

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) AND § 45.1-361.22:2  
**UNIT/WELL NAME:** BG99  
**TRACT(S):** 1C, 1D  
**LOCATION:** BUCHANAN County, Virginia

**DOCKET NUMBER:** VGOB-07-0320-1898-01

**APPLICANTS:** CNX Gas Company LLC on behalf of Carson D. Austin

**HEARING DATE AND LOCATION:** Russell County Government Center, Lebanon, Virginia  
July 21, 2015

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

**PRIOR PROCEEDINGS:**

1. Original Pooling Order Executed 09/18/2007, Recorded on 10/02/2007, Deed Book/Instrument No. 70003659.
2. Supplemental Order, Recorded on 07/27/2011, Deed Book/Instrument No. 110001754.

**NOTICE:**

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the July 21, 2015 hearing and considered whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 1C, 1D identified in the attached petition.

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(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 1C, 1D 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 AND § 45.1-361.22.2

Applicant has certified and represented to the Board that:

Carson D. Austin is entitled to 100% of the CBM royalties awarded under Case No. CL12000388, Opinion dated April 22, 2015, Said decision allows the Applicant and Designated Operator to pay royalties directly to the person(s) identified in Exhibit EE annexed hereto and the annexed Table, further, specifies how said royalties are to be paid.

**RELIEF GRANTED:**

VGOB Disbursement

Unit BG99

VGOB-07-0320-1898-01

Table 1

Tracts: 1C, 1D

| Item | Tract | Disbursement Table  | Fractional Ownership | Net Acreage Ownership |          | Royalty Split |           | Escrowed Acres |           | Percent of Escrowed Funds Disbursed |           |
|------|-------|---|----------------------|-----------------------|----------|---------------|-----------|----------------|-----------|-------------------------------------|-----------|
|      |       |   |                      | In Tract              | in Tract | Agreement     | Disbursed | Disbursed      | Disbursed | Disbursed                           | Disbursed |
|      |       |   | 32.54                |                       |          |               |           |                |           |                                     |           |
| 1    | 1C    | Carson D. Austin\1059 Austin Bison Ranch Rd., Honaker, VA 24260 |                      | 32.5400               |          | 100.00%       |           | 32.5400        |           | 81.3500%                            |           |
|      |       |   | 4.23                 |                       |          |               |           |                |           |                                     |           |
| 1    | 1D    | Carson D. Austin\1059 Austin Bison Ranch Rd., Honaker, VA 24260 |                      | 4.2300                |          | 100.00%       |           | 4.2300         |           | 10.5750%                            |           |

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:**

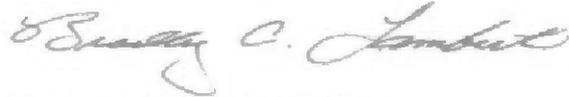
Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

**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.

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DONE AND EXECUTED this 23 day of July, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

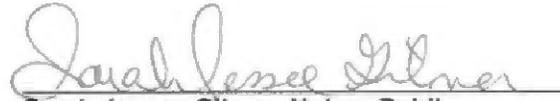
DONE AND PERFORMED this 23 day of July, 2015 by Order of the Virginia Gas and Oil Board.



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

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 23<sup>rd</sup> day of July, 2015, 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.

  
Sarah Jessee Gilmer, Notary Public  
262946

My Commission expires: July 31, 2017



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 07-0320-1898-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1C, 1D (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

HEARING DATE: July 21, 2015

DRILLING UNIT: BG99

BUCHANAN COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is CNX Gas Company LLC, 627 Claypool Hill Mall Road, Cedar Bluff, VA 24609, (276) 596-5075. Petitioner's counsel is Mark A. Swartz, Hillard & Swartz, LLP, 122 Capital Street, Suite 201, Charleston, WV 25301.

