

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL  
DOCKET NO.: VGOB 01-0515-0889-02

RELIEF SOUGHT: RE-POOLING

LOCATION: SEE EXHIBITS "A" AND "A1"

HEARING DATE: February 21, 2017

UNIT NUMBER: C-32

IN THE OAKWOOD COALBED METHANE GAS FIELD I

BUCHANAN COUNTY, VIRGINIA

APPLICATION

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

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:** C32 Permit # 5079; C32A Permit # 13039

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:

*LBR Holdings, LLC, EQT Production Company, T.G. Rogers, III, Derek Browning Rogers, Kevin Rogers, Shaun Rogers, Gregory Poulos, Jason Poulos, Pamela Poulos*

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:** **\$558,115.15 (Well C32 \$206,705.15 & C32A \$351,410.00)** 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 01-0515-0889-02

RELIEF SOUGHT: RE-POOLING

UNIT NUMBER: C-32

NOTICE OF HEARING

HEARING DATE: February 21, 2017  
PLACE: Russell County Conference Center  
135 Highlands Drive  
Lebanon, Virginia 24266  
TIME: 9:00 AM

COMMONWEALTH OF VIRGINIA:

To: *LBR Holdings, LLC, EQT Production Company, T.G. Rogers, III, Derek Browning Rogers, Kevin Rogers, Shaun Rogers, Gregory Poulos, Jason Poulos, Pamela Poulos*

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

2. **Relief sought:** Re-Pooling

3. **Proposed provisions of order:** (a) Re-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:** **\$558,115.15 (Well C32 \$206,705.15 & C32A \$351,410.00)**

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 **February 21, 2017**, 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.

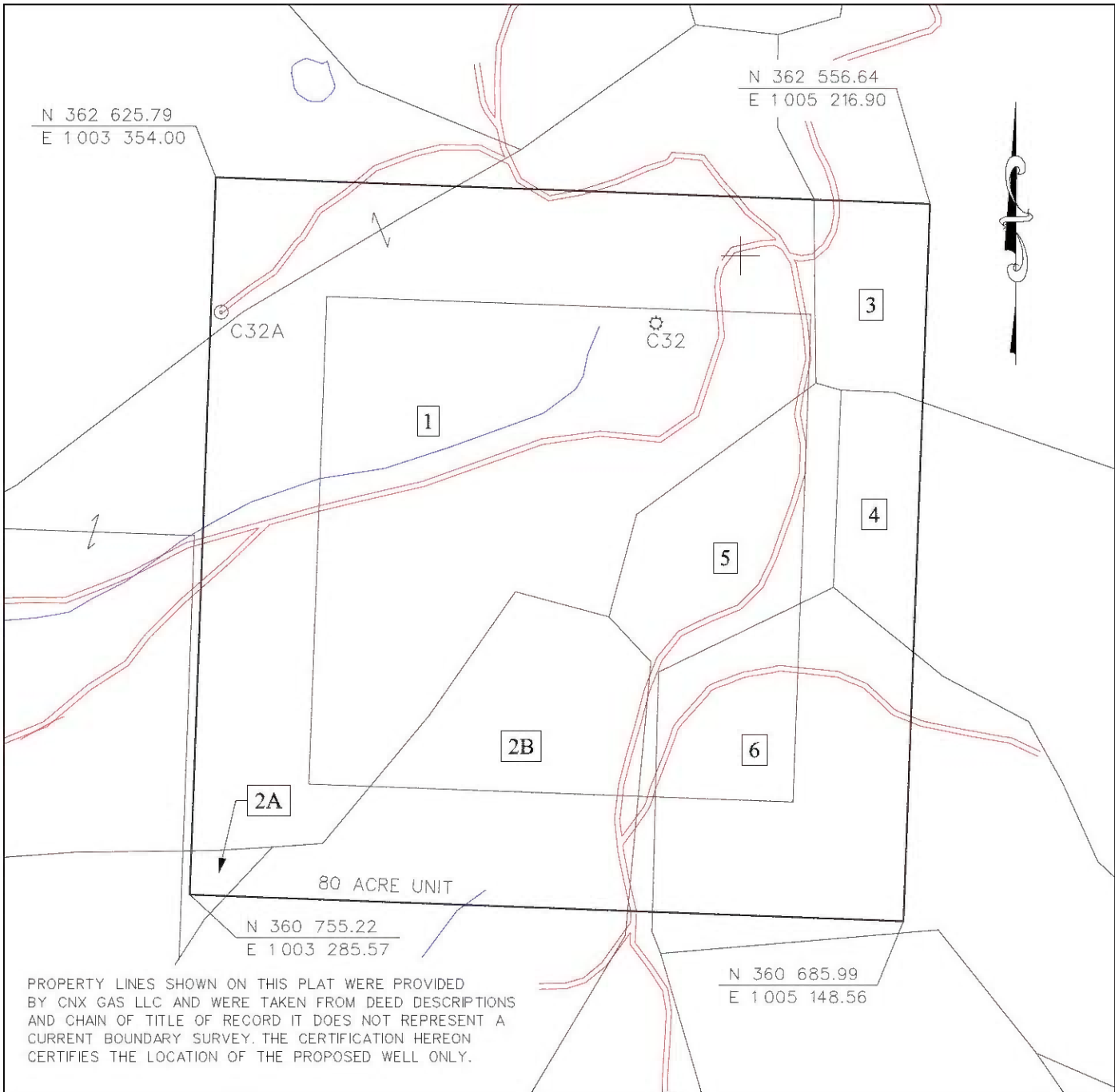
**NOTICE IS FURTHER GIVEN** that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. For further information or a copy of the Application and Exhibits, either contact the Virginia Gas and Oil Board, State Oil and Gas Inspector, Department of Mines, 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: 1/20/17

