

130000675

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 04-0120-1252-01

ELECTIONS: UNIT BA-99  
(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 18, 2012 which was recorded at Document 120002459 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on October 26, 2012, (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 BA-99;

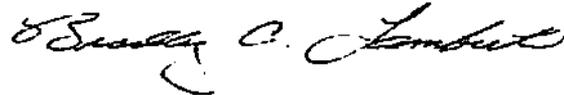
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company 38 E. Valley Drive, Bristol, VA 24201, 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 29 day of March, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 29 day of March, 2013 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 29<sup>th</sup> day of March, 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 and 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, Notary Public  
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 Unit BA-99  
VGOB 04-0120-1252-01 in the Hurricane District of Buchanan County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "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 18, 2012, 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 October 26, 2012;

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:

Jimmy L. Harris - Carried Election (Tract 1D)

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 18, 2012;

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:

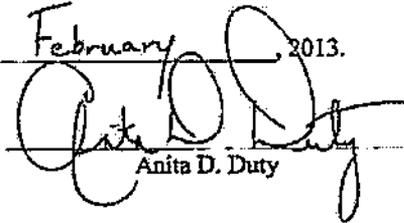
None

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

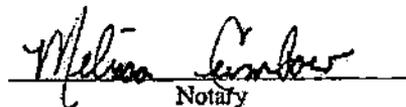
That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 13<sup>th</sup> day of February, 2013.

  
Anita D. Duty

STATE OF WEST VIRGINIA  
COUNTY OF MERCER

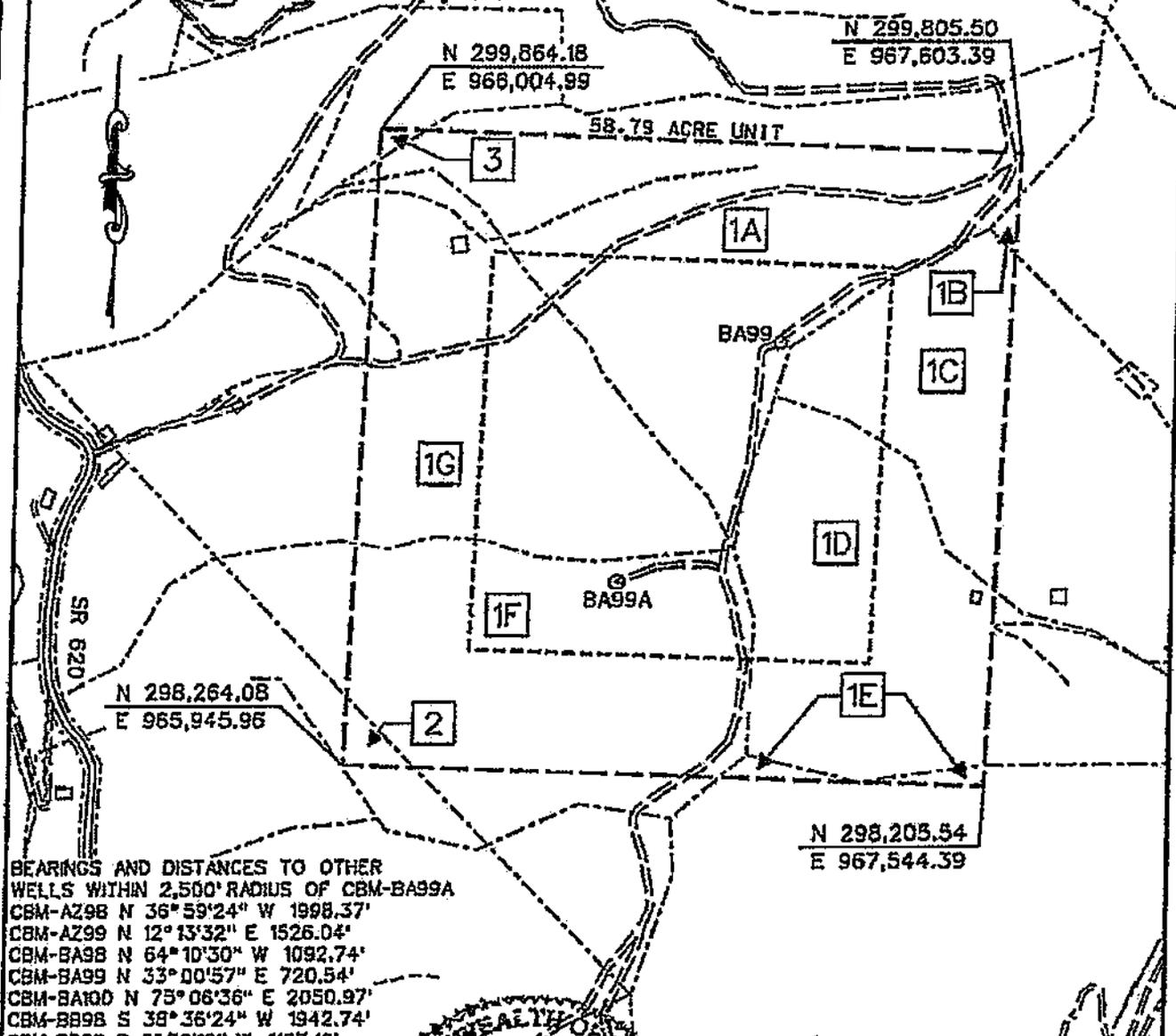
Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Land Resources, Inc., on behalf of the corporate Designated Operator, this 13<sup>th</sup> day of February, 2013.

