

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: AW111
TRACT(S): A portion of 3
LOCATION: BUCHANAN, RUSSELL County, Virginia

DOCKET NUMBER: VGOB-01-0320-0871-02

APPLICANTS: CNX Gas Company LLC on behalf of Buckhorn Coal Company, Gent Enterprises, LLC

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
May 20, 2014

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

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 04/18/2001, Recorded on 05/02/2001, Deed Book/Instrument No. 525, Page 107.
2. Original Pooling Order Executed 04/18/2001, Recorded on 05/02/2001, Deed Book/Instrument No. 525, Page 107.
3. Supplemental Order Executed 07/26/2001, Recorded on 08/08/2001, Deed Book/Instrument No. 528, Page 620.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the May 20, 2014 hearing and considered whether to:

0776 PAGE 0612
140000997

(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 3 identified in the attached petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 3 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:

Under Case #CL10000662-00, executed May 12, 2011, the Circuit Court of Russell County clarified the conveyances from the Rasnakes to the Gents in DB 223/PG53, dated 10/26/1970. The conveyances included all right and title in and to the oil, gas, (including coalbed methane gas and deep gas), minerals (other than coal), etc., which allows the interest to be paid under the terms of the royalty split agreement previously executed by the parties. Buckhorn Coal Company and Gent Enterprises, LLC 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 Table 1, further, specifies how said royalties are to be divided and paid.

RELIEF GRANTED:

VGOB Disbursement
Unit AW111
VGOB-01-0320-0871-02
Table 1
Tracts: A portion of 3

Item	Tract	Disbursement Table	Fractional Ownership in Tract	Net Acreage in Tract	Royalty Split Agreement	Escrowed Acres Disbursed	Percent of Escrowed Funds Disbursed
		Total acreage in escrow before disbursement				31.12000	
	3	Tract 3 (total acreage)		31.12			
1	3	Buckhorn Coal Company\PO Box 187, Tazewell, VA 24651	7/8	27.2300	50.00%	13.6150	43.7500%
2	3	Gent Enterprises, LLC\PO Box 330, Honaker, VA 24260	7/8	27.2300	50.00%	13.6150	43.7500%

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0776 PAGE 0613

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.

FILED 0776 PAGE 061A

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BOOK 0776 PAGE 0615

DONE AND EXECUTED this 28 day of May, 2014 by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert

Chairman, Bradley C. Lambert

DONE AND PERFORMED this 28 day of May, 2014 by Order of the Virginia Gas and Oil Board.

Rick Cooper

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

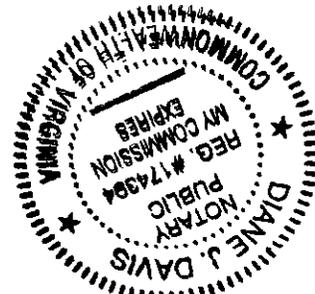
COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 28 day of May, 2014, 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 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 was authorized to do so.

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

My Commission expires: September 30, 2017

1401133



VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 6-12, 2014. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 2:45 o'clock P M, after payment of \$ _____ tax imposed by Sec. 58.1-802.

TESTE: ANN S. McREYNOLDS, CLERK

Original returned this date to: Sarah Gilmer

BY: Sheila Kettan D. CLERK

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 01-0320-0871-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) A portion of 3
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: May 20, 2014

DRILLING UNIT: AW111

BUCHANAN, RUSSELL 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) 3 as depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Buckhorn Coal Company and Gent Enterprises, LLC

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

Under Case #CL10000662-00, executed May 12, 2011, the Circuit Court of Russell County clarified the conveyances from the Rasnakes to the Gents in DB 223/PG53, dated 10/26/1970. The conveyances included all right and title in and to the oil, gas, (including coalbed methane gas and deep gas), minerals (other than coal), etc., which allows the interest to be paid under the terms of the royalty split agreement previously executed by the parties. Buckhorn Coal Company and Gent Enterprises, LLC 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 Table 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 WERE TAKEN FROM MAPS PROVIDED BY CONSOL Inc. AND WERE NOT SURVEYED

