

**BEFORE THE VIRGINIA GAS AND OIL BOARD**

**PETITIONER:** CNX Gas Company LLC

**DIVISION OF GAS AND OIL**

**DOCKET NO:** VGOB 09-0317-2490-01

**RELIEF SOUGHT: (1) DISBURSEMENT FROM  
ESCROW REGARDING TRACT(S) A portion of 3B  
(2) AND AUTHORIZATION FOR DIRECT  
PAYMENT OF ROYALTIES**

**HEARING DATE:** February 18, 2014

**DRILLING UNIT:** AV135

**TAZEWELL COUNTY, VIRGINIA**

**PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS**

**1. Petitioner and its counsel**

Petitioner is CNX Gas Company LLC, 2481 John Nash Blvd, Bluefield, WV 24701, (304)323-6500. Petitioner's counsel is Mark A. Swartz, Swartz Law Offices, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808..

**2. Relief Sought**

the disbursement of escrowed funds deposited with the Board's Escrow Agent(s) attributable to Tract(s) 3B as depicted upon the annexed Exhibit A-1; and authorization to begin paying royalties directly to the parties Coal Creek Coal Company, Betty Lou Garrison Stump, Donald Eugene Jackson, and Lester George Beaver

**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**

Coal Creek Coal Company and Betty Lou Garrison Stump, Donald Eugene Jackson, and Lester George Beaver have entered into royalty split agreement(s). Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Exhibit A-1, further, specifies how said royalties are to be divided and paid.

**6. Attestation**

The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

PROPERTY LINES SHOWN ON THIS PLAT WERE TAKEN FROM DEED DESCRIPTIONS AND CHAIN OF TITLE AND DOES NOT REPRESENT A CURRENT FIELD SURVEY

N 305,452.06  
E 1,023,777.88

47.51 ACRE UNIT

N 305,390.84  
E 1,025,376.22

CBM-AV135

1

3B

CBM-AV135A

2

3A

N 304,157.12  
E 1,023,731.38

LICK

N 304,099.72  
E 1,025,329.85

BEARING & DISTANCE TO NEAREST WELLS WITHIN 2500' FROM CBM-AV135A

CBM-PF44 N 08°08'08" E 1909.38'  
CBM-PF44A N 17°08'00" W 2438.80'  
CBM-AV135 N 30°26'43" W 839.63'  
CBM-AV135 N 59°16'25" E 1097.18'  
CBM-AV135 S 05°06'38" E 1699.04'

COMMONWEALTH OF VIRGINIA  
TIMOTHY E. HORN  
Lic. No. 035686  
2/11/09  
PROFESSIONAL ENGINEER

EXHIBIT A  
MIDDLE RIDGE FIELD  
UNIT AV135  
FORCE POOLING  
VGOB-09-0317-2490

Company CNX Gas Company LLC Well Name and Number UNIT AV135

Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle RICHLANDS

County TAZEWELL District MAIDEN SPRINGS Scale: 1" = 400' Date 2/10/09

This plot is a new plot \_\_\_\_\_ ; an updated plot y ; or a final plot \_\_\_\_\_

Form DGO-GO-7  
Rev. 9/91

[Signature] (Affix Seal)  
Licensed Professional Engineer or ~~Licensed Land Surveyor~~

**CNX Gas Company LLC**  
**Unit AV-185**  
**Tract Identifications**  
**(47.51 Acre Unit)**

1. Coal Mountain Mining Co. Limited Partnership, LLP, Tr. 39 (1186 Acre Tract) -- Fee  
Reserve Coal Properties Company -- Below Drainage Coal Leased  
Knox Creek Coal Corporation -- Coal In Tiller and Above Leased  
CNX Gas Company LLC -- Oil, Gas and CBM Leased  
(Tax Map 65A, Parcel 10)  
32.12 acres                      67.6068%
  
