

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 10-0119-2661

ELECTIONS: UNIT I12CV Horizontal  
(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 April 14, 2011 which was recorded at Document 110001201 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on May 20, 2011, (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 I-12CV Horizontal;

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.

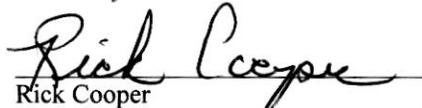
Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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

DONE AND EXECUTED this 8 day of Sept, 2011, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Bradley C. Lambert

DONE AND PERFORMED THIS 8<sup>th</sup> day of Sept, 2011, by Order of the Board.

  
Rick Cooper  
Acting Principal Executive to the Staff of the Board

STATE OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 8<sup>th</sup> day of Sept, 2011, 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 I12CV Horizontal  
VGOB 10-0119-2661 in the South Grundy 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 Consol Energy 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 April 14, 2011, 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 May 20, 2011;

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:

Carter Oil & Gas, Inc. – Carried Operator (50% Lessor – C.L. Ritter Lumber Company, Inc.)

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their oil & gas rights, interests and claims to Applicant, all as provided in the Board's Order of April 14, 2011;

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

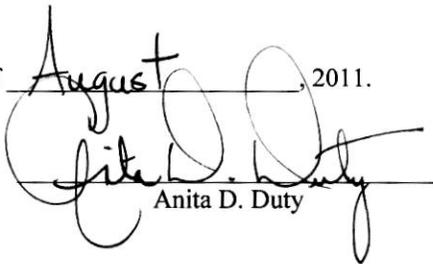
That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

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.

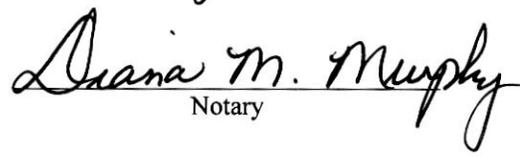
None

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.

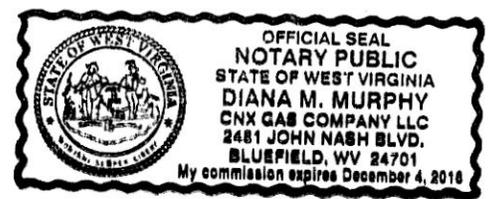
Dated at Bluefield, West Virginia, this 24<sup>th</sup> day of August, 2011.  
  
