

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL  
DOCKET NO.: VGOB 16-1115-4099

RELIEF SOUGHT: POOLING

LOCATION: SEE EXHIBITS "A" AND "A1"

HEARING DATE: November 15, 2016

UNIT NUMBER: Y-46  
IN THE OAKWOOD COALBED METHANE GAS FIELD I

TAZEWELL COUNTY, VIRGINIA

APPLICATION

1. **Applicant and its counsel:** Applicant is CNX Gas Company LLC, 627 Claypool Hill Mall Road, Cedar Bluff, Virginia 24609, 276/596-5143. Applicant's counsel is Mark A. Swartz, Hilliard & Swartz, LLP, 122 Capitol Street, FL 2, Charleston, WV 25301.

2. **Relief sought:** 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:**

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/re-pooled and Applicant' standing:** The respondents whose interests are sought to be pooled/re-pooled by the Applicant are:

*Donald Ray Joyce and Emory Dean Joyce*

Further, said respondents are listed in Exhibit B-3 hereto which describes their interests/claims. The respondents and others, if any, whose interests are subject to escrow under §45.1-361.21.D. are identified at Exhibit E. The annexed Exhibit B-3 at pages 2 and 3 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:** **\$670,47400 (Well Y46 \$335,237.00 & Y46A \$335,237.00)** See Exhibit C which estimates/reports the costs associated with two frac wells. 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**  
BY ITS PROFESSIONAL MANAGER  
CNX GAS COMPANY LLC, PETITIONER

By: 

**Anita D. Duty**  
Pooling Supervisor  
627 Claypool Hill Mall Road  
Cedar Bluff, Virginia 24609

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL  
DOCKET NO. VGOB 16-1115-4099

RELIEF SOUGHT: POOLING

UNIT NUMBER: Y-46

NOTICE OF HEARING

HEARING DATE: November 15, 2016  
PLACE: Russell County Conference Center  
135 Highlands Drive  
Lebanon, Virginia 24266  
TIME: 9:00 AM

COMMONWEALTH OF VIRGINIA:

To: *Donald Ray Joyce and Emory Dean Joyce*

1. **Applicant and its counsel:** Applicant is CNX Gas Company LLC, 627 Claypool Hill Mall Road, Cedar Bluff, Virginia 24609, 276/596-5143. Applicant's counsel is Mark A. Swartz, Hilliard & Swartz, LLP, 122 Capitol Street, FL 2, Charleston, WV 25301.

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 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:** **\$670,47400 (Well Y46 \$335,237.00 & Y46A \$335,237.00)**

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 **November 15, 2016**, at the Russell County Government Conference Center, 139 Highlands Drive, Lebanon, Virginia 24266, and that notice will be published as required by law and the Rules of the Board.

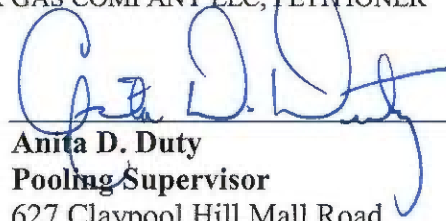
**NOTICE IS FURTHER GIVEN** that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. For further information or a copy of the Application and Exhibits, either contact the Virginia Gas and Oil Board, State Oil and Gas Inspector, Department of Mines, Minerals and Energy, the Division of Gas and Oil, 135 Highland Drive, Lebanon, Virginia 24266, 276/415-9650 or the Applicant at the address shown below.

DATED: \_\_\_\_\_

10 | 14 | 16

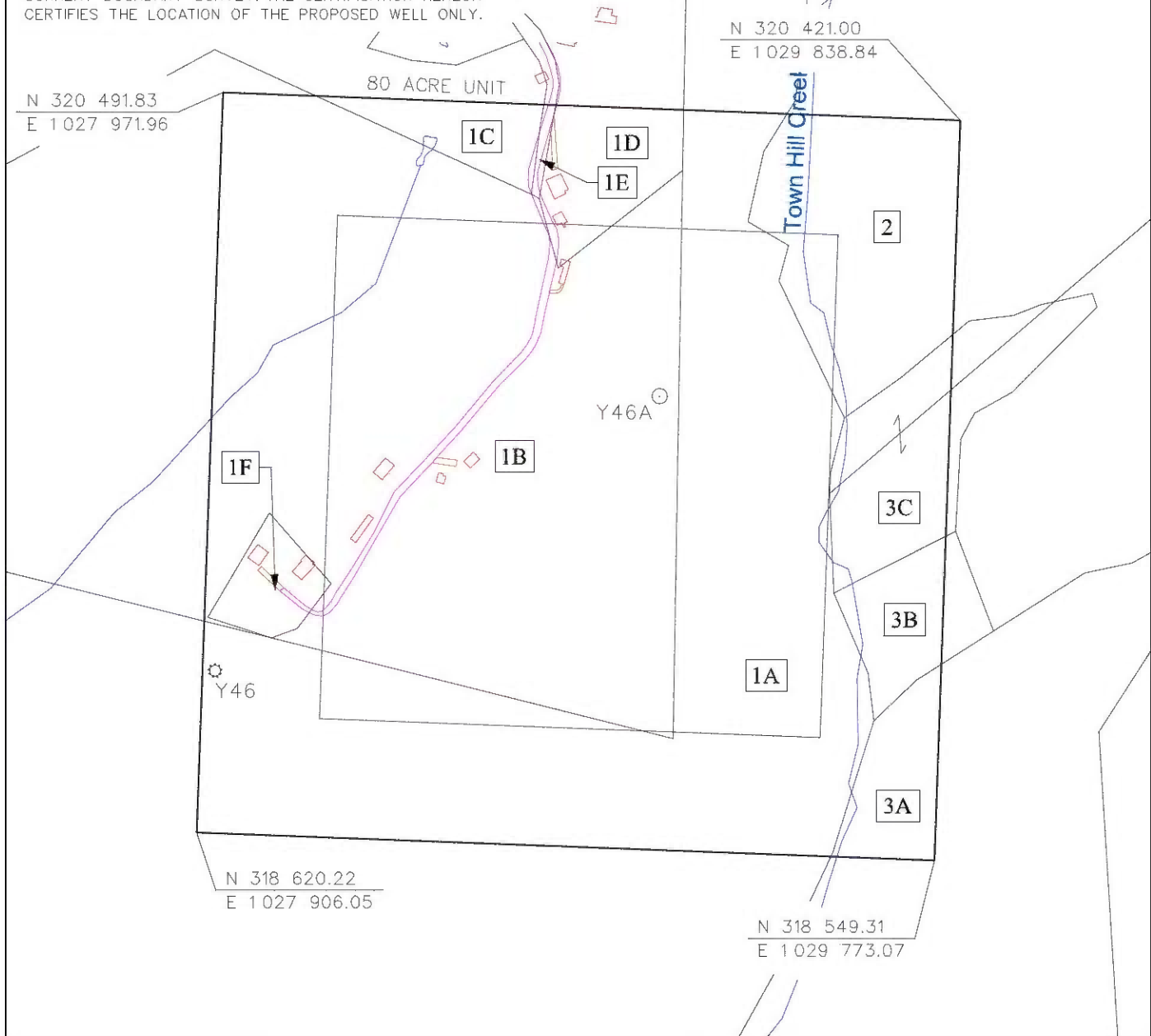
**CNX GAS COMPANY LLC**  
BY ITS PROFESSIONAL MANAGER  
CNX GAS COMPANY LLC, PETITIONER

