

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 03-1118-1230

ELECTIONS: UNIT BD-118  
(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 March 22, 2004 which was recorded at Deed Book 605, Page 626 in the Office of the Clerk of the Circuit Court of Russell County, Virginia, on April 2, 2004, (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 BD-118;

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.

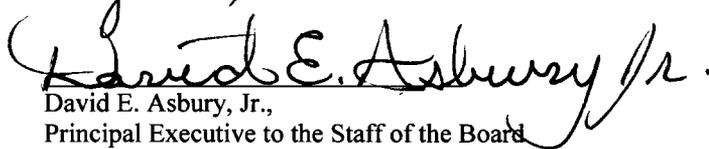
Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 30 day of July, 2010, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Bradley C. Lambert

DONE AND PERFORMED THIS 30<sup>th</sup> day of July, 2010, by Order of the Board.

  
David E. Asbury, Jr.,  
Principal Executive to the Staff of the Board

STATE OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 30<sup>th</sup> day of July, 2010, 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 David E. Asbury Jr., 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 BD-118  
VGOB 03-1118-1230 in the New Garden District of Russell 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 Gas Company LLC, 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 March 22, 2004, 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 Lebanon, 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 April 2, 2004;

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 March 22, 2004;

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 7<sup>th</sup> day of April, 2010.

Anita D. Duty  
Anita D. Duty

STATE OF WEST VIRGINIA  
COUNTY OF MERCER

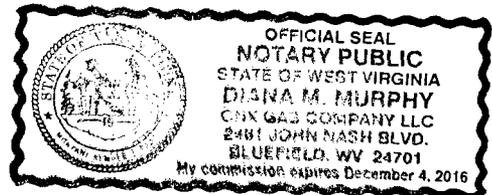
Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Gas Company

LLC, on behalf of the corporate Designated Operator, this 7<sup>th</sup> day of April, 2010.

Diana M. Murphy  
Notary

My commission expires: December 4, 2016

**1001916**



VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF RUSSELL COUNTY, 8-12, 2010. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 3:26 o'clock P.M, after payment of \$        tax imposed by Sec. 58.1-802.

TESTE: ANN S. McREYNOLDS, CLERK  
BY: Shula Ketro D. CLERK

Original returned this date to: VA Gas and Oil

PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

BOOK 605 PAGE 637

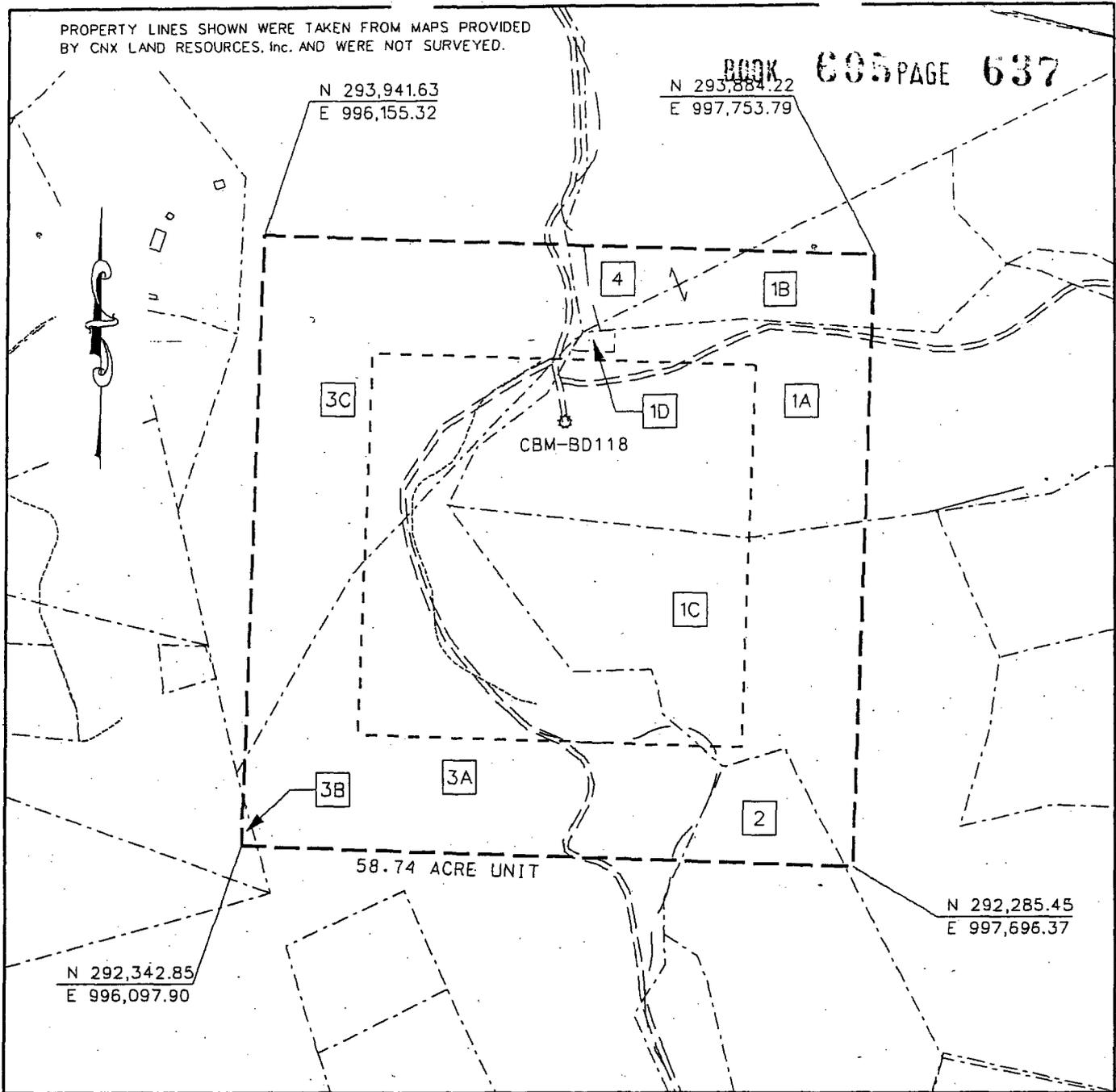
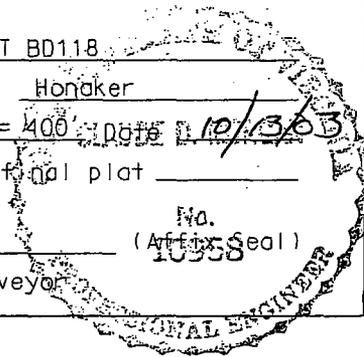


