

120001096

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: S-37
TRACT(S): a portion of Tract 5
LOCATION: Buchanan County, Virginia

APPLICANTS: CNX Gas Company, LLC on behalf of Margaret Dye, Nellie Maynard, Tammy Boyd Street, and Hurt McGuire Land Trust.

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia,
April 26, 2011 and corrected testimony June 14, 2011.

DOCKET NUMBER: VGOB-98-0421-0649-05

APPEARANCES: Mark Swartz, Swartz Law Offices, PLLC represented CNX Gas Company LLC,
and Sharon M .B. Pigeon was present to advise the Board.

PRIOR PROCEEDINGS:

1. Pooling Order 0649, Executed 06/10/98; Recorded on 06/16/98, Deed Book 477, Page 653.
2. Modification Order -01, Executed 04/21/00; Recorded on 04/28/00, Deed Book 506, Page 375.
3. Supplemental Order -01, Executed 06/26/00; Recorded on 07/05/00, Deed Book 509, Page 602.
4. Re-Pooling Order -02, Executed 03/29/04; Recorded on 04/02/04, Deed Book 589, Page 664.
5. Supplemental Order -02, Executed 08/29/06; Recorded on 09/26/06, Instrument Number 060003151.
6. Disbursement Order -03, Executed 09/31/09; Recorded on 09/10/09, Instrument Number 090002683.
7. Disbursement Order -04, Executed 05/10/10; Recorded on 05/26/10, Instrument Number 100001387.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the April 26, 2011 hearing and consider whether to:

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to a portion of Tract 5 identified in the attached miscellaneous petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to a portion of Tract 5 relative to the interests of the Applicants identified in the attached miscellaneous 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:

1. The owner of the coal estate for Tract 5 is Hurt McGuire Land Trust for the subject drilling unit.
2. The owner of the gas estate for a portion of Tract 5 is Margaret Dye, Nellie Maynard, and Tammy Boyd Street, for the subject drilling unit.
3. For Tract 5 the aforementioned owners have entered into a royalty split agreement consisting of (50/50) as referenced in the attached miscellaneous petition, as shown in Table 1.

RELIEF GRANTED:

VGOB Approved Disbursement
S-37
VGOB-98-0421-0649-05

Table 1
(A portion of Tract 5)

Item	Tract	Disbursement Table	Fractional Ownership in Tract	Net Acreage Owned in Tract	Royalty Split Agreement	Escrowed Acres Disbursed	Percent of Escrowed Funds Disbursed
		Total acreage in escrow before disbursement				0.5778	
	5	Tract 5 (total acreage)	1.00				
		Lankous Horn Hers - O & G					
1	5	Margaret Dye (Larry Horn Her) 784 Big Creek Road, Richlands, VA 24641	1/600	0.0017	50.0%	0.0008	0.1442%
2	5	Nellie Maynard (Larry Horn Her) P O Box 296, Raven, VA 24639	1/600	0.0017	50.0%	0.0008	0.1442%
3	5	Tammy Boyd Street (Larry Horn Her) 195 Taylor Circle, Raven, VA 24639	1/600	0.0017	50.0%	0.0008	0.1442%
4	5	Nellie Maynard (inherited from Henry Horn not previously gas) P.O. Box 296, Raven, VA 24639	1/75	0.0133	50.0%	0.0067	1.1538%
5	5	Tammy Boyd Street 195 Taylor Circle, Raven, VA 24639	17/900	0.0189	50.0%	0.0094	1.6346%
6	5	Margaret Dye 784 Big Creek Road, Richlands, VA 24641	17/900	0.0189	50.0%	0.0094	1.6346%
7	5	Hurt McGuire Land Trust - Coal c/o Charles Green, P O Box 1067, Bluefield VA 24605	combined	0.0561	50.0%	0.0281	4.8556%

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 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.**

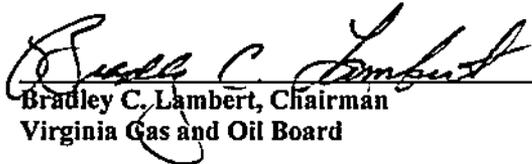
APPEALS:

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.