By: \_\_\_\_\_



**Anita D. Duty**  
**Pooling Supervisor**  
627 Claypool Hill Mall Road  
Cedar Bluff, Virginia 24609

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 LOCATION OF THE PROPOSED WELL ONLY.



⊗ CBM WELL  
⊙ PROPOSED CBM WELL

EXHIBIT A  
OAKWOOD FIELD  
UNIT Y46  
FORCE POOLING  
VGOB-16-1115-4099

Company CNX Gas Company LLC Well Name and Number UNIT Y46  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle JEWELL RIDGE  
 County TAZEWELL District MAIDEN SPRINGS Scale: 1" = 400' Date 10/20/16  
 This plat is a new plat X ; an updated plat \_\_\_\_\_ ; or a final plat No. 002289



Form DGO-GO-7 \_\_\_\_\_ (Affix Seal)  
 Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor

**CNX Gas Company LLC**  
**UNIT Y46**  
**Tract Identifications**

1. James W. Harman, Jr., et al (Harman-Huffman 1,010.98 Acre Tract) - Coal In P-3 Seam  
CONSOL Mining Company LLC – All Coal above the Tiller Seam  
Buchanan Mining Company LLC – All Coal below the Tiller Seam except P-3 Seam  
Buchanan Mining Company LLC – Coal in P-3 Seam Leased  
CNX Gas Company LLC - CBM in P-3 Seam Leased  
Buchanan Mining Company LLC – Coal below Tiller Leased  
CNX Gas Company LLC – Oil & Gas  
Tax Map 65A      Parcel 13  
66.55 Acres      83.1875 %
  - 1A. Buchanan Mining Company LLC – Surface
  - 1B. Unknown Surface Owner
  - 1C. Unknown Surface Owner
  - 1D. Unknown Surface Owner
  - 1E. Commonwealth of Virginia – Surface
  - 1F. Unknown Surface Owner
  
2. Southern Region Industrial Realty Corporation, Tr. 8 (338.43 Acre Tract) – All Coal except P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner’s Claim to CBM  
Buchanan Mining Company LLC– Coal in P-3 Seam  
White Wolf Energy, Inc - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – CBM in P-3 Seam  
Donald R. Joyce, et al - Surface, Oil and Gas  
Tax Map 46A      Parcel 15  
6.74 Acres      8.4250 %
  
- 3A. James W. Harman, Jr., et al (Harman-Huffman 1,097.14 Acre Tract) - Coal In P-3 Seam  
CONSOL Mining Company LLC – All Coal above the Tiller Seam  
Buchanan Mining Company LLC – All Coal below the Tiller Seam except P-3 Seam  
Buchanan Mining Company LLC – Coal in P-3 Seam Leased  
CNX Gas Company LLC – CBM in P-3 Seam Leased  
CNX Gas Company LLC – Oil and Gas  
Buchanan Mining Company LLC – Surface  
Tax Map 65A      Parcel 14  
1.99 Acres      2.4875 %
  
- 3B. James W. Harman, Jr., et al (Harman-Huffman 1,097.14 Acre Tract) - Coal In P-3 Seam  
CONSOL Mining Company LLC – All Coal above the Tiller Seam  
Buchanan Mining Company LLC – All Coal below the Tiller Seam except P-3 Seam  
Buchanan Mining Company LLC – Coal in P-3 Seam Leased  
CNX Gas Company LLC – CBM in P-3 Seam Leased  
Barbara Sue Baxter, et al – Surface, Oil and Gas  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
Tax Map 65A      Parcel 00  
1.69 Acres      2.1125 %

"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."

