

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO.: VGOB 13-0917-4020

RELIEF SOUGHT: POOLING

LOCATION: SEE EXHIBITS "A" AND "A1"

HEARING DATE: September 17, 2013

UNIT NUMBER: BH-114

IN THE MIDDLE RIDGE I COALBED METHANE GAS FIELD

RUSSELL COUNTY, VIRGINIA

APPLICATION

1. **Applicant and its counsel:** Applicant is **CNX Gas Company LLC**, 2481 John Nash Blvd., Bluefield, West Virginia 24701, 304/323-6500. Applicant's counsel is Mark A. Swartz, Esquire, of the firm Swartz Law Offices, PLLC, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.

2. **Relief sought:** Pooling under Middle Ridge I Coalbed Methane Gas Field.

3. **Legal Authority:** Va. Code Ann. §45.1-361.1 et seq. 4 VAC 25-160-10 et seq. and relevant Virginia Gas and Oil Board Orders heretofore promulgated pursuant to law including VGOB 00-10/17-0835.

4. **Type of well(s):** Coalbed methane, including increased density wells as required by mining plans.

5. **Permit numbers, if any:** CBM-BH114 Permit #6089

6. **Plat:** Annexed hereto are Exhibit A and the Tract Identifications Schedule to Exhibit A. The Plat shows the size and shape of the unit and the boundaries of the tracts within the unit. The plat is certified by a licensed professional engineer and is attested by the undersigned on behalf of the applicant to be in conformity with existing orders issued by the Board.

7. **Status of interests to be pooled and Applicant's standing:** The respondents whose interests are sought to be pooled by the Applicant are:

Elizabeth Bausell Ryan, Jill Bausell Norris, Tommy Worley, Patricia Ann Thomas, Connie Thomas

Further, said respondents are listed in Exhibit B-3 hereto which describes their interests/claims. The respondents and others whose interests are subject to escrow under §45.1-361.21.D. are identified at Exhibit E. The annexed Exhibit A, page 2, sets forth the total interest(s) held by the Applicant in the unit.

8. **Formation(s) to be produced and estimates:** All coal seams and associated strata below the Jawbone 1 seam of coal all as more particularly described in the annexed proposed order. The estimated total production from subject unit is **125 to 550** MMCF. The estimated amount of reserves from the subject drilling unit is **125 to 550** MMCF. These figures concerning estimated production and the amount of reserves are, however, estimates only that are not based upon actual production and should not be relied upon for any purpose. It should

not be assumed that final production before plugging and abandonment will equal estimated reserves.

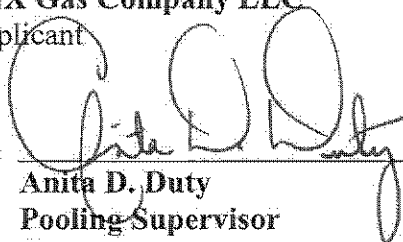
9. **Estimate of allowable costs:** \$638,535.00 See Exhibit C which estimates/reports the costs associated for frac production. However, in the event of gob production, the costs of any such additional wells, subject to Board approval, may be allocated to the subject unit by the Operator.

10. **Attestation:** The foregoing application, to the best of my knowledge, information, and belief, is true and correct.

CNX Gas Company LLC

Applicant

By:



Anita D. Duty

Pooling Supervisor

CNX Land Resources Inc.

2481 John Nash Blvd.

Bluefield, WV 24701

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO. VGOB 13-0917-4020

RELIEF SOUGHT: POOLING

UNIT NUMBER: BH-114

NOTICE OF HEARING

HEARING DATE: September 17, 2013
PLACE: Russell County Conference Center
135 Highlands Drive
Lebanon, Virginia 24266
TIME: 9:00 AM

COMMONWEALTH OF VIRGINIA:

To: *Elizabeth Bausell Ryan, Jill Bausell Norris, Tommy Worley, Patricia Ann Thomas, Connie Thomas*

1. **Applicant and its counsel:** Applicant is **CNX Gas Company LLC**, 2481 John Nash Blvd., Bluefield, West Virginia 24701, 304/323-6500. Applicant's counsel is Mark A. Swartz, Esquire, of the firm Swartz Law Offices, PLLC, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.
2. **Relief sought:** Pooling
3. **Proposed provisions of order:** (a) Pooling all the interests and estates of the persons named above in coalbed methane in the unit in question; (b) Establishing a procedure whereby each respondent shall have the right to make elections; (c) Providing that any respondent who does not make a timely election shall be deemed to have leased or assigned his coalbed methane gas interests to the applicant at a rate to be established by the Board; (d) Designating CNX Gas Company LLC as Unit Operator; (e) Making any necessary provisions for the escrow of funds; (f) Granting such other relief as is merited by the evidence and is just and equitable, whether or not such relief has been specifically requested herein.
4. **Legal Authority:** Va. Code Ann. §45,1-361.1 et seq., 4 VAC 25-160-10 et seq. and relevant Virginia Gas and Oil Board Orders heretofore promulgated pursuant to law including VGOB 00-10/17-0835.
5. **Type of well(s):** Coalbed methane.
6. **Plat:** Annexed hereto are Exhibit A, Exhibit A1 and the Tract Identifications Schedule to Exhibit A. The Plat shows the size and shape of the unit and the boundaries of the tracts within the unit. The Tract Identification Schedule to Exhibit A shows the percentage of acreage in each tract. The plat is certified by a licensed professional engineer and is attested by the undersigned on behalf of the applicant to be in conformity with existing orders issued by the Board.
7. **Your interest or claim sought to be pooled by this Application pertains to coalbed methane gas.**
8. **Formation(s) to be produced and estimates:** All coal seams and associated strata below the Jawbone I seam of coal all as more particularly described in the annexed proposed order. The estimated total production from subject unit is **125 to 550** MMCF. The estimated amount of reserves from the subject drilling unit is **125 to 550** MMCF. These figures concerning estimated production and the amount of reserves are, however, estimates only that are not based upon actual production and should not be relied upon for any purpose. It should not be assumed that final production before plugging and abandonment will equal estimated reserves.