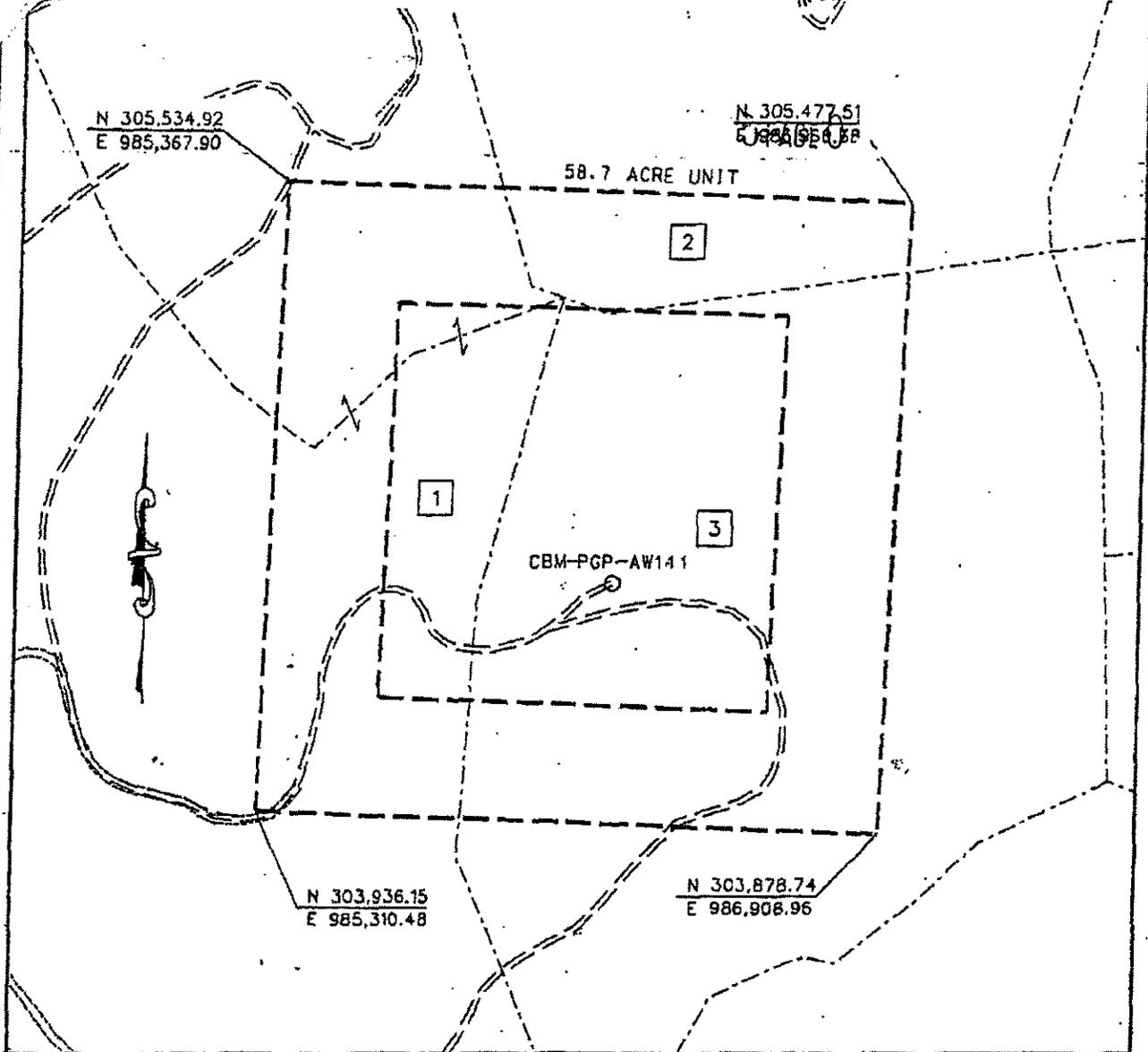


EXHIBIT A
 MIDDLE RIDGE 1 FIELD
 UNIT AW-111
 FORCE POOLING
 VGDB-01-0320-0871

Company Pochohantas Gas Partnership Well Name and Number UNIT AW111
 Tract No. _____ Elevation _____ Quadrangle Honker
 County Russell/Buchanan District New Garden/Hurricane Scale: 1" = 400' Date 4/3/01
 This plat is a new plat X ; on updated plat _____ ; or a final plat _____

Form DGO-GO-7 _____ (Affix Seal)
 Rev. 9/91

 Licensed Professional Engineer or Licensed Land Surveyor

CNX Gas Company LLC
Unit AW-111
Tract Identifications
(58.70 Acre Unit)

1. Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) – Coal
Knox Creek Coal Company – Coal in Tiller Seam and Above Leased
CNX Gas Company LLC – CBM Leased
Michael Whited, et al – Oil and Gas
CNX Gas Company LLC – Oil, Gas and CBM Leased
Michael Whited – Surface
21.80 acres 37.1380%

2. Hugh MacRae Land Trust, Tract 9 (Sparrell Hale 412 Acre Tract) – Coal
Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
CNX Gas Company LLC – Surface, Oil and Gas
5.78 acres 9.8467%

3. Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) – Coal
Knox Creek Coal Corporation – Above Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Heirs, Devisees, Successors or Assigns of Dr. L. M. Harrison OR Gent Enterprises, LLC -
 Oil and Gas (1/8)
Gent Enterprises, LLC – Oil and Gas (7/8)
CNX Gas Company LLC – Oil, Gas and CBM Leased (7/8)
Michael Whited **OR** Gent Enterprises, LLC – Surface
31.12 acres 53.0153%

(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.)