**CNX Gas Company LLC**  
**UNIT Y46**  
**Tract Identifications**

- 3C. James W. Harman, Jr., et al (Harman-Huffman 1,097.14 Acre Tract) - Coal In P-3 Seam  
CONSOL Mining Company LLC – All Coal above the Tiller Seam  
Buchanan Mining Company LLC – All Coal below the Tiller Seam except P-3 Seam  
Buchanan Mining Company LLC – Coal in P-3 Seam Leased  
CNX Gas Company LLC – CBM in P-3 Seam Leased  
Donald R. Joyce, et al - Surface, Oil and Gas  
Tax Map 46A      Parcel 15  
3.03 Acres      3.7875 %

"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 Y46**  
**VGOB # 16-1115-4099**  
**List of all Owners/Claimants**  
**(80.00 Acre Unit)**

	Acres in Unit	Percent of Unit	1/8th Percent of Unit	Coal Document #	CBM Document #
<b>I. COAL OWNERSHIP</b>		100.0000%	12.5000%		
<b><u>Tract #1 - 66.55 acres</u></b>					
(1) J. W. Harman, Jr. et al <i>(1010.98 Acre Tract)</i>	66.55 acres	83.1875%	0.10398438		
(a) J. W. Harman, Jr. Heirs, Devisees, Successors or Assigns <i>(1/2 Pocahontas No. 3 Seam)</i>					
(a.1) James W. Harman, III 1206 Medley Valley Rd Tazewell, VA 24651	16.64 acres 1/4 of 19.47 acres	20.7969%	0.02599609	180006	488143 Royalty Division Agreement
(a.2) Jonathan H. Harman 2727 Mountain View Bluefield, WV 24701	16.64 acres 1/4 of 19.47 acres	20.7969%	0.02599609	180006	488144 Royalty Division Agreement
(b) Samuel Laird Harman Heirs, Devisees, Successors or Assigns <i>(1/2 Pocahontas No. 3 Seam)</i>					400206-001
(b.1) Nancy Christina Harman 233 Grace Lane, NE Riner, VA 24149	33.28 acres 1/2 of 19.47 acres	41.5938%	0.05199219	180006	400206-001 Royalty Division Agreement
(2) Buchanan Mining Company LLC <i>(All Coal except P3 Seam)</i> 10545 Riverside Dr. Oakwood, VA 24631	66.55 acres	83.1875%	0.10398438	180046	
<b><u>Tract #2, 6.74 acres</u></b>					
(1) Southern Region Industrial Realty Corp. <i>(Coal except P3 Seam)</i> <i>Tr. 8 (338.43 acre tract)</i> Pocahontas Land Corporation, Agent P. O. Box 1517 Bluefield, WV 24701	6.74 acres	8.4250%	0.01053125		180311
<i>Southern Region Industrial Realty Corp. conveyed all rights, title and interest by Special Warranty Oil &amp; Gas Deed to Penn Virginia Oil &amp; Gas Corporation on April 1, 2000, recorded in Buchanan County under DB508 / PG99</i>					
Penn Virginia Oil & Gas Corporation					
<i>Effective January 1, 2012, Penn Virginia Oil &amp; Gas Corporation by Assignment and Bill of Sale transferred all of its rights, title and interest to "certain" properties to EverVest Energy Funds</i>					
EnerVest Energy Funds					
<i>With an effective date of January 1, 2013, Enervest Energy Funds conveyed by Special Warranty Deed all its rights, title and interest to "certain" properties to Pardee Royalty LLC and Pardee Minerals LLC</i>					
Pardee Royalty LLC and Pardee Minerals LLC P. O. Box 102904 Atlanta, GA 30368-2904					
White Wolf Energy, Inc. 300 Corporate Centre Drive Scott Depot, WV 25660 <i>(previously Anker Virginia Mining Company, Inc.)</i>					
(2) Buchanan Mining Company LLC <i>(Coal in P3 Seam only)</i> 10545 Riverside Drive Oakwood, VA 24631	6.74 acres			180046	
<b><u>Tract #3A - 1.99 acres</u></b>					
(1) James W. Harman, Jr., et al. <i>(Coal in the P-3 Seam Only)</i> <i>(Harman-Huffman 1,097.14 Acre Tract)</i>	1.99 acres	2.4875%	0.00310938	180007	
(a) James W. Harman Jr. Heirs, Devisees, Successors or Assigns (1/7) <i>NOTE: The Interest of James W. Harman Jr. was devised equally to James W. Harman, III (1/14) and Jonathan H. Harman (1/14).</i>				180007	488146 Royalty Division Agreement

