

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO.: VGOB 12-0417-3051-01

RELIEF SOUGHT: RE-POOLING

LOCATION: SEE EXHIBITS "A" AND "A1"

HEARING DATE: May 20, 2014

IN THE OAKWOOD COALBED METHANE GAS FIELD I

BUCHANAN 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:** Re-Pooling under Oakwood Coalbed Methane Gas Field I.

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 OGCB 3-90; VGOB-91-1119-162; VGOB 92/02/16-0336; and VGOB 93/03/16-0349.

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

5. **Permit numbers, if any:** B41 Permit #12634; B41A Permit #12605

6. **Plat:** Annexed hereto are Exhibit A and the Tract Identifications for 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' standing:** The respondents whose interests are sought to be pooled by the Applicant are:

Pocahontas Mining Company; Cabot Oil & Gas Corporation; LBR Holdings LLC; T.G. Rogers, III, Derek Browning Rogers, Kevin Rogers, Shaun Rogers, Gregory Poulos, Jason Poulos, Pamela Poulos, EQT Production Company

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 Applicant in the unit.

8. **Formation(s) to be produced and estimates:** All coal seams and associated strata below the Tiller 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:** \$691,170.00 (B41 \$404,939.00 & B41A \$286,231.00) See Exhibit C which estimates/reports the costs associated with one frac well. To the extent additional wells may be required by mine plans in the Buchanan No. 1 Mine, the costs of any such additional wells as may be permitted by the Division of Gas and Oil, in accordance with the provisions of §45.1-361.20.C., Code of Virginia, will not be allocated for frac well production 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 LLC
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 12-0417-3051-01

RELIEF SOUGHT: RE-POOLING

UNIT NUMBER: B-41

NOTICE OF HEARING

HEARING DATE: May 20, 2014
PLACE: Russell County Conference Center
135 Highlands Drive
Lebanon, Virginia 24266
TIME: 9:00 AM

COMMONWEALTH OF VIRGINIA:

To: *Pocahontas Mining Company; Cabot Oil & Gas Corporation; LBR Holdings LLC; T.G. Rogers, III, Derek Browning Rogers, Kevin Rogers, Shaun Rogers, Gregory Poulos, Jason Poulos, Pamela Poulos, EQT Production Company*

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:** Re-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 OGCB 3-90; VGOB-91-1119-162; VGOB 92/02/16-0336; and VGOB 93/03/16-0349.

5. **Type of well(s):** Coalbed methane.

6. **Plat:** Annexed hereto are Exhibit A, Exhibit A1 and the Tract Identifications for Exhibit A. The Plat shows the size and shape of the unit and the boundaries of the tracts within the unit. The Tract Identification page 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 Tiller 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:** \$691,170.00 (B41 \$404,939.00 & B41A \$286.231.00)

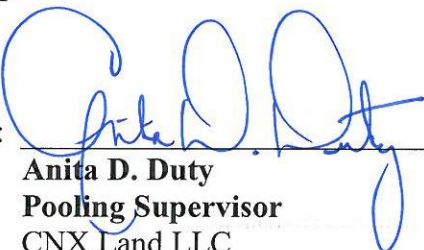
10. **Attestation:** The foregoing application to the best of my knowledge, information, and belief is true and correct.

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 **May 20, 2014**, 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.