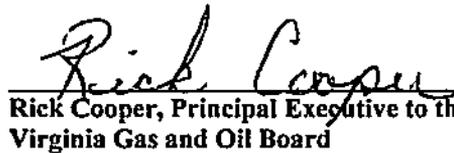
Effective Date:

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.

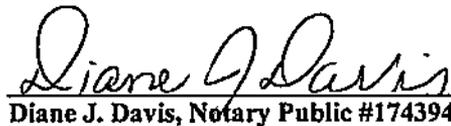

Bradley C. Lambert, Chairman
Virginia Gas and Oil Board

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

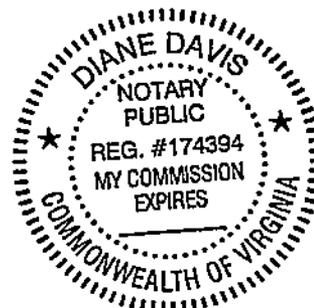

Rick Cooper, Principal Executive to the Staff
Virginia Gas and Oil Board

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



Rev. Date 7/14/11

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO: VGOB 98-0421-0649- 05

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING a portion of TRACT(S) 5
(Royalties currently being paid under
Buchanan No.1 SGU2, VGOB 08-1118-2367)

HEARING DATE: April 19, 2011
26

DRILLING UNIT: S-37

BUCHANAN COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. Petitioner and its counsel: Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, 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 escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to a portion of Tract(s) 5 as depicted upon the annexed Exhibit A-1; (Royalties currently being paid under Buchanan No.1 SGU2, VGOB 08-1118-2367)

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.

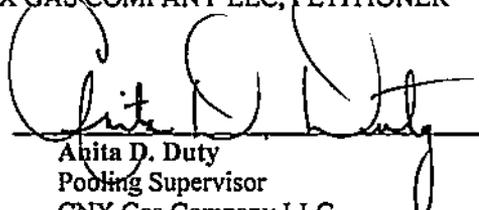
4. Type of well(s): Coalbed methane.

5. Factual basis for relief requested: Hurt McGuire Land Trust and Margaret Dye, Nellie Maynard, Tammy Boyd Street, and Tania Hess have entered into royalty split agreement(s). 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.

CNX GAS COMPANY LLC
BY ITS PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By: _____


Ahita D. Duty
Pooling Supervisor
CNX Gas Company LLC
2481 John Nash Blvd.
Bluefield, West Virginia 24701