**Exhibit B**  
**Unit Y46**  
**VGOB # 16-1115-4099**  
**List of all Owners/Claimants**  
**(80.00 Acre Unit)**

	Acres in Unit	Percent of Unit	1/8th Percent of Unit	Coal Document #	CBM Document #
(b) Evelyn H. Harman Heirs, Deviseses, Successors or Assigns (1/7) <i>NOTE: The Interest of Evelyn H. Harman was devised equally to James W. Harman, III (1/14) and Jonathan H. Harman (1/14).</i>				180007	488145 Royalty Division Agreement
(c) James W. Harman, III (Includes the interest from (a) & (b) above) 1206 Medley Valley Rd. Tazewell, VA 24651	0.5686 acres 2/7 of 1.99 acres	0.7107%	0.00088839	180007	488143, 488145 488146 Royalty Division Agreement
(d) Jonathan H. Harman (Includes the interest from (a) & (b) above) 2727 Mountain View Avenue Bluefield, WV 24701	0.5686 acres 2/7 of 1.99 acres	0.7107%	0.00088839	180007	488144, 488145 488146 Royalty Division Agreement
(e) S. Laird Harman Heirs, Deviseses, Successors or Assigns (1/7)					
(e.1) Nancy Christina Harman 233 Grace Ln, NE Riner, VA 24149	0.2843 acres 1/7 of 1.99 acres	0.3554%	0.00044420	180007	400206-001 Royalty Division Agreement
(f) Bettie H. St Clair 104 Dial Rock Road North Tazewell, VA 24630	0.2843 acres 1/7 of 1.99 acres	0.3554%	0.00044420	180007	488154 Royalty Division Agreement
(g) Minnie E. Harman Estate, Inc.	<i>Conveyed by Instr. 16-1272 5/3/2016</i>				
(g.1) Coal Creek Coal Company PO Box 323 Tazewell, VA 24651	0.2843 acres 1/7 of 1.99 acres	0.3554%	0.00044420	180007	488153 Royalty Division Agreement
(2) Buchanan Mining Company LLC <b>(All Coal except P3 Seam)</b> 10545 Riverside Dr. Oakwood, VA 24631	1.99 acres	2.4875%	0.00310938	180860	Royalty Division Agreement
<b><u>Tract #3B - 1.69 acres</u></b>					
(1) James W. Harman, Jr., et al. <b>(Coal in the P-3 Seam Only)</b> <i>(Harman-Huffman 1,097.14 Acre Tract)</i>	1.69 acres	2.1125%	0.00264063	180007	
(a) James W. Harman Jr. Heirs, Deviseses, Successors or Assigns (1/7) <i>NOTE: The Interest of James W. Harman Jr. was devised equally to James W. Harman, III (1/14) and Jonathan H. Harman (1/14).</i>				180007	488146
(b) Evelyn H. Harman Heirs, Deviseses, Successors or Assigns (1/7) <i>NOTE: The Interest of Evelyn H. Harman was devised equally to James W. Harman, III (1/14) and Jonathan H. Harman (1/14).</i>				180007	488145
(c) James W. Harman, III (Includes the interest from (a) & (b) above) 1206 Medley Valley Rd. Tazewell, VA 24651	0.4829 acres 2/7 of 1.69 acres	0.6036%	0.00075446	180007	488143, 488145 488146
(d) Jonathan H. Harman (Includes the interest from (a) & (b) above) 2727 Mountain View Avenue Bluefield, WV 24701	0.4829 acres 2/7 of 1.69 acres	0.6036%	0.00075446	180007	488144, 488145 488146
(e) S. Laird Harman Heirs, Deviseses, Successors or Assigns (1/7)					
(e.1) Nancy Christina Harman 233 Grace Ln, NE Riner, VA 24149	0.2414 acres 1/7 of 1.69 acres	0.3018%	0.00037723	180007	400206-001
(f) Bettie H. St Clair 104 Dial Rock Road North Tazewell, VA 24630	0.2414 acres 1/7 of 1.69 acres	0.3018%	0.00037723	180007	488154
(g) Minnie E. Harman Estate, Inc.	<i>Conveyed by Instr. 16-1272 5/3/2016</i>				
(g.1) Coal Creek Coal Company PO Box 323 Tazewell, VA 24651	0.2414 acres 1/7 of 1.69 acres	0.3018%	0.00037723	180007	488153
(2) Buchanan Mining Company LLC <b>(All Coal except P3 Seam)</b> 10545 Riverside Dr. Oakwood, VA 24631	1.69 acres	2.1125%	0.00264063	180860	

**Exhibit B**  
**Unit Y46**  
**VGOB # 16-1115-4099**  
**List of all Owners/Claimants**  
**(80.00 Acre Unit)**

	Acres in Unit	Percent of Unit	1/8th Percent of Unit	Coal Document #	CBM Document #
<b><u>Tract #3C - 3.03 acres</u></b>					
(1) James W. Harman, Jr., et al. <i>(Coal in the P-3 Seam Only)</i> <i>(Harman-Huffman 1,097.14 Acre Tract)</i>	3.03 acres	3.7875%	0.00473438	180007	
(a) James W. Harman Jr. Heirs, Deviseses, Successors or Assigns (1/7) <i>NOTE: The Interest of James W. Harman Jr. was devised equally to James W. Harman, III (1/14) and Jonathan H. Harman (1/14).</i>				180007	488146
(b) Evelyn H. Harman Heirs, Deviseses, Successors or Assigns (1/7) <i>NOTE: The Interest of Evelyn H. Harman was devised equally to James W. Harman, III (1/14) and Jonathan H. Harman (1/14).</i>				180007	488145
(c) James W. Harman, III (Includes the Interest from (a) & (b) above) 1206 Medley Valley Rd. Tazewell, VA 24651	0.8657 acres 2/7 of 3.03 acres	1.0821%	0.00135268	180007	488143, 488145 488146
(d) Jonathan H. Harman (Includes the Interest from (a) & (b) above) 2727 Mountain View Avenue Bluefield, WV 24701	0.8657 acres 2/7 of 3.03 acres	1.0821%	0.00135268	180007	488144, 488145 488146
(e) S. Laird Harman Heirs, Deviseses, Successors or Assigns (1/7)					
(e.1) Nancy Christina Harman 233 Grace Ln, NE Riner, VA 24149	0.4329 acres 1/7 of 3.03 acres	0.5411%	0.00067634	180007	400206-001
(f) Bettie H. St Clair 104 Dial Rock Road North Tazewell, VA 24630	0.4329 acres 1/7 of 3.03 acres	0.5411%	0.00067634	180007	488154
(g) Minnie E. Harman Estate, Inc. <i>Conveyed by Instr. 16-1272 5/3/2016</i>					
(g.1) Coal Creek Coal Company PO Box 323 Tazewell, VA 24651	0.4329 acres 1/7 of 3.03 acres	0.5411%	0.00067634	180007	488153
(2) Buchanan Mining Company LLC <i>(All Coal except P3 Seam)</i> 10545 Riverside Dr. Oakwood, VA 24631	3.03 acres	3.7875%	0.00473438	180860	
<b>II. OIL &amp; GAS OWNERSHIP</b>		100.0000%	12.5000%		
<b><u>Tract #1 - 66.55 acres</u></b>					
(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	66.55 acres	83.1875%	0.10398438		180860 Royalty Division Agreement
<b><u>Tract #2 - 6.74 acres</u></b>					
(1) Donald R. Joyce, et al	6.74 acres	8.4250%	0.01053125		Unleased
(a) Donald Ray Joyce 5656 Fox Ridge Rd, 72 Eunice, NC 28623	4.493 acres 2/3 of 6.74 acres	5.61667%	0.00702083		Unleased
(b) Emory Dean Joyce 782 Stone Road Jewell Ridge, VA 24622	2.247 acres 1/3 of 6.74 acres	2.80833%	0.00351042		Unleased
(c) Teresa Lynn Joyce <i>Conveyed 3/17/2014 by deed of gift DB 2014/3588</i>					
(c.1) Ray Dennis Joyce 780 Stone Road Jewell Ridge, VA 24622 <i>Life Estate</i>					
(d) Betty Ruth Joyce <i>Life Estate extinguished</i>					
<b><u>Tract #3A - 1.99 acres</u></b>					
(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317	1.99 acres	2.4875%	0.00310938		180860 Royalty Division Agreement