2. Reserve Coal Properties Company (1,081.53 Acre Tract) -- Coal In Tiller and Above Coal Seams  
CNX Gas Company LLC -- CBM Leased  
Mary A. Huffman, et al (13/60), Reserve Coal Properties Company (47/60) - Coal Below  
Tiller Seam Except P-3 Seam  
CNX Gas Company LLC -- CBM Leased  
Mary A. Huffman, et al (13/60), James W. Harman, Jr., et al. (47/60) -- P-3 Seam  
CNX Gas Company LLC -- CBM in P-3 Seam Leased  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Reserve Coal Properties Company - Oil and Gas  
CNX Gas Company LLC -- CBM Leased  
Reserve Coal Properties Company -- Surface  
(Tax Map 85A, Parcel 40)  
8.27 acres                      17.4069%
  
- 3A. Coal Creek Coal Company, Tr. 1 (Alex P. McGlothlin 180 Acre Tract) -- Coal  
Reserve Coal Properties Company -- All Coal Leased  
Knox Creek Coal Company -- Coal In Tiller Seam Subleased  
CNX Gas Company LLC -- CBM Leased  
Mary W. Huffman, et al -- Surface and All Minerals except Coal  
CNX Gas Company LLC -- Oil, Gas and CBM Leased  
(Tax Map 85A, Parcel 39)  
5.30 acres                      11.1555%
  
- 3B. Coal Creek Coal Company, Tr. 1 (Alex P. McGlothlin 180 Acre Tract) -- Coal  
Reserve Coal Properties Company -- All Coal Leased  
Knox Creek Coal Company -- Coal In Tiller Seam Subleased  
CNX Gas Company LLC -- CBM Leased  
Lizzie Johnson Estate -- Surface and All Minerals except Coal  
CNX Gas Company LLC -- Oil, Gas and CBM Leased (58.33%)  
(Tax Map 85A, Parcel 38)  
1.82 acres                      3.8308%



Exhibit E  
Unit AV-135  
Docket #VGOB 09-0317-2490-01  
List of Conflicting Owners/Claimants that require escrow  
(47.51 Acre Unit)

	Acres in Unit	Interest in Unit
<u>Tract #3B, 1.82 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Coal Creek Coal Company, Tr.1 P.O. Box 323 Tazewell, VA 24651 <i>[Alex P. McGlothlin 180 Acre Tract]</i>	1.82 acres	3.8308%
<u>OIL &amp; GAS OWNERSHIP</u>		
Lizzie Johnson Estate (a.k.a. - Clarence Jackson, et al.) <i>[11.50 Acre Tract]</i>	1.82 acres	3.8308%
(1) Avery Johnson Heirs, Devisees, Successors, or Assigns		
(a) Joyce Ann Hucke 5113 Montrose Fort Worth, TX 76114	0.076 acres 1/24 of 1.82 acres	0.1596%
(c) Sam Johnson <i>Address Unknown</i>	0.076 acres 1/24 of 1.82 acres	0.1596%
(2) Acie Johnson Heirs, Devisees, Successors or Assigns		
(a) Dorothy S. Barnes 407 W. Main St Fletcher, OH 45326	0.033 acres 1/56 of 1.82 acres	0.0684%
(b) Pansy Johnson 398 Road Ridge Turnpike Raven, VA 24639	0.033 acres 1/56 of 1.82 acres	0.0684%
(c) Calvin Johnson 356 Road Ridge Turnpike Raven, WV 24639	0.033 acres 1/56 of 1.82 acres	0.0684%
(d) Evelyn Rose 17078 Green Acre Sidney, OH 45365	0.033 acres 1/56 of 1.82 acres	0.0684%
(e) Melvin Johnson PO Box 152 Raven, VA 24639	0.033 acres 1/56 of 1.82 acres	0.0684%
(f) Gail Hess Box 577 Raven, VA 24639	0.033 acres 1/56 of 1.82 acres	0.0684%
(g) Betty Jane Shelton 165 Granada Lane Raven, VA 24639	0.033 acres 1/56 of 1.82 acres	0.0684%
(3) Allen John Heirs, Devisees, Successors or Assigns	<i>No issue - interest back to siblings</i>	
(4) Arvel Johnson Heirs, Devisees, Successors or Assigns		
(a) Brenda Fay Stone 1970 Palmer St, #36 Christiansburg, VA 24073	0.114 acres 1/16 of 1.82 acres	0.2394%