9. Estimate of allowable costs: \$638,535.00

10. Attestation: The foregoing notice to the best of my knowledge, information, and belief is true and correct.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence before the Board at 9:00 AM, on **September 17, 2013**, at the Russell County Conference Center, Lebanon, Virginia 24266, and that notice will be published as required by law and the rules of the Board.

NOTICE IS FURTHER GIVEN that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. For further information or a copy of the application and exhibits, either contact the Virginia Gas and Oil Board, State Oil and Gas Inspector, Department of Mines, Minerals and Energy, Division of Gas and Oil, P. O. Box 159, Lebanon, Virginia 24266, 276/415-9650 or the Applicant at the address shown below.

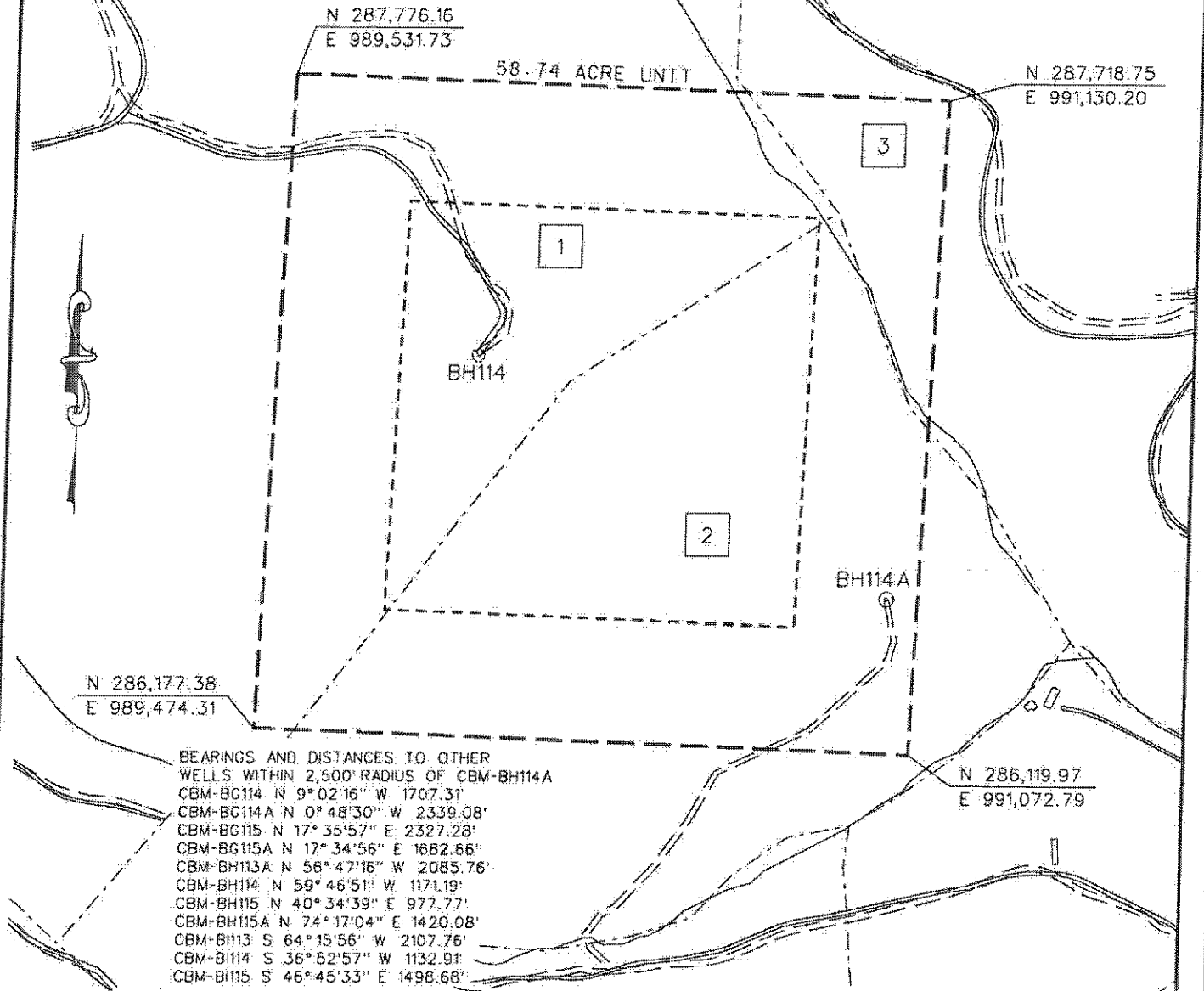
DATED: 8 | 16 | 13

CNX Gas Company LLC
Applicant

By: 

Anita D. Duty
Pooling Supervisor
CNX Land Resources Inc.
2481 John Nash Blvd.
Bluefield, WV 24701

Property lines shown on this plat 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.