EXHIBIT A  
 MIDDLE RIDGE 1 FIELD  
 UNIT BD-118  
 FORCE POOLING  
 VGOB-03-1118-1230

Company CNX Gas Company LLC Well Name and Number UNIT BD118  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle Honaker  
 County Russell District New Garden Scale: 1" = 400' Date 10/30/03  
 This plat is a new plat X ; an updated plat \_\_\_\_\_ ; or a final plat \_\_\_\_\_

Form DGO-60-7  
 Rev. 9/91

Charles D. Maye  
 Licensed Professional Engineer or Licensed Land Surveyor



**CNX Gas Company LLC**

BD-118

Tract Identifications  
(58.74 Acre Unit) °

- 1A. Swords Creek Land Partnership Tr. 13 - Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Tiller and Above Coal Leased  
CNX Gas Company LLC - CBM Leased  
H.C. Bostic Coal Company, Inc. - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
11.07 acres                      18.8458%
- 1B. E. P. Whited Heirs, Successors or Assigns - All Minerals Except Coal In Red Ash Seam  
Swords Creek Land Partnership Tr. 53 - Coal In Red Ash Seam Only  
Knox Creek Coal Corporation - Tiller and Above Coal Leased (73%)  
CNX Gas Company, LLC - Oil, Gas and CBM Leased (99.21%)  
Thomas D. Keen, et al - Surface  
2.29 acres                      3.8985%
- 1C. Swords Creek Land Partnership Tr. 13 - Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Tiller and Above Coal Leased  
CNX Gas Company LLC - CBM Leased  
Nellie L. Miller, et al - Surface and All Minerals except Coal  
11.03 acres                      18.7777%
- 1D. Swords Creek Land Partnership Tr. 13 - Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Tiller and Above Coal Leased  
CNX Gas Company LLC - CBM Leased  
H.C. Bostic Coal Company, Inc. - Surface and All Minerals except Coal (Cemetery)  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
0.12 acres                      0.2043%
2. Swords Creek Land Partnership Tr. 47 - Fee  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Tiller and Above Coal Leased  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
1.88 acres                      3.2005%
- 3A. Swords Creek Land Partnership Tr. 1 - Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Tiller and Above Coal Leased  
CNX Gas Company LLC - CBM Leased  
Dallas Whited - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
16.95 acres                      28.8560%

**CNX Gas Company LLC**

**BD-118**

**Tract Identifications**

**(58.74 Acre Unit)**

- 3B. Swords Creek Land Partnership Tr. 1 - Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Tiller and Above Coal Leased  
CNX Gas Company LLC - CBM Leased  
Clarence Hess – Surface and All Minerals except Coal  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
0.06 acres                      0.1021%
- 3C. Swords Creek Land Partnership Tr. 1 – All Minerals  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Tiller and Above Coal Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
Dallas Whited - Surface  
14.11 acres                      24.0211%
4. E. P. Whited Heirs, Successors or Assigns – All Minerals except Coal In Red Ash Seam  
Swords Creek Land Partnership Tr. 53 - Coal (Red Ash Seam Only)  
Knox Creek Coal Corporation - Tiller and Above Coal Leased (73%)  
CNX Gas Company, LLC - Oil, Gas and CBM Leased (99.21%)  
Thomas D. Keen, et al - Surface  
1.23 acres                      2.0940%