Anita D. Duty

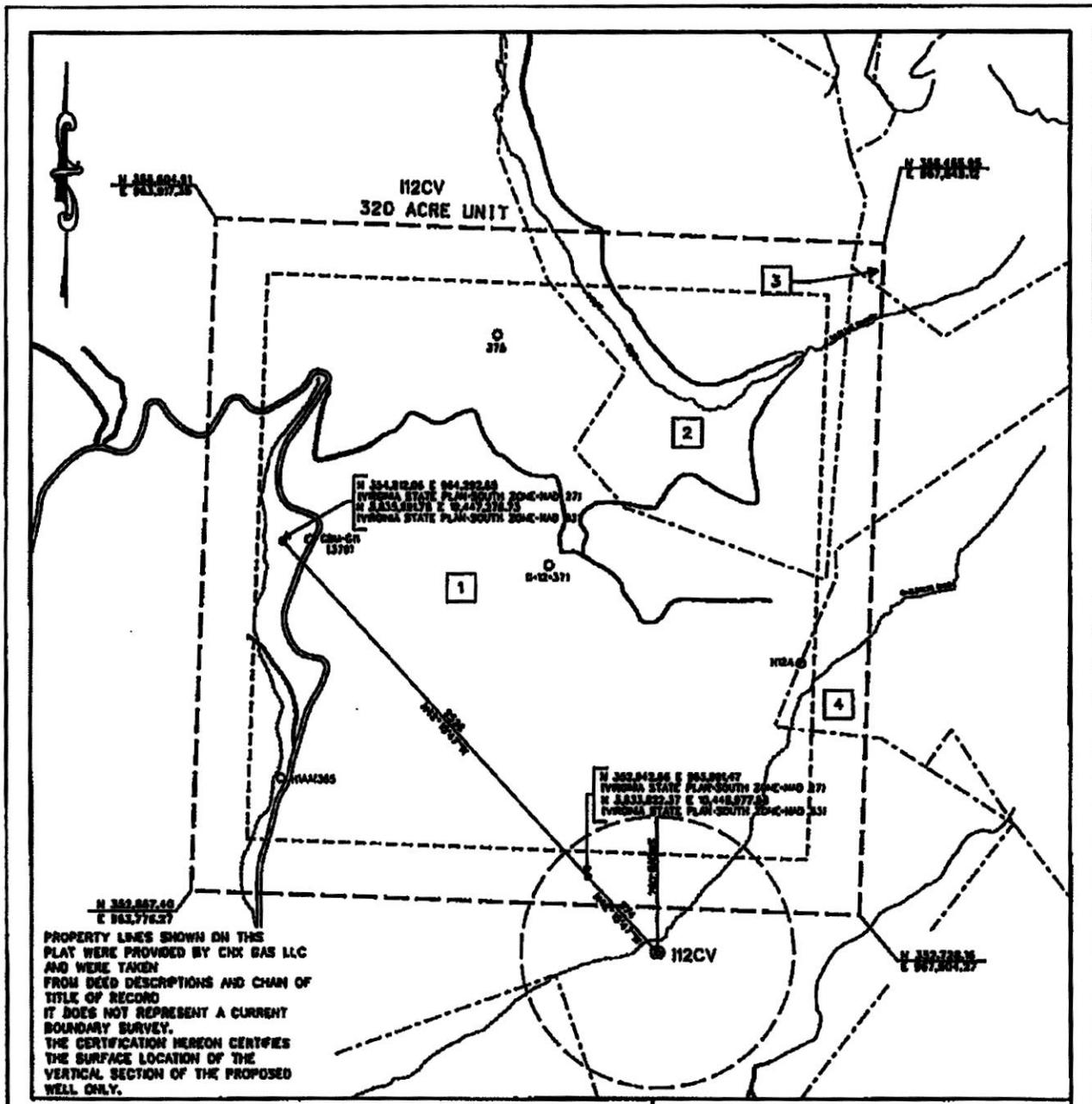
STATE OF WEST VIRGINIA  
COUNTY OF MERCER

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for Consol Energy Inc., on behalf of the corporate Designated Operator, this 24<sup>th</sup> day of August, 2011.

  
Diana M. Murphy  
Notary

My commission expires: December 4, 2016

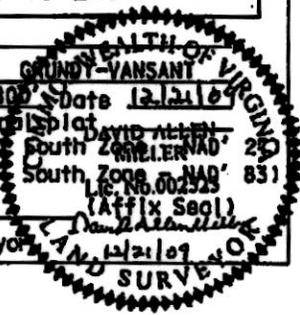




PROPERTY LINES SHOWN ON THIS  
 PLAT WERE PROVIDED BY CNX GAS LLC  
 AND WERE TAKEN  
 FROM DEED DESCRIPTIONS AND CHAIN OF  
 TITLE OF RECORD  
 IT DOES NOT REPRESENT A CURRENT  
 BOUNDARY SURVEY.  
 THE CERTIFICATION HEREON CERTIFIES  
 THE SURFACE LOCATION OF THE  
 VERTICAL SECTION OF THE PROPOSED  
 WELL ONLY.

**EXHIBIT A  
 OAKWOOD FIELD  
 UNIT 112CV  
 PROVISIONAL  
 HORIZONTAL DRILLING UNIT  
 VGOB-10-0119-2661**

Company CNX Gas Company LLC Well Name and Number 112CV  
 Tract No. \_\_\_\_\_ Elevation 1797.45' Quadrangle GRUNDY-VANSANT  
 County BUCHANAN District SOUTH GRUNDY Scale: 1" = 80' State 12/21/09  
 This plat is a new plat X or an updated plat \_\_\_\_\_ or a final plat \_\_\_\_\_  
 Well Coordinates N 352,517.86 E 966,377.51 (Virginia State Plane South Zone NAD' 83)  
 Well Coordinates N 3,633,397.58 E 10,449,363.63 (Virginia State Plane South Zone NAD' 83)  
 Form DGO-GD-7 David Allen Hiller  
 Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor



2/16/10

## CNX Gas Company LLC

### UNIT 1 12CV

Tract Identifications  
(320.00 Acre Unit)

1. Consolidation Coal Company (2117.24 Acre Tract) – All Minerals except Oil, Gas and CBM  
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased  
Jewell Smokeless Coal Corporation – Coal In Tiller and Above Coal Leased  
Highland Resources, Inc. / North American Resources, Corp. – Oil and Gas  
CNX Gas Company LLC – Oil and Gas Leased  
Plum Creek Timberlands, L.P. – CBM  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC (50%) / Island Creek Coal Company (50%) - Surface  
255.98 Acres                      79.9987%
2. Buchanan Realty Limited Partnership, et al (157.63 Acre Tract) – All Minerals  
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased  
Jewell Smokeless Coal Corporation – Coal In and Above Tiller Seam Leased  
Appalachian Energy – Oil and Gas Leased (84.582%)  
Chesapeake Appalachian, LLC – Oil and Gas Leased (18.667%)  
CNX Gas Company LLC – Oil and Gas Leased (18.667%)  
CNX Gas Company LLC – CBM Leased (81.25%)  
H.A. Street, et al – Surface  
55.12 Acres                      17.2250%
3. Consolidation Coal Company, et al Big Vein Tr. 14 (542.95 Acre Tract) – All Minerals except Oil, Gas and CBM  
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased  
Jewell Smokeless Coal Corporation – Coal In Tiller and Above Coal Leased  
Highland Resources, Inc. / North American Resources, Corp., et al – Oil and Gas  
Appalachian Energy – Oil and Gas Leased  
Plum Creek Timberlands, L.P., et al – CBM  
CNX Gas Company LLC - CBM Leased  
Jewell Smokeless Coal Corporation – Surface  
0.79 Acres                      0.2469%
4. C. L. Ritter Lumber Company Tr. 1 (278.09 Acre Tract) - Fee  
Island Creek Coal Company/Consol Energy, Inc. - Below Drainage Coal Leased  
Jewell Smokeless Coal Corporation - Tiller and Above Coal Leased  
Hard Rock Exploration, Inc. and Carter Oil & Gas, Inc. – Oil and Gas Leased  
CNX Gas Company LLC - CBM Leased  
8.11 Acres                      2.5344%

1/2

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**Exhibit B-3**  
**Unit I12CV - Provisional Horizontal Drilling Unit**  
**VGOB Docket #10-0119-2661**  
**List of Unleased Owners/Claimants**  
**(320 Acre Horizontal Unit)**

	Acres in Unit	Percent of Unit	Election
<b>I. OIL &amp; GAS OWNERSHIP</b>			
<b><u>Tract #2, 55.12 Acres</u></b>			
(1) Buchanan Realty Limited Partnership, et al. <i>(157.83 Acre Tract)</i>	55.12 acres	17.2250%	
(a) Buchanan Realty Limited Partnership ** c/o John C. Irvin 4710 Hunterwood Circle Richmond, TX 77469	9.19 acres 1/6 of 55.12 acres	2.8708%	Deemed Leased
(b) John A. Blakemore Heirs * c/o Hicok, Fern, Brown & Garcia CPA's P.O. Box 821 Abingdon, VA 24212	9.19 acres 1/6 of 55.12 acres	2.8708%	Deemed Leased
(c) James L. White Coal Trust * c/o Hicok, Fern, Brown & Garcia CPA's P.O. Box 821 Abingdon, VA 24212	8.04 acres 7/48 of 55.12 acres	2.5120%	Deemed Leased
(d) Clark Scholarship Trust ** Bank of America, TX1-492-17-01 Attn: Barry L. Dominick, CPL VP P. O. Box 830308 Dallas, TX 75283-0308	1.15 acres 1/48 of 55.12 acres	0.3589%	Deemed Leased
(e) Walker Trust * c/o James S. Thompson, Trustee and/or Robert S. Thompson, Alt. Trustee 284 Mowery Lane, N.W. Charleston, TN 37310-7103	4.59 acres 1/12 of 55.12 acres	1.4354%	Deemed Leased
(f) Bran Investments, LLC * 516 Holston Avenue, Suite 100 Bristol, TN 37620-2177	4.59 acres 1/12 of 55.12 acres	1.4354%	Deemed Leased
(g) Robert S. Powers * 439 Cypress Street Mt. Carmel, TN 37645	4.59 acres 1/12 of 55.12 acres	1.4354%	Deemed Leased
(h) Runals Trust * c/o Andrew W. Runals, Trustee 11453 Davis Road Middleville, MI 49333	4.59 acres 1/12 of 55.12 acres	1.4354%	Deemed Leased
<b><u>Tract #3, 0.79 Acres</u></b>			
(1) Yukon Pocahontas Coal Company, et al. <i>Big Vein Tr 14 (542.95 acre tract)</i>	0.79 acres	0.2469%	
(a) Yukon Pocahontas Coal Company P.O. Box 187 Tazewell, VA 24651	0.40 acres 1/2 of 0.79 acres	0.1234%	Deemed Leased
(b) Buchanan Coal Company P.O. Box 187 Tazewell, VA 24651	0.09 acres 1/9 of 0.79 acres	0.0274%	Deemed Leased