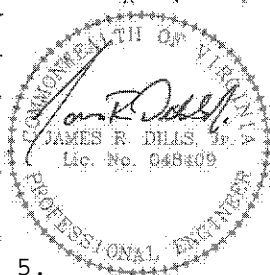


⊙ CBM WELL
⊙ PROPOSED CBM WELL

EXHIBIT A
MIDDLE RIDGE FIELD
UNIT BH114
FORCE POOLING
VGOB-13-0917-4020

Company CNX Gas Company LLC Well Name and Number UNIT BH114
 Tract No. _____ Elevation _____
 County RUSSELL District NEW GARDEN
 This plat is a new plat X ; on updated plat _____

Form DGO-60-7
Rev. 9/91
Licensed Professional Engineer or



HONAKER
Digitally signed by James R Dills Jr.
Date: 2013.08.02 10:15:36
DN: cn=James R Dills Jr., o=US, ou=Trust AGES
Business Representative,
ou=D. R. PRICE (ATTIX Seal)
ENGINEERING AND LAND
SURVEYING INC PC
Date: 2013.08.02 10:15:36
-04'00'

CNX Gas Company LLC
Unit BH 114
Tract Identifications
(58.74 Acre Unit)

1. **Buckhorn Coal Company Tr. 19 (54 Acre Moses Miller Tract) – Fee
Knox Creek Coal Company – Coal In Tiller Seam and Above Leased
Reserve Coal Properties Company – Below Drainage Coal Leased
CNX Gas Company LLC- Oil, Gas and CBM Leased
26.66 Acres 45.3864%**

2. **Letha F. Vandyke, et al (199.00 Acre Tract) – All Minerals
Harold Keen Coal Company – All Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased (97.5694%)
Claude Hart – Surface
28.00 Acres 47.6677%**

3. **Buckhorn Coal Company Tr. 18 (250.00 Acre Warder #13 Tract) – Fee
Knox Creek Coal Company – Above Drainage Coal Leased
Reserve Coal Properties Company – Below Drainage Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
4.08 Acres 6.9459%**

"This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coal bed methane ownership and should not be relied upon for such purpose."

Exhibit B
Unit BH-114
VGOB# 13-0917-4020
List of all Owners/Claimants
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
I. COAL OWNERSHIP		
<u>Tract #1, 26.66 acres</u>		100.0000%
(1) Buckhorn Coal Company, Tr.19 (54 Acre Moses Miller Tract) P. O. Box 187 Tazewell, VA 24651.	26.66 acres	45.3864%
<u>Tract #2, 28.00 acres</u>		
(1) Letha F. Vandyke, et al: (199.00 Acre Tract)	28.00 acres	47.6677%
(a) Robert Vandyke Heirs, Devisees, Successors or Assigns		
(a.1) Letha F. Vandyke Box 864 Lebanon, VA 24266	4.41 acres 17/108 of 28.00 acres	7.5032%
(a.2) Geneva Crabtree 15500 Chantilly Way Abingdon, VA 24210	4.41 acres 17/108 of 28.00 acres	7.5032%
(a.3) Mildred Jones 2203 Hays Street Fredericksburg, VA 22401	4.41 acres 17/108 of 28.00 acres	7.5032%
(a.4) Bobbie Quinn 5940 East River Road Tucson, AZ 85715	4.41 acres 17/108 of 28.00 acres	7.5032%
(a.5) W.R. Vandyke 15500 Chantilly Way Abingdon, VA 24210	4.41 acres 17/108 of 28.00 acres	7.5032%
(a.6) Mary Tharp 56 Wellington Colony Dr. Little Rock, AR 72211	4.41 acres 17/108 of 28.00 acres	7.5032%
(b) C.W. Worley Heirs, Devisees, Successors or Assigns		
(b.1) Elizabeth Worley - Life Estate extinguished at death		
(b.2) W.B. Worley	<i>Conveyed interest to Charles T. & Ann Worley (DB116/363)</i>	
(b.3) Ella Green	<i>Conveyed interest to Charles T. & Ann Worley (DB116/363)</i>	
(b.4) Buell T. Worley	<i>Conveyed interest to Charles T. & Ann Worley (DB116/384)</i>	
(b.5) Arch B. Worley	<i>Conveyed interest to Charles T. & Ann Worley (DB116/386)</i>	
(b.6) Clyde H. Worley	<i>Conveyed interest to Charles T. & Ann Worley (DB116/386)</i>	
Charles T. Worley & Ann Worley	<i>Conveyed 1/2 of their 1/36 interest to Elizabeth Worley</i>	
(c) K.R. Thomas Heirs, Devisees, Successors or Assigns		
(c.1) Nancy Smith Thomas - Life Estate extinguished at death		
(c.2) Peggy Bausell Heirs, Devisees, Successors or Assigns		
(c.2.1) Kemper Bausell PO Box 169 Grundy, VA 24614	0.26 acres 1/108 of 28.00 acres	0.4414%
(c.2.2) Elizabeth Bausell Ryan 402 Blue Heron Point Suffolk, VA 23435	0.26 acres 1/108 of 28.00 acres	0.4414%

Exhibit B
Unit BH-114
VGOB# 13-0917-4020
List of all Owners/Claimants
(56.74 Acre Unit)