**Exhibit B**  
**Unit Y46**  
**VGOB # 16-1115-4099**  
**List of all Owners/Claimants**  
**(80.00 Acre Unit)**

	Acres in Unit	Percent of Unit	1/8th Percent of Unit	Coal Document #	CBM Document #
<b><u>Tract #3B - 1.69 acres</u></b>					
(1) Barbara S. Baxter, et al	1.69 acres	2.1125%	0.00264063		
(a) Larry R. & Dorothy Ann Keen	<i>Conveyed by DB 807/170 on 8/19/2000</i>				
(a) Alta Breedlove Heirs, Devisees, Successors or Assigns					180475 (Larry & Dorothy Keen, Grantors)
(a.1) Barbara Sue Baxter 195 Edgewater Dr Cedar Bluff, VA 24609	0.845 acres 1/2 of 1.69 acres	1.05625%	0.00132031		180475 (Larry & Dorothy Keen, Grantors)
(a.2) Billie Anne Trent 168 Linwood Dr Richlands, VA 24641	0.845 acres 1/2 of 1.69 acres	1.05625%	0.00132031		180475 (Larry & Dorothy Keen, Grantors)
<b><u>Tract #3C - 3.03 acres</u></b>					
(1) Donald R. Joyce, et al	3.03 acres	3.7875%	0.00473438		Unleased
(a) Donald Ray Joyce 5656 Fox Ridge Rd, 72 Eunice, NC 28623	2.020 acres 2/3 of 3.03 acres	2.52500%	0.00315625		Unleased
(b) Emory Dean Joyce 782 Stone Road Jewell Ridge, VA 24622	1.010 acres 1/3 of 3.03 acres	1.26250%	0.00157813		Unleased
(c) Teresa Lynn Joyce	<i>Conveyed 3/17/2014 by deed of gift DB 2014/3588</i>				
(c.1) Ray Dennis Joyce 780 Stone Road Jewell Ridge, VA 24622	<i>Life Estate</i>				
(d) Betty Ruth Joyce	<i>Life Estate extinguished</i>				

**Exhibit B-3**  
**Unit Y46**  
**VGOB # 16-1115-4099**  
**List of Unleased Owners/Claimants**  
**(80.00 Acre Unit)**

	Acres in Unit	Percent of Unit
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<b><u>Tract #2 - 6.74 acres</u></b>		
(1) Donald R. Joyce, et al	6.74 acres	8.4250%
(a) Donald Ray Joyce 5656 Fox Ridge Rd, 72 Eunice, NC 28623	4.493 acres 2/3 of 6.74 acres	5.6167%
(b) Emory Dean Joyce 782 Stone Road Jewell Ridge, VA 24622	2.247 acres 1/3 of 6.74 acres	2.8083%
(c) Teresa Lynn Joyce	<i>Conveyed 3/17/2014 by deed of gift DB 2014/3588</i>	
(c.1) Ray Dennis Joyce 780 Stone Road Jewell Ridge, VA 24622	<i>Life Estate</i>	
(d) Betty Ruth Joyce	<i>Life Estate extinguished</i>	
<b><u>Tract #3C - 3.03 acres</u></b>		
(1) Donald R. Joyce, et al	3.03 acres	3.7875%
(a) Donald Ray Joyce 5656 Fox Ridge Rd, 72 Eunice, NC 28623	2.020 acres 2/3 of 3.03 acres	2.5250%
(b) Emory Dean Joyce 782 Stone Road Jewell Ridge, VA 24622	1.010 acres 1/3 of 3.03 acres	1.2625%
(c) Teresa Lynn Joyce	<i>Conveyed 3/17/2014 by deed of gift DB 2014/3588</i>	
(c.1) Ray Dennis Joyce 780 Stone Road Jewell Ridge, VA 24622	<i>Life Estate</i>	
(d) Betty Ruth Joyce	<i>Life Estate extinguished</i>	
<b><u>TOTAL OIL &amp; GAS ESTATE UNLEASED:</u></b>		
<b>Acreage in Unit Unleased</b>	9.77	
<b>Percentage of Unit Unleased</b>		12.2125%

Company:    CNX Gas Company LLC

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

AFE #	N/A	Property #	N/A	Version #	
Well Name:	Y46	Field:	Oakwood	Completed By:	R.E. Staton
Location:	Tazewell County	Operator:	CNX Gas Company LLC	Date:	10/05/2016
Expected Pay Zones:	coal seams below Tiller Incl. Poca 3 and Squire	Estimated Total Depth:	2,500 ft	AAPG Class:	CBM
Proposed Work:	To drill, complete, and produce	Participant(s):	N/A	W.I.	