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**Exhibit B-3**  
**Unit I12CV - Provisional Horizontal Drilling Unit**  
**VGOB Docket #10-0119-2661**  
**List of Unleased Owners/Claimants**  
**(320 Acre Horizontal Unit)**

	Acres in Unit	Percent of Unit	Election
(c) Sayers-Pocahontas Coal Company P.O. Box 187 Tazewell, VA 24651	0.04 acres 1/18 of 0.79 acres	0.0137%	Deemed Leased
<b><u>Tract #4, 8.11 Acres</u></b>			
(1) C. L. Ritter Lumber Company, Inc. *** Tr. 1 (278.09 acre tract) P.O. Box 700 Huntington, WV 25711	8.11 acres	2.5344%	Carried Operator 50% Carter Oil & Gas, Inc.  Deemed Leased 50% Hardrock Exploration, Inc.

\* The Oil & Gas Interest is leased by Appalachian Energy, Inc.

\*\* The Oil & Gas Interest is leased by Range Resources - Appalachia, LLC

\*\*\* The Oil & Gas Interest is leased 50% Hardrock Exploration, Inc. / 50% Carter Oil & Gas, Inc.

INSTRUMENT #110002440  
 RECORDED IN THE CLERK'S OFFICE OF  
 BUCHANAN COUNTY ON  
 OCTOBER 3, 2011 AT 12:15PM

BEVERLY S. TILLER, CLERK  
 RECORDED BY: SLB

## Hagy, Sharon (DMME)

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**From:** VITASHARE System [vitashare@vita.virginia.gov]  
**Sent:** Tuesday, October 18, 2011 12:09 PM  
**To:** Hagy, Sharon (DMME)  
**Subject:** New Transaction O2IA7VMA003RHW3M

Transaction details for Sharon Hagy(user shagy\_1) \_\_\_\_\_

Job Id: O2IA7VMA003RHW3M

Date: Tue, Oct 18, at 12:08

Transaction Details:

Acknowledge Security Policy: I understand that this system is not intended for sensitive data.

Recipient's Email example- user1@virginia.gov, user2@virginia.gov:

AnitaDuty@consolenergy.com,gloria.clark@dmme.virginia.gov,hilareymullins@consolenergy.c

om

Message - Describe file attachment: Please see the recorded orders for the following dockets: 1043-01 1262-01 1294 1334-02 1557 2661 Let me know if you are unable to download the files. Thank you, Sharon

Notify me when the file is downloaded?: Yes

Pin: 46728

Files:

1043-01\_Supplemental-Original.tif

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1294\_Supplemental-Original.tif

1334-02\_Re-Pooling.tif

1557\_Supplemental-Original.tif

2661\_Supplemental-Original.tif

View details here

<<http://vitashare.vita.virginia.gov/fcweb/viewJobLink.do?JOBIDX=O2IA7VMA003RHW3M>>

Total Estimated File Size: 1783 KB

Total Number of Files: 6

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