

100002212

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 09-0818-2577

ELECTIONS: UNIT BF-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 November 4, 2009 which was recorded at Document 090003749 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on December 4, 2009, (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 BF-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 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 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



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 added or dismissed as Respondents:

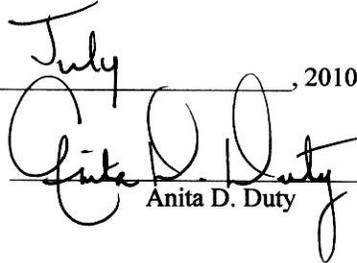
None

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 23<sup>rd</sup> day of July, 2010.

  
Anita D. Duty

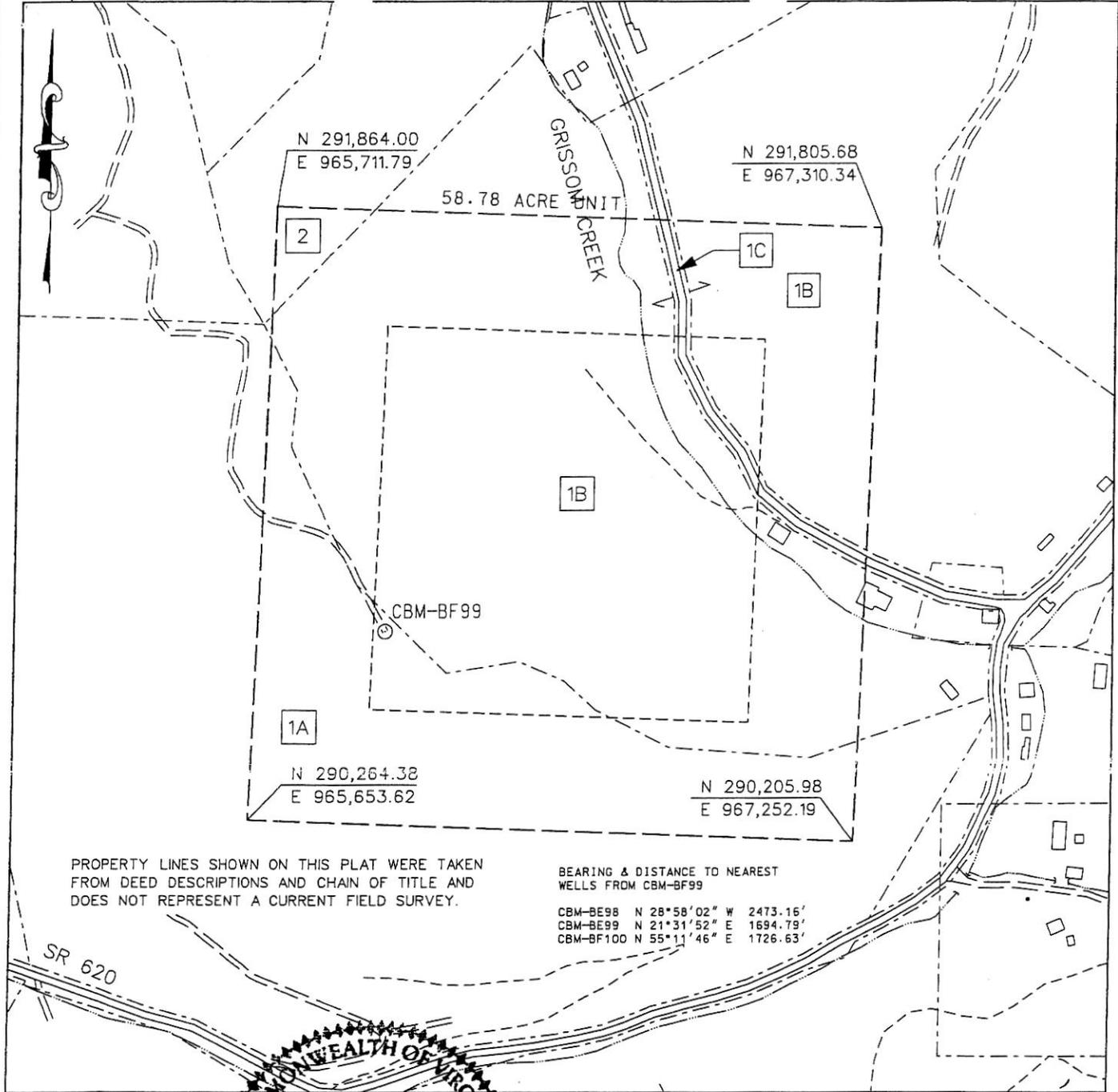
STATE OF WEST VIRGINIA  
COUNTY OF MERCER

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 23<sup>rd</sup> day of July, 2010.