2. Relief Sought

: (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 1C & 1D as depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly to the parties to the prevailing plaintiff(s); Carson D. Austin

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

Carson D. Austin is entitled to 100% of the CBM royalties awarded under Case No. CL12000388, Opinion dated April 22, 2015, Said decision allows the Applicant and Designated Operator to pay royalties directly to the person(s) identified in Exhibit EE annexed hereto and the annexed Table, further, specifies how said royalties are to be 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 CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

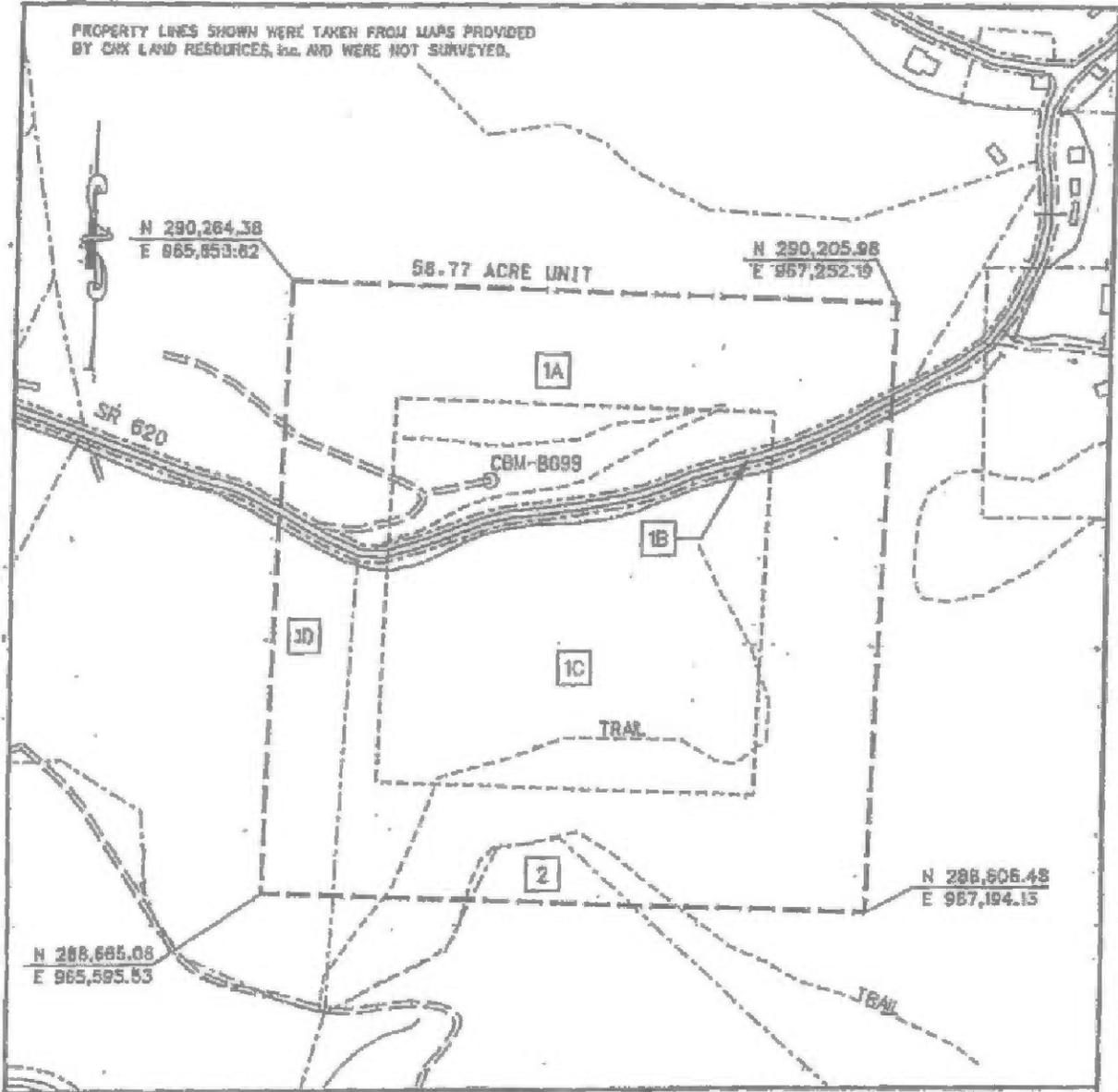
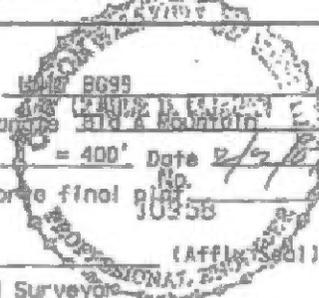