**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

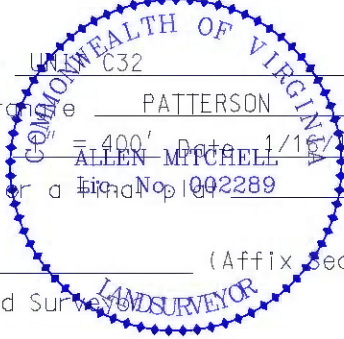


PROPERTY LINES SHOWN ON THIS PLAT WERE PROVIDED BY CNX GAS LLC AND WERE TAKEN FROM DEED DESCRIPTIONS AND CHAIN OF TITLE OF RECORD IT DOES NOT REPRESENT A CURRENT BOUNDARY SURVEY. THE CERTIFICATION HEREON CERTIFIES THE LOCATION OF THE PROPOSED WELL ONLY.

 CBM WELL  
 PROPOSED CBM WELL

EXHIBIT A  
 OAKWOOD FIELD  
 UNIT C32  
 FORCE POOLING  
 VGOB-01-0515-0889-02

Company CNX Gas Company LLC Well Name and Number UNIT C32  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrant PATTERSON  
 County BUCHANAN District GARDEN Scale: 1" = 400' Date 1/16/17  
 This plat is a new plat X ; an updated plat \_\_\_\_\_ ; or a final plat \_\_\_\_\_  
 License No. 1092289



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

**CNX Gas Company LLC**  
**Unit C32**  
**Tract Identifications**

1. C. L. Ritter Lumber Company Tr. 29 (241.80 Acre Tract) – All Minerals  
Island Creek Coal Company – All seams of coal underlying the Tiller seam expect the P3 Leased  
Buchanan Mining Company LLC – P3 seam Leased  
Jewell Smokeless Coal Corporation – Coal In Tiller Seam and Above Leased  
Hard Rock Exploration and Carter Oil & Gas - Oil and Gas Leased  
CNX Gas Company LLC – CBM Leased  
Kim K. Smith – Surface  
43.33 Acres            54.1625%
  
2. C. L. Ritter Lumber Company Tr. 31 (243.90 Acre Tract) – All Minerals  
Island Creek Coal Company – All seams of coal underlying the Tiller seam expect the P3 Leased  
Buchanan Mining Company LLC – P3 seam Leased  
Jewell Smokeless Coal Corporation – Coal In Tiller Seam and Above Leased  
Hard Rock Exploration, et al and Carter Oil & Gas - Oil and Gas Leased  
CNX Gas Company LLC – CBM Leased  
12.19 Acres            15.2375%
  
