

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL  
DOCKET NO.: VGOB 06-0620-1651-01

RELIEF SOUGHT: RE-POOLING

LOCATION: SEE EXHIBITS "A" AND "A1"

HEARING DATE: April 18, 2017

UNIT NUMBER: I-106  
IN THE NORA 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 Nora 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:** I106 Permit #6968

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:

*Eagle Coal Corporation, C. L. Ritter Lumber Company and H-W Financial LLC*

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: \$650,860.97 (Well I106 \$240,257.97 & I106A \$410,603.00)** 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 06-0620-1651-01

RELIEF SOUGHT: RE-POOLING

UNIT NUMBER: I-106

NOTICE OF HEARING

HEARING DATE: April 18, 2017  
PLACE: Russell County Conference Center  
135 Highlands Drive  
Lebanon, Virginia 24266  
TIME: 9:00 AM

COMMONWEALTH OF VIRGINIA:

To: *Eagle Coal Corporation, C. L. Ritter Lumber Company and H-W Financial LLC*

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:** 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: **\$650,860.97 (Well I106 \$240,257.97 & I106A \$410,603.00)**

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 **April 18, 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.

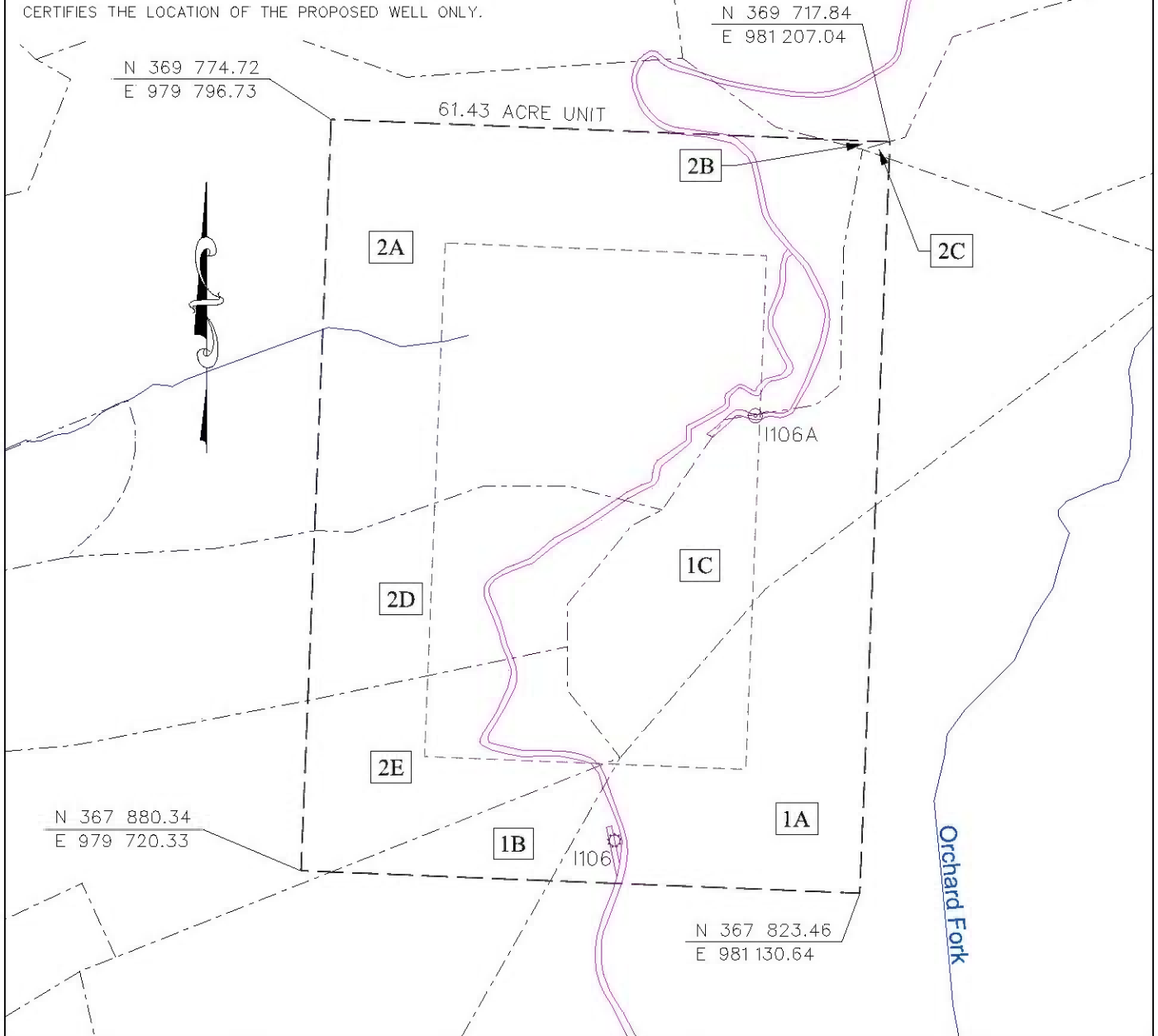
DATED: 3/17/17

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

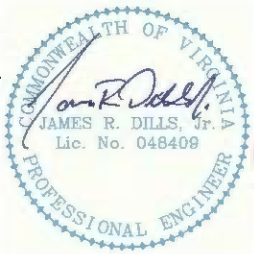
By:  \_\_\_\_\_

**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



Digitally signed by James R Dills Jr.  
 DN: c=US, o=IdenTrust ACES  
 Business Representative, ou=D. R.  
 PRICE ENGINEERING AND LAND  
 SURVEYING INC PC, cn=James R  
 Dills Jr.,  
 0.9.2342.19200300.100.1.1=A0109  
 690000012E01701153000027EA  
 Date: 2017.03.14 08:58:28 -04'00'

EXHIBIT A  
 NORA FIELD  
 UNIT I106  
 FORCE POOLING  
 VGOB-06-0620-1651-01

Company CNX Gas Company LLC Well Name and Number UNIT I106  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle GRUNDY  
 County BUCHANAN District NORTH GRUNDY/GARDEN Scale: 1" = 400' Date 3/13/17  
 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 I106  
Tract Identifications**