EXHIBIT A  
NORA FIELD  
UNIT BG-99  
FORCE POOLING  
VGOB-07-0320-1B98

Company CNX Gas Company LLC Well Name and Number CGM B099  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle 14 & Mountain  
 County Buchanan District Hurricane Scale: 1" = 400' Date 2/2/07  
 This plot is a new plot X ; an updated plot \_\_\_\_\_ ; or a final plot \_\_\_\_\_  
 No. 30358

Form DGO-60-7  
Rev. 5/91

*Charles D. Meyer*  
Licensed Professional Engineer or Licensed Land Surveyor



**CNX Gas Company LLC****UNIT BG-99****Tract Identifications****(58.77 Acre Unit)**

- 1A. Harrison-Wyatt, LLC Big Axe Tr. 11-3 (406 Acre Tract) – Coal  
 Energy Resources, LLC – Coal in Jawbone and Above Seams Leased  
 CNX Gas Company LLC – CBM Leased  
 CNX Gas Company LLC – Surface and All Minerals except Coal  
 18.77 acres 31.9381%
- 1B. Harrison-Wyatt, LLC Big Axe Tr. 11-3 (406 Acre Tract) – Coal  
 Energy Resources, LLC – Coal in Jawbone and Above Seams Leased  
 CNX Gas Company LLC – CBM Leased  
 Hampton E. Austin, et ux OR Commonwealth of Virginia – All Minerals except Coal  
 CNX Gas Company LLC – Oil, Gas and CBM Leased (If owned by Hampton E. Austin, et ux)  
 Commonwealth of Virginia - Surface  
 2.18 acres 3.7094%
- 1C. Harrison-Wyatt, LLC Big Axe Tr. 11-3 (406 Acre Tract) – Coal  
 Energy Resources, LLC – Coal in Jawbone and Above Seams Leased  
 CNX Gas Company LLC - CBM Leased  
 Carson D. Austin – Surface and All Minerals except Coal  
 32.64 acres 55.3684%
- 1D. Harrison-Wyatt, LLC Big Axe Tr. 11-3 (406 Acre Tract) – Coal  
 Energy Resources, LLC – Coal in Jawbone and Above Seams Leased  
 CNX Gas Company LLC - CBM Leased  
 Carson D. Austin – Surface and All Minerals except Coal  
 4.23 acres 7.1975%
2. Harrison-Wyatt, LLC Big Axe Tr. 7 (951 Acre Tract) – Coal  
 Energy Resources, LLC – Coal in Jawbone and Above Seams Leased  
 CNX Gas Company LLC – CBM Leased  
 Robert L. Wilson, et ux – Surface and All Minerals except Coal  
 CNX Gas Company LLC – Oil, Gas and CBM Leased  
 1.05 acres 1.7866%

Exhibit E  
Unit BG-99  
Docket #VGOB 07-0320-1898-01  
List of Respondents that require escrow  
(58.77 Acre Unit)