- 2A. Unknown Surface Owner
- 2B. Patty L. Mullins, et al – Surface
  
3. C. L. Ritter Lumber Company Tr. 28 (98.77 Acre Tract) – All Minerals  
Island Creek Coal Company – All seams of coal underlying the Tiller seam expect the P3 Leased  
Buchanan Mining Company LLC – P3 seam Leased  
Jewell Smokeless Coal Corporation – Coal In Tiller Seam and Above Leased  
Hard Rock Exploration and Carter Oil & Gas - Oil and Gas Leased  
CNX Gas Company LLC – CBM Leased  
Unknown Surface Owner  
3.29 Acres            4.1125%
  
4. LBR Holdings, LLC (30.20 Acre Tract) – Coal  
Island Creek Coal Company – Coal Below Jawbone Seam Leased  
CNX RCPC LLC – P-3 Seam Subleased  
Jewell Smokeless Coal Corporation – Coal In Jawbone Seam and Above Leased  
LBR Holdings, LLC – Oil, Gas and CBM (75%)  
EQT Production Company – Oil, Gas and CBM Leased (75%)  
T.G. Rogers, III, et al – Oil, Gas and CBM (25%)  
Unknown Surface Owner  
2.89 Acres            3.6125%
  
5. LBR Holdings, LLC (39.40 Acre Tract) – Coal  
Island Creek Coal Company – Coal Below Jawbone Seam Leased  
CNX RCPC LLC – P-3 Seam Subleased  
Jewell Smokeless Coal Corporation – Coal In Jawbone Seam and Above Leased  
LBR Holdings, LLC – Oil, Gas and CBM (75%)  
EQT Production Company – Oil, Gas and CBM Leased (75%)  
T.G. Rogers, III, et al – Oil, Gas and CBM (25%)  
Mary Ann Mullins, et al – Surface  
6.86 Acres            8.575%

"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 C32**  
**Tract Identifications**

6. C. L. Ritter Lumber Company Tr. 30 (48.53 Acre Tract) – All Minerals  
Island Creek Coal Company – All seams of coal underlying the Tiller seam except the P3 Leased  
Buchanan Mining Company LLC – P3 seam Leased  
Jewell Smokeless Coal Corporation – Coal In Tiller Seam and Above Leased  
Hard Rock Exploration and Carter Oil & Gas - Oil and Gas Leased  
CNX Gas Company LLC – CBM Leased  
Unknown Surface Owner  
11.44 Acres            14.3000%

"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 C-32  
Docket #VGOB 01-0515-0889-02  
List of all Owners/Claimants**

	Acres in Unit	Percent of Unit
<b>I. COAL OWNERSHIP</b>		
<b><u>Tract #1, 43.33 Acres</u></b>		
(1) C.L. Ritter Lumber Company, Tr.29 P.O. Box 700 Huntington, WV 25711	43.33 acres	54.1625%
<b><u>Tract #2, 12.19 Acres</u></b>		
(1) C.L. Ritter Lumber Company, Tr.32 P.O. Box 700 Huntington, WV 25711	12.19 acres	15.2375%
<b><u>Tract #3, 3.29 Acres</u></b>		
(1) C.L. Ritter Lumber Company, Tr.29 P.O. Box 700 Huntington, WV 25711	3.29 acres	4.1125%
<b><u>Tract #4, 2.89 Acres</u></b>		
(1) LBR Holdings, LLC P.O. Box 22427 Lexington, KY 40522-2427	2.89 acres	3.6125%
<b><u>Tract #5, 6.86 Acres</u></b>		
(1) LBR Holdings, LLC P.O. Box 22427 Lexington, KY 40522-2427	6.86 acres	8.5750%
<b><u>Tract #6, 11.44 Acres</u></b>		
(1) C.L. Ritter Lumber Company, Tr.30 P.O. Box 700 Huntington, WV 25711	11.44 acres	14.3000%
<b>II. OIL &amp; GAS OWNERSHIP</b>		
100.0000%		
<b><u>Tract #1, 43.33 Acres</u></b>		
(1) C.L. Ritter Lumber Company, Tr.29 P.O. Box 700 Huntington, WV 25711	43.33 acres	54.1625%
<i>** Note: The Oil and Gas Estates are leased by Hard Rock Exploration and Carter Oil &amp; Gas</i>		
<b><u>Tract #2, 12.19 Acres</u></b>		
(1) C.L. Ritter Lumber Company, Tr.32 P.O. Box 700 Huntington, WV 25711	12.19 acres	15.2375%
<i>** Note: The Oil and Gas Estates are leased by Hard Rock Exploration and Carter Oil &amp; Gas</i>		
<b><u>Tract #3, 3.29 Acres</u></b>		
(1) C.L. Ritter Lumber Company, Tr.29 P.O. Box 700 Huntington, WV 25711	3.29 acres	4.1125%
<i>** Note: The Oil and Gas Estates are leased by Hard Rock Exploration and Carter Oil &amp; Gas</i>		

