

2369

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

1303  
IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 06-0117-1561

ELECTIONS: UNIT TA-28  
(herein "Subject Drilling Unit")

TAX MAP IDENTIFICATION NUMBERS:

Tax map identification numbers for all parcels affected by this order are shown on Exhibit marked "Tract Identifications" which is attached to and a part of this order.

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 executed in the captioned matter on March 28, 2006 which was re-recorded at Deed Book 965, Page 434 in the Office of the Clerk of the Circuit Court of Tazewell County, Virginia, on March 13, 2006, (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 TA-28;

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, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, Attn: Judy Barger 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

BK 1055PG0495

DONE AND EXECUTED this 14<sup>th</sup> day of May, 2009, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert  
Chairman, Bradley C. Lambert

DONE AND PERFORMED this 14<sup>th</sup> day of May, 2009, by Order of this Board.

David E. Asbury Jr.  
David Asbury Jr.  
Principal Executive To The Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA )  
COUNTY OF WASHINGTON )

Acknowledged on this 14<sup>th</sup> day of May, 2009, 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 David 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 was authorized to do so.

Diane J. Davis  
Diane Davis, Notary  
174394

My commission expires: September 30, 2009



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 TA-28  
VGOB 06-0117-1561 in the Maiden Springs District of Tazewell County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "Designated Operator") REGARDING ELECTIONS,  
ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Gas Company LLC, as a Manager – Environmental / Permitting and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on March 8, 2006, 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 Abingdon, 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 March 13, 2006;

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 8, 2006;

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:

None

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 and/ or they are no longer an owner, 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.

None

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 23<sup>rd</sup> day of January, 2009.

*Bluefield  
State of West Va*

*Anita D. Duty*  
Anita D. Duty

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 23<sup>rd</sup> day of January, 2009.

*Melissa Cumbow*  
Notary

My commission expires: April 9, 2013.



DK 1055PG0498

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

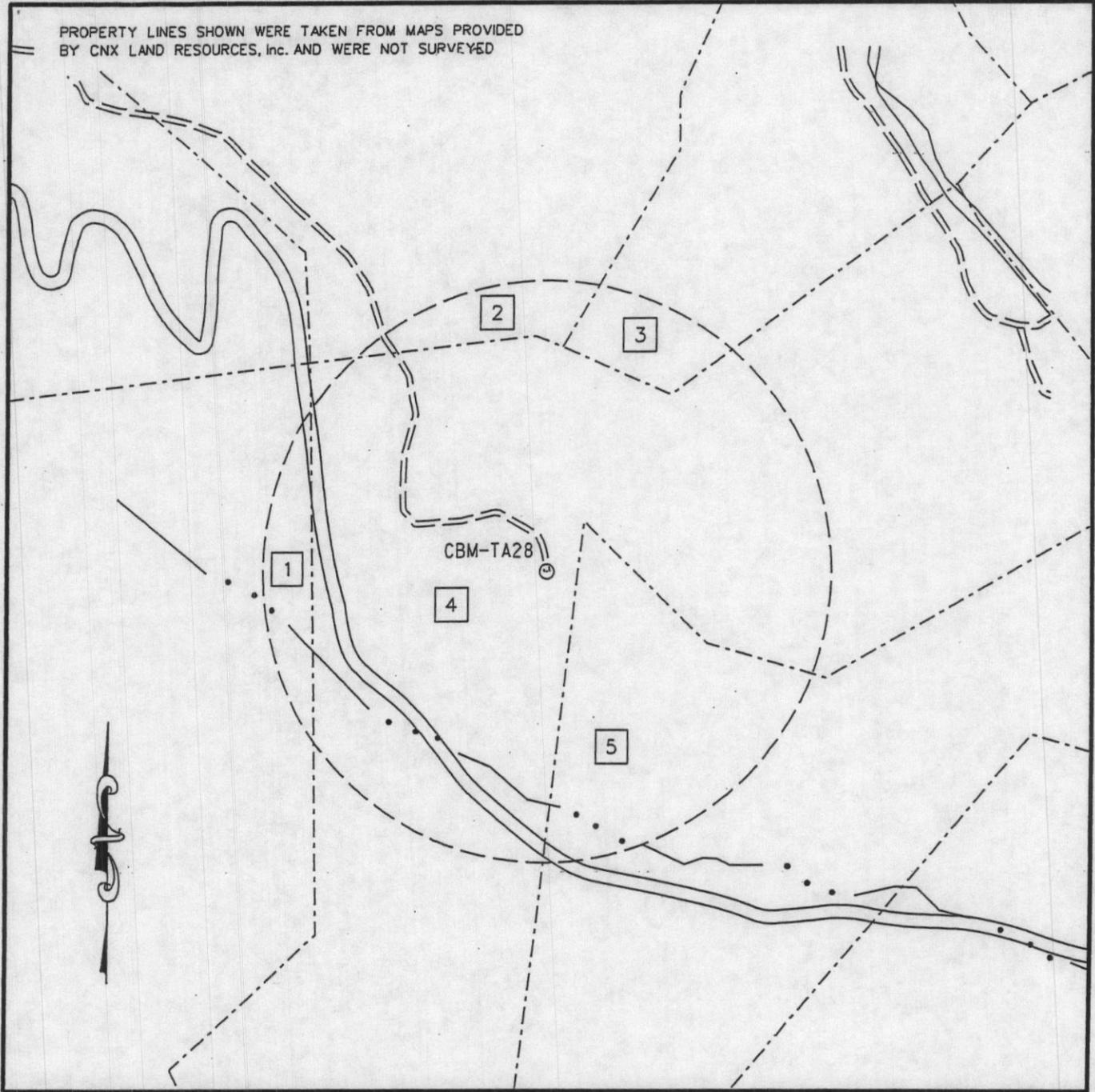
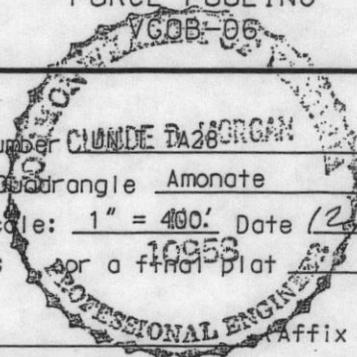