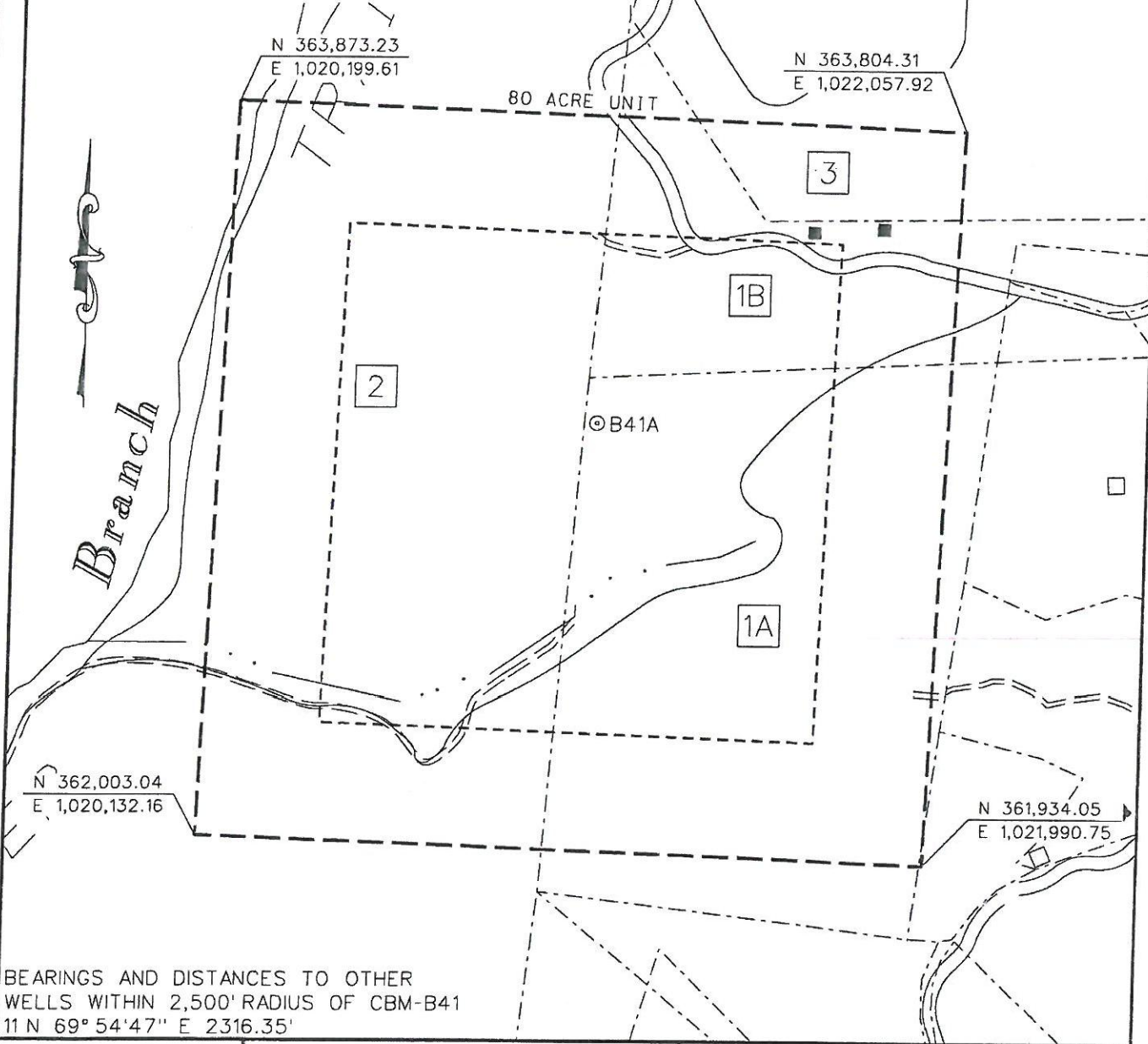
NOTICE IS FURTHER GIVEN that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. For further information or a copy of the application and exhibits, either contact the Virginia Gas and Oil Board, State Oil and Gas Inspector, Department of Mines, 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: 4-18-14

CNX Gas Company LLC
Applicant

By: 
Anita D. Duty
Pooling Supervisor
CNX Land LLC
2481 John Nash Blvd.
Bluefield, WV 24701

Property lines shown on this plot 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.



BEARINGS AND DISTANCES TO OTHER WELLS WITHIN 2,500' RADIUS OF CBM-B41
 11 N 69° 54' 47" E 2316.35'

☉ CBM WELL
 © PROPOSED CBM WELL



Digitally signed by Stephen E Maxfield
 DN: c=US, o=IdenTrust ACES Business Representative, ou=D. R. PRICE ENGINEERING AND LAND SURVEYING INC PC, cn=Stephen E Maxfield, 0.9.2342.19200300.100.1.1=A0109800000013B4DEE1AFB000057FD
 Date: 2014.04.11 13:58:33 -04'00'