**Exhibit B  
Unit C-32  
Docket #VGOB 01-0515-0889-02  
List of all Owners/Claimants**

	Acres in Unit	Percent of Unit
<b><u>Tract #4, 2.89 Acres</u></b>		
(1) LBR Holdings, LLC, et al.	2.89 acres	3.6125%
(a) LBR Holdings, LLC ** P.O. Box 22427 Lexington, KY 40522-2427	2.17 acres 3/4 of 2.89 acres	2.7094%
(b) T.G. Rogers, III 3014 Shalford Lane Matthews, NC 28104	0.09 acres 1/32 of 2.89 acres	0.1129%
(c) Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226	0.09 acres 1/32 of 2.89 acres	0.1129%
(d) Kevin Rogers 139 Wickham Rd. Garden City, NY 11530	0.09 acres 1/32 of 2.89 acres	0.1129%
(e) Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423	0.09 acres 1/32 of 2.89 acres	0.1129%
(f) Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423	0.12 acres 1/24 of 2.89 acres	0.1505%
(g) Jason Poulos 10870 SW 95 St. Miami, FL 33176	0.12 acres 1/24 of 2.89 acres	0.1505%
(h) Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510	0.12 acres 1/24 of 2.89 acres	0.1505%

*\*\* Note: The Oil and Gas Estates are leased by EQT Production Company.*

*\*Prevailing plaintiff under Case No. 550-13  
Awarded 100% of the CBM royalty.*

<b><u>Tract #5, 6.86 Acres</u></b>		
(1) LBR Holdings, LLC, et al.	6.86 acres	8.5750%
(a) LBR Holdings, LLC ** P.O. Box 22427 Lexington, KY 40522-2427	5.15 acres 3/4 of 6.86 acres	6.4313%
(b) T.G. Rogers, III 3014 Shalford Lane Matthews, NC 28104	0.21 acres 1/32 of 6.86 acres	0.2680%
(c) Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226	0.21 acres 1/32 of 6.86 acres	0.2680%
(d) Kevin Rogers 139 Wickham Rd. Garden City, NY 11530	0.21 acres 1/32 of 6.86 acres	0.2680%

**Exhibit B**  
**Unit C-32**  
**Docket #VGOB 01-0515-0889-02**  
**List of all Owners/Claimants**

	Acres in Unit	Percent of Unit
(e) Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423	0.21 acres 1/32 of 6.86 acres	0.2680%
(f) Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423	0.29 acres 1/24 of 6.86 acres	0.3573%
(g) Jason Poulos 10870 SW 95 St. Miami, FL 33176	0.29 acres 1/24 of 6.86 acres	0.3573%
(h) Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510	0.29 acres 1/24 of 6.86 acres	0.3573%

*\*\* Note: The Oil and Gas Estates are leased by EQT Production Company.*

*\*Prevailing plaintiff under Case No. 550-13  
Awarded 100% of the CBM royalty.*

**Tract #6, 11.44 Acres**

(1) C.L. Ritter Lumber Company, Tr.29 P.O. Box 700 Huntington, WV 25711	11.44 acres	14.3000%
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*\*\* Note: The Oil and Gas Estates are leased by Hard Rock Exploration and Carter Oil & Gas*

Exhibit B-3  
Unit C-32  
VGOB 01-0515-0889-02  
List of Unleased Owners/Claimants