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List of Conflicting Owners/Claimants that require escrow  
(47.51 Acres Unit)

	Acres in Unit	Interest in Unit
(5) Bertha B. Tedrow Heirs, Devisees, Successors or Assigns	<i>No issue - Interest back to siblings</i>	
(6) Virgie Jackson Heirs, Devisees, Successors or Assigns		
(a) Berna Mae Hensley 1039 Frontlane Road Grundy, VA 24614	0.057 acres 1/32 of 1.82 acres	0.1197%
(b) Clarence Edward Jackson Heirs, Devisees, Successors or Assigns		
(b.1) Gladys Jackson 25340 Front St Sterling, IL 61081 <small>102913 land address per returned road</small>	0.057 acres 1/32 of 1.82 acres	0.1197%
(c) Anna Marie Blankenship Heirs, Devisees, Successors or Assigns		
(c.1) Virgus Blankenship 22646 Green Spring Rd Abingdon, VA 24211	0.057 acres 1/32 of 1.82 acres	0.1197%
(7) Elsie Rutledge Heirs, Devisees, Successors or Assigns		
(a) Edward Randall Rutledge 333 Bernard St Huntington, WV 25704	0.114 acres 1/16 of 1.82 acres	0.2394%
(b) Thomas Palmer Rutledge 75 Rabbit Creek Place Reckmont, GA 30153	0.114 acres 1/16 of 1.82 acres	0.2394%
(8) Ocie Beavers Heirs, Devisees, Successors or Assigns		
(b) Zeida Arue Thompson 10130 Burton St. New Port Richey, FL 34654	0.057 acres 1/32 of 1.82 acres	0.1197%
(9) Dorothy Gearheart De-Armon 5416 Cornell St River Oaks, TX 76114-2055	0.228 acres 1/8 of 1.82 acres	0.4788%
(10) Arnold Johnson Heirs, Devisees, Successors or Assigns		
(a) Stella L. Johnson Cordle Heirs, Devisees Successors or Assigns		
(a.1) Margaret Smith Hess 132 Jewell Ridge Jewell Ridge, VA 24622 <small>56443 land address per returned road</small>	0.228 acres 1/8 of 1.82 acres	0.4788%
<b><u>TOTAL CONFLICTS:</u></b>		
	Acreage in Unit	1.40
	Percentage of Unit	2.9529%