EXHIBIT A
 OAKWOOD FIELD
 UNIT B41
 FORCE POOLING
 VG0B-12-0417-3051-01

Company CNX Gas Company LLC Well Name and Number UNIT B41
 Tract No. _____ Elevation _____ Quadrangle BRADSHAW
 County BUCHANAN District GARDEN/NORTH GRUNDY Scale: 1" = 400' Date _____
 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 B41

Tract Identifications

- 1A. Pocahontas Resources LLC Tr. 69 (938.57 Acre tract) – Fee
Reserve Coal Properties Company – Coal In P-3 Seam and 250' Above Leased
Jewell Smokeless Coal Corporation – Red Ash, Jawbone and Tiller Seam Leased
Revelation Energy, LLC – Coal Above Red Ash Seam Leased
Cabot Oil and Gas Corporation – Oil and Gas Leased
CNX Gas Company LLC – CBM Leased
27.06 acres 33.8250%
- 1B. Pocahontas Resources LLC Tr. 69 (938.57 Acre tract) – Fee
Reserve Coal Properties Company – Coal In P-3 Seam and 250' Above Leased
Jewell Smokeless Coal Corporation – Red Ash, Jawbone and Tiller Seam Leased
Revelation Energy, LLC – Coal Above Red Ash Seam Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
9.84 acres 12.3000%
2. Pocahontas Resources LLC Tr.78 (202.36 Acre tract) – Fee
Reserve Coal Properties Company – Coal In P-3 Seam and 250' Above Leased
Jewell Smokeless Coal Corporation – Red Ash, Jawbone and Tiller Seam Leased
Revelation Energy, LLC – Coal Above Red Ash Seam Leased
Cabot Oil and Gas Corporation – Oil and Gas Leased
CNX Gas Company LLC – CBM Leased
39.85 acres 49.8125%
3. LBR Holdings, LLC (410.60 Acre Tract) – All Coal
Island Creek Coal Company – Coal Below Jawbone Seam Leased
Reserve Coal Properties Company – P-3 Seam Subleased
Jewell Smokeless Coal Corporation – Coal In Jawbone Seam and Above Leased
LBR Holdings, LLC, et al – Oil and Gas
EQT Production Company – Oil, Gas and CBM Leased (75%)
Unknown Surface Owner
3.25 acres 4.0625%

"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 B-41
Docket #VGOB 12-0417-3051-01
List of all Owners/Claimants

| | Acres in Unit | Percent of Unit |
|---|----------------------------------|-----------------|
| I. COAL OWNERSHIP | | |
| <u>Tract #1A, 27.06 acres</u> | | 100.0000% |
| (1) Pocahontas Mining Company, Tr.69 Limited Partnership, L.L.P. P. O. Box 1837 Abingdon, VA 24212 <i>(938.57 Acre Tract)</i> | 27.06 acres | 33.8250% |
| <u>Tract #1B, 9.84 acres</u> | | |
| (1) Pocahontas Mining Company, Tr.69 Limited Partnership, L.L.P. P. O. Box 1837 Abingdon, VA 24212 <i>(938.57 Acre Tract)</i> | 9.84 acres | 12.3000% |
| <u>Tract #2, 39.85 acres</u> | | |
| (1) Pocahontas Mining Company, Tr.78 Limited Partnership, L.L.P. P. O. Box 1837 Abingdon, VA 24212 <i>(202.36 Acre Tract)</i> | 39.85 acres | 49.8125% |
| <u>Tract #3, 3.25 Acres</u> | | |
| (1) LBR Holdings, LLC P.O. Box 22427 Lexington, KY 40522-2427 <i>(410.60 Acre Tract)</i> | 3.25 acres | 4.0625% |
| II. OIL & GAS OWNERSHIP | | |
| <u>Tract #1A, 27.06 acres</u> | | 100.0000% |
| (1) Pocahontas Mining Company, Tr.69 Limited Partnership, L.L.P. P. O. Box 1837 Abingdon, VA 24212 <i>(938.57 Acre Tract)</i> | 27.06 acres | 33.8250% |
| <u>Tract #1B, 9.84 acres</u> | | |
| (1) Pocahontas Mining Company, Tr.69 Limited Partnership, L.L.P. P. O. Box 1837 Abingdon, VA 24212 <i>(938.57 Acre Tract)</i> | 9.84 acres | 12.3000% |
| <u>Tract #2, 39.85 acres</u> | | |
| (1) Pocahontas Mining Company, Tr.78 Limited Partnership, L.L.P. P. O. Box 1837 Abingdon, VA 24212 <i>(202.36 Acre Tract)</i> | 39.85 acres | 49.8125% |
| <u>Tract #3, 3.25 Acres</u> | | |
| (1) LBR Holdings, LLC, et al. <i>(410.60 Acre Tract)</i> | 3.25 acres | 4.0625% |
| (a) LBR Holdings, LLC*** P.O. Box 22427 Lexington, KY 40522-2427 | 2.44 acres 3/4 of 3.25 acres | 3.0469% |
| (b) T.G. Rogers, III 3014 Shalford Lane Matthews, NC 28104 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (c) Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |