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|  | Acres in Unit                   | Percent<br>of Unit |
|--|---------------------------------|--------------------|
| <b><u>Tract #1B - 2.18 acres</u></b>   |                                 |                    |
| <i>Escrow due to Title Conflict</i>  |                                 |                    |
| <b><u>COAL OWNERSHIP</u></b>   |                                 |                    |
| (1) Harrison-Wyatt, L.L.C. (Big Axe Tr. 11-3)<br>(408 Acre Tract)<br>P.O. Box 11000<br>Danville, VA 24543        | 2.18 acres                      | 3.7094%            |
| <b><u>OIL &amp; GAS OWNERSHIP</u></b>  |                                 |                    |
| (1) Hampton E. Austin, et ux.<br>2615 Old Grissom Creek Road<br>Honaker, VA 24260                                | 2.18 acres                      | 3.7094%            |
| - OR -   |                                 |                    |
| (1) Commonwealth of Virginia<br>Department of Transportation<br>870 Bonham Rd.<br>Bristol, VA 24201-2002         | 2.18 acres                      | 3.7094%            |
| <b><u>Tract #2 - 1.05 acres</u></b>  |                                 |                    |
| <b><u>COAL OWNERSHIP</u></b>   |                                 |                    |
| (1) Harrison-Wyatt, L.L.C. (Big Axe Tr.7)<br>(951 Acre Tract)<br>P.O. Box 11000<br>Danville, VA 24543            | 1.05 acres                      | 1.7866%            |
| <b><u>OIL &amp; GAS OWNERSHIP</u></b>  |                                 |                    |
| (1) Robert L. Wilson, et al.   | 1.05 acres                      | 1.7866%            |
| (a) Robert L. Wilson<br>255 Red Root Road<br>Raven, VA 24639<br>8/25/11 Bad address per returned green card      | 0.53 acres<br>1/2 of 5.57 acres | 0.8933%            |
| (b) Sandra Nuckles Wilson<br>255 Red Root Road<br>Raven, VA 24639<br>8/25/11 Bad address per returned green card | 0.53 acres<br>1/2 of 5.57 acres | 0.8933%            |

Docket #VGOB 07-0320-1898-01  
List of Respondents with Royalty Split Agreements and/or Court Orders  
(58.77 Acre Unit)

|   | Acres in Unit | Percent of Unit | Percent of Escrow |
|---|---------------|-----------------|-------------------|
| <b><u>Tract #1A - 18.77 acres</u></b>   |               |                 |                   |
| <b><u>COAL OWNERSHIP</u></b>  |               |                 |                   |
| (1) Harrison-Wyatt, L.L.C. (Big Axe Tr. 11-3)<br>(406 Acre Tract)<br>P.O. Box 11000<br>Danville, VA 24543 | 18.77 acres   | 31.9381%        | n/a               |
| <b><u>OIL &amp; GAS OWNERSHIP</u></b>   |               |                 |                   |
| (1) CNX Gas Company LLC<br>2481 John Nash Blvd.<br>Bluefield, WV 24701                                    | 18.77 acres   | 31.9381%        | n/a               |
| <b><u>Tract #1C - 32.54 acres</u></b>   |               |                 |                   |
| <b><u>COAL OWNERSHIP</u></b>  |               |                 |                   |
| (1) Harrison-Wyatt, L.L.C. (Big Axe Tr.11-3)<br>(406 Acre Tract)<br>P.O. Box 11000<br>Danville, VA 24543  | 32.54 acres   | 55.3684%        | n/a               |
| <b><u>OIL &amp; GAS OWNERSHIP</u></b>   |               |                 |                   |
| (1) Carson D. Austin<br>1059 Austin Bison Ranch Rd.<br>Honaker, VA 24260                                  | 32.54 acres   | 55.3684%        | 81.3500%          |
| <i>Prevailing plaintiff under Case No. CL12000388<br/>Awarded 100% of the CBM royalty.</i>                |               |                 |                   |
| <b><u>Tract #1D - 4.23 acres</u></b>  |               |                 |                   |
| <b><u>COAL OWNERSHIP</u></b>  |               |                 |                   |
| (1) Harrison-Wyatt, L.L.C. (Big Axe Tr.11-3)<br>(406 Acre Tract)<br>P.O. Box 11000<br>Danville, VA 24543  | 4.23 acres    | 7.1975%         | n/a               |
| <b><u>OIL &amp; GAS OWNERSHIP</u></b>   |               |                 |                   |
| (1) Carson D. Austin<br>1059 Austin Bison Ranch Rd.<br>Honaker, VA 24260                                  | 4.23 acres    | 7.1975%         | 10.5750%          |
| <i>Prevailing plaintiff under Case No. CL12000388<br/>Awarded 100% of the CBM royalty.</i>                |               |                 |                   |
| <b>Total Acreage Resolved</b>   |               | 55.5400         |                   |
| <b>Total Percentage Resolved</b>  |               |                 | 94.5040%          |