EXHIBIT A  
 STATE WIDE SPACING  
 UNIT TA-28  
 FORCE POOLING

Company CNX Gas Company LLC Well Name and Number CLONDE TA28  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle Amonate  
 County Tazewell District Maiden Springs Scale: 1" = 400' Date 12/2/05  
 This plat is a new plat X ; an updated plat \_\_\_\_\_ ; for a final plat \_\_\_\_\_

Form DGO-GO-7  
 Rev. 9/91

*Charles O. Morgan*  
 Licensed Professional Engineer or Licensed Land Surveyor



BK 1055PG0499

**CNX Gas Company LLC**

**UNIT TA28**

**Tract Identifications**

**(41.66 Acre Unit)**

1. **David R. Peery, Trustee, et al. – Fee  
Consolidation Coal Company – Coal Below Lower Seaboard Seam Leased  
Westbury Coal Mining Partnership – Lower Seaboard Seam Leased  
Cabot Oil and Gas Corp. – Oil and Gas Leased  
(Tax Map 88A Parcel 2)  
1.86 acres 4.4647%**
  
2. **Consolidation Coal Company (Faraday Tract 257) – Coal  
Cabot Oil and Gas Corp. – Oil and Gas  
CNX Gas Company LLC – CBM  
Clerical Medical Forestry Limited – Surface  
(Tax Map 68A Parcel 20)  
1.61 acres 3.8646%**
  
3. **Consolidation Coal Company (Faraday Tract 256) – Coal  
Cabot Oil and Gas Corp. – Oil and Gas  
CNX Gas Company LLC – CBM  
Clerical Medical Forestry Limited – Surface  
(Tax Map 68A Parcel 24)  
1.63 acres 3.9126%**
  
4. **Consolidation Coal Company (Faraday Tract 134) – Coal  
Cabot Oil and Gas Corp. – Oil and Gas  
CNX Gas Company LLC – CBM  
Clerical Medical Forestry Limited – Surface  
(Tax Map 88A Parcel 2)  
28.68 acres 68.8430%**
  
5. **Consolidation Coal Company (Faraday Tract 127) – Coal  
Cabot Oil and Gas Corp. – Oil and Gas  
CNX Gas Company LLC – CBM  
Clerical Medical Forestry Limited – Surface  
(Tax Map 88A Parcel 41)  
7.88 acres 18.9150%**

Exhibit B-3  
Unit TA-28  
Docket #VGOB 06-0117-1561  
List of Unleased Owners/Claimants  
(41.66 Acre Unit)

BK 1055PG0500

7/1/08

Percent of  
Unit

Acres in Unit

I. COAL & CBM FEE OWNERSHIP

Tract #1, 1.86 acres

(1) David R. Peery, Trustee, et al. (James M. Peery Heirs, Devisees, Successors or Assigns, et al.)	1.86 acres	4.4647%
(a) Clara B. Peery Revocable Trust c/o David R. Peery, Trustee 1177 Redbud Lane Moneta, VA 24121	0.93 acres 1/2 of 1.86 acres	2.2324%
(b) Robert C. Peery 5 Banbury Road Richmond, VA 23221	0.93 acres 1/2 of 1.86 acres	2.2324%

II. OIL & GAS FEE OWNERSHIP

Tract #1, 1.86 acres

(1) David R. Peery, Trustee, et al. (James M. Peery Heirs, Devisees, Successors or Assigns, et al.)	1.86 acres	4.4647%
(a) Clara B. Peery Revocable Trust c/o David R. Peery, Trustee 1177 Redbud Lane Moneta, VA 24121	0.93 acres 1/2 of 1.86 acres	2.2324%
(b) Robert C. Peery 5 Banbury Road Richmond, VA 23221	0.93 acres 1/2 of 1.86 acres	2.2324%

INSTRUMENT #090002369  
RECORDED IN THE CLERK'S OFFICE OF  
TAZEWELL COUNTY ON  
JUNE 16, 2009 AT 11:20AM  
*Dorothy J. Goyce*  
JAMES E. BLEVINS, CLERK  
RECORDED BY: DJJ