Exhibit B
Unit B-41
Docket #VGOB 12-0417-3051-01
List of all Owners/Claimants

| | Acres in Unit | Percent of Unit |
|--|----------------------------------|-----------------|
| (d) Kevin Rogers 139 Wickham Rd. Garden City, NY 11530 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (e) Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (f) Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423 | 0.14 acres 1/24 of 3.25 acres | 0.1693% |
| (g) Jason Poulos 10870 SW 95 St. Miami, FL 33176 | 0.14 acres 1/24 of 3.25 acres | 0.1693% |
| (h) Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510 | 0.14 acres 1/24 of 3.25 acres | 0.1693% |

*** Note: EQT Production Company has leased the Oil and Gas estates.

Exhibit B-3
Unit B-41
Docket #VGOB 12-0417-3051-01
List of all Unleased Owners/Claimants

| | Acres in Unit | Percent of Unit |
|---|----------------------------------|-----------------|
| I. COAL OWNERSHIP | | |
| <u>Tract #3, 3.25 Acres</u> | | |
| (1) LBR Holdings, LLC P.O. Box 22427 Lexington, KY 40522-2427 <i>(410.60 Acre Tract)</i> | 3.25 acres | 4.0625% |
| II. OIL & GAS OWNERSHIP | | |
| <u>Tract #3, 3.25 Acres</u> | | |
| (1) LBR Holdings, LLC, et al. <i>(410.60 Acre Tract)</i> | 3.25 acres | 4.0625% |
| (a) LBR Holdings, LLC*** P.O. Box 22427 Lexington, KY 40522-2427 | 2.44 acres 3/4 of 3.25 acres | 3.0469% |
| (b) T.G. Rogers, III 3014 Shalford Lane Matthews, NC 28104 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (c) Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (d) Kevin Rogers 139 Wickham Rd. Garden City, NY 11530 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (e) Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (f) Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423 | 0.14 acres 1/24 of 3.25 acres | 0.1693% |
| (g) Jason Poulos 10870 SW 95 St. Miami, FL 33176 | 0.14 acres 1/24 of 3.25 acres | 0.1693% |
| (h) Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510 | 0.14 acres 1/24 of 3.25 acres | 0.1693% |
| <i>*** Note: EQT Production Company has leased the Oil and Gas estates.</i> | | |
| Acreage in Unit | 3.25 | |
| Percentage of Unit | | 4.0625% |