- 1A. CL Ritter Lumber Company, Tract 12 (p/o 253.00 Acre Tract) – All Minerals  
Island Creek Coal Company – All seams of coal underlying the Tiller seam expect the P3 Leased  
CONSOL Mining Company LLC – P3 seam Leased  
Jewell Smokeless Coal Corp. – Coal in and above Tiller Seam Leased  
Hard Rock Exploration, et al and Carter Oil & Gas - Oil and Gas Leased  
CNX Gas Company LLC – CBM Leased  
Par Ventures, Inc. – Surface  
10.27 Acres      16.7182%
- 1B. CL Ritter Lumber Company, Tract 12 (p/o 253.00 Acre Tract) – All Minerals  
Island Creek Coal Company – All seams of coal underlying the Tiller seam expect the P3 Leased  
CONSOL Mining Company LLC – P3 seam Leased  
Jewell Smokeless Coal Corp. – Coal in and above Tiller Seam Leased  
Hard Rock Exploration, et al and Carter Oil & Gas - Oil and Gas Leased  
CNX Gas Company LLC – CBM Leased  
Par Ventures, Inc. – Surface  
2.02 Acres      3.2883%
- 1C. CL Ritter Lumber Company, Tract 12 (p/o 253.00 Acre Tract) – All Minerals (2/3)  
Eagle Coal Corporation – All Minerals (1/3)  
Island Creek Coal Company – All seams of coal underlying the Tiller seam expect the P3 Leased  
CONSOL Mining Company LLC – P3 seam Leased  
Jewell Smokeless Coal Corp. – Coal in and above Tiller Seam Leased  
Hard Rock Exploration, et al and Carter Oil & Gas - Oil and Gas Leased (2/3)  
Enervest Energy Institutional Fund XIV-A, L.P. & Enervest Energy Institutional Fund XIV-WIC, L.P.– Oil and Gas Leased (1/3)  
CNX Gas Company LLC – CBM Leased (2/3)  
Par Ventures, Inc. – Surface  
9.27 Acres      15.0904%
2. Harrison-Wyatt LLC (632.40 Acre Tract) – All Minerals (2/3)  
Eagle Coal Corporation – All Minerals (1/3)  
Island Creek Coal Company – Coal In and Below Tiller Leased  
Wellmore Coal Corporation – Coal outcropped Above Slate Creek Leased (2/3)  
Enervest Energy Institutional Fund XIV-A, L.P. & Enervest Energy Institutional Fund XIV-WIC, L.P.– Oil and Gas Leased (1/3)  
CNX Gas Company LLC – Oil, Gas and CBM Leased (2/3)  
39.87 Acres      64.9031%
- 2A. Diana S. Goodman, et al – Surface  
2B. Unknown Surface Owner  
2C. Unknown Surface Owner  
2D. Timothy R. Osborne, et al – Surface  
2E. A. Fred Osborne, et ux – Surface