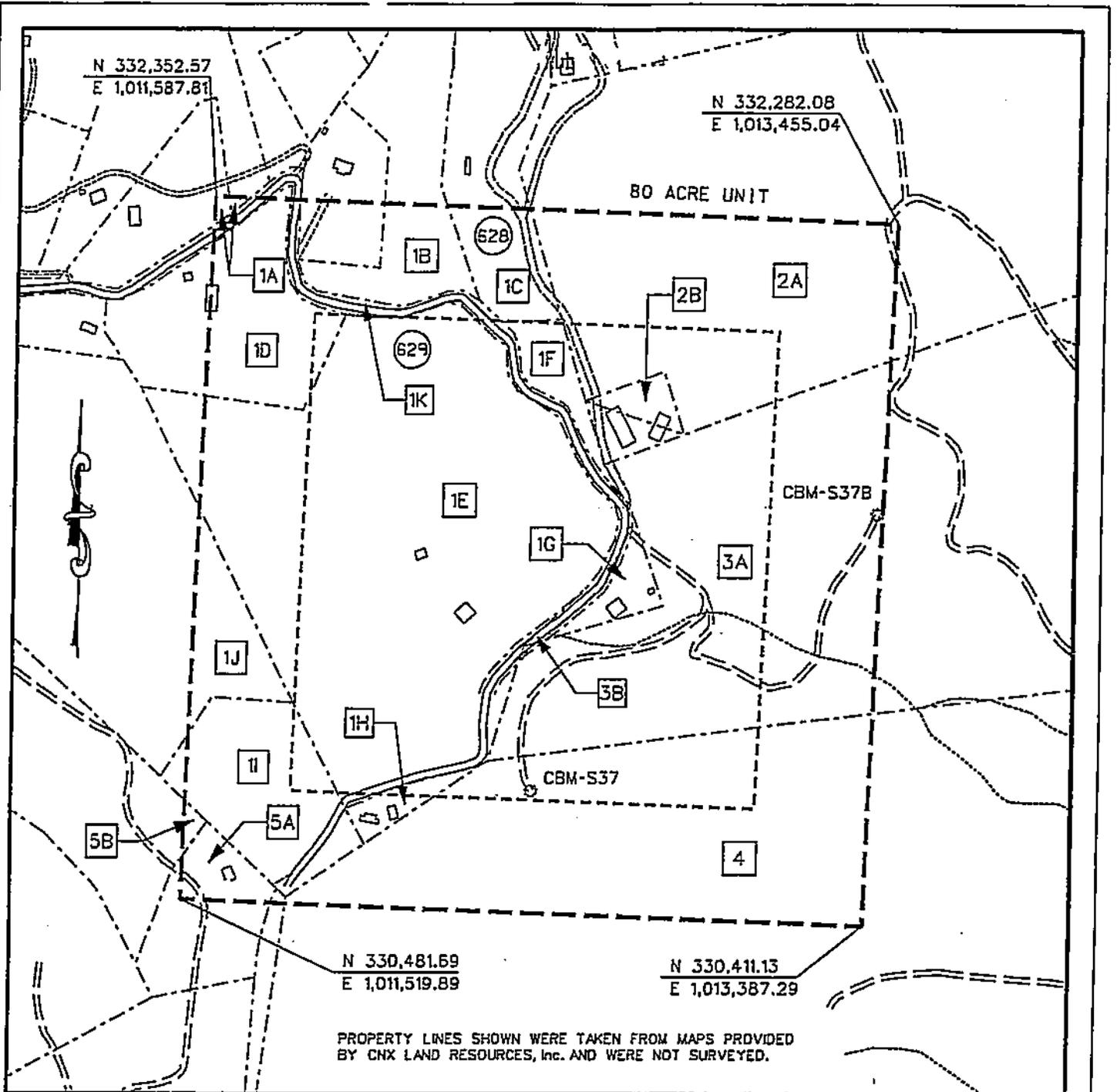
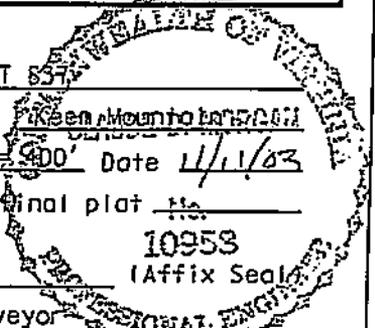


EXHIBIT A
 OAKWOOD FIELD UNIT S-37
 FORCE POOLING
 VGOB-98-0421-0649-02

Company CNX Gas Company, LLC. Well Name and Number UNIT 537
 Tract No. _____ Elevation _____ Quadrangle Keen Mountain 152001
 County Buchanan District Garden Scale: 1" = 300' Date 11/1/03
 This plot is a new plot X; an updated plot _____; or a final plot no.