Company: CNX Gas Company LLC

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

| | | | | | |
|---------------------|--------------------------------------|------------------------|-----------|---------------|---------------|
| AFE # | N/A | Property # | N/A | Version # | |
| Well Name: | B41 | Field: | Oakwood | Completed By: | R. E. Staton |
| Location: | Buchanan County | Operator: | CNX Gas C | Date: | April 7, 2014 |
| Expected Pay Zones: | P-3 Seam and coal seams below Tiller | Estimated Total Depth: | 2,304 ft | AAPG Class: | CBM |
| 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 | \$5,280 |
| | | Permit / Title Opinion / Survey / Insurance | \$0 | \$0 | \$11,684 |
| | | Building Location | \$0 | \$0 | \$85,365 |
| | | Roads / Stone / Culverts | \$0 | \$0 | \$0 |
| | | Surface Damages | \$0 | \$0 | \$0 |
| | | Drilling - Footage | \$0 | \$0 | \$70,763 |
| | | Drilling - Mobilization | \$0 | \$0 | \$0 |
| | | Drilling - Dayrate | \$0 | \$0 | \$0 |
| | | Mud & Chemicals (Drilling) | \$0 | \$0 | \$0 |
| | | Fuel | \$0 | \$0 | \$0 |
| I | | Cement Surface casing | \$0 | \$0 | \$7,632 |
| N | | Cement Intermediate casing | \$0 | \$0 | \$0 |
| T | | Open Hole Logging & Testing | \$0 | \$0 | \$3,071 |
| 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 | \$0 |
| | | Stimulation / Fracturing | \$0 | \$0 | \$90,054 |
| | | Completion Rig | \$0 | \$0 | \$0 |
| | | Reclamation & Damages | \$0 | \$0 | \$0 |
| | | Haul Pit Water / Disposal | \$0 | \$0 | \$0 |
| | | Cement Production Casing | \$0 | \$0 | \$14,619 |
| | | Rental Tools & Equipment (Completion) | \$0 | \$0 | \$0 |
| | | Fresh Water Hauling (Completion) | \$0 | \$0 | \$0 |
| | | Roustabout Labor | \$0 | \$0 | \$25 |
| | | TOTAL INTANGIBLES | \$0 | \$0 | \$288,493 |

| Code | Code | Description | Casing Point | Completion | Total Cost |
|------|------|--|--------------|------------|------------------|
| T | | 13 3/8" #REF! Ft 0-75' | \$0 | \$0 | \$2,500 |
| A | | 7" #REF! Ft 773 | \$0 | \$0 | \$7,099 |
| N | | 255 " 19 lb/ft LS Intermediate Csg #REF! Ft | \$0 | \$0 | n/a |
| G | | 4 1/2" 9.5 lb/ft M-65 Production Csg #REF! Ft | \$0 | \$0 | n/a |
| I | | 4 1/2" 10.5 lb/ft M-65 Production Csg #REF! Ft 1956 | \$0 | \$0 | \$13,344 |
| B | | 2-3/8 " 4.7 lb/ft J55 8rd Production Tubing #REF! Ft | \$0 | \$0 | \$13,699 |
| L | | Wellhead Equipment / Fittings | \$0 | \$0 | \$7,258 |
| E | | Tank Battery | \$0 | \$0 | \$0 |
| S | | Separator / Heater / Treater | \$0 | \$0 | \$0 |
| | | Gas Lift Equipment | \$0 | \$0 | \$0 |
| | | Rods / Stuffing Box | \$0 | \$0 | \$14,700 |
| | | Downhole Pump | \$0 | \$0 | \$0 |
| | | Pumping Unit / Motor | \$0 | \$0 | \$8,396 |
| | | SS EQT-Packer,PF,FC,Nip | \$0 | \$0 | \$0 |
| | | Valves & Fittings | \$0 | \$0 | \$0 |
| | | Flow Line labor/material | \$0 | \$0 | \$24,450 |
| | | Sales line labor/mat/row | \$0 | \$0 | \$25,000 |
| | | TOTAL TANGIBLES | \$0 | \$0 | \$116,446 |

| | | | | | |
|------------------------------|-----|------------------------|---------------------------|------------------|-------------------------|
| GRAND TOTAL WELL COST | | | \$0 | \$0 | \$404,939 |
| 153 | 115 | Plugging & Abandonment | \$0 | | |
| | | | Production Costs : | \$404,939 | Dry Hole Costs : |
| | | | | \$288,493 | |

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

Management Approval Approved by: Bob Staton Title Permit Analyst Date 4-11-14

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.