	Acres in Unit	Interest in Unit
(c.2.3) Jill Bausell Norris 4245 Dayle Acres Rd. Suffolk, VA 23435	0.26 acres 1/108 of 28.00 acres	0.4414%
(d) Charles T. Worley & Ann Worley <i>Conveyed 1/2 of 1/36th interest to Elizabeth Worley</i>		
(d.1) Charles T. Worley Heirs, Devisees, Successors or Assigns		
(d.1.1) Ann Worley Heirs, Devisees, Successors or Assigns		
(d.1.1.1) Timmy Worley 1030 Street Road Kingston Springs, TN 37082	0.13 acres 1/216 of 28.00 acres	0.2207%
(d.1.1.2) Margaret Ann Worley Burns 108 Bexley Road Mooresville, NC 28117	0.13 acres 1/216 of 28.00 acres	0.2207%
(d.1.1.3) Tommy Worley 1161/335 Spot Lane Holly Ridge, NC 28445	0.13 acres 1/216 of 28.00 acres	0.2207%
(e) Elizabeth Worley Heirs, Devisees, Successors or Assigns		
(e.1) Patricia Ann Thomas <i>Address Unknown</i>	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.2) Connie Thomas <i>Address Unknown</i>	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.3) Kemper Bausell PO Box 169 Grundy, VA 24614	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.4) Elizabeth Bausell Ryan 402 Blue Heron Point Suffolk, VA 23435	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.5) Jill Bausell Norris 4245 Dayle Acres Rd. Suffolk, VA 23435	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.6) Tommy Worley 1161/335 Spot Lane Holly Ridge, NC 28445	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.7) Timmy Worley 1030 Street Road Kingston Springs, TN 37082	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.8) Margaret Ann Worley Burns 108 Bexley Road Mooresville, NC 28117	0.05 acres 1/576 of 28.00 acres	0.0828%
<u>Tract #3, 4.08 acres</u>		
(1) Buckhorn Coal Company, Tr.18 <i>(250.00 Acre Warder #13 Tract)</i> P. O. Box 187 Tazewell, VA 24651	4.08 acres	6.9459%
II. <u>OIL & GAS OWNERSHIP</u>		
100.0000%		
<u>Tract #1, 26.66 acres</u>		
(1) Buckhorn Coal Company, Tr.19 <i>(34 Acre Moses Miller Tract)</i> P. O. Box 187 Tazewell, VA 24651	26.66 acres	45.3864%

Exhibit B
Unit BH-114
VGOB# 13-0917-4020
List of all Owners/Claimants
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
Tract #2, 28.00 acres		
(1) Letha F. Vandyke, et al. (199.00 Acre Tract)	28.00 acres	47.8677%
(a) Robert Vandyke Heirs, Devisees, Successors or Assigns		
(a.1) Letha F. Vandyke Box 864 Lebanon, VA 24268	4.41 acres 17/108 of 28.00 acres	7.5032%
(a.2) Geneva Crabtree 15500 Chantilly Way Abingdon, VA 24210	4.41 acres 17/108 of 28.00 acres	7.5032%
(a.3) Mildred Jones 2203 Hays Street Fredericksburg, VA 22401	4.41 acres 17/108 of 28.00 acres	7.5032%
(a.4) Bobbie Quinn 5940 East River Road Tuscon, AZ 85715	4.41 acres 17/108 of 28.00 acres	7.5032%
(a.5) W.R. Vandyke 15500 Chantilly Way Abingdon, VA 24210	4.41 acres 17/108 of 28.00 acres	7.5032%
(a.6) Mary Tharp 56 Wellington Colony Dr. Little Rock, AR 72211	4.41 acres 17/108 of 28.00 acres	7.5032%
(b) C.W. Worley Heirs, Devisees, Successors or Assigns		
(b.1) Elizabeth Worley - Life Estate extinguished at death		
(b.2) W.B. Worley	<i>Conveyed interest to Charles T. & Ann Worley (DB116/383)</i>	
(b.3) Ella Green	<i>Conveyed interest to Charles T. & Ann Worley (DB116/383)</i>	
(b.4) Buell T. Worley	<i>Conveyed interest to Charles T. & Ann Worley (DB116/384)</i>	
(b.5) Arch B. Worley	<i>Conveyed interest to Charles T. & Ann Worley (DB116/386)</i>	
(b.6) Clyde H. Worley	<i>Conveyed interest to Charles T. & Ann Worley (DB116/386)</i>	
Charles T. Worley & Ann Worley	<i>Conveyed 1/2 of their 1/36 interest to Elizabeth Worley</i>	
(c) K.R. Thomas Heirs, Devisees, Successors or Assigns		
(c.1) Nancy Smith Thomas - Life Estate extinguished at death		
(c.2) Peggy Bausell Heirs, Devisees, Successors or Assigns:		
(c.2.1) Kemper Bausell PO Box 169 Grundy, VA 24614	0.26 acres 1/108 of 28.00 acres	0.4414%
(c.2.2) Elizabeth Bausell Ryan 402 Blue Heron Point Suffolk, VA 23435	0.26 acres 1/108 of 28.00 acres	0.4414%
(c.2.3) Jill Bausell Norris 4245 Dayle Acres Rd. Suffolk, VA 23435	0.26 acres 1/108 of 28.00 acres	0.4414%
(d) Charles T. Worley & Ann Worley	<i>Conveyed 1/2 of 1/36th interest to Elizabeth Worley</i>	
(d.1) Charles T. Worley Heirs, Devisees, Successors or Assigns		
(d.1.1) Ann Worley Heirs, Devisees, Successors or Assigns		