Form DGO-60-7
Rev. 9/91


 Licensed Professional Engineer or Licensed Land Surveyor



**CNX Gas Company LLD
UNIT S-37
Tract Identification**

1. G.W. Gillespie Estate, Inc., et al – All Minerals
Reserve Coal Properties Company – Coal Below Tiller Seam Leased
Jewell Smokeless Coal Corporation – Coal In Jawbone Seam Leased
CNX Gas Company LLC - CBM Leased
38.78 acres 48.4750%

- 1A. Bobby J. Matney, et ux – Surface
- 1B. Frank Horn – Surface
- 1C. Lonnie Honaker – Surface
- 1D. Melissa Vandyke – Surface
- 1E. Ethel Burke – Surface
- 1F. Frank Horn – Surface
- 1G. Raymond Davis – Surface
- 1H. Harold Osborne – Surface
- 1I. Roby Horn – Surface
- 1J. Jimmy L. Horn – Surface
- 1K. Commonwealth of Virginia - Surface

2. Carl F. Metcalf Estate – All Minerals
Consolidation Coal Company – Coal Below Jawbone Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
10.46 acres 13.0750%

- 2A. New Garden Coal Company - Surface
- 2B. Horn Mountain Free Pentecostal Church - Surface

3. R.O. Vandyke Heirs – All Minerals
Consolidation Coal Company – Coal Below Drainage Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
15.77 acres 19.7125%

- 3A. New Garden Coal Company – Surface
- 3B. Commonwealth of Virginia - Surface

4. Coal Mountain Mining Company, L.L.P. Tr. 26 (1,355 Acre Tract) – Fee
Consolidation Coal Company – Below Drainage Coal Leased
A.T. Massey – Above Drainage Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
13.99 acres 17.4875%

5. Hurt McGuire Land Trust (William P. Stilwell 143.6 Acre Tract) - Coal
Consolidation Coal Company - Below Drainage Coal Leased
A. T. Massey - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Linkous Horn Heirs – All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased (10%)
1.00 acres 1.2500%

- 5A. Willard Osborne – Surface
- 5B. Arlen Osborne - Surface

Exhibit E
Unit S-37
Docket # VGOB-98-0421-0649-05
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit	Division of Interest in	
			8-Right 16.41221%	9-Right 9.54198%
<u>Tract #5, 1.00 acres</u>				
<u>COAL OWNERSHIP</u>				
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	1.00 acres	1.2500%	0.20515%	0.11927%
<u>OIL & GAS OWNERSHIP</u>				
Linkous Horn Heirs, Devisees, Successors or Assigns	1.00 acres	1.2500%	0.20515%	0.11927%
(1) Arizona Osborne Heirs, Devisees, Successors or Assigns				
(a) Sidney Smith 1911 McVilly Road Salem, VA 24153	0.0333 acres 1/30 of 1.00 acres	0.0417%	0.00684%	0.00398%
(b) Kenneth R. Osborne 848 Peyton Street Roanoke, VA 24019	0.0333 acres 1/30 of 1.00 acres	0.0417%	0.00684%	0.00398%
(c) Martha Guilfams 1911 McVilly Road Salem, VA 24153	0.0333 acres 1/30 of 1.00 acres	0.0417%	0.00684%	0.00398%
(2) Lydia Blankenship Heirs, Devisees, Successors or Assigns				
(a) Mary Jane Keen 1077 Longwall LN Raven, VA 24639	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
(b) Shirley Keen 1685 Honaker Branch Road Raven, VA 24639	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
(c) Patsy Moore 6985 Horn Mountain Road Raven, VA 24639	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
<i>Royalty Split Agreements have been executed, but are in dispute. Royalties attributable to this interest are currently being escrowed.</i>				
(d) Brenda Sue Justice PO Box 522 Keen Mountain, VA 24624	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
<i>Royalty Split Agreements have been executed, but are in dispute. Royalties attributable to this interest are currently being escrowed.</i>				
(e) James R. Osborne P. O. Box 484 Keen Mountain, VA 24624	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
<i>Royalty Split Agreements have been executed, but are in dispute. Royalties attributable to this interest are currently being escrowed.</i>				

Exhibit E
Unit S-37
Docket # VGOB-98-0421-0649-05
List of Conflicting Owners/Claimants that require escrow