Exhibit B-3  
Unit BD-118  
Docket #VGOB 03-1118-1230  
List of Unleased Owners/Claimants  
(58.74 Acre Unit)

BOOK 724 PAGE 0206

	Acres in Unit	Interest in Unit
<b>I. COAL OWNERSHIP</b>		
<b><u>Tract #1B, 2.29 acres</u></b>		
(1) E. P. Whited Heirs, Devisees, Successors or Assigns	2.29 acres	3.8985%
(o) Leslie G. Sigmon 1376 Beachnut Drive Akron, OH 44312	0.002 acres 0.0990% of 2.29 acres	0.0039%
(v) J.B. Whited Heirs, Devisees, Successors or Assigns c/o Geneva Chervenik 2942 Silver Lake Village Stow, OH 44224	0.002 acres 0.0794% of 2.29 acres	0.0031%
<b><u>Tract #4, 1.23 acres</u></b>		
(1) E. P. Whited Heirs, Devisees, Successors or Assigns	1.23 acres	2.0940%
(o) Leslie G. Sigmon 1376 Beachnut Drive Akron, OH 44312	0.001 acres 0.0990% of 1.23 acres	0.0021%
(v) J.B. Whited Heirs, Devisees, Successors or Assigns c/o Geneva Chervenik 2942 Silver Lake Village Stow, OH 44224	0.001 acres 0.0794% of 1.23 acres	0.0017%
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<b><u>Tract #1B, 2.29 acres</u></b>		
(1) E. P. Whited Heirs, Devisees, Successors or Assigns	2.29 acres	3.8985%
(o) Leslie G. Sigmon 1376 Beachnut Drive Akron, OH 44312	0.002 acres 0.0990% of 2.29 acres	0.0039%
(v) J.B. Whited Heirs, Devisees, Successors or Assigns c/o Geneva Chervenik 2942 Silver Lake Village Stow, OH 44224	0.002 acres 0.0794% of 2.29 acres	0.0031%
<b><u>Tract #1C, 11.03 acres</u></b>		
(1) Nellie L. Miller, et al. (Floyd Lockhart Heirs)	11.03 acres	18.7777%

**Exhibit B-3**  
**Unit BD-118**  
**Docket #VGOB 03-1118-1230**  
**List of Unleased Owners/Claimants**  
**(58.74 Acre Unit)**

BOOK 724 PAGE 0207

	Acres in Unit	Interest in Unit
(a) Nellie Miller Rt.1 Box 123 Swords Creek, VA 24649	1.348 acres 11/90 of 11.03 acres	2.2950%
(b) Gladys Hubbard RR1 Box 213 Tazewell, VA 24651	0.123 acres 1/90 of 11.03 acres	0.2086%
(c) Thelma Miller 2411 South First Street Richlands, VA 24641	1.348 acres 11/90 of 11.03 acres	2.2950%
(d) Freda Cordill Heirs, Devisees, Successors or Assigns		
(d.1) Mark Cordill <i>Address Unknown</i>	0.674 acres 11/180 of 11.03 acres	1.1475%
(d.2) Patricia Cordill <i>Address Unknown</i>	0.674 acres 11/180 of 11.03 acres	1.1475%
(e) Arbutus Plaster RR1 Box 213 Swords Creek, VA 24649	1.348 acres 11/90 of 11.03 acres	2.2950%
(f) Evelyln L. Perkins 2411 South First Street Richlands, VA 24641	1.348 acres 11/90 of 11.03 acres	2.2950%
(g) Dallas Lockhart P.O. Box 1208 Honaker, VA 24260	1.348 acres 11/90 of 11.03 acres	2.2950%
(h) Mae Richardson P.O. Box 1282 Honaker, VA 24260	1.348 acres 11/90 of 11.03 acres	2.2950%
(i) Ralph C. Lockhart RR1 Box 200 Swords Creek, VA 24649	0.123 acres 1/90 of 11.03 acres	0.2086%
(i) Alan Dee Lockhart Heirs, Devisees, Successors or Assigns		
(i.1) Steve Lockhart <i>Address Unknown</i>	0.449 acres 11/270 of 11.03 acres	0.7650%
(i.2) Randy Lockhart <i>Address Unknown</i>	0.449 acres 11/270 of 11.03 acres	0.7650%
(i.3) Patricia Hulvey <i>Address Unknown</i>	0.449 acres 11/270 of 11.03 acres	0.7650%

