

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 01-0320-0871-02

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

HEARING DATE: May 20, 2014

DRILLING UNIT: AW111

BUCHANAN, RUSSELL 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

(1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 3 as depicted upon the annexed Table 1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Buckhorn Coal Company and Gent Enterprises, LLC

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

Under Case #CL10000662-00, executed May 12, 2011, the Circuit Court of Russell County clarified the conveyances from the Rasnakes to the Gents in DB 223/PG53, dated 10/26/1970. The conveyances included all right and title in and to the oil, gas, (including coalbed methane gas and deep gas), minerals (other than coal), etc., which allows the interest to be paid under the terms of the royalty split agreement previously executed by the parties. Buckhorn Coal Company and Gent Enterprises, LLC 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 Table 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 WERE TAKEN FROM MAPS PROVIDED BY CONSOL Inc. AND WERE NOT SURVEYED

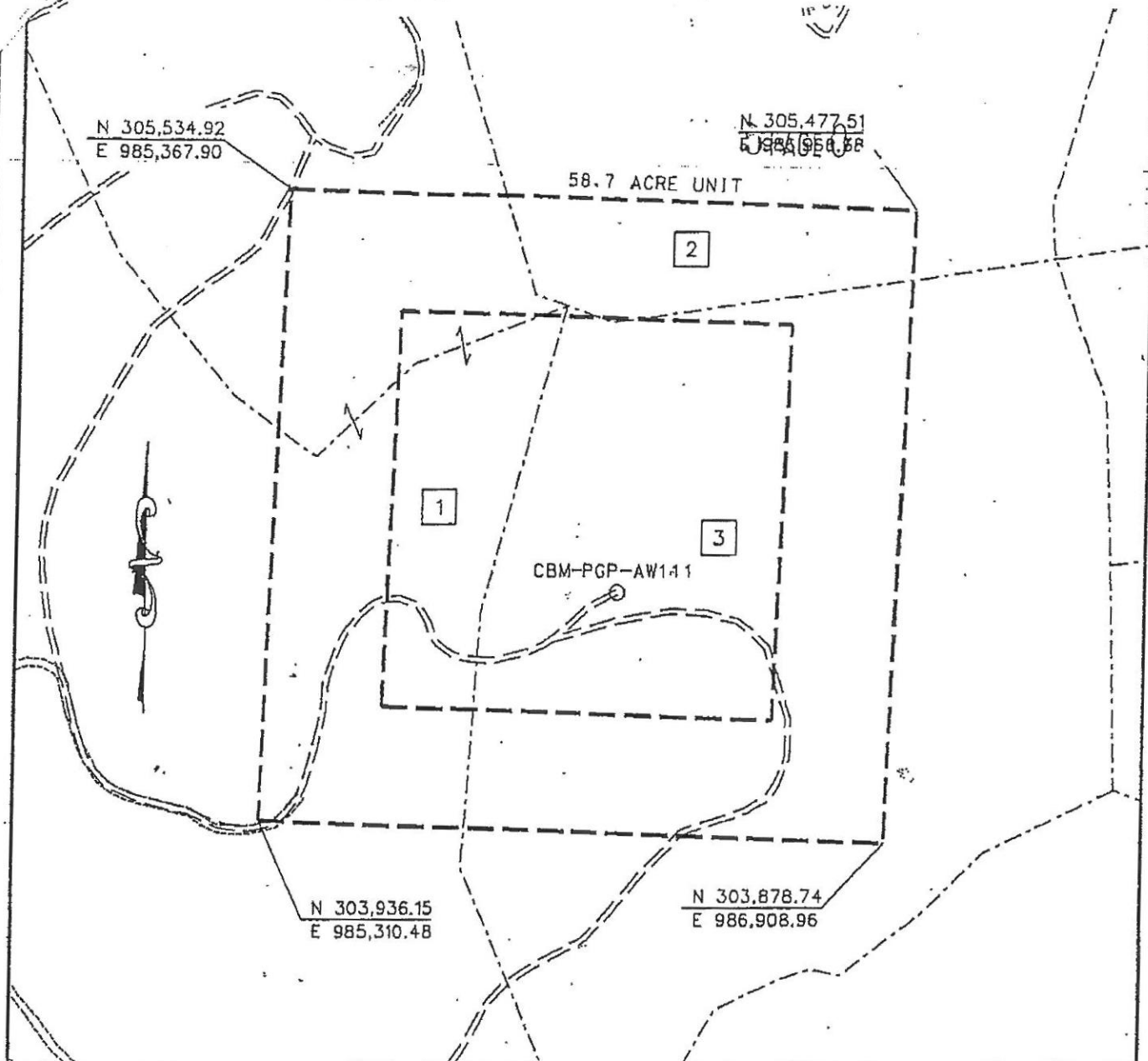


EXHIBIT A
 MIDDLE RIDGE 1 FIELD
 UNIT AW-111
 FORCE POOLING
 VG0B-01-0320-0871

Company Pocahontas Gas Partnership Well Name and Number UNIT AW111
 Tract No. _____ Elevation _____ Quadrangle Honaker
 County Russell/Buchanan District New Garden/Hurricane Scale: 1" = 400' Date 4/3/01
 This plat is a new plat ; an updated plat _____ ; or a final plat _____

Form DGO-GD-7 _____ (Affix Seal)
 Rev. 9/91 Charles C. Moyse
 Licensed Professional Engineer or Licensed Land Surveyor

CNX Gas Company LLC
Unit AW-111
Tract Identifications
(58.70 Acre Unit)

1. Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) – Coal
Knox Creek Coal Company – Coal in Tiller Seam and Above Leased
CNX Gas Company LLC – CBM Leased
Michael Whited, et al – Oil and Gas
CNX Gas Company LLC – Oil, Gas and CBM Leased
Michael Whited – Surface
21.80 acres 37.1380%

2. Hugh MacRae Land Trust, Tract 9 (Sparrell Hale 412 Acre Tract) – Coal
Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
CNX Gas Company LLC – Surface, Oil and Gas
5.78 acres 9.8467%

3. Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) – Coal
Knox Creek Coal Corporation – Above Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Heirs, Devisees, Successors or Assigns of Dr. L. M. Harrison OR Gent Enterprises, LLC -
 Oil and Gas (1/8)
Gent Enterprises, LLC – Oil and Gas (7/8)
CNX Gas Company LLC – Oil, Gas and CBM Leased (7/8)
Michael Whited **OR** Gent Enterprises, LLC – Surface
31.12 acres 53.0153%

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

Exhibit E
Unit AW111
Docket #VGOB-01-0320-0871-02
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Interest in Unit
<u>Tract #3, 31.12 acres</u>		
<i>Partial Escrow due to Title Conflict</i>		
<u>COAL OWNERSHIP</u>		
(1) Buckhorn Coal Company <i>(Jacob Fuller 453 Acre Tract)</i> P. O. Box 187 Tazewell, VA 24651	31.12 acres	53.0153%
<u>OIL & GAS OWNERSHIP</u>		
(1) Gent Enterprises, et al <i>(54 Acre Tract)</i> <i>(Previously listed as a title conflict between Michael Whited, et al, Dr L.M. Harrison Heirs, or Gent Enterprises, LLC)</i>	31.12 acres	53.0153%
(a) Dr. L.M. Harrison, Heirs, Devisees, Successors or Assigns <i>Address Unknown</i>	3.89 acres 1/8 of 31.12 acres	6.6269%
-OR-		
(a) Gent Enterprises, LLC. P.O. Box 330 Honaker, VA 24260	3.89 acres 1/8 of 31.12 acres	6.6269%
Total Acreage in Conflict	3.8900	
Total Percentage in Conflict		6.6269%