	Acres In Unit	Percent of Unit	Division of Interest In	
			8-Right 16.41221%	9-Right 9.54198%
(f) Clifford Osborne Heirs, Devisees, Successors or Assigns				
(f.1) Phyllis W. Osborne 1109 Moore Rd. Raven, VA 24639	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
<i>Royalty Split Agreements have been executed, but are in dispute. Royalties attributable to this interest are currently being escrowed.</i>				
(g) Ronnie Osborne Box 12 Oakwood, VA 24631				
	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
<i>Royalty Split Agreements have been executed, but are in dispute. Royalties attributable to this interest are currently being escrowed.</i>				
(h) Charles M. Osborne 216 Plantation Drive Richlands, VA 24641				
	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
<i>Royalty Split Agreements have been executed, but are in dispute. Royalties attributable to this interest are currently being escrowed.</i>				
(i) Richard Osborne P. O. Box 585 Keen Mountain, VA 24624				
	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
<i>Royalty Split Agreements have been executed, but are in dispute. Royalties attributable to this interest are currently being escrowed.</i>				
(j) William Osborne Heirs, Devisees, Successors or Assigns				
(j.1) Ruth Keen <i>(Deed of Gift to Joyce Lineberry Mae 3/16/03)</i>				
(j.1.1) Joyce Lineberry Mae c/o Rose Mae P.O. Box 172 Cooleemee, NC 27014	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
<i>Royalty Split Agreements have been executed, but are in dispute. Royalties attributable to this interest are currently being escrowed.</i>				
(k) John David Osborne Heirs, Devisees, Successors or Assigns				
(k.1) Darlene B. Osborne 1055 Mapleleaf Hollow Raven, VA 24639	0.0091 acres 1/110 of 1.00 acres	0.0114%	0.00187%	0.00108%
<i>Royalty Split Agreements have been executed, but are in dispute. Royalties attributable to this interest are currently being escrowed.</i>				
(3) Henry Horn Heirs, Devisees, Successors or Assigns				

Exhibit E
Unit S-37
Docket # VGOB-98-0421-0649-05
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit	Division of Interest in	
			8-Right 16.41221%	9-Right 9.54198%
(a) Perry W. Horn P.O. Box 33 Raven, VA 24639	0.0217 acres 13/600 of 1.00 acres	0.0271%	0.00444%	0.00258%
(4) Thelma H. Osborne P. O. Box 33 Raven, VA 24639	0.1000 acres 1/10 of 1.00 acres	0.1250%	0.02052%	0.01193%
(7) Earnest Horn Heirs, Devisees, Successors or Assigns				
(a) Dorothy Horn Heirs, Devisees, Successors or Assigns				
(a.1) Wesley D. Perkins 305 Bane Bottom Avenue Cedar Bluff, VA 24609	0.1000 acres 1/10 of 1.15 acres	0.1250%	0.02052%	0.01193%
(10) Carl Horn Heirs, Devisees, Successors or Assigns				
(a) Marilyn Taylor PO Box 285 Pounding Mill, VA 24637	0.1000 acres 1/10 of 1.00 acres	0.1250%	0.02052%	0.01193%