	Acres in Unit	Percent of Unit
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<b><u>Tract #4, 2.89 Acres</u></b>		
(1) LBR Holdings, LLC, et al. (25.50 Acre Tract)	2.89 acres	3.6125%
(a) LBR Holdings, LLC ** P.O. Box 22427 Lexington, KY 40522-2427	2.17 acres 3/4 of 2.89 acres	2.7094%
(b) T.G. Rogers, III 3014 Shalford Lane Matthews, NC 28104	0.09 acres 1/32 of 2.89 acres	0.1129%
(c) Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226	0.09 acres 1/32 of 2.89 acres	0.1129%
(d) Kevin Rogers 139 Wickham Rd. Garden City, NY 11530	0.09 acres 1/32 of 2.89 acres	0.1129%
(e) Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423	0.09 acres 1/32 of 2.89 acres	0.1129%
(f) Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423	0.12 acres 1/24 of 2.89 acres	0.1505%
(g) Jason Poulos 10870 SW 95 St. Miami, FL 33176	0.12 acres 1/24 of 2.89 acres	0.1505%
(h) Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510	0.12 acres 1/24 of 2.89 acres	0.1505%
<i>** Note: The Oil and Gas Estates are leased by EQT Production Company.</i>		
<b><u>Tract #5, 6.86 Acres</u></b>		
(1) LBR Holdings, LLC, et al. (25.50 Acre Tract)	6.86 acres	8.5750%
(a) LBR Holdings, LLC ** P.O. Box 22427 Lexington, KY 40522-2427	5.15 acres 3/4 of 6.86 acres	6.4313%
(b) T.G. Rogers, III 3014 Shalford Lane Matthews, NC 28104	0.21 acres 1/32 of 6.86 acres	0.2680%
(c) Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226	0.21 acres 1/32 of 6.86 acres	0.2680%
(d) Kevin Rogers 139 Wickham Rd. Garden City, NY 11530	0.21 acres 1/32 of 6.86 acres	0.2680%
(e) Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423	0.21 acres 1/32 of 6.86 acres	0.2680%
(f) Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423	0.29 acres 1/24 of 6.86 acres	0.3573%

Exhibit B-3  
Unit C-32  
VGOB 01-0515-0889-02  
List of Unleased Owners/Claimants

	Acres in Unit	Percent of Unit
(g) Jason Poulos 10870 SW 95 St. Miami, FL 33176	0.29 acres 1/24 of 6.86 acres	0.3573%
(h) Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510	0.29 acres 1/24 of 6.86 acres	0.3573%

*\*\* Note: The Oil and Gas Estates are leased by EQT Production Company.*

**TOTAL OIL & GAS ESTATE:**

Acreage in Unit Unleased	9.75	
Percentage of Unit Unleased		12.1875%

**Exhibit C  
Unit: C-32  
VGOB-01-0515-0889  
Estimated Cost**

ITEM	MATERIALS		LABOR & INCIDENTALS	TOTAL
ft. of 18" 82# CONDUCTOR				
ft. of 18" 55# CONDUCTOR	ft. @ 22#	\$0.00		
ft. of 16" 55# CASING				
30 ft. of 12 3/4" 48#, CASING	(30@ 14.9#)	\$447.00	(30@ 2.00#)	\$507.00
0 ft. of 9 5/8" 32#, CASING	(0@ 10.9#)		(0@ 2.00#)	
641 ft. of 7" 32#, CASING	(641@ 10.9#)	\$6,986.90	(641@ 2.00#)	\$8,288.90
1875 ft. of 4 1/2" 15.5#, CASING	(1875@ 4.3#)	\$8,482.50	(1875@ .50#)	\$9,480.00
1895 ft. of 2 3/8" 4.7#	(1895@ 1.15#)	\$2,284.25	(1895@ .50#)	\$3,291.75
TUBING				
1895 ft. of 5/8" RODS	(1895@ 0.15#)	\$289.25	(1895@ .50#)	\$1,296.75
METER RUN		\$1,500.00	\$1,000.00	\$2,500.00
PUMPING UNIT		\$5,000.00		\$5,000.00
SUBSURFACE CASING EQUIPMENT		\$3,100.00		\$3,100.00
MISC. FITTINGS & PIPING				
13 3/8" X 5 1/2" CASING HEAD				
7" X 4 1/2" CASING HEAD		\$950.00		\$950.00
5 1/2" X 2 3/8" CASING HEAD				
2" WB PUMP				
CEMENT & CEMENT SERVICES			\$6,500.00	\$6,500.00
COMPLETION				
WIRELINE SERVICES				
FRACTURE STIMULATION			\$70,000.00	\$70,000.00
RENTAL EQUIPMENT				
CONTRACT HAULING				
CONTRACT SERVICES			\$5,000.00	\$5,000.00
CONTRACT DRILLING				
			30 ft. of 15" Drilling @ 26#	\$780.00
			270 ft. of 8 1/2" Drilling @ 14.75#	\$33,482.50
MISC. DRILLING				\$3,348.25
				\$4,500.00
LOCATION, TITLE, ETC.		\$5,000.00	\$30,000.00	\$35,000.00
MISCELLANEOUS (Location)			\$2,500.00	\$2,500.00
13 3/8" X 8" WELL HEAD				
7" X 8" WELL HEAD		\$950.00		\$950.00
2 3/8" X 1 1/8" JACKBOX				
Power		\$7,500.00	\$2,500.00	\$10,000.00
Well/Force Pooling fees		\$150.00		\$150.00
Publication		\$100.00		\$100.00
<b>TOTAL ESTIMATED COST</b>		<b>\$42,769.90</b>	<b>\$163,935.25</b>	<b>\$206,705.15</b>