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Docket #VGOB 09-0317-2490-01  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(47.91 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
			1.5925
<u>Tract #2, 8.27 acres</u>			
<b>COAL OWNERSHIP</b>			
(1) Mary Huffman, et al. <i>(Harman-Huffman Heirs 1,031.53 ac. tract)</i>	8.27 acres	17.4069%	
<i>(Coal below Tiller Seam exc. P3)</i>			
(a) Mary A. Huffman P. O. Box 926 Richlands, VA 24641	0.45 acres 13/240 of 8.27 acres	0.9429%	n/a
(b) James W. Huffman c/o Mary A. Huffman P. O. Box 926 Richlands, VA 24641	0.45 acres 13/240 of 8.27 acres	0.9429%	n/a
(c) Jacob H. & Dana Huffman, III 2213 Carolina Ave., SW Roanoke, VA 24014	0.45 acres 13/240 of 8.27 acres	0.9429%	n/a
(d) A&R Holdings, Inc.			
(d.1) Anna Elizabeth Byrd Keillor 36 Locust St. Wading River, NY 11792	0.22 acres 13/480 of 8.27 acres	0.4714%	n/a
(d.2) Randal Wayne White, Jr. 547 Tanglewood Dr. Glade Spring, VA 24340	0.22 acres 13/480 of 8.27 acres	0.4714%	n/a
(e) MMM, Inc.			
(e.1) Reserve Coal Properties 10545 Riverside Dr. Oakwood, VA 24631	6.48 acres 47/60 of 8.27 acres	13.6354%	n/a
<i>(P3 Seam Only)</i>			
(1) Mary Huffman & James W. Harman, Jr., et al. <i>(Harman-Huffman Heirs 1,031.53 ac. tract)</i>	8.27 acres	17.4069%	
(a) James W. Harman Jr, Heirs, Devisees, Successors or Assigns (47/420) <i>(Interest devised equally to James W. Harman, III and Jonathan H. Harman)</i>			
(a.1) James W. Harman, III 1206 Medley Valley Rd. Tazewell, VA 24651	0.46 acres 47/840 of 8.27 acres	0.9740%	n/a
(a.2) Jonathan H. Harman 2727 Mountain View Bluefield, VA 24701	0.46 acres 47/840 of 8.27 acres	0.9740%	n/a
(b) S. Laird Harman Heirs, Devisees, Successors or Assigns (47/420)			
(b.1) The Estate of Samuel L. Harman John Martinkosky, Administrator 965 Dusty Rock Rd., NW Riner, VA 24149	0.93 acres 47/420 of 8.27 acres	1.9479%	n/a
(c) Bettie H. St Clair 104 Dial Rock Rd. N. Tazewell, VA 24630	0.93 acres 47/420 of 8.27 acres	1.9479%	n/a

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(47.51 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
			1.5925
(d) The Estate of Minnie E. Harman, Inc. c/o Bettie H. St. Clair P. O. Box 631 Tazewell, VA 24651	0.93 acres 47/420 of 8.27 acres	1.9479%	n/a
(e) Evelyn H. Harman Heirs, devisees, Successors or Assigns			
(e.1) James W. Harman, III 1206 Medley Valley Rd. Tazewell, VA 24651 <i>(Inherited an additional interest from his father, along with what he already owned.)</i>	0.46 acres 47/840 of 32.50 acres	0.9740%	n/a
(e.2) Jonathan H. & Patricia Harman 2727 Mountain View Bluefield, VA 24701 <i>(Inherited an additional interest from his father, along with what he already owned.)</i>	0.46 acres 47/840 of 32.50 acres	0.9740%	n/a
(f) James W. Harman, III 1206 Medley Valley Rd. Tazewell, VA 24651 <i>(Inherited an additional 47/480 interest from his father, along with what he already owned.)</i>	0.93 acres 47/420 of 8.27 acres	1.9479%	n/a
(g) Jonathan H. & Patricia Harman 2727 Mountain View Bluefield, VA 24701 <i>(Inherited an additional 47/480 interest from his father, along with what he already owned.)</i>	0.93 acres 47/420 of 8.27 acres	1.9479%	n/a
(h) Mary A. Huffman P. O. Box 926 Richlands, VA 24641 <i>(Life Estate)</i>	0.45 acres 13/240 of 8.27 acres	0.9429%	n/a
(i) James W. Huffman c/o Mary A. Huffman P. O. Box 926 Richlands, VA 24641	0.45 acres 13/240 of 8.27 acres	0.9429%	n/a
(j) Jacob H. & Dana Huffman, III 2213 Caroline Ave., SW Roanoke, VA 24014	0.45 acres 13/240 of 8.27 acres	0.9429%	n/a
(k) A&R Holdings, Inc:			
(k.1) Anna Elizabeth Byrd Keillor 36 Locust St. Wading River, NY 11792 <i>(This one address was returned mail)</i>	0.22 acres 13/480 of 8.27 acres	0.4714%	n/a
(k.2) Randal Wayne White, Jr. 547 Tanglewood Dr. Glade Spring, VA 24340	0.22 acres 13/480 of 8.27 acres	0.4714%	n/a