Exhibit B
Unit BH-114
VGOB# 13-0917-4020
List of all Owners/Claimants
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
(d.1.1.1) Timmy Worley 1030 Street Road Kingston Springs, TN 37082	0.13 acres 1/216 of 28.00 acres	0.2207%
(d.1.1.2) Margaret Ann Worley Burns 108 Bexley Road Mooresville, NC 28117	0.13 acres 1/216 of 28.00 acres	0.2207%
(d.1.1.3) Tommy Worley 1161/335 Spot Lane Holly Ridge, NC 28445	0.13 acres 1/216 of 28.00 acres	0.2207%
(e) Elizabeth Worley Heirs, Devisees, Successors or Assigns		
(e.1) Patricia Ann Thomas <i>Address Unknown</i>	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.2) Connie Thomas <i>Address Unknown</i>	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.3) Kemper Bausell PQ Box 169 Grundy, VA 24614	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.4) Elizabeth Bausell Ryan 402 Blue Heron Point Suffolk, VA 23435	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.5) Jill Bausell Norris 4245 Dayle Acres Rd. Suffolk, VA 23435	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.6) Tommy Worley 1161/335 Spot Lane Holly Ridge, NC 28445	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.7) Timmy Worley 1030 Street Road Kingston Springs, TN 37082	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.8) Margaret Ann Worley Burns 108 Bexley Road Mooresville, NC 28117	0.05 acres 1/576 of 28.00 acres	0.0828%
<u>Tract #3, 4.08 acres</u>		
(1) Buckhorn Coal Company, Tr. 18 (250.00 Acre Warder #13 Tract) P. O. Box 187 Tazewell, VA 24651	4.08 acres	6.9459%

Exhibit B-3
Unit BH-114
VGOB# 13-0917-4020
List of all Unleased Owners/Claimants
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
I. COAL OWNERSHIP		
<u>Tract #2, 28.00 acres</u>		
(1) Leitha F. Vandyke, et al. (199.00 Acre Tract)	28.00 acres	47.6677%
(c) K.R. Thomas Heirs, Devisees, Successors or Assigns		
(c.1) Nancy Smith Thomas - Life Estate extinguished at death		
(c.2) Peggy Bausell Heirs, Devisees, Successors or Assigns		
(c.2.2) Elizabeth Bausell Ryan 402 Blue Heron Point Suffolk, VA 23435	0.26 acres 1/108 of 28.00 acres	0.4414%
(c.2.3) Jill Bausell Norris 4245 Dayle Acres Rd. Suffolk, VA 23435	0.26 acres 1/108 of 28.00 acres	0.4414%
(d) Charles T. Worley & Ann Worley <i>Conveyed 1/2 of 1/36th interest to Elizabeth Worley</i>		
(d.1) Charles T. Worley Heirs, Devisees, Successors or Assigns		
(d.1.1) Ann Worley Heirs, Devisees, Successors or Assigns		
(d.1.1.3) Tommy Worley 1161/335 Spot Lane Holly Ridge, NC 28445	0.13 acres 1/216 of 28.00 acres	0.2207%
(e) Elizabeth Worley Heirs, Devisees, Successors or Assigns		
(e.1) Patricia Ann Thomas <i>Address Unknown</i>	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.2) Connie Thomas <i>Address Unknown</i>	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.4) Elizabeth Bausell Ryan 402 Blue Heron Point Suffolk, VA 23435	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.5) Jill Bausell Norris 4245 Dayle Acres Rd. Suffolk, VA 23435	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.6) Tommy Worley 1161/335 Spot Lane Holly Ridge, NC 28445	0.05 acres 1/576 of 28.00 acres	0.0828%
<u>TOTAL UNLEASED:</u>		
	Acres in Unit	0.89
	Percentage of Unit	1.5172%

Exhibit B-3
 Unit BH-114
 VGOB# 13-0917-4020
 List of all Unleased Owners/Claimants
 (58.74 Acre Unit)

	Acres in Unit	Interest in Unit
II. OIL & GAS OWNERSHIP		
<u>Tract #2, 28.00 acres</u>		
(1) Letha F. Vandyke, et al. (199.00 Acre Tract)	28.00 acres	47.6677%
(c) K.R. Thomas Heirs, Devisees, Successors or Assigns		
(c.1) Nancy Smith Thomas - Life Estate extinguished at death		
(c.2) Peggy Bausell Heirs, Devisees, Successors or Assigns		
(c.2.2) Elizabeth Bausell Ryan 402 Blue Heron Point Suffolk, VA 23435	0.26 acres 1/108 of 28.00 acres	0.4414%
(c.2.3) Jill Bausell Norris 4245 Dayle Acres Rd. Suffolk, VA 23435	0.26 acres 1/108 of 28.00 acres	0.4414%
(d) Charles T. Worley & Ann Worley	<i>Conveyed 1/2 of 1/36th interest to Elizabeth Worley</i>	
(d.1) Charles T. Worley Heirs, Devisees, Successors or Assigns		
(d.1.1) Ann Worley Heirs, Devisees, Successors or Assigns		
(d.1.1.3) Tommy Worley 1161/335 Spot Lane Holly Ridge, NC 28445	0.13 acres 1/216 of 28.00 acres	0.2207%
(e) Elizabeth Worley Heirs, Devisees, Successors or Assigns		
(e.1) Patricia Ann Thomas <i>Address Unknown</i>	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.2) Connie Thomas <i>Address Unknown</i>	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.4) Elizabeth Bausell Ryan 402 Blue Heron Point Suffolk, VA 23435	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.5) Jill Bausell Norris 4245 Dayle Acres Rd. Suffolk, VA 23435	0.05 acres 1/576 of 28.00 acres	0.0828%
(e.6) Tommy Worley 1161/335 Spot Lane Holly Ridge, NC 28445	0.05 acres 1/576 of 28.00 acres	0.0828%
<u>TOTAL UNLEASED:</u>		
	Acreage in Unit	0.89
	Percentage of Unit	1.5172%