CARSON AUSTIN,

Plaintiff

v.

HARRISON-WYATT, LLC, ET AL.

Defendant

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Case No. CL12000388

**FINAL ORDER ENTERING JUDGMENT**

This cause came to be heard upon the First Amended Motion for Judgment of Defendant, Harrison-Wyatt, LLC, for entry of judgment pertaining to the coal-bed methane gas within the following tracts and the below named and described units that have been permitted pursuant to the Virginia Gas and Oil Act, Va. Code Ann. § 45.1-361.1 et seq.:

- a. From Unit BG-98, Forced Pooling Supplemental Order, Entered March 29, 2013, Regarding Docket No. VGOB-06-0919-1714, Tract 1(B) of Exhibit A (pg. 6) to the order, 16.34 acres; and,

- b. From Unit BG-99, Forced Pooling Supplemental Order, Entered July 14, 2011, Regarding Docket No. VGOB-07-0320-1898, Tract 1(C) of Exhibit A (pg. 6) to the order, 32.54 acres; and,
- c. From Unit BG-99, Forced Pooling Supplemental Order, Entered July 14, 2011, Regarding Docket No. VGOB-07-0320-1898, Tract 1(D) of Exhibit A (pg. 6) to the order, 4.23 acres; and,
- d. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(D) of Exhibit A (Inst. No. 120002473) to the order, 2.82 acres; and,
- e. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(E) of Exhibit A (Inst. No. 120002473) to the order, 17.20 acres; and,
- f. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(F) of Exhibit A (Inst. No. 120002473) to the order, 0.47 acres; and,
- g. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(G) of Exhibit A (Inst. No. 120002473) to the order, 11.59 acres; and,
- h. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(L) of Exhibit A (Inst. No. 120002473) to the order, 0.22 acres; and,

- i. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(M) of Exhibit A (Inst. No. 120002473) to the order, 0.42 acres; and,
- j. From Unit BF100, Forced Pooling Supplemental Order, Entered August 15, 2012, Regarding Docket No. VGOB-04-1214-1368, Tract 1(N) of Exhibit A (Inst. No. 120002473) to the order, 0.11 acres; and,
- k. From Unit BE101, Forced Pooling Supplemental Order, Entered February 18, 2003, Regarding Docket No. VGOB-02-0618-1032, Tract 2 of Exhibit A (bk 563, Pg 314) to the order, 9.11 acres.
- l. From Unit BF101, Forced Pooling Supplemental Order, Entered August 27, 2012, Regarding Docket No. VGOB-05-1018-1507, Tract 2A of Exhibit A (Inst. No. 120002475) (Pg 5) to the order, 6.84 acres.
- m. From Unit BF101, Forced Pooling Supplemental Order, Entered August 27, 2012, Regarding Docket No. VGOB-05-1018-1507, Tract 2B of Exhibit A (Inst. No. 120002475) (Pg 5) to the order, 31.42 acres.
- n. From Unit BF101, Forced Pooling Supplemental Order, Entered August 27, 2012, Regarding Docket No. VGOB-05-1018-1507, Tract 2C of Exhibit A (Inst. No. 120002475) (Pg 5) to the order, 1.13 acres.
- o. From Unit BF101, Forced Pooling Supplemental Order, Entered August 27, 2012, Regarding Docket No. VGOB-05-1018-1507, Tract 2D of Exhibit A (Inst. No. 120002475) (Pg 5) to the order, 8.89 acres.