Gen	Sub	Description	Casing Point	Completion	Total Cost
		Leasehold Costs	\$0	\$0	\$0
		Permit / Title Opinion / Survey / Insurance	\$5,300	\$0	\$5,300
		Building Location	\$50,000	\$0	\$50,000
		Roads / Stone / Culverts	\$24,000	\$0	\$24,000
		Surface Damages	\$5,000	\$0	\$5,000
		Drilling - Footage	\$50,000	\$0	\$50,000
		Drilling - Mobilization	\$0	\$0	\$0
		Drilling - Dayrate	\$0	\$0	\$0
		Mud & Chemicals (Drilling)	\$0	\$0	\$0
		Fuel	\$0	\$0	\$0
I		Cement Surface casing	\$2,000	\$0	\$2,000
N		Cement Intermediate casing	\$6,000	\$0	\$6,000
T		Open Hole Logging & Testing	\$3,900	\$0	\$3,900
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	\$3,000	\$3,000
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	\$82,000	\$82,000
		Completion Rig	\$0	\$0	\$0
		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	\$3,800	\$3,800
		<b>TOTAL INTANGIBLES</b>	<b>\$146,200</b>	<b>\$88,800</b>	<b>\$235,000</b>

Code	Code	Description	Quantity	Unit	Casing Point	Completion	Total Cost
		13 3/8" Conductor	75	Ft	\$7,500	\$0	\$7,500
		9 5/8" 26 lb/ft LS Surface Csg	0	Ft	\$0	\$0	\$0
		7" 19 lb/ft LS Intermediate Csg	200	Ft	\$2,366	\$0	\$2,366
		4 1/2" 9.5 lb/ft M-65 Production Csg	2,300	Ft	\$17,250	\$0	\$17,250
		4 1/2" 10.5 lb/ft M-65 Production Csg	20	Ft	\$1,200	\$0	\$1,200
		2-3/8" 4.7 lb/ft J55 8rd Production Tubing	2,300	Ft	\$0	\$16,721	\$16,721
		Wellhead Equipment / Fittings			\$0	\$6,200	\$6,200
		Tank Battery			\$0	\$0	\$0
		Separator / Heater / Treater			\$0	\$15,000	\$15,000
		Gas Lift Equipment			\$0	\$0	\$0
		Rods / Stuffing Box			\$0	\$13,000	\$13,000
		Downhole Pump			\$0	\$0	\$0
		Pumping Unit / Motor			\$0	\$11,000	\$11,000
		SS EQT-Packer,PF,FC,Nip			\$0	\$0	\$0
		Valves & Fittings			\$0	\$0	\$0
		Flow Line labor/material			\$0	\$5,000	\$5,000
		Sales line labor/mat/row			\$0	\$5,000	\$5,000
		<b>TOTAL TANGIBLES</b>			<b>\$28,316</b>	<b>\$71,921</b>	<b>\$100,237</b>

<b>GRAND TOTAL WELL COST</b>			<b>\$174,516</b>	<b>\$160,721</b>	<b>\$335,237</b>
153	115	Plugging & Abandonment	\$25,000		
			<b>Production Costs :</b>	<b>\$335,237</b>	<b>Dry Hole Costs :</b>
				<b>\$199,516</b>	

Prepared by: Bob Staton Title Permit Agent Date 10-5-16

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 -- Estimated Authorization For Expenditure (AFE)

AFE #	N/A	Property #	N/A	Version #	
Well Name:	Y46A	Field:	Oakwood	Completed By:	R.E. Staton
Location:	Tazewell County	Operator:	CNX Gas Company LLC	Date:	10/05/2016
Expected Pay Zones:	coal seams below Tiller incl. Poca 3 and Squire	Estimated Total Depth:	2,500 ft	AAPG Class:	CBM
Proposed Work:	To drill, complete, and produce	Participant(s):	N/A	W.I.	

Gen	Sub	Description	Casing Point	Completion	Total Cost
		Leasehold Costs	\$0	\$0	\$0
		Permit / Title Opinion / Survey / Insurance	\$5,300	\$0	\$5,300
		Building Location	\$50,000	\$0	\$50,000
		Roads / Stone / Culverts	\$24,000	\$0	\$24,000
		Surface Damages	\$5,000	\$0	\$5,000
		Drilling - Footage	\$50,000	\$0	\$50,000
		Drilling - Mobilization	\$0	\$0	\$0
		Drilling - Dayrate	\$0	\$0	\$0
		Mud & Chemicals (Drilling)	\$0	\$0	\$0
		Fuel	\$0	\$0	\$0
I		Cement Surface casing	\$2,000	\$0	\$2,000
N		Cement Intermediate casing	\$8,000	\$0	\$8,000
T		Open Hole Logging & Testing	\$3,900	\$0	\$3,900
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	\$3,000	\$3,000
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	\$82,000	\$82,000
		Completion Rig	\$0	\$0	\$0
		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	\$3,800	\$3,800
		<b>TOTAL INTANGIBLES</b>	<b>\$148,200</b>	<b>\$88,800</b>	<b>\$235,000</b>