Well: C-32

Permit No.:

Drilled:

Total Depth: 2300' Estimate

Prepared By:

*Robert K. [Signature]*

DATE PREPARED:

4-12-01

Company: \_\_\_ CNX Gas Company LLC

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

AFE #	N/A	Property #	N/A	Version #	
Well Name:	C32A	Field:	Oakwood	Completed By:	R.E. Staton
Location:	Buchanan County	Operator:	CNX Gas Company LLC	Date:	1/13/17
Expected Pay Zones:	coal seams below Tiller incl, Poca 3 and Squire	Estimated Total Depth:	2,200 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	\$36,000	\$0	\$36,000
		Surface Damages	\$0	\$0	\$0
		Drilling - Footage	\$55,000	\$0	\$55,000
		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	\$5,500	\$0	\$5,500
T		Open Hole Logging & Testing	\$3,800	\$0	\$3,800
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>\$157,600</b>	<b>\$88,800</b>	<b>\$246,400</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	760 Ft	\$8,991	\$0	\$8,991
		4 1/2" 9.5 lb/ft M-65 Production Csg	2,150 Ft	\$16,125	\$0	\$16,125
		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	2,200 Ft	\$0	\$15,994	\$15,994
		Wellhead Equipment / Fittings	\$0	\$6,200	\$6,200	\$6,200
		Tank Battery	\$0	\$0	\$0	\$0
		Separator / Heater / Treater	\$0	\$15,000	\$15,000	\$15,000
		Gas Lift Equipment	\$0	\$0	\$0	\$0
		Rods / Stuffing Box	\$0	\$13,000	\$13,000	\$13,000
		Downhole Pump	\$0	\$0	\$0	\$0
		Pumping Unit / Motor	\$0	\$11,000	\$11,000	\$11,000
		SS EQT-Packer,PF,FC,Nip	\$0	\$0	\$0	\$0
		Valves & Fittings	\$0	\$0	\$0	\$0
		Flow Line labor/material	\$0	\$5,000	\$5,000	\$5,000
		Sales line labor/mat/row	\$0	\$5,000	\$5,000	\$5,000
		<b>TOTAL TANGIBLES</b>	<b>\$33,816</b>	<b>\$71,194</b>	<b>\$105,010</b>	

<b>GRAND TOTAL WELL COST</b>			<b>\$191,416</b>	<b>\$159,994</b>	<b>\$351,410</b>
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153	115	Plugging & Abandonment	\$25,000		
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<b>Production Costs :</b>			<b>\$351,410</b>	<b>Dry Hole Costs :</b>	<b>\$216,416</b>
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Prepared by: Bob Staton Title Permitting Agent Date 1/13/17