**OIL & GAS OWNERSHIP**

(1) CNX Gas Company LLC 2481 John Nash Blvd. Bluefield, WV 24701 <i>(previously Reserve Coal Properties Company)</i>	8.27 acres	17.4089%	n/a
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**Tract #3A, 5.30 acres**

**COAL OWNERSHIP**

(1) Coal Creek Coal Company, Tr.1 P.O. Box 323 Tazewell, VA 24651 <i>(Alex P. McGlothlin 180 Acre Tract)</i>	5.30 acres	11.1555%	n/a
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List of Conflicting Owners/Claimants with Royalty Split Agreements  
(47.51 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
			1.5925
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Mary Huffman, et al. (30 Acre Tract)	5.30 acres	11.1555%	
(a) Mary Huffman P. O. Box 926 Richlands, VA 24641 (Life Estate)	1.77 acres 1/3 of 5.30 acres	3.7185%	n/a
(b) James W. Huffman c/o Mary A. Huffman P. O. Box 926 Richlands, VA 24641	1.18 acres 2/9 of 5.30 acres	2.4790%	n/a
(c) Jacob H. & Dana Huffman, III P.O. Box 9 McGuady, KY 40153	1.18 acres 2/9 of 5.30 acres	2.4790%	n/a
(d) A&R Holdings, Inc:			
(d.1) Anna Elizabeth Byrd Keilfor 36 Locust St. Wading River, NY 11792	0.59 acres 1/9 of 5.30 acres	1.2395%	n/a
(d.2) Randal Wayne White, Jr. 547 Tanglewood Dr. Glade Spring, VA 24340	0.59 acres 1/9 of 5.30 acres	1.2395%	n/a

**Tract #3B, 1.82 acres**

**COAL OWNERSHIP**

(1) Coal Creek Coal Company, Tr.1 P.O. Box 323 Tazewell, VA 24651 (Alex P. McGlothlin 180 Acre Tract)	1.82 acres	3.8308%	5.9524% (Partial)
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**OIL & GAS OWNERSHIP**

Lizzie Johnson Estate (a.k.a. - Clarence Jackson, et al.) (11.50 Acre Tract)	1.82 acres	3.8308%	
(1) Avery Johnson Heirs, Devisees, Successors, or Assigns			
(b) Betty Lou Garrison Stump 317 Sylvan Avenue Lancaster, OH 43130	0.076 acres 1/24 of 1.82 acres	0.1596%	2.3810%
(4) Arvel Johnson Heirs, Devisees, Successors or Assigns			
(b) Wanda Gay Smith 1844 Weaver Branch Rd Piney Flats, TN 37686	0.114 acres 1/16 of 1.82 acres	0.2394%	n/a
(6) Virgie Jackson Heirs, Devisees, Successors or Assigns			
(d) Donald Eugene Jackson 618 Jupiter Dr., Unit 2010 Madison, WI 53718	0.057 acres 1/32 of 1.82 acres	0.1197%	1.7857%
(8) Ocie Beavers Heirs, Devisees, Successors or Assigns			
(e) Grace Elizabeth Hibdon 4601 Village Lane, Apt. 1054 Baytown, TX 76135	0.057 acres 1/32 of 1.82 acres	0.1197%	n/a

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(47.51 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
(c) Lester George Beaver 2359 Dawnlight Avenue Columbus, OH 43211	0.057 acres 1/32 of 1.82 acres	0.1197%	1.5925 1.7857%
(d) Noel Albert Beaver 15777 Bolesta Road; Lot 221 Clearwater, FL 33760-3647	0.057 acres 1/32 of 1.82 acres	0.1197%	n/a
<b><u>TOTAL RESOLVED:</u></b>			
	<b>Acreage in Unit</b>	13.99	
	<b>Percentage of Unit</b>	29.4403%	5.9524%



Total Deposited	\$5,961.87
Interest and Fees	\$1.93
Total	\$5,963.80
October 2013 First Bank and Trust balance	\$5,968.05

Difference: -\$4.25