"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 I-106**  
**Docket # VGOB 06-0620-1651-01**  
**List of all Owners/Claimants**  
**(61.43 Acre Unit)**

	Acres in Unit	Percent of Unit
<b>I. COAL OWNERSHIP</b>		
<b><u>Tract #1A, 10.27 Acres</u></b>		
(1) C. L. Ritter Lumber Company, Tr.12 <i>(p/o 253.00 Acre Tract)</i> P.O. Box 700 Huntington, WV 25711	10.27 acres	16.7182%
<b><u>Tract #1B, 2.02 Acres</u></b>		
(1) C. L. Ritter Lumber Company, Tr.12 <i>(p/o 253.00 Acre Tract)</i> P.O. Box 700 Huntington, WV 25711	2.02 acres	3.2883%
<b><u>Tract #1C, 9.27 Acres</u></b>		
(1) C.L. Ritter Lumber Company, et al.	9.27 acres	15.0903%
(a) C. L. Ritter Lumber Company (2/3) <i>(p/o 253.00 Acre Tract)</i> P.O. Box 700 Huntington, WV 25711	6.18 acres 2/3 of 9.27 acres	10.0602%
(b) Eagle Coal Corp. (1/3) c/o Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 25713	3.09 acres 1/3 of 9.27 acres	5.0301%
<b><u>Tract #2, 39.87 Acres</u></b>		
(1) Harrison-Wyatt, LLC, et al.	39.87 acres	64.9031%
(a) H-W Financial LLC (2/3) <i>(632.40 Acre Tract)</i> P.O. Box 700 Huntington, WV 25711	26.58 acres 2/3 of 39.87 acres	43.2688%
(b) Eagle Coal Corp. (1/3) c/o Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 25713	13.29 acres 1/3 of 39.87 acres	21.6344%
<b>II. OIL &amp; GAS OWNERSHIP</b>		
		100.0000%
<b><u>Tract #1A, 10.27 Acres</u></b>		
(1) C. L. Ritter Lumber Company, Tr.12 <i>(p/o 253.00 Acre Tract)</i> P.O. Box 700 Huntington, WV 25711	10.27 acres	16.7182%
<b><u>Tract #1B, 2.02 Acres</u></b>		
(1) C. L. Ritter Lumber Company, Tr.12 <i>(p/o 253.00 Acre Tract)</i> P.O. Box 700 Huntington, WV 25711	2.02 acres	3.2883%
<b><u>Tract #1C, 9.27 Acres</u></b>		
(1) C.L. Ritter Lumber Company, et al.	9.27 acres	15.0903%
(a) C. L. Ritter Lumber Company (2/3) <i>(p/o 253.00 Acre Tract)</i> P.O. Box 700 Huntington, WV 25711	6.18 acres 2/3 of 9.27 acres	10.0602%

**Exhibit B**  
**Unit I-106**  
**Docket # VGOB 06-0620-1651-01**  
**List of all Owners/Claimants**  
**(61.43 Acre Unit)**

	Acres in Unit	Percent of Unit
(b) Eagle Coal Corp. (1/3) c/o Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 25713	3.09 acres 1/3 of 9.27 acres	5.0301%
<b><u>Tract #2, 39.87 Acres</u></b>		
(1) Harrison-Wyatt, LLC, et al.	39.87 acres	64.9031%
(a) H-W Financial LLC (2/3) <i>(632.40 Acre Tract)</i> P.O. Box 700 Huntington, WV 25711	26.58 acres 2/3 of 39.87 acres	43.2688%
(b) Eagle Coal Corp. (1/3) c/o Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 25713	13.29 acres 1/3 of 39.87 acres	21.6344%

Exhibit B-3  
Unit I-106  
Docket # VGOB 06-0620-1651-01  
List of Unleased Owners/Claimants  
(61.43 Acre Unit)