Well B41A
Estimated AFE
VGOB 12-0417-3051

| CODE | ITEM | | | | Est. Cost |
|---------------------------------------|-----------------------------------|--|--|--|---------------------|
| | Title and Acquisition | | | | \$10,699.00 |
| | Survey & Permits | | | | \$3,000.00 |
| | Site Preparation | | | | \$22,465.00 |
| | Drilling Contract Services | | | | \$59,432.00 |
| | Logging Services | | | | \$2,600.00 |
| | Casing | | | | \$4,000.00 |
| | Cement & Cement Svcs. | | | | \$4,800.00 |
| | Contract Services and Labor | | | | \$750.00 |
| Dry Hole Cost | | | | | \$107,746.00 |
| | Production Casing | | | | \$11,235.00 |
| | Cementing Services | | | | \$9,800.00 |
| | Well Head Equipment | | | | \$10,500.00 |
| | Logging/Perforating | | | | \$9,000.00 |
| | Completion (Stimulation) | | | | \$68,000.00 |
| | Electrical Installation | | | | \$10,000.00 |
| | Noncontrollable Materials (Elect) | | | | \$5,600.00 |
| | Pumping Unit and Equipment | | | | \$11,600.00 |
| | Tubing and Rods | | | | \$17,000.00 |
| | Contract Labor | | | | \$750.00 |
| | Compression/Production | | | | \$25,000.00 |
| Completed Well Cost | | | | | \$178,485.00 |
| Total Well Cost for Production | | | | | \$286,231.00 |

Well: CBM B41A
Permit No.: N/A
PTVD - 2177' PTVD

Prepared By: B. L. Infante

Date: 3/8/12

Disclaimer: The actual cost for the drilling and completion of this well may vary from this estimate, however, the major cost items are shown and are typical of wells of the same type and depth.

Exhibit E
Unit B-41
Docket #VGOB 12-0417-3051-01
List of all Owners/Claimants requiring escrow

| | Acres in Unit | Percent of Unit |
|---|----------------------------------|-----------------|
| <u>Tract #3. 3.25 Acres</u> | | |
| <i>Only 1/4 of LBR Holdings, LLC interest should be escrowed due to conflicting CBM claim.</i> | | |
| <u>COAL OWNERSHIP</u> | | |
| (1) LBR Holdings, LLC P.O. Box 22427 Lexington, KY 40522-2427 <i>(410.60 Acre Tract)</i> | 3.25 acres | 4.0625% |
| <u>OIL & GAS OWNERSHIP</u> | | |
| (1) LBR Holdings, LLC, et al. <i>(410.60 Acre Tract)</i> | 3.25 acres | 4.0625% |
| (b) T.G. Rogers, III 3014 Shalford Lane Matthews, NC 28104 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (c) Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (d) Kevin Rogers 139 Wickham Rd. Garden City, NY 11530 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (e) Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423 | 0.10 acres 1/32 of 3.25 acres | 0.1270% |
| (f) Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423 | 0.14 acres 1/24 of 3.25 acres | 0.1693% |
| (g) Jason Poulos 10870 SW 95 St. Miami, FL 33176 | 0.14 acres 1/24 of 3.25 acres | 0.1693% |
| (h) Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510 | 0.14 acres 1/24 of 3.25 acres | 0.1693% |

TOTAL CONFLICTS:

| | | |
|--------------------|------|---------|
| Acreage in Unit | 0.81 | |
| Percentage of Unit | | 1.0156% |



July 31, 2013

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 B41

Dear Mr. Cooper;