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

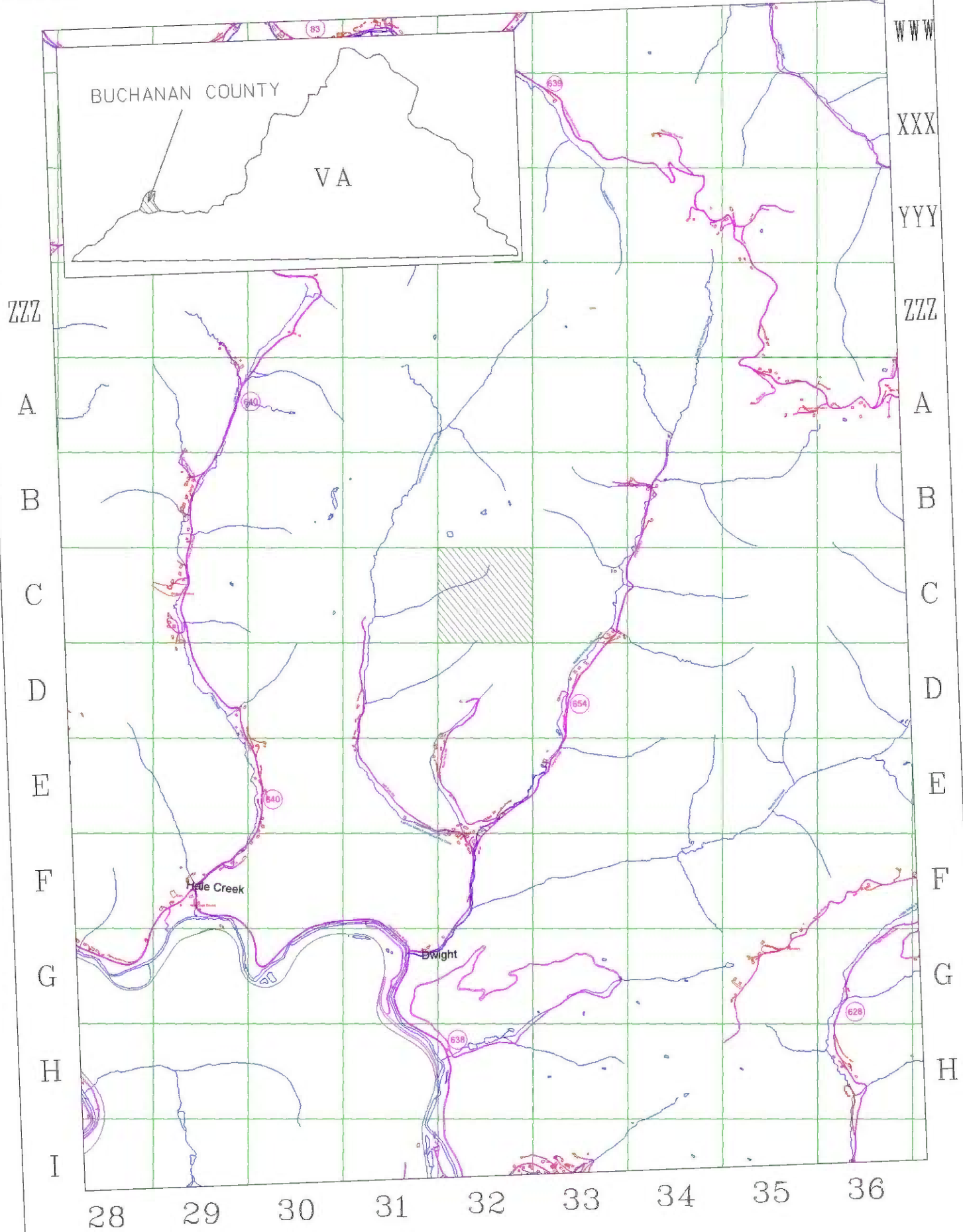


EXHIBIT A1  
UNIT C-32

VG0B 01-0515-0889-02



627 Claypool Hill Mall Road  
Cedar Bluff, VA 24609

July 29, 2015

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 C32A**

Dear Mr. Cooper;