	Acres in Unit	Percent of Unit
<b>I. COAL OWNERSHIP</b>		
<u>Tract #1C, 9.27 Acres</u>		
(1) C.L. Ritter Lumber Company, et al.	9.27 acres	15.0903%
(b) Eagle Coal Corp. (1/3) c/o Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 25713	3.09 acres 1/3 of 9.27 acres	5.0301%
<u>Tract #2, 39.87 Acres</u>		
(1) Harrison-Wyatt, LLC, et al.	39.87 acres	64.9031%
(b) Eagle Coal Corp. (1/3) c/o Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 25713	13.29 acres 1/3 of 39.87 acres	21.6344%
	<b>Acres Percent</b>	<b>16.38 26.6645%</b>
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<u>Tract #1C, 9.27 Acres</u>		
(1) C.L. Ritter Lumber Company, et al.	9.27 acres	15.0903%
(b) Eagle Coal Corp. (1/3) c/o Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 25713	3.09 acres 1/3 of 9.27 acres	5.0301%
<u>Tract #2, 39.87 Acres</u>		
(1) Harrison-Wyatt, LLC, et al.	39.87 acres	64.9031%
(b) Eagle Coal Corp. (1/3) c/o Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 25713	13.29 acres 1/3 of 39.87 acres	21.6344%
	<b>Acres Percent</b>	<b>16.38 26.6645%</b>

EXHIBIT C  
UNIT: I-106  
VGOB: 06-0620-1651  
ESTIMATED / ACTUAL COST

CODE	ITEM	AMOUNT / FT.	UNIT PRICE \$ / FT.	LABOR / MISC.	SUBTOTAL	TOTAL
101	Site Preparation				\$40,000.00	\$40,000.00
102	Survey & Permits				\$9,140.00	\$9,140.00
104	Gravel for Location					\$0.00
108	Row Clearing				\$0.00	\$0.00
111	Logging/Perf				\$0.00	\$0.00
111	A: Electric Logging - Top Hole	221	\$1.00	\$350.00	\$571.00	\$571.00
111	C: Electric Logging - Bottom Hole	2154	\$1.00	\$350.00	\$2,504.00	\$2,504.00
	D: Bond Logging				\$1,000.00	\$1,000.00
112	Rental Tools					\$0.00
114	Cement & Cement Svcs.				\$14,000.00	\$14,000.00
116	Drilling					
118	A DRILLING					\$0.00
	MOBILIZATION	1	\$1,500.00		\$1,500.00	\$1,500.00
	15" DRILLING		\$15.50		\$0.00	\$0.00
	CASING RUN		\$1.00		\$0.00	\$0.00
	12 1/4" DRILLING	15	\$15.50		\$232.50	\$232.50
	CASING RUN	15	\$0.75		\$11.25	\$11.25
	8 3/4" DRILLING	206	\$15.50		\$3,193.00	\$3,193.00
	CASING RUN	221	\$0.60		\$132.60	\$132.60
	6 1/2" DRILLING	2154	\$15.50		\$33,387.00	\$33,387.00
	CASING RUN	2249.25	\$0.50		\$1,124.63	\$1,124.63
	STANDBY	20	\$225.00		\$4,500.00	\$4,500.00
	DOZER	5	\$70.00		\$350.00	\$350.00
116A	B: CASING					
116B	1:13 3/8"		\$37.50		\$0.00	\$0.00
116C	2: 9 5/8"	15	\$13.60		\$204.00	\$204.00
116D	3: 7"	221	\$8.50		\$1,878.50	\$1,878.50
120	Trucking				\$0.00	\$0.00
124	Packer w/ Fittings, Baffles				\$3,100.00	\$3,100.00
128	Pit Liner & Reclamation				\$5,300.00	\$5,300.00
130	Completion				\$22,245.00	\$22,245.00
132	Treatment (Frac)				\$47,481.46	\$47,481.46
134	Frac Water				\$0.00	\$0.00
136	Electrical Installation				\$10,000.00	\$10,000.00
178	Right of Way & Damages				\$4,000.00	\$4,000.00
186	Miscellaneous Labor				\$0.00	\$0.00
201	Production Casing	2249.25	\$6.25		\$14,057.81	\$14,057.81
203	Casing Other					\$0.00
205	Casing Head - 7" x 4 1/2"				\$315.00	\$315.00
205	Casing Head - 4 1/2" x 2 3/8"				\$175.00	\$175.00
207	Pumping Unit				\$4,350.00	\$4,350.00
209	Controllable Material				\$1,043.70	\$1,043.70
211	Tubing/Rods	2272	\$4.82		\$10,951.04	\$10,951.04
213	Pumping Unit Base				\$0.00	\$0.00
215	Pumping Unit Base				\$0.00	\$0.00
217	Downhole Pump				\$1,100.00	\$1,100.00
221	Brine Tank				\$0.00	\$0.00
223	Misc. Valves & Fittings				\$0.00	\$0.00
224	Well Pkges/Downhole Pump				\$1,389.19	\$1,389.19
225	Misc. Noncontrol Mat				\$221.29	\$221.29
228	Electrical Installation				\$0.00	\$0.00
264	Separator				\$0.00	\$0.00
266	Brine Tanks				\$0.00	\$0.00
268	Valves & Fittings				\$800.00	\$800.00
272	Installation of Pipe / Coll				\$0.00	\$0.00
	<b>Total Project Cost - SSI</b>				\$240,257.97	\$240,257.97