Exhibit EE
Unit AW-111
Docket #VGOB-01-0320-0871-02
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1, 21.80 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Buckhorn Coal Company <i>(Jacob Fuller 453 Acre Tract)</i> P. O. Box 187 Tazewell, VA 24651	21.80 acres	37.1380%	<i>n/a</i>
<u>OIL & GAS OWNERSHIP</u>			
(1) Michael Whited, et al <i>(previously Columbus Earl Whited heirs)</i>	21.80 acres	37.1380%	<i>n/a</i>
(a) Michael Whited PO Box 297 Swords Creek, VA 24696	2.18 acres 1/10 of 21.80 acres	3.7138%	<i>n/a</i>
(b) Ferrell Whited PO Box 1471 Honaker, VA 24260-1471	3.92 acres 9/50 of 21.80 acres	6.6848%	<i>n/a</i>
(c) Marty Whited PO Box 881 Lebanon, VA 24266-0881	3.92 acres 9/50 of 21.80 acres	6.6848%	<i>n/a</i>
(d) Cathy Darlene Ward 2014 Miller Creek Rd Swords Creek, VA 24649	3.92 acres 9/50 of 21.80 acres	6.6848%	<i>n/a</i>
(e) Herald Whited 120 Clifton Farm Rd. Honaker, VA 24260	3.92 acres 9/50 of 21.80 acres	6.6848%	<i>n/a</i>
(f) Melissa Skeens 120 Clifton Farm Rd Honaker, VA 24260	3.92 acres 9/50 of 21.80 acres	6.6848%	<i>n/a</i>
<u>Tract #2, 5.78 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hugh MacRae Land Trust, Tr. 9 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 1 Bryant Park New York, NY 10036-6715	5.78 acres	9.8467%	<i>n/a</i>
<u>CBM Royalty Owner (from the Coal owner):</u>			
Torch Oil and Gas Company c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030			
<u>OIL & GAS OWNERSHIP</u>			
(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 <i>(Pocahontas Gas Partnership)</i>	5.78 acres	9.8467%	<i>n/a</i>
<u>Tract #3, 31.12 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Buckhorn Coal Company <i>(Jacob Fuller 453 Acre Tract)</i> P. O. Box 187 Tazewell, VA 24651	31.12 acres	53.0153%	43.7500%

Exhibit EE
Unit AW-111
Docket #VGOB-01-0320-0871-02
List of Conflicting Owners/Claimants with Royalty Split Agreements

		Acres in Unit	Interest in Unit	Percent of Escrow
<u>OIL & GAS OWNERSHIP</u>				
(1)	Gent Enterprises, et al <i>(54 Acre Tract)</i> <i>(Previously listed as a title conflict between Michael Whited, et al, Dr L.M. Harrison Heirs, or Gent Enterprises, LLC)</i>	31.12 acres	53.0153%	
(2)	Gent Enterprises, LLC. P.O. Box 330 Honaker, VA 24260	27.23 acres 7/8 of 31.12 acres	46.3884%	43.7500%
<i>Under Case #CL10000662-00, executed May 12, 2011, the Court of Russell County clarified the conveyances from the Rasnakes to the Gents in DB 223/ PG 53, dated 10/26/70 included all right, title in and to the oil, gas, (including coalbed methane gas and deep gas), minerals (other than coal), etc.</i>				
<i>Royalties can be paid based on the royalty agreement between Buckhorn / Gent Enterprises for the 7/8 portion</i>				
Total Acreage Resolved			54.8100	
Total Percentage Resolved				93.3731%

Exhibit J
Unit AW111 Escrow Account Reconciliation
VGOB 01-0320-0871

CNX Deposit Information		
Check Date	Check Number	Total
8/25/2001		\$406.54
9/25/2001		\$700.08
10/25/2001		\$780.12
11/25/2001		\$434.02
12/25/2001		\$391.94
1/25/2002		\$455.20
2/25/2002		\$551.20
3/25/2002		\$580.97
4/25/2002		\$518.69
5/24/2002		\$673.66
6/25/2002		\$733.80
7/25/2002		\$781.90
8/23/2002		\$774.33
9/25/2002		\$856.09
10/25/2002		\$882.44
11/25/2002		\$684.71
12/24/2002		\$584.14
1/24/2003		\$507.45
2/25/2003		\$456.32
3/25/2003		\$754.62
4/25/2003		\$1,087.09
5/23/2003		\$687.40
6/25/2003		\$794.65
7/25/2003		\$554.56
8/25/2003		\$369.36
9/25/2003		\$913.78
10/24/2003		\$1,181.88
11/25/2003		\$1,111.17
12/24/2003		\$1,103.14
1/23/2004		\$1,157.77
2/25/2004		\$1,388.04
3/25/2004		\$1,896.14
4/23/2004		\$1,549.69
5/25/2004		\$1,804.66
6/25/2004		\$1,674.34
7/23/2004		\$1,753.11
8/25/2004		\$1,825.94
9/24/2004		\$1,782.01
10/25/2004		\$1,760.46
11/24/2004		\$1,581.45
12/24/2004		\$1,730.53
1/25/2005		\$1,723.67
2/25/2005		\$1,887.81
3/24/2005		\$1,633.98
4/25/2005		\$1,432.77
5/25/2005		\$1,673.11
6/24/2005		\$1,161.16
7/25/2005		\$1,620.49
8/25/2005		\$1,501.71
9/23/2005		\$1,618.43
10/25/2005		\$1,812.05
11/25/2005		\$2,246.37