Company: CNX Gas Company LLC

Virginia Gas And Oil Template -- Estimate Authorization For Expenditure (AFE)

AFE #	N/A	Property #	N/A	Version #	
Well Name:	BH-114	Field:	Oakwood	Completed By:	B.T. Fulmer
Location:	Russell County	Operator:	CNX Gas Co	Date:	August 6, 2013
Expected Pay Zones:	P-3 Seam and coal seams below Tiller	Estimated Total Depth:	2635' DTD ft	AAPG Class:	
Proposed Work:	To drill, complete and produce.	Participant(s):	N/A	W.I.	Amount
					\$0

Gen	Sub	Description	Casing Point	Completion	Total Cost
		Leasehold Costs	\$0	\$0	\$0
		Permit / Title Opinion / Survey / Insurance	\$0	\$0	\$26,464
		Building Location	\$0	\$0	\$36,897
		Roads / Stone / Culverts	\$0	\$0	\$0
		Surface Damages	\$0	\$0	\$0
		Drilling - Footage	\$0	\$0	\$59,140
		Drilling - Mobilization	\$0	\$0	\$2,053
		Drilling - Dayrate	\$0	\$0	\$0
		Mud & Chemicals (Drilling)	\$0	\$0	\$0
		Fuel	\$0	\$0	\$0
I		Cement Surface casing	\$0	\$0	\$3,040
N		Cement Intermediate casing	\$0	\$0	\$7,600
T		Open Hole Logging & Testing	\$0	\$0	\$925
A		Trucking / Dozer (Drilling)	\$0	\$0	\$0
N		Rental Tools & Equipment (Drilling)	\$0	\$0	\$0
G		Drilling - Bits	\$0	\$0	\$0
I		Technical Supervision (Drilling)	\$0	\$0	\$0
B		Fresh Water Hauling (Drilling)	\$0	\$0	\$0
L		Overhead Rate	\$0	\$0	\$0
E		Misc. & Contingencies	\$0	\$0	\$0
S		Location Rds/Stone/Culverts	\$0	\$0	\$0
		Trucking / Dozer (Completion)	\$0	\$0	\$0
		Technical Supervision (Completion)	\$0	\$0	\$0
		Cased Hole Logging / Perforating	\$0	\$0	\$1,800
		Stimulation / Fracturing	\$0	\$0	\$59,000
		Completion Rig	\$0	\$0	\$9,800
		Reclamation & Damages	\$0	\$0	\$0
		Haul Pit Water / Disposal	\$0	\$0	\$0
		Cement Production Casing	\$0	\$0	\$6,460
		Rental Tools & Equipment (Completion)	\$0	\$0	\$0
		Fresh Water Hauling (Completion)	\$0	\$0	\$0
		Roustabout Labor	\$0	\$0	\$250
		TOTAL INTANGIBLES	\$0	\$0	\$215,429

Code	Code	Description	Casing Point	Completion	Total Cost
		13 3/8" 9 Conductor	#REF! Ft 20	\$0	\$940
		9 5/8" 26 lb/ft LS Surface Csg	#REF! Ft 221	\$0	\$3,142
		19 lb/ft LS Intermediate Csg	#REF! Ft	\$0	\$0
		4 1/2" 9.5 lb/ft M-65 Production Csg	#REF! Ft 2354	\$0	\$15,348
		4 1/2" 10.5 lb/ft M-65 Production Csg	#REF! Ft	\$0	\$0
		2-3/8" 4.7 lb/ft J55 Brd Production Tubing	#REF! Ft	\$0	\$6,070
		Wellhead Equipment / Fittings	\$0	\$0	\$6,856
		Tank Battery	\$0	\$0	\$0
		Separator / Heater / Treater	\$0	\$0	\$0
		Gas Lift Equipment	\$0	\$0	\$0
		Rods / Stuffing Box	\$0	\$0	\$4,560
		Downhole Pump	\$0	\$0	\$0
		Pumping Unit / Motor	\$0	\$0	\$8,664
		SS EQT-Packer,PF,FC,Nip	\$0	\$0	\$0
		Valves & Fittings	\$0	\$0	\$0
		Flow Line labor/material	\$0	\$0	\$11,552
		Sales line labor/material	\$0	\$0	\$14,440
		TOTAL TANGIBLES	\$0	\$0	\$71,572

GRAND TOTAL WELL COST			\$0	\$0	\$287,001
153	115	Plugging & Abandonment	\$0		
			Production Costs :	\$287,001	Dry Hole Costs :
					\$0

Operations _____ Date _____ Geology _____ Date _____
 Engineering _____ Date _____ Land _____ Date _____

Management Approval
 Approved by: B. J. Fulmer Title Supr. Permitting Date 8-6-13
 Management Approval
 Approved by: _____ Title _____ Date _____

THIS IS AN ESTIMATE OF PROJECTED WELL DRILLING, COMPLETION, EQUIPMENT AND PIPELINE COSTS. THESE ESTIMATES ARE PROJECTIONS ONLY AND ACTUAL BILLED COSTS MAY VARY FROM WELL TO WELL DEPENDING UPON ACTUAL FINAL DEPTH AND OTHER FACTORS INCLUDING, BUT NOT LIMITED TO, SEASONAL MATERIAL COSTS, WEATHER CONDITIONS, AND UNFORESEEN RIGHT-OF-WAY PROBLEMS.