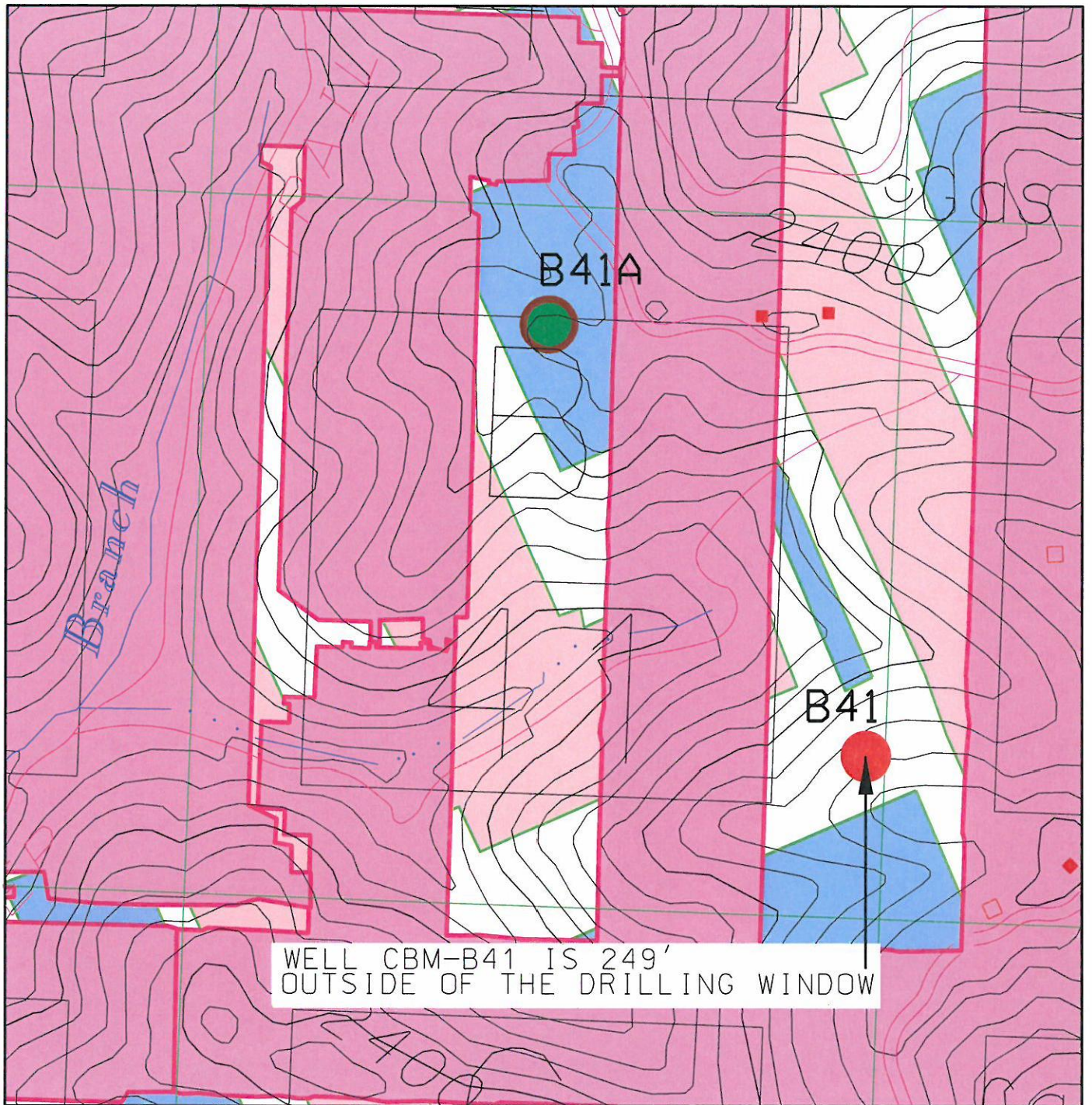
CNX Gas Company LLC hereby requests a location exception for the above referenced proposed gas well. Due to topography, another permitted CBM well in the unit, and extensive active and projected deep mining by Dominion Coal Corporation within the Jawbone and Red Ash coal seams, this well cannot be located inside the drilling window. The proposed well is approximately 249 feet outside of the drilling window.

Therefore, based on the aforementioned conditions, we hereby request a location exception be granted for this well (see attached exhibit).

Bob Staton

Bob Staton, M.S., P.G.
Gas Permitting Agent

Cc: Philip Lowe, Anita Duty, file B41



WELL CBM-B41 IS 249'
OUTSIDE OF THE DRILLING WINDOW

LOCATION EXCEPTION EXHIBIT WELL NO. CBM-B41

SCALE: 1" = 400'

DATE: 7/31/13

CNX GAS COMPANY, LLC.
2481 JOHN NASH BLVD.
BLUEFIELD, WV 24701

DRAWN BY: RH

FILE: LOC-EXCEPTION-B41

LEGEND

- RED ASH MINES - DOMINION NO. 30 - DOMINION COAL COMPANY
- JAWBONE MINES - DOMINION NO. 36 - DOMINION COAL COMPANY
- RED ASH PROJ - DOMINION NO. 30 - DOMINION COAL COMPANY