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Exhibit EE
Unit S-37
Docket # VGOB-88-0421-0649-05
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Interest in Unit	Division of Interest in		Percent of Escrow
			8-Right 16.41221%	9-Right 9.64198%	
Tract #5, 1.00 acres					
COAL OWNERSHIP					
(1) Hurl McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	1.00 acres	1.2500%	0.20515%	0.11827%	4.8558%
OIL & GAS OWNERSHIP					
Linkous Horn Heirs, Devisees, Successors or Assigns	1.00 acres	1.2500%	0.20515%	0.11827%	
(b) Larry M. Horn Heirs, Devisees, Successors or Assigns	<i>Interest goes to siblings</i>				
(b.1) Margaret E. Dye 784 Big Creek Road Richlands, VA 24641	0.0017 acres 1/600 of 1.00 acres	0.0021%	0.00033%	0.00022%	0.1442%
(b.2) Nellie A. Maynard P.O. Box 298 Raven, VA 24639	0.0017 acres 1/600 of 1.00 acres	0.0021%	0.00033%	0.00022%	0.1442%
(b.3) Tammy D. Boyd Street 195 Taylor Circle Raven, VA 24639	0.0017 acres 1/600 of 1.00 acres	0.0021%	0.00033%	0.00022%	0.1442%
(c) Ivory Horn Heirs, Devisees, Successors or Assigns					
(c.1) Patricia D. Horton 200 Birch Street Raven, VA 24639	0.0058 acres 1/180 of 1.00 acres	0.0069%	0.00114%	0.00066%	n/a
(c.2) Nellie A. Maynard P.O. Box 298 Raven, VA 24639	0.0058 acres 1/180 of 1.00 acres	0.0069%	0.00114%	0.00066%	n/a
<i>Pay to Nellie A. Maynard *</i>	0.0133 acres 1/75 of 1.00 acres	0.0167%	0.00274%	0.00159%	1.1538%
* Although Nellie A. Maynard owns a total of 17/900 interest, she was only paid out her share of a 1/180 interest. She is to be paid for the 1/75 interest inherited from Henry Horn.					
(c.3) Tammy D. Boyd Street 195 Taylor Circle Raven, VA 24639	0.0189 acres 17/900 of 1.00 acres	0.0236%	0.00371%	0.00244%	1.6346%
(c.4) Margaret E. Dye 784 Big Creek Road Richlands, VA 24641	0.0189 acres 17/900 of 1.00 acres	0.0236%	0.00371%	0.00244%	1.6346%
(c.5) Danny W. Elder P.O. Box 748 Raven, VA 24639	0.0058 acres 1/180 of 1.00 acres	0.0069%	0.00114%	0.00066%	n/a
(c.6) Robert G. Elder 229 Horton Crest Drive #15 Richlands, VA 24641	0.0058 acres 1/180 of 1.00 acres	0.0069%	0.00114%	0.00066%	n/a
(5) Joseph P. Home 492 Gray Branch Road Cedar Bluff, VA 24609	0.1000 acres 1/10 of 1.00 acres	0.1250%	0.02052%	0.01183%	n/a
(6) Nancy H. Sillywell 140 Rasnake Road North Tazewell, VA 24630	0.1000 acres 1/10 of 1.00 acres	0.1250%	0.02052%	0.01183%	n/a
(8) Martha Smith P. O. Box 395 Max Meadows, VA 24360	0.1000 acres 1/10 of 1.00 acres	0.1250%	0.02052%	0.01183%	n/a
(8) Sarah K. Day 1205 Valley View Dr., Apt. B Pearlsburg, VA 24134	0.1000 acres 1/10 of 1.00 acres	0.1250%	0.02052%	0.01183%	n/a

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Exhibit A-1
Tract-by-Tract Escrow Calculation
Account Balances as of 2/28/11

Unit S37
VGOB 98-0421-0649-05
Acres Escrowed: 0.577780

Owners	Tract #	Acres	Owner Acres	Interest	Owners' Percent of Escrow (50%)	Amount Due Owners \$7,305.18
Hurt McGuire Land Trust		0.5778				
Linkous Horn Heirs	5	1.00			4.8558%	\$354.72
Margaret Dye (Larry Horn Heir)			0.0017	1/600	0.1442%	\$10.54
Nellie Maynard (Larry Horn Heir)			0.0017	1/600	0.1442%	\$10.54
Tammy Boyd Street (Larry Horn Heir)			0.0017	1/600	0.1442%	\$10.54
Nellie Maynard (Interest Inherited from Henry Horn not previously paid)			0.0133	1/75	1.1538%	\$84.29
Tammy Boyd Street			0.0189	17/900	1.6346%	\$119.41
Margaret Dye			0.0189	17/900	1.6346%	\$119.41

Wells contributing to the escrow account: S37

INSTRUMENT #120001096
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JUNE 4, 2012 AT 02:37PM
BEVERLY S. TILLER, CLERK
RECORDED BY: GGB

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