Escrow Bank Data														Running Balance	Difference
Date	Escrow Royalty Deposits	Income	\$ Mrket Int	CDARS Int	Fees	Distributions	Audit Costs	Corrections	Gain/Loss	Royalty Bonus	Total Int. and Fees	Bank Balance			
8/31/2001	\$0.00	\$0.00				\$0.00					\$0.00	\$0.00	\$406.54	\$406.54	
9/30/2001	\$3.89	\$0.00				\$0.00					\$0.00	\$3.89	\$1,106.62	\$1,102.73	
10/31/2001	\$1,886.74	\$0.00				\$0.00					\$0.00	\$1,890.63	\$1,886.74	-\$3.89	
11/30/2001	\$0.00	\$0.00				\$0.00					\$0.00	\$2,327.28	\$2,320.76	-\$6.52	
12/31/2001	\$391.94	\$3.29				\$0.00					\$3.29	\$2,722.51	\$2,715.99	-\$6.52	
1/31/2002	\$455.20	\$1.95				\$0.00					\$1.95	\$3,179.66	\$3,173.14	-\$6.52	
2/28/2002	\$551.20	\$1.68				\$0.00					\$1.68	\$3,732.54	\$3,726.02	-\$6.52	
3/31/2002	\$580.97	\$2.52				\$0.00					\$2.52	\$4,316.03	\$4,309.51	-\$6.52	
4/30/2002	\$518.69	\$0.00				\$0.00					\$0.00	\$4,834.72	\$4,828.20	-\$6.52	
5/31/2002	\$673.66	\$3.58				\$0.00					\$3.58	\$5,511.96	\$5,505.44	-\$6.52	
6/30/2002	\$733.80	\$3.01				\$0.00					\$3.01	\$6,248.77	\$6,242.25	-\$6.52	
7/31/2002	\$781.90	\$3.63				\$0.00					\$3.63	\$7,034.30	\$7,027.78	-\$6.52	
8/31/2002	\$774.33	\$4.24				\$0.00					\$4.24	\$7,812.87	\$7,806.35	-\$6.52	
9/30/2002	\$856.09	\$4.55				\$0.00					\$4.55	\$8,673.51	\$8,666.99	-\$6.52	
10/31/2002	\$882.44	\$4.24				\$0.00					\$4.24	\$9,560.19	\$9,553.67	-\$6.52	
11/30/2002	\$684.71	\$4.69				\$0.00					\$4.69	\$10,249.59	\$10,243.07	-\$6.52	
12/31/2002	\$584.14	\$5.01				\$0.00					\$5.01	\$10,838.74	\$10,832.22	-\$6.52	
1/31/2003	\$507.45	\$2.57				\$0.00					\$2.57	\$11,348.76	\$11,342.24	-\$6.52	
2/28/2003	\$456.32	\$2.36				\$0.00					\$2.36	\$11,807.44	\$11,800.92	-\$6.52	
3/31/2003	\$754.62	\$1.30				\$0.00					\$1.30	\$12,563.36	\$12,556.84	-\$6.52	
4/30/2003	\$1,087.09	\$2.32				\$0.00					\$2.32	\$13,652.77	\$13,646.25	-\$6.52	
5/31/2003	\$687.40	\$1.61				\$0.00					\$1.61	\$14,341.78	\$14,335.26	-\$6.52	
6/30/2003	\$794.65	\$2.45				\$0.00					\$2.45	\$15,138.88	\$15,132.36	-\$6.52	
7/31/2003	\$554.56	\$1.49				\$0.00					\$1.49	\$15,694.93	\$15,688.41	-\$6.52	
8/31/2003	\$369.36	\$0.65				\$0.00					\$0.65	\$16,064.94	\$16,058.42	-\$6.52	