The above described tracts within the named units are referred to in this Order as the ("Subject Properties").

And, it appearing to the court from Defendant's First Amended Motion for Judgment that Defendant Harrison-Wyatt is the coal owner of the Subject Properties and seeks to disclaim certain interests in and to the CBM, but that the Plaintiff's title is not proved as to the Subject Properties.

Now therefore, it is **Adjudged, Ordered and Decreed** that upon Defendant Harrison-Wyatt's First Amended Motion for Judgment on file herein, that the Defendant, Harrison-Wyatt, LLC has disclaimed any interest in and to the CBM and accordingly is not entitled to any royalties relating to the extraction of coal-bed methane gas by CNX Gas, LLC from the Subject Properties listed as items a. through e. and items k, n. and o. listed above, and that it is not a conflicting claimant to the ownership of the CBM or the production royalties as identified in submissions made to, and orders entered by, the Virginia Gas and Oil Board with respect to the Subject Properties listed as a. through e. above, and items k, n. and o. listed above, therefore this Order is final as to Harrison-Wyatt and the Subject Properties listed as items a. through e. above, and items k, n. and o. listed above.

It is further; **Adjudged, Ordered and Decreed** that the Defendant, Harrison-Wyatt, LLC has disclaimed any interest in and to the CBM and accordingly is not entitled to any royalties relating to the extraction of coal-bed methane gas by CNX Gas, LLC from the Subject Properties listed as items f., g., h., i. and j. above, and that it is not a conflicting claimant to the ownership of

the CBM or the production royalties as identified in submissions made to, and orders entered by, the Virginia Gas and Oil Board with respect to the Subject Properties listed as f., g., h., i., and j. above, and that this Order is final as to Harrison-Wyatt and the Subject Properties listed as items f., g., h., i., and j. above. However, it appearing to the court that a conflicting claim exists as to the Subject Properties listed as items f., g., h., i., and j. above with respect to Plaintiff and the Virginia Department of Transportation, Buchanan County, Virginia, and/or the Mary Leftwich heirs, and therefore this matter is continued as to the Subject Properties listed as items f., g., h., i., and j. above pending determination of title.

It is further; **Adjudged, Ordered and Decreed** that, as to the remaining Subject Properties, namely the items listed as l., and m. above, a conflicting claim exists between Plaintiff, and Harrison-Wyatt. Therefore this matter is continued as to the Subject Properties listed as l., and m., pending determination of title.

The Clerk is directed to mail copies of this Order to counsel of record for Harrison Wyatt, CNX Gas, and Plaintiff.

ENTER: This, the 22<sup>nd</sup> day APRIL, 2015.



MICHAEL L. MOORE, JUDGE

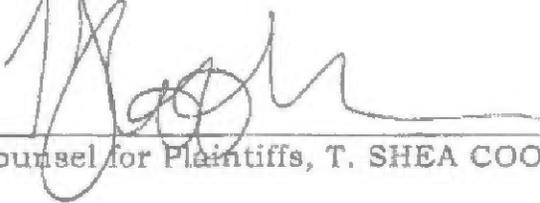
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REQUESTED:



Counsel for Defendant, HARRISON-WYATT, LLC

SEEN:



Counsel for Plaintiffs, T. SHEA COOK, ESQ.

INSTRUMENT #150001274  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
AUGUST 4, 2015 AT 03:16PM

BEVERLY S. TILLER, CLERK  
RECORDED BY: GGB