Code	Code	Description	Casing Point	Completion	Total Cost	
		13 3/8" Conductor	75 Ft	\$7,500	\$0	\$7,500
		9 5/8" 26 lb/ft LS Surface Csg	0 Ft	\$0	\$0	\$0
		7" 19 lb/ft LS Intermediate Csg	200 Ft	\$2,368	\$0	\$2,368
		4 1/2" 9.5 lb/ft M-65 Production Csg	2,300 Ft	\$17,250	\$0	\$17,250
		4 1/2" 10.5 lb/ft M-65 Production Csg	20 Ft	\$1,200	\$0	\$1,200
		2-3/8" 4.7 lb/ft J55 8rd Production Tubing	2,300 Ft	\$0	\$16,721	\$16,721
		Wellhead Equipment / Fittings		\$0	\$6,200	\$6,200
		Tank Battery		\$0	\$0	\$0
		Separator / Heater / Treater		\$0	\$15,000	\$15,000
		Gas Lift Equipment		\$0	\$0	\$0
		Rods / Stuffing Box		\$0	\$13,000	\$13,000
		Downhole Pump		\$0	\$0	\$0
		Pumping Unit / Motor		\$0	\$11,000	\$11,000
		SS EQT-Packer,PF,FC,Nip		\$0	\$0	\$0
		Valves & Fittings		\$0	\$0	\$0
		Flow Line labor/material		\$0	\$5,000	\$5,000
		Sales line labor/mat/row		\$0	\$5,000	\$5,000
		<b>TOTAL TANGIBLES</b>		<b>\$28,316</b>	<b>\$71,921</b>	<b>\$100,237</b>

<b>GRAND TOTAL WELL COST</b>			<b>\$174,516</b>	<b>\$160,721</b>	<b>\$335,237</b>
153	115	Plugging & Abandonment	\$25,000		
			<b>Production Costs :</b>	<b>\$335,237</b>	<b>Dry Hole Costs :</b>
					<b>\$199,516</b>

Prepared by: Bob Staton Title Permit Agent Date 10.5.16

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.

N/A



627 Claypool Hill Mall Road  
Cedar Bluff, VA 24609

April 21, 2016

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 Y46**

Dear Mr. Cooper;

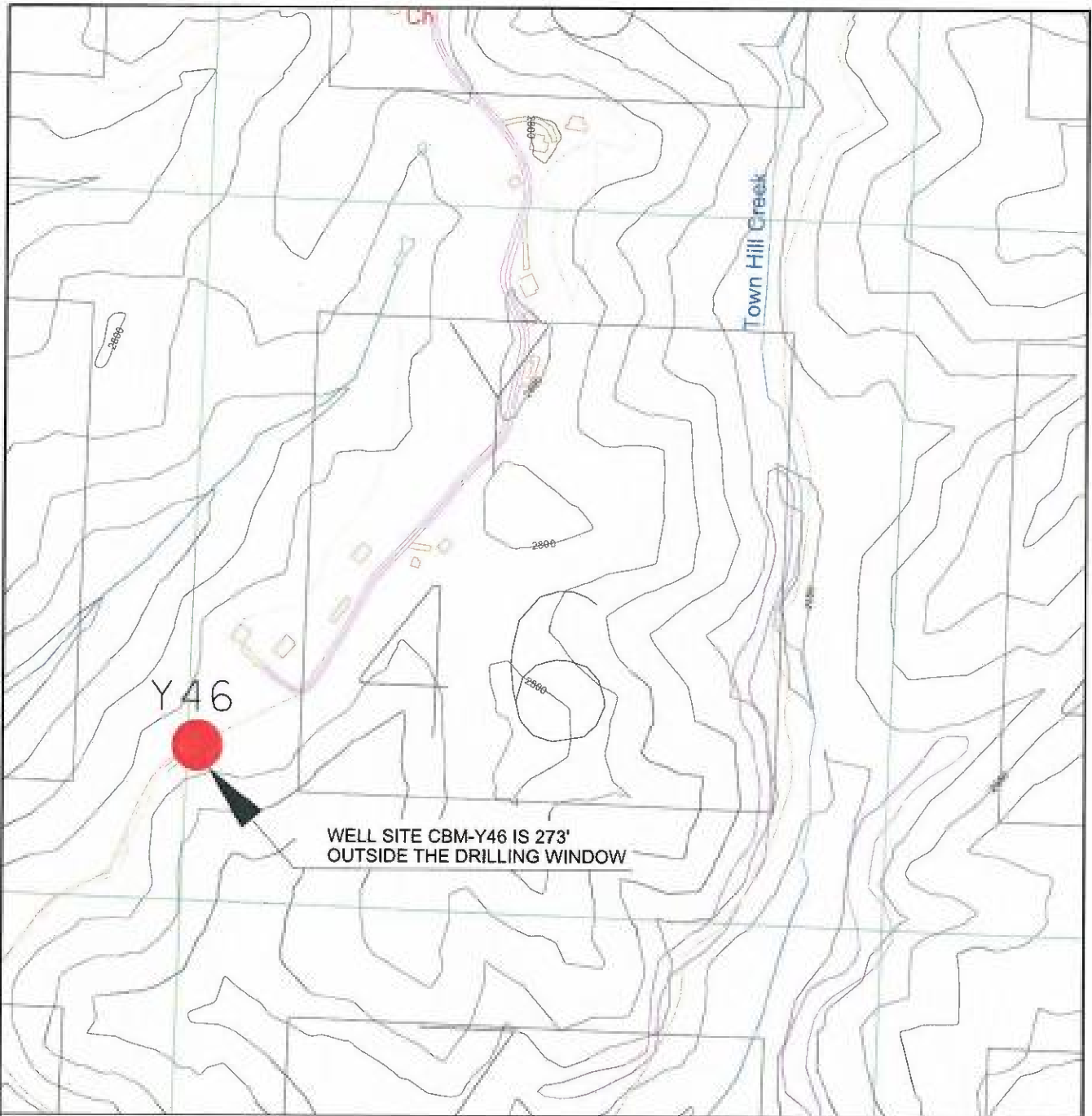
CNX Gas Company LLC hereby requests a location exception for the above referenced well. This proposed well cannot be located within the drilling window due to steeply sloping topography, residential housing and state highway route 616 located through the middle of the unit. The proposed location is proposed in the remote southwest corner of the unit and more than 200 feet from any residence. The location is approximately 273 feet outside of the drilling window.

