
174394
Diane J. Davis

My Commission expires: September 30, 2017



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 93-0216-0327-05

**RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) A portion of 4
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES**

HEARING DATE: October 15, 2013

DRILLING UNIT: Q41

BUCHANAN COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is CNX Gas Company LLC, 2481 John Nash Blvd, Bluefield, WV 24701, (304)323-6500. Petitioner's counsel is Mark A. Swartz, Swartz Law Offices, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.

2. Relief Sought

(1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 4 as depicted upon the annexed Exhibit A-1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between James M McGuire Land Trust and Greta Meek, Tamala M. Pelphrey, and Consolidation Coal Company/ CNX Gas Company LLC, successor in title

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

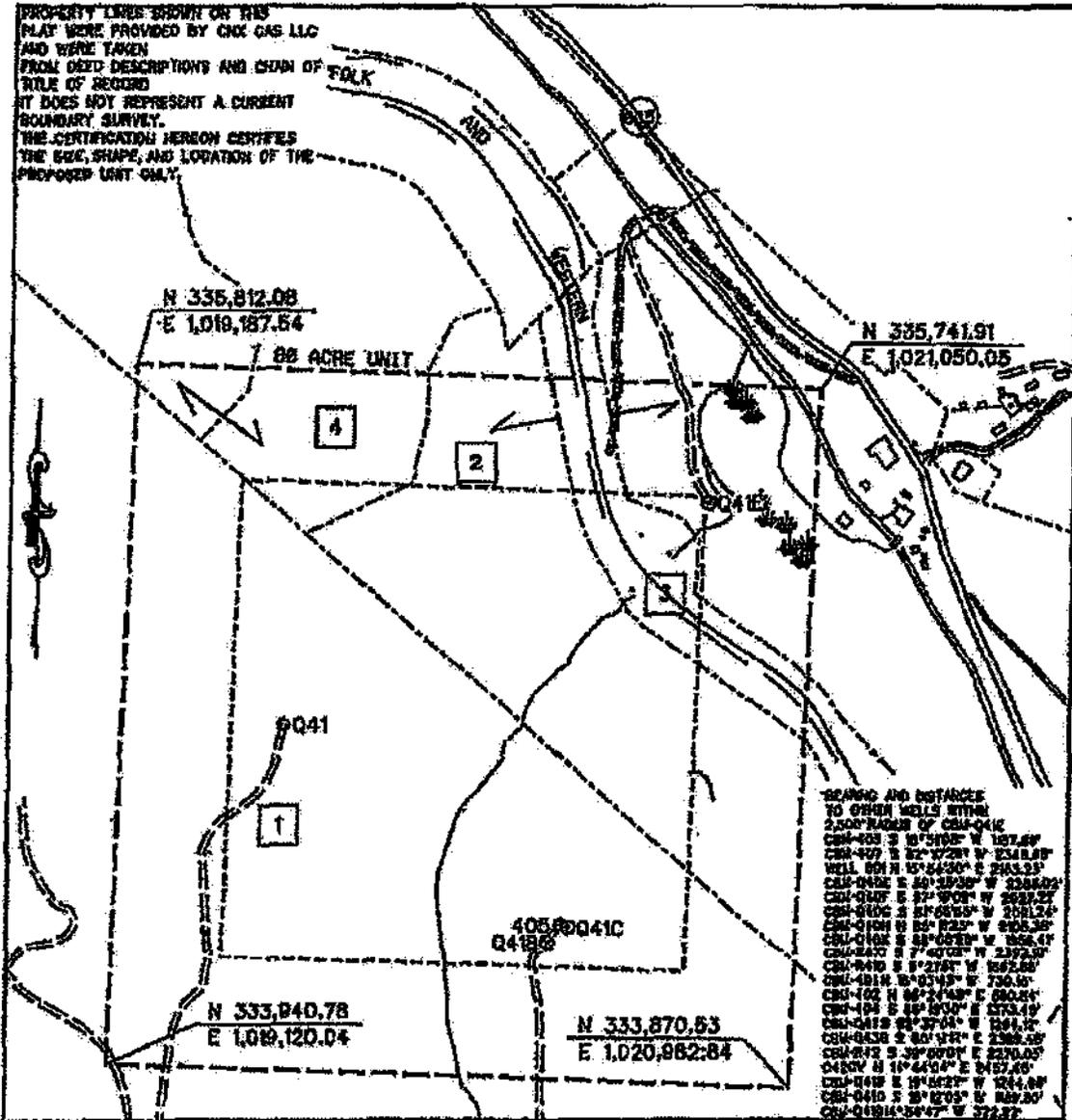
5. Factual basis for relief requested

James M McGuire Land Trust and Greta Meek, Tamala M. Pelphrey, and Consolidation Coal Company/ CNX Gas Company LLC, successor in title have entered into royalty split agreement (s). Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Exhibit A-1, further, specifies how said royalties are to be divided and paid.

6. Attestation

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

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



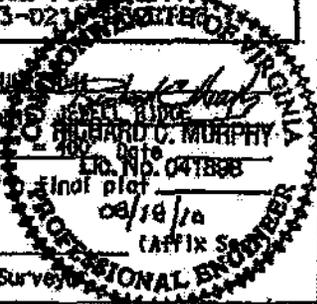
BEARINGS AND DISTANCES
 TO OTHER WELLS WITHIN
 2,500' RADIUS OF CBM-041C
 CBM-403 S 10°51'00" W 127.69'
 CBM-407 S 32°17'28" W 2348.89'
 WELL 001 N 10°44'30" E 2143.23'
 CBM-042E E 20°30'30" W 2282.02'
 CBM-042F E 32°50'00" W 2222.27'
 CBM-042G S 21°00'00" W 2081.24'
 CBM-042H S 25°00'00" W 2105.35'
 CBM-042I S 31°00'00" W 1825.41'
 CBM-042J S 1°40'00" W 2372.30'