  
Notary

My commission expires: April 9, 2023



Property lines shown on this plot were provided by CNX Gas Company LLC and were taken from deed descriptions and chains of title of record. This does not represent a current boundary survey. This certification is as to the size, shape and location of the proposed unit.



BEARINGS AND DISTANCES TO OTHER WELLS WITHIN 2,500' RADIUS OF CBM-BA99A

CBM-AZ98	N 36° 59' 24" W	1998.37'
CBM-AZ99	N 12° 13' 32" E	1526.04'
CBM-BA98	N 64° 10' 30" W	1092.74'
CBM-BA99	N 33° 00' 57" E	720.54'
CBM-BA90	N 75° 08' 36" E	2050.97'
CBM-BB98	S 38° 36' 24" W	1942.74'
CBM-BB99	S 9° 30' 12" W	1187.19'

CBM WELL  
 PROPOSED CBM WELL

RICHARD C. MURPHY  
 Lic. No. 041898  
 05-09-12  
 PROFESSIONAL ENGINEER

**EXHIBIT A**  
**NORA FIELD**  
**UNIT BA99**  
**FORCE POOLING**  
**VG08-04-0120-1252-01**

Company CNX Gas Company LLC Well Name and Number UNIT BA99  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle BIG A MOUNTAIN  
 County BUCHANAN District HURRICANE Scale: 1" = 400' Date \_\_\_\_\_  
 This plot is a new plot  or an updated plot \_\_\_\_\_ or a final plot \_\_\_\_\_

Form DGO-GO-7 Richard C. Murphy (Affix Seal)  
 Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor

# REVISION

## CNX Gas Company LLC

Unit BA 99

Tract Identification  
(58.79 Acre Unit)