Company: CNX Gas Company LLC

Virginia Gas And Oil Template -- Estimate Authorization For Expenditure (AFE)

AFE #	N/A	Property #	N/A	Version #	
Well Name:	BH-114A	Field:	Oakwood	Completed By:	B.T. Fulmer
Location:	Russell County	Operator:	CNX Gas C	Date:	
Expected Pay Zones:	P-3 Seam and coal seams below Tiller	Estimated Total Depth:	2660' DTD ft	AAPG Class:	
Proposed Work:	To drill, complete and produce	Participant(s):	N/A	W/L	Amount
					\$0

Gen	Sub	Description	Casing Point	Completion	Total Cost
		Leasehold Costs	\$0	\$0	\$0
		Permit / Title Opinion / Survey / Insurance	\$0	\$0	\$37,452
		Building Location	\$0	\$0	\$48,548
		Roads / Stone / Culverts	\$0	\$0	\$0
		Surface Damages	\$0	\$0	\$0
		Drilling - Footage	\$0	\$0	\$69,140
		Drilling - Mobilization	\$0	\$0	\$2,053
		Drilling - Dayrate	\$0	\$0	\$0
		Mud & Chemicals (Drilling)	\$0	\$0	\$0
		Fuel	\$0	\$0	\$0
		Cement Surface casing	\$0	\$0	\$4,000
		Cement Intermediate casing	\$0	\$0	\$10,000
		Open Hole Logging & Testing	\$0	\$0	\$1,197
		Trucking / Dozer (Drilling)	\$0	\$0	\$0
		Rental Tools & Equipment (Drilling)	\$0	\$0	\$0
		Drilling - Bits	\$0	\$0	\$0
		Technical Supervision (Drilling)	\$0	\$0	\$0
		Fresh Water Hauling (Drilling)	\$0	\$0	\$0
		Overhead Rate	\$0	\$0	\$0
		Misc. & Contingencies	\$0	\$0	\$0
		Location Rds/Stone/Culverts	\$0	\$0	\$0
		Trucking / Dozer (Completion)	\$0	\$0	\$0
		Technical Supervision (Completion)	\$0	\$0	\$0
		Cased Hole Logging / Perforating	\$0	\$0	\$2,394
		Stimulation / Fracturing	\$0	\$0	\$68,000
		Completion Rig	\$0	\$0	\$13,000
		Reclamation & Damages	\$0	\$0	\$0
		Haul Pit Water / Disposal	\$0	\$0	\$0
		Cement Production Casing	\$0	\$0	\$0
		Rental Tools & Equipment (Completion)	\$0	\$0	\$0
		Fresh Water Hauling (Completion)	\$0	\$0	\$0
		Roustabout Labor	\$0	\$0	\$300
		TOTAL INTANGIBLES	\$0	\$0	\$246,084

Code	Code	Description	Casing Point	Completion	Total Cost
	9 5/8	Conductor	#REF! Ft 75	\$0	\$1,385
		26 lb/ft LS Surface Csg	#REF! Ft	\$0	\$0
	7"	19 lb/ft LS Intermediate Csg	#REF! Ft 216	\$0	\$2,872
	4 1/2"	9.5 lb/ft M-65 Production Csg	#REF! Ft 2300	\$0	\$18,395
	4 1/2"	10.5 lb/ft M-65 Production Csg	#REF! Ft	\$0	\$0
	2-3/8"	4.7 lb/ft J65 Brd Production Tubing	#REF! Ft	\$0	\$7,987
		Wellhead Equipment / Fittings	\$0	\$0	\$9,021
		Tank Battery	\$0	\$0	\$0
		Separator / Heater / Treater	\$0	\$0	\$0
		Gas Lift Equipment	\$0	\$0	\$0
		Rods / Stuffing Box	\$0	\$0	\$6,000
		Downhole Pump	\$0	\$0	\$0
		Pumping Unit / Motor	\$0	\$0	\$15,000
		SS EQT-Packer,PF,FC,Nip	\$0	\$0	\$0
		Valves & Fittings	\$0	\$0	\$0
		Flow Line labor/material	\$0	\$0	\$20,000
		Sales line labor/mat/row	\$0	\$0	\$25,000
		TOTAL TANGIBLES	\$0	\$0	\$105,450

GRAND TOTAL WELL COST			\$0	\$0	\$351,534
153	115	Plugging & Abandonment	\$0		
			Production Costs :	\$351,534	Dry Hole Costs :
					\$0

Operations _____ Date _____ Geology _____ Date _____

Engineering _____ Date _____ Land _____ Date _____

Management Approval Approved by: B. J. Fulmer Title Supv. Perm. Eng Date 8-6-13

Management Approval Approved by: _____ Title _____ Date _____

THIS IS AN ESTIMATE OF PROJECTED WELL DRILLING, COMPLETION, EQUIPMENT AND PIPELINE COSTS. THESE ESTIMATES ARE PROJECTIONS ONLY AND ACTUAL BILLED COSTS MAY VARY FROM WELL TO WELL DEPENDING UPON ACTUAL FINAL DEPTH AND OTHER FACTORS INCLUDING, BUT NOT LIMITED TO, SEASONAL MATERIAL COSTS, WEATHER CONDITIONS, AND UNFORESEEN RIGHT-OF-WAY PROBLEMS.