 CBM-042K S 1°27'00" W 1827.25'
 CBM-042L S 0°21'00" W 730.10'
 CBM-102 N 80°24'48" E 620.81'
 CBM-104 S 40°10'00" E 1373.19'
 CBM-042S S 27°00'00" W 1241.10'
 CBM-042T S 20°10'00" E 2389.25'
 CBM-042U S 30°00'00" E 2270.05'
 CBM-042V S 10°44'00" E 2157.20'
 CBM-042W E 10°10'00" W 1244.84'
 CBM-041D S 0°00'00" W 829.20'
 CBM-041E S 0°47'00" W 322.27'

EXHIBIT A
 OAKWOOD FIELD
 UNIT 041
 FORCE POOLING
 VGOB-93-0216

Company CNX Gas Company LLC Well Name and Number 40580041C
 Tract No. _____ Elevation _____ Quadrant _____
 County BUCHANAN District GARDEN Scale: _____
 This plot is a new plot ; on updated plot _____ ; or final plot _____

Form DGO-00-7
 Rev. 9/91

Richard C. Murphy
 Licensed Professional Engineer or Licensed Land Surveyor



CNX Gas Company LLC

UNIT Q-41

Tract Identification

1. Coal Mountain Mining Company L.L.P. Tr. 28 (1355 Acre Tract) – Fee
Reserve Coal Properties Company – Coal Below Drainage Leased
Knox Creek Coal Corporation – Coal Above Drainage Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
46.00 Acres 67.5000%
2. James M. McGuire Trust (Joseph Cantrell 480.57 Acre Tract) – Coal
Reserve Coal Properties – Below Drainage Coal Leased
Jewell Ridge Coal Corp. – Jawbone and Tiller Seams Leased
CNX Gas Company LLC – Oil and Gas
Consolidation Coal Company – Surface
24.42 Acres 30.6250%
3. James M. McGuire Trust (Joseph Cantrell 480.57 Acre Tract) – Coal
Reserve Coal Properties – Below Drainage Coal Leased
Jewell Ridge Coal Corp. – Jawbone and Tiller Seams Leased
Norfolk & Western Railway Company – Surface, Oil and Gas
CNX Gas Company LLC – CBM Leased
4.32 Acres 6.4000%
4. James M. McGuire Trust (Joseph Cantrell 480.57 Acre Tract) – Coal
Reserve Coal Properties – Below Drainage Coal Leased
Jewell Ridge Coal Corp. – Jawbone and Tiller Seams Leased
Linda M. Estridge, et al – Surface, Oil and Gas
5.26 Acres 8.6750%