  
Notary

My commission expires: Apr. 19, 2013.



COMMONWEALTH OF VIRGINIA  
  
**TIMOTHY E. HORN**  
 Lic. No. 035686  
 7/15/09  
 PROFESSIONAL ENGINEER

EXHIBIT A *Horn Field*  
~~OAKWOOD FIELD~~  
 UNIT BF99  
 FORCE POOLING  
 VGOB-09-0818-2577

Company CNX Gas Company LLC Well Name and Number UNIT BF99  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle Big A Mountain  
 County Buchanan District Hurricane Scale: 1" = 400' Date 7/15/09  
 This plat is a new plat X ; an 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 BF-99

### Tract Identifications

(58.78 Acre Unit)

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- 1A. Harrison-Wyatt, LLC, Big Axe Tract 11-8 (416.00 Acre Tract) – Coal  
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – Surface and All Minerals except Coal  
15.70 acres                      26.7098%
- 1B. Harrison-Wyatt, LLC, Big Axe Tract 11-3 (416.00 Acre Tract) – Coal  
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased  
CNX Gas Company LLC – CBM Leased  
Hampton E. Austin, et ux – Surface and All Minerals except Coal  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
41.11 acres                      69.9388%
- 1C. Harrison-Wyatt, LLC, Big Axe Tract 11-3 (416.00 Acre Tract) – Coal  
Jewell Smokeless Coal Corporation – Above Drainage Coal 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  
1.15 acres                      1.9564%
2. Harrison-Wyatt, LLC, Big Axe Tract 10 (280.00 Acre Tract) – All Minerals  
CNX Gas Company LLC – Oil, Gas and Leased  
Curtis Austin, et ux – Surface  
0.82 acres                      1.3950%

Exhibit B-3  
Unit BF-99  
Docket #VGOB 09-0818-2577  
List of Unleased Owners/Claimants  
(58.78 Acre Unit)

	Acres in Unit	Percent of Unit
<b>II. <u>OIL &amp; GAS OWNERSHIP</u></b>		
<b><u>Tract #1C - 1.15 acres</u></b>		
(1) Commonwealth of Virginia Department of Transportation 870 Bonham Rd. Bristol, VA 24201-2002	1.15 acres	1.9564%

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Exhibit E  
Unit BF-99  
VGOB# 09-0818-2577  
List of Conflicting Owners/Claimants that require escrow  
(58.78 Acre Unit)

	Acres in Unit	Percent of Unit
<b><u>Tract #1C - 1.15 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) P.O. Box 11000 Danville, VA 24543 (416.00 Acre Tract)	1.15 acres	1.9564%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Hampton E. Austin, et ux. 2615 Old Grissom Creek Road Honaker, VA 24260	1.15 acres	1.9564%
- OR -		
(1) Commonwealth of Virginia Department of Transportation 870 Bonham Rd Bristol, VA 24201-2002	1.15 acres	1.9564%

cb

Exhibit EE  
Unit BF-99  
Docket #VGOB 09-0818-2577  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(58.78 Acre Unit)

	Acres in Unit	Percent of Unit
<b><u>Tract #1A - 15.70 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr. 11-3) P.O. Box 11000 Danville, VA 24543 (416.00 Acre Tract)	15.70 acres	26.7098%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) CNX Gas Company LLC 2481 John Nash Blvd. Bluefield, WV 24701	15.70 acres	26.7098%
<b><u>Tract #1B - 41.11 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.11-3) P.O. Box 11000 Danville, VA 24543 (416.00 Acre Tract)	41.11 acres	69.9388%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Hampton E. Austin, et ux. 2615 Old Grissom Creek Road Honaker, VA 24260	41.11 acres	69.9388%

INSTRUMENT #100002212  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
AUGUST 11, 2010 AT 03:47PM

BEVERLY S. TILLER, CLERK  
RECORDED BY: GGB