2481 John Nash Blvd.
Bluefield, West Virginia 24701
(304) 323-6617

October 8, 2012

Mr. Rick Cooper, *Director*
Department of Mines, Minerals and Energy
Division of Gas and Oil
P.O. Box 159
135 Highlands Drive
Lebanon, VA 24266

Re: CBM Well Application BH114A

Dear Mr. Cooper;

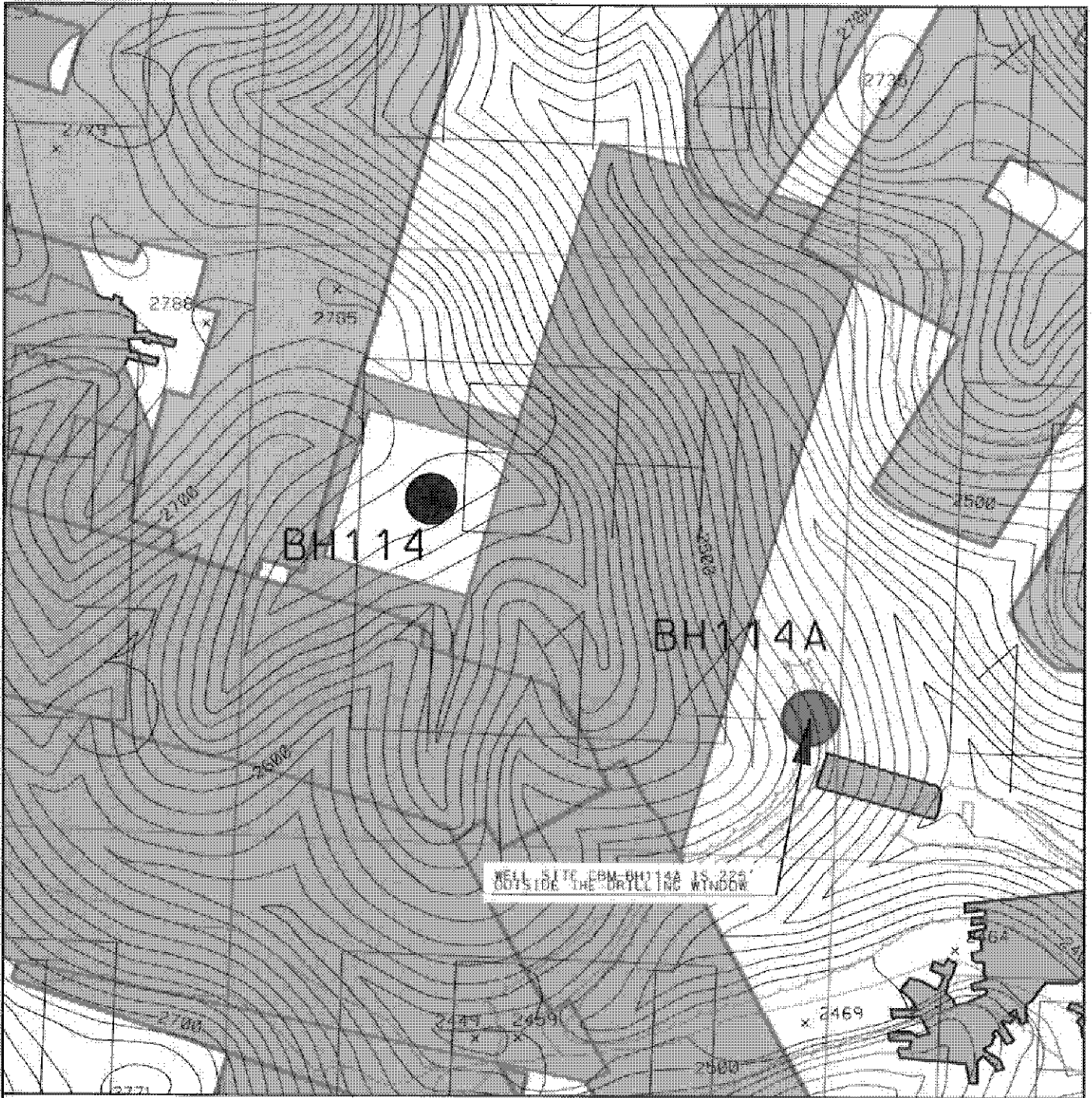
CNX Gas Co hereby requests a location exception for the above referenced well. Due to active deep mining in the Kennedy Seam by Lynn Keene Coal Company, an existing CBM well, and the surrounding topography, the proposed well cannot be located within the drilling window. The proposed location is approximately 225 feet outside of the drilling window.

Therefore, based on these conditions, we are hereby requesting a location exception be granted for this well (see attached exhibit).

Bob Staton

Bob Staton, *M.S., P.G.*
Permitting Analyst

Cc: Philip Lowe, Anita Duty, file BH114A



LOCATION EXCEPTION EXHIBIT WELL NO. CBM-BH114A

SCALE: 1" = 400'	CNX GAS COMPANY, LLC. 2481 JOHN NASH BLVD. BLUEFIELD, WV 24701	DRAWN BY: RDH FILE:LOC-EXCEPTION-BH114A
DATE: 10/10/12		

LEGEND

- KENNEDY PROJECTIONS - LYNN KEENE COAL COMPANY
- KENNEDY MINING - LYNN KEENE COAL COMPANY