Exhibit B-3  
Unit BD-118  
Docket #VGOB 03-1118-1230  
List of Unleased Owners/Claimants  
(58.74 Acre Unit)

	Acreage	Interest in Unit
<b><u>Tract #4, 1.23 acres</u></b>		
(1) E. P. Whited Heirs, Devisees, Successors or Assigns	1.23 acres	2.0940%
(o) Leslie G. Sigmon 1376 Beachnut Drive Akron, OH 44312	0.001 acres 0.0990% of 1.23 acres	0.0021%
(v) J.B. Whited Heirs, Devisees, Successors or Assigns c/o Geneva Chervenik 2942 Silver Lake Village Stow, OH 44224	0.001 acres 0.0794% of 1.23 acres	0.0017%

Exhibit E  
Unit BD-118  
Docket #VGOB 03-1118-1230  
List of Conflicting Owners/Claimants that require escrow  
(58.74 Acre Unit)

BOOK 724 PAGE 0209

	Acres in Unit	Interest in Unit
<b><u>Tract #1A, 11.07 acres</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	11.07 acres	18.8458%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) H.C. Bostic Coal Company, Inc. P.O. Box 220 Swords Creek, VA 24649	11.07 acres	18.8458%
<b><u>Tract #1C, 11.03 acres</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	11.03 acres	18.7777%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Nellie L. Miller, et al. (Floyd Lockhart Heirs)	11.03 acres	18.7777%
(a) Nellie Miller Rt.1 Box 123 Swords Creek, VA 24649	1.348 acres 11/90 of 11.03 acres	2.2950%
(b) Gladys Hubbard RR1 Box 213 Tazewell, VA 24651	0.123 acres 1/90 of 11.03 acres	0.2086%
(c) Thelma Miller 2411 South First Street Richlands, VA 24641	1.348 acres 11/90 of 11.03 acres	2.2950%
(d) Freda Cordill Heirs, Devisees, Successors or Assigns		
(d.1) Mark Cordill Address Unknown	0.674 acres 11/180 of 11.03 acres	1.1475%
(d.2) Patricia Cordill Address Unknown	0.674 acres 11/180 of 11.03 acres	1.1475%
(e) Arbutus Plaster RR1 Box 213 Swords Creek, VA 24649	1.348 acres 11/90 of 11.03 acres	2.2950%
(f) Evylyn L. Perkins 2411 South First Street Richlands, VA 24641	1.348 acres 11/90 of 11.03 acres	2.2950%

Exhibit E  
Unit BD-118  
Docket #VGOB 03-1118-1230  
List of Conflicting Owners/Claimants that require escrow  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
(g) Dallas Lockhart P.O. Box 1208 Honaker, VA 24260	1.348 acres 11/90 of 11.03 acres	2.2950%
(h) Mae Richardson P.O. Box 1282 Honaker, VA 24260	1.348 acres 11/90 of 11.03 acres	2.2950%
(i) Ralph C. Lockhart RR1 Box 200 Swords Creek, VA 24649	0.123 acres 1/90 of 11.03 acres	0.2086%
(i) Alan Dee Lockhart Heirs, Devisees, Successors or Assigns		
(i.1) Steve Lockhart <i>Address Unknown</i>	0.449 acres 11/270 of 11.03 acres	0.7650%
(i.2) Randy Lockhart <i>Address Unknown</i>	0.449 acres 11/270 of 11.03 acres	0.7650%
(i.3) Patricia Hulvey <i>Address Unknown</i>	0.449 acres 11/270 of 11.03 acres	0.7650%

**Tract #1D, 0.12 acres**

**COAL FEE OWNERSHIP**

(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	0.12 acres	0.2043%
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**OIL & GAS FEE OWNERSHIP**

(1) H.C. Bostic Coal Company, Inc. P.O. Box 220 Swords Creek, VA 24649	0.12 acres	0.2043%
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**Exhibit EE**  
**Unit BD-118**  
**Docket #VGOB 03-1118-1230**  
**List of Conflicting Owners/Claimants with Royalty Split Agreements**  
**(58.74 Acre Unit)**

	Acres in Unit	Interest in Unit
<b><u>Tract #3A, 16.95 acres</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.1 P.O. Box 187 Tazewell, VA 24651	16.95 acres	28.8560%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Dallas James Whited 1422 Long Branch Road Swords Creek, VA 24649	16.95 acres	28.8560%
<b><u>Tract #3B, 0.06 acres</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.1 P.O. Box 187 Tazewell, VA 24651	0.06 acres	0.1021%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Clarence Hess 664 Long Branch Swords Creek, VA 24649	0.06 acres	0.1021%