Therefore, based on the aforementioned conditions, we hereby request a location exception be granted for this well; for the prevention of waste of the natural resource, to protect correlative rights of the gas owners, and maximize the recovery of gas reserves beneath the unit. (see attached exhibit).

*Bob Staton*

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

Cc: Anita Duty, file Y46



## LOCATION EXCEPTION EXHIBIT WELL NO. CBM-Y46

SCALE: 1" = 400'

DATE: 4-21-2016

CNX GAS COMPANY, LLC.  
P.O. BOX 570  
POUNDRING MILL, VA 24637

DRAWN BY: PSD

FILE: LOC-EXCEPTION-Y46

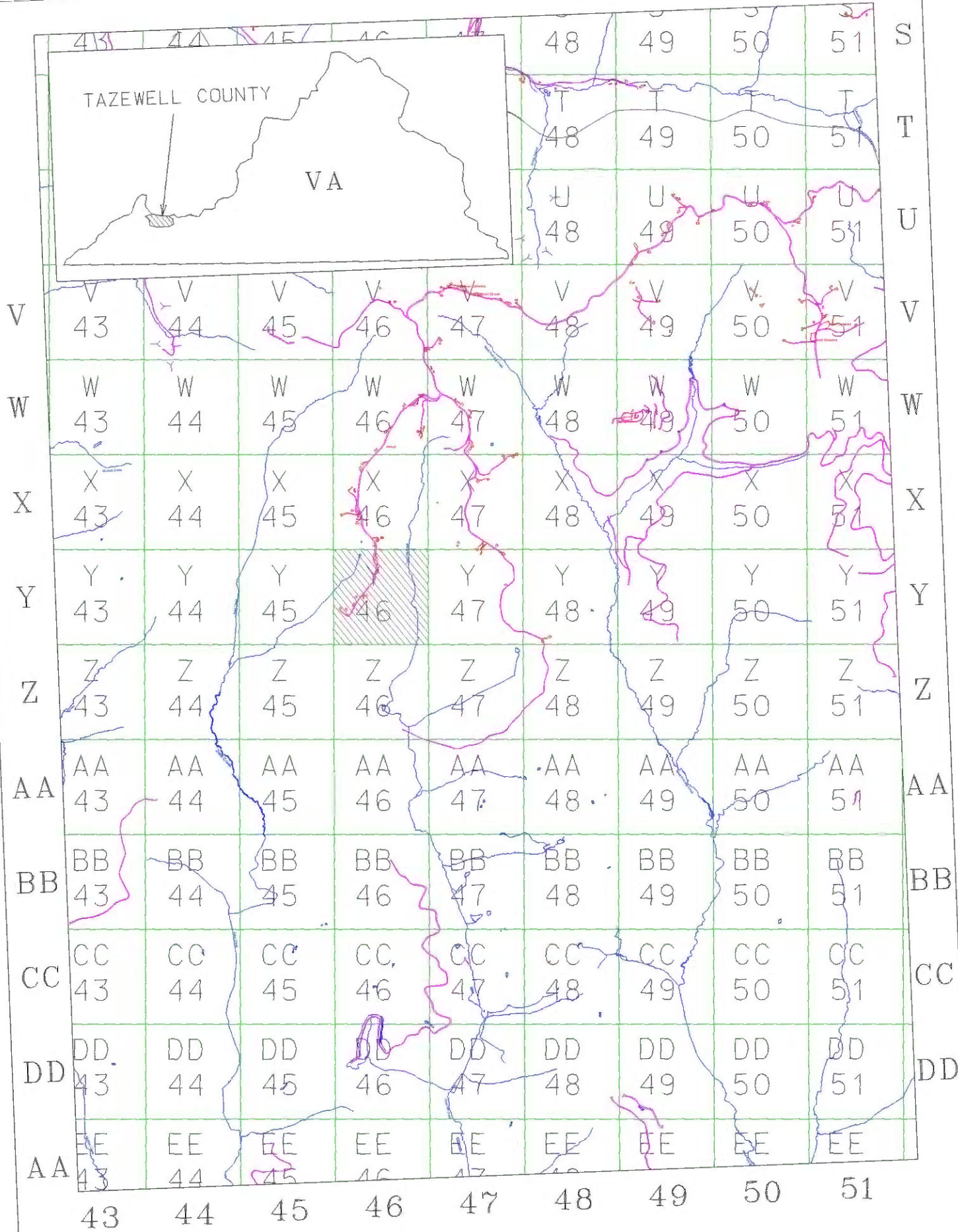


EXHIBIT A1  
 UNIT Y-46  
 VGOB 16-1115-4099  
 Page Number 18.