(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.)

cf

Exhibit E
 Unit Q-41
 Docket #VGOB-93-0216-0327-05
 List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Interest in Panels	
			13-Right 0.91748%	15-Right 16.11423%
<u>Tract #3 - 4.32 acres</u>				
<u>COAL OWNERSHIP</u>				
(1) James M. McGuire Land Trust (490.57 Acre Tract) P.O. Box 1067 Bluefield, VA 24805	4.32 acres	5.4000%	0.04954%	0.87017%
<u>OIL & GAS OWNERSHIP</u>				
(1) Norfolk Southern Railway Company <i>if no conflict royalties paid to:</i> Pocahontas Land Corporation Treasurer, Pocahontas Land Corporation P. O. Box 1517 Bluefield, WV 24701	4.32 acres	5.4000%	0.04954%	0.87017%
<u>Tract #4 - 5.26 acres</u>				
(1) James M. McGuire Land Trust (460.57 Acre Tract) P.O. Box 1067 Bluefield, VA 24605	5.26 acres	6.5750%	0.06032%	1.05951%
<u>OIL & GAS OWNERSHIP</u>				
(1) Consolidation Coal Company, et al <i>Previously W. B. McDonald, et ux. Heirs, Davisees, Successors or Assigns</i>	5.26 acres	6.5750%	0.06032%	1.05951%
(c) Consolidation Coal Company/ CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 <i>Previously B. W. McDonald Testamentary Trust, Sherry R. McDonald</i>	0.29 acres 1/18 of 5.26 acres	0.3653%	0.00335%	0.05886%
(d) Consolidation Coal Company/ CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 <i>Previously B. W. McDonald Testamentary Trust, Aristotle McDonald</i>	0.29 acres 1/18 of 5.26 acres	0.3653%	0.00335%	0.05886%
(e) Consolidation Coal Company/ CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 <i>Previously B. W. McDonald Testamentary Trust, Abraham McDonald</i>	0.29 acres 1/18 of 5.26 acres	0.3653%	0.00335%	0.05886%
(g) Consolidation Coal Company/ CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 <i>Previously B. W. McDonald Testamentary Trust, Greg B. McDonald</i>	0.29 acres 1/18 of 5.26 acres	0.3653%	0.00335%	0.05886%
(h) Consolidation Coal Company/ CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 <i>Previously B. W. McDonald Testamentary Trust, Byrd McDonald</i>	0.29 acres 1/18 of 5.26 acres	0.3653%	0.00335%	0.05886%
(i) Consolidation Coal Company/ CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 <i>Previously B. W. McDonald Testamentary Trust, ByShay McDonald</i>	0.29 acres 1/18 of 5.26 acres	0.3653%	0.00335%	0.05886%
(j) Consolidation Coal Company/ CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 <i>Previously B. W. McDonald Testamentary Trust, Timothy McDonald</i>	0.29 acres 1/18 of 5.26 acres	0.3653%	0.00335%	0.05886%