- 1A. Harrison – Wyatt, LLC Oxy Tr. 4; ICCO Tr. 816 (1575.5 Acre Tract) - Coal  
Jewell Smokeless Coal Corporation – Coal in Tiller Seam and Above Leased  
CNX Gas Company LLC – CBM Leased  
Velma Carol James – Surface and All Minerals except Coal  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
15.84 Acres                      26.9434%
- 1B. Harrison – Wyatt, LLC Oxy Tr. 4; ICCO Tr. 816 (1575.5 Acre Tract) - Coal  
Jewell Smokeless Coal Corporation – Coal in Tiller Seam and Above Leased  
CNX Gas Company LLC – CBM Leased  
Harrison – Wyatt, LLC – CBM (50%)  
CNX Gas Company LLC – CBM Leased  
Elizabeth McGlothlin – Surface, Oil and Gas  
Elizabeth McGlothlin – CBM (50%)  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
0.11 Acres                      0.1871%
- 1C. Harrison – Wyatt, LLC Oxy Tr. 4; ICCO Tr. 816 (1575.5 Acre Tract) - Coal  
Jewell Smokeless Coal Corporation – Coal in Tiller Seam and Above Leased  
CNX Gas Company LLC – CBM Leased  
Shirley H. Hess – Surface and All Minerals except Coal  
6.19 Acres                      10.5290%
- 1D. Harrison – Wyatt, LLC Oxy Tr. 4; ICCO Tr. 816 (1575.5 Acre Tract) - Coal  
Jewell Smokeless Coal Corporation – Coal in Tiller Seam and Above Leased  
CNX Gas Company LLC – CBM Leased  
Jimmy L. Harris – Surface, Oil and Gas  
10.78 Acres                      18.3365%
- 1E. Harrison – Wyatt, LLC Oxy Tr. 4; ICCO Tr. 816 (1575.5 Acre Tract) - Coal  
Jewell Smokeless Coal Corporation – Coal in Tiller Seam and Above Leased  
Harrison – Wyatt, LLC – CBM (50%)  
CNX Gas Company LLC – CBM Leased  
Lowery R. Childress, et al – Oil and Gas  
Lowery R. Childress, et al – CBM (50%)  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
Lowery R. Childress – Surface,  
0.42 Acres                      0.7144%
- 1F. Harrison – Wyatt, LLC Oxy Tr. 4; ICCO Tr. 816 (1575.5 Acre Tract) - Coal  
Jewell Smokeless Coal Corporation – Coal in Tiller Seam and Above Leased  
CNX Gas Company LLC – CBM Leased  
Curlis Austin, et ux – Surface, Oil and Gas  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
12.38 Acres                      21.0680%

*(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.)*

# REVISION

## CNX Gas Company LLC

Unit BA 99

Tract Identification  
(68.79 Acre Unit)

- 1G. Harrison – Wyatt, LLC Oxy Tr. 4; ICCO Tr. 816 (1575.5 Acre Tract) – Coal  
Jewell Smokeless Coal Corporation – Coal in Tiller Seam and Above Leased  
CNX Gas Company LLC – CBM Leased  
Velma Carol James – Surface and All Minerals except Coal  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
12.62 Acres                      21.4662%
  
2. Harrison – Wyatt, LLC Oxy Tr. 13; ICCO Tr. 818 (154.00 Acre Tract) – All Minerals  
Jewell Smokeless Coal Corporation – Coal in Tiller Seam and Above Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
Curtis Austin, et ux – Surface  
0.35 Acres                      0.5953%
  
3. Harrison – Wyatt, LLC Oxy Tr. 8; ICCO Tr. 817 (73.00 Acre Tract) – All Minerals  
Jewell Smokeless Coal Corporation – Coal in Tiller Seam and Above Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
Edwin McGlothlin, et al – Surface  
0.10 Acres                      0.1701%

*(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 BA-99**  
**Well BA99 - Docket# VGOB 04-0120-1252**  
**Well BA99A - Docket# VGOB 04-0120-1252-01**  
**List of all Unleased Owners/Claimants**  
**(58.79 Acre Unit)**

	Acres in Unit	Percent of Unit	Election
<b>II. <u>OIL &amp; GAS OWNERSHIP</u></b>			
<b><u>Tract #1G - 6.19 acres</u></b>			
(1) Shirley H. Hess 71 Ash St. Honaker, VA 24260	6.19 acres	10.5280%	Deemed Leased
<b><u>Tract #1D - 10.78 acres</u></b>			
(1) Jimmy L. Harris 1700 Township Rd 11 Brinkhaven, OH 43006	10.78 acres	18.3365%	<i>Carried Operator (Well BA99A Only)</i>
<b><u>TOTAL OIL &amp; GAS ESTATE:</u></b>			
	Acres in Unit Unleased	16.97	
	Percentage of Unit Unleased	28.8655%	