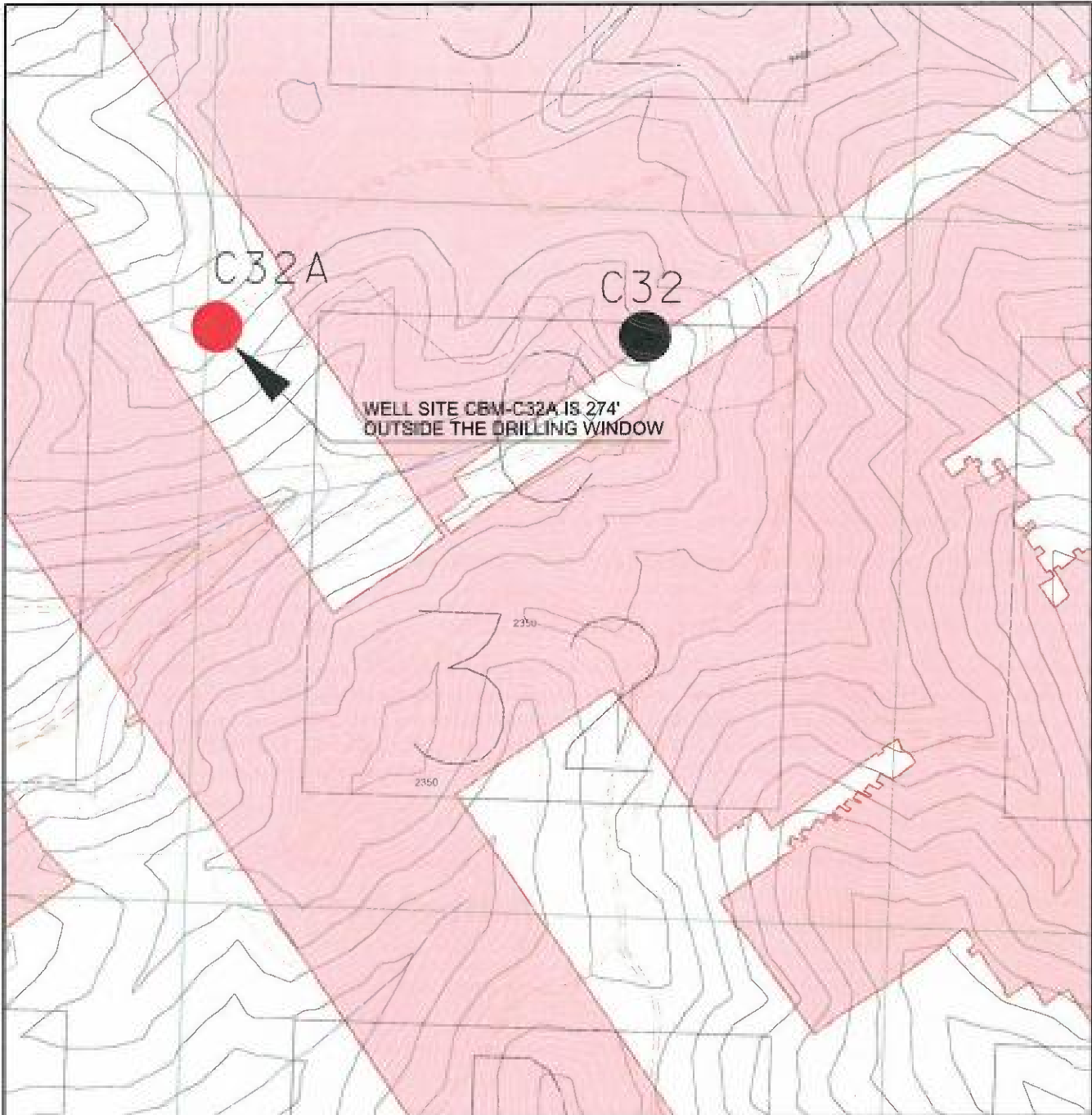
CNX Gas Company LLC hereby requests a location exception for the above referenced well. Due to limited topographic accessibility and existing mine workings and mining projections, this well cannot be located within the drilling window. The proposed well is approximately 274 feet outside of the drilling 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 C32A



## LOCATION EXCEPTION EXHIBIT WELL NO. CBM-C32A

SCALE: 1" = 400'

DATE: 07-31-2015

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

DRAWN BY: PSD

FILE: LOC-EXCEPTION-C32A