Exhibit E
Unit Q-41
Docket #VGOB-83-0216-0327-05
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Interest In Panels	
			13-Right 0.91748%	15-Right 16.11423%
Greg McDonald conveyed interest as Co-Executor and Co-Trustee (Instrument No.11-2743)				
Sherry R. McDonald conveyed interest as Co-Executor and Co-Trustee (Instrument No.11-2748)				
Timothy J. McDonald conveyed interest as Co-Executor and Co-Trustee (Instrument No.11-2708)				
Greg McDonald			<i>conveyed interest (Instrument 11-2743), 11/4/2011</i>	
Sherry R. McDonald			<i>conveyed interest (Instrument 11-2748), 11/4/2011</i>	
Timothy J. McDonald			<i>conveyed interest (Instrument 11-2708), 11/3/2011</i>	
Aristotle McDonald			<i>conveyed interest (Instrument 11-2747), 11/4/2011</i>	
Abraham McDonald			<i>conveyed interest (Instrument 11-2749), 11/4/2011</i>	
Byrd W. McDonald II			<i>conveyed interest (Instrument 11-2755), 11/7/2011</i>	
ByShey McDonald			<i>conveyed interest (Instrument 11-2746), 11/4/2011</i>	

Exhibit EE
Unit Q-41
Docket #VGOB-93-0216-0327-05
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Net Acres in Unit	Interest in Unit	Interest in Panels		Percent of Escrow
			13-Right 0.91748%	15-Right 16.11423%	

Tract #2 - 24.42 acres

COAL OWNERSHIP

(1) James M. McGuire Land Trust (460.57 Acre Tract) P.O. Box 1067 Bluefield, VA 24605	24.42 acres	30.5250%	0.28006%	4.91887%	n/a
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OIL & GAS OWNERSHIP

(1) CNX Gas Company, LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (Previously Resoria Coal Properties)	24.42 acres	30.5250%	0.28006%	4.91887%	n/a
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Tract #4 - 5.26 acres

(1) James M. McGuire Land Trust (460.57 Acre Tract) P.O. Box 1067 Bluefield, VA 24605	5.26 acres	6.5750%	0.06032%	1.05951%	4.2048%
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OIL & GAS OWNERSHIP

(1) Consolidation Coal Company, et al Previously W. B. McDonald, et ux. Heirs, Devisees, Successors or Assigns	5.26 acres	6.5750%	0.06032%	1.05951%	
(a) Consolidation Coal Company/ CNX Gas 1000 Consol Energy Drive Canonsburg, PA 15317 Previously, Melodge Estridge, conveyed 1/2 interest (Instrument 11-2623), 10/21/2011	2.63 acres 1/2 of 5.26 acres	3.2875%	0.03016%	0.52978%	n/a
(b) Consolidation Coal Company/ CNX Gas 1000 Consol Energy Drive Canonsburg, PA 15317 Previously B. W. McDonald Testamentary Trust, Greta Meek	0.29 acres 1/18 of 5.26 acres	0.3653%	0.00335%	0.05886%	2.1023%

Note: Royalties will be paid to the prior owner per royalty agreement up to the date the property was sold

(f) Consolidation Coal Company/ CNX Gas 1000 Consol Energy Drive Canonsburg, PA 15317 Previously B. W. McDonald Testamentary Trust, Tamaia M. Pelphrey	0.29 acres 1/18 of 5.26 acres	0.3653%	0.00335%	0.05886%	2.1023%
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Note: Royalties will be paid to the prior owner per royalty agreement up to the date the property was sold

Grag McDonald conveyed interest as Co-Executor and Co-Trustee (Instrument No. 11-2743)
Sherry R. McDonald conveyed interest as Co-Executor and Co-Trustee (Instrument No. 11-2748)
Timothy J. McDonald conveyed interest as Co-Executor and Co-Trustee (Instrument No. 11-2708)
Tamaia M. Pelphrey conveyed interest (Instrument 11-2744), 11/4/2011
Greta M. Meek conveyed interest (Instrument 11-2745), 11/4/2011

RECORDED IN THE CLERK'S OFFICE OF
SUCHMAN COUNTY, OH
NOVEMBER 20, 2013 AT 11:45AM

BEVERLY S. MILLER, CLERK
RECORDED BY MAC