9/30/2003	\$913.78	\$0.61				\$0.00					\$0.61	\$16,979.33	\$16,972.81	-\$6.52	
10/31/2003	\$1,181.88	\$0.99				\$0.00					\$0.99	\$18,162.20	\$18,155.68	-\$6.52	
11/30/2003	\$1,111.17	\$1.63				\$0.00					\$1.63	\$19,275.00	\$19,268.48	-\$6.52	
12/31/2003	\$1,103.14	\$1.12				\$0.00					\$1.12	\$20,379.26	\$20,372.74	-\$6.52	
1/31/2004	\$1,157.77	\$2.09				\$0.00					\$2.09	\$21,539.12	\$21,532.60	-\$6.52	
2/28/2004	\$1,388.04	\$1.69				\$0.00					\$1.69	\$22,928.85	\$22,922.33	-\$6.52	
3/31/2004	\$1,896.14	\$1.03				\$0.00					\$1.03	\$24,826.02	\$24,819.50	-\$6.52	
4/30/2004	\$1,549.69	\$2.97				\$0.00					\$2.97	\$26,378.68	\$26,372.16	-\$6.52	
5/31/2004	\$1,804.66	\$3.11				\$0.00					\$3.11	\$28,186.45	\$28,179.93	-\$6.52	
6/30/2004	\$1,674.34	\$4.50				\$0.00					\$4.50	\$29,865.29	\$29,858.77	-\$6.52	
7/31/2004	\$1,753.11	\$6.54				\$0.00					\$6.54	\$31,624.94	\$31,618.42	-\$6.52	
8/31/2004	\$1,825.94	\$14.21				\$0.00					\$14.21	\$33,465.09	\$33,458.57	-\$6.52	
9/30/2004	\$1,782.01	\$16.89				\$0.00					\$16.89	\$35,263.99	\$35,257.47	-\$6.52	
10/31/2004	\$1,760.46	\$22.10				\$0.00					\$22.10	\$37,046.55	\$37,040.03	-\$6.52	
11/30/2004	\$1,581.45	\$28.89				\$0.00					\$28.89	\$38,656.89	\$38,650.37	-\$6.52	
12/31/2004	\$1,730.53	\$29.84				\$0.00					\$29.84	\$40,417.26	\$40,410.74	-\$6.52	
1/31/2005	\$1,723.67	\$43.53				\$0.00					\$43.53	\$42,184.46	\$42,177.94	-\$6.52	
2/28/2005	\$1,887.81	\$51.69				\$0.00					\$51.69	\$44,123.96	\$44,117.44	-\$6.52	
3/31/2005	\$1,633.98	\$52.20				\$0.00					\$52.20	\$45,810.14	\$45,803.62	-\$6.52	
4/30/2005	\$1,432.77	\$70.86				\$0.00					\$70.86	\$47,313.77	\$47,307.25	-\$6.52	
5/31/2005	\$1,673.11	\$75.74				\$0.00					\$75.74	\$49,062.62	\$49,056.10	-\$6.52	
6/30/2005	\$1,161.16	\$84.68				\$0.00					\$84.68	\$50,308.46	\$50,301.94	-\$6.52	
7/31/2005	\$1,620.49	\$89.47				\$0.00					\$89.47	\$52,018.42	\$52,011.90	-\$6.52	
8/31/2005	\$1,501.71	\$103.66				\$0.00					\$103.66	\$53,623.79	\$53,617.27	-\$6.52	
9/30/2005	\$1,618.43	\$114.90				\$0.00					\$114.90	\$55,357.12	\$55,350.60	-\$6.52	
10/31/2005	\$1,812.05	\$122.34				\$0.00					\$122.34	\$57,291.51	\$57,284.99	-\$6.52	
11/30/2005	\$2,246.37	\$130.62				\$0.00					\$130.62	\$59,668.50	\$59,661.98	-\$6.52	