Exhibit E  
 Unit BA-89  
 Well BA99 - Docket# VGOB 04-0120-1252  
 Well BA99A - Docket# VGOB 04-0120-1252-01  
 List of Conflicting Owners/Claimants that require escrow  
 (\$6.78 Acre Unit)

	Acres in Unit	Percent of Unit
<b><u>Tract #1G - 6.19 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr.4) ICCC Tr. 816 P.O. Box 11000 Danville, VA 24543 (1575.5 Acre Tract)	6.19 acres	10.5290%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Shirley H. Hess 71 Ash St. Honaker, VA 24260	6.19 acres	10.5290%
<b><u>Tract #1D - 10.78 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr.4) ICCC Tr. 816 P.O. Box 11000 Danville, VA 24543 (1575.5 Acre Tract)	10.78 acres	18.3365%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Jimmy L. Harris 1700 Township Rd 11 Brinkhaven, OH 43006	10.78 acres	18.3365%
<b><u>Tract #1F - 12.38 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr.4) ICCC Tr. 816 P.O. Box 11000 Danville, VA 24543 (1575.5 Acre Tract)	12.38 acres	21.0560%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Curtis Austin, et ux. Rt.2 Box 455-4 Honaker, VA 24260	12.38 acres	21.0560%
<b><u>TOTAL CONFLICTS:</u></b>		
Acreage in Unit	29.35	
Percentage of Unit		49.9235%

Exhibit EE  
Unit BA-99  
Well BA99 - Docket# VGOB 04-0120-1252  
Well BA99A - Docket# VGOB 04-0120-1252-01  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(58.79 Acre Unit)

	Acres in Unit	Percent of Unit
<b><u>Tract #1A - 15.84 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr.4) ICCC Tr. 816 P.O. Box 11000 Danville, VA 24543 (1575.6 Acre Tract)	15.84 acres	26.9434%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Velma Carol James 4565 Old Grissom Creek Rd. Honaker, VA 24260	15.84 acres	26.9434%
<b><u>Tract #1B - 0.11 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr.4) ICCC Tr. 816 P.O. Box 11000 Danville, VA 24543 (1575.5 Acre Tract)	0.11 acres	0.1871%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Elizabeth McGlothlin 7080 Finnie Rd. Honaker, VA 24260	0.11 acres	0.1871%
<b><u>Tract #1E - 0.42 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr.4) ICCC Tr. 816 P.O. Box 11000 Danville, VA 24543 (1575.5 Acre Tract)	0.42 acres	0.7144%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Lowery R. Childress, et al	0.42 acres	0.7144%
(a) Lowery R. Childress 2371 Nance White Branch Rd. Honaker, VA 24260	0.21 acres 1/2 of 0.42 acres	0.3572%
(b) Velma A. Childress PO Box 2864 Lebanon, VA 24266	0.21 acres 1/2 of 0.42 acres	0.3572%

Exhibit EE  
 Unit BA-99  
 Well BA99 - Docket# VGOB 04-0120-1252  
 Well BA99A - Docket# VGOB 04-0120-1252-01  
 List of Conflicting Owners/Claimants with Royalty Split Agreements  
 (58.79 Acre Unit)

	Acres in Unit	Percent of Unit
<b><u>Tract #1G - 12.62 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr.4) IGCC Tr. 816 P.O. Box 11000 Danville, VA 24543 (1575.5 Acre Tract)	12.62 acres	21.4662%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Velma Carol James 4565 Old Grissom Creek Rd. Honaker, VA 24260	12.62 acres	21.4662%
<b><u>TOTAL CONFLICTS RESOLVED:</u></b>		
	Acreeage in Unit	28.99
	Percentage of Unit	49.3111%

INSTRUMENT #130000675  
 RECORDED IN THE CLERK'S OFFICE OF  
 BUCHANAN COUNTY ON  
 APRIL 23, 2013 AT 02:02PM

BEVERLY S. TILLER, CLERK  
 RECORDED BY: GGB