VGOB Disbursement
Unit AW111

VGOB-01-0320-0871-02

Table 1

Tracts: A portion of 3

Item	Tract	Disbursement Table	Fractional Ownership in Tract	Net Acreage Ownership in Tract	Royalty Split Agreement	Escrowed Acres Disbursed	Percent of Escrowed Funds Disbursed	Disbursement
		Total acreage in escrow before disbursement				31.12000		
	3	Tract 3 (total acreage)		31.12				
1	3	Buckhorn Coal Company\PO Box 187, Tazewell, VA 24651	7/8	27.2300	50.00%	13.6150	43.7500%	\$47,937.80
2	3	Gent Enterprises, LLC\PO Box 330, Honaker, VA 24260	7/8	27.2300	50.00%	13.6150	43.7500%	\$47,937.80

Wells contributing to the escrow account: PGP AW111 W/PL, CBM AW111A W/PI

140000997
 0776 PAGE 0620

Exhibit E
 Unit AW111
 Docket #VGOB-01-0320-0871-02
 List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Interest in Unit
<u>Tract #3, 31.12 acres</u>		
<i>Partial Escrow due to Title Conflict</i>		
<u>COAL OWNERSHIP</u>		
(1) Buckhorn Coal Company <i>(Jacob Fuller 453 Acre Tract)</i> P. O. Box 187 Tazewell, VA 24651	31.12 acres	53.0153%
<u>OIL & GAS OWNERSHIP</u>		
(1) Gent Enterprises, et al <i>(54 Acre Tract)</i> {Previously listed as a title conflict between Michael Whited, et al, Dr L.M. Harrison Heirs, or Gent Enterprises, LLC}	31.12 acres	53.0153%
(a) Dr. L.M. Harrison, Heirs, Devises, Successors or Assigns <i>Address Unknown</i>	3.89 acres 1/8 of 31.12 acres	6.6269%
-OR-		
(a) Gent Enterprises, LLC. P.O. Box 330 Honaker, VA 24260	3.89 acres 1/8 of 31.12 acres	6.6269%
Total Acreage in Conflict		3.8900
Total Percentage in Conflict		6.6269%

Exhibit EE
Unit AW-111
Docket #VGOB-01-0320-0871-02
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1, 21.80 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) P. O. Box 187 Tazewell, VA 24651	21.80 acres	37.1380%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Michael Whited, et al (previously Columbus Earl Whited heirs)	21.80 acres	37.1380%	n/a
(a) Michael Whited PO Box 297 Swords Creek, VA 24696	2.18 acres 1/10 of 21.80 acres	3.7138%	n/a
(b) Ferrell Whited PO Box 1471 Honaker, VA 24260-1471	3.92 acres 9/50 of 21.80 acres	6.6848%	n/a
(c) Marty Whited PO Box 881 Lebanon, VA 24266-0881	3.92 acres 9/50 of 21.80 acres	6.6848%	n/a
(d) Cathy Darlene Ward 2014 Miller Creek Rd Swords Creek, VA 24649	3.92 acres 9/50 of 21.80 acres	6.6848%	n/a
(e) Herald Whited 120 Clifton Farm Rd. Honaker, VA 24260	3.92 acres 9/50 of 21.80 acres	6.6848%	n/a
(f) Melissa Skeens 120 Clifton Farm Rd Honaker, VA 24260	3.92 acres 9/50 of 21.80 acres	6.6848%	n/a
<u>Tract #2, 5.78 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hugh MacRae Land Trust, Tr. 9 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 1 Bryant Park New York, NY 10036-6715	5.78 acres	9.8467%	n/a
<u>CBM Royalty Owner (from the Coal owner):</u>			
Torch Oil and Gas Company c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030			
<u>OIL & GAS OWNERSHIP</u>			
(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (Pocahontas Gas Partnership)	5.78 acres	9.8467%	n/a
<u>Tract #3, 31.12 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) P. O. Box 187 Tazewell, VA 24651	31.12 acres	53.0153%	43.7500%

Exhibit EE
 Unit AW-111
 Docket #VGOB-01-0320-0871-02
 List of Conflicting Owners/Claimants with Royalty Split Agreements

		Acres in Unit	Interest in Unit	Percent of Escrow
OIL & GAS OWNERSHIP				
(1)	Gent Enterprises, et al (54 Acre Tract) <i>(Previously listed as a title conflict between Michael White, et al, Dr L.M. Harrison Heirs, or Gent Enterprises, LLC)</i>	31.12 acres	53.0153%	
(2)	Gent Enterprises, LLC. P.O. Box 330 Honaker, VA 24260	27.23 acres 7/8 of 31.12 acres	46.3884%	43.7500%
<i>Under Case #CL1000662-00, executed May 12, 2011, the Court of Russell County clarified the conveyances from the Rasnakes to the Gents in DB 223/PG 53 dated 10/26/70 included all right, title in and to the oil, gas, (including coalbed methane gas and deep gas), minerals (other than coal), etc.</i>				
<i>Royalties can be paid based on the royalty agreement between Buckhorn / Gent Enterprises for the 7/8 portion</i>				
Total Acreage Resolved			54.8100	
Total Percentage Resolved				93.3731%

INSTRUMENT #140000997
 RECORDED IN THE CLERK'S OFFICE OF
 BUCHANAN COUNTY ON
 JUNE 13, 2014 AT 10:40AM

BEVERLY S. TILLER, CLERK
 RECORDED BY: GGB