Well: I106

Permit No.: 6968

Total Depth: 2375 FEET

Prepared By:

*Subir K. Chandra*

Note: The costs in bold are "actual" costs.

Date:

*5/18/06*

5/18/2006

Company:     CNX Gas Company LLC

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

AFE #	N/A	Property #	N/A	Version #	
Well Name:	I106A	Field:	Oakwood	Completed By:	R.E. Staton
Location:	Buchanan County	Operator:	CNX Gas Company LLC	Date:	3/10/17
Expected Pay Zones:	coal seams below Tiller Incl. Poca 3	Estimated Total Depth:	2,500 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	\$1,000	\$0	\$1,000
		Permit / Title Opinion / Survey / Insurance	\$4,700	\$0	\$4,700
		Building Location	\$20,000	\$0	\$20,000
		Roads / Stone / Culverts	\$32,000	\$0	\$32,000
		Surface Damages	\$1,000	\$0	\$1,000
		Drilling - Footage	\$68,000	\$0	\$68,000
		Drilling - Mobilization	\$0	\$0	\$0
		Drilling - Dayrate	\$0	\$0	\$0
		Mud & Chemicals (Drilling)	\$0	\$0	\$0
		Fuel	\$0	\$0	\$0
I		Cement Surface casing	\$11,000	\$0	\$11,000
N		Cement Intermediate casing	\$16,500	\$0	\$16,500
T		Open Hole Logging & Testing	\$4,000	\$0	\$4,000
A		Trucking / Dozer (Drilling)	\$0	\$0	\$0
N		Rental Tools & Equipment (Drilling)	\$0	\$0	\$0
G		Drilling - Bits	\$0	\$0	\$0
J		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	\$91,000	\$91,000
		Completion Rig	\$0	\$0	\$0
		Reclamation & Damages	\$0	\$0	\$0
		Haul Pit Water / Disposal	\$0	\$0	\$0
		Cement Production Casing	\$0	\$10,000	\$10,000
		Rental Tools & Equipment (Completion)	\$0	\$0	\$0
		Fresh Water Hauling (Completion)	\$0	\$0	\$0
		Roustabout Labor	\$0	\$5,000	\$5,000
		<b>TOTAL INTANGIBLES</b>	<b>\$158,200</b>	<b>\$0</b>	<b>\$267,200</b>

Code	Code	Description	Casing Point	Completion	Total Cost	
T		13 3/8" Conductor	75 Ft	\$7,500	\$0	\$7,500
A		9 5/8" 26 lb/ft LS Surface Csg	0 Ft	\$0	\$0	\$0
N		7" 19 lb/ft LS Intermediate Csg	300 Ft	\$3,549	\$0	\$3,549
G		4 1/2" 9.5 lb/ft M-65 Production Csg	2,400 Ft	\$0	\$18,000	\$18,000
I		4 1/2" 10.5 lb/ft M-65 Production Csg	20 Ft	\$0	\$1,200	\$1,200
B		2-3/8" 4.7 lb/ft J55 8rd Production Tubing	2,350 Ft	\$0	\$17,085	\$17,085
L		Wellhead Equipment / Fittings	\$0	\$9,000	\$9,000	
E		Tank Battery	\$0	\$0	\$0	
S		Separator / Heater / Treater	\$0	\$15,000	\$15,000	
		Gas Lift Equipment	\$0	\$0	\$0	
		Rods / Stuffing Box	\$0	\$14,700	\$14,700	
		Downhole Pump	\$0	\$0	\$0	
		Pumping Unit / Motor	\$0	\$9,405	\$9,405	
		SS EQT-Packer,PF,FC,Nip	\$0	\$0	\$0	
		Valves & Fittings	\$0	\$0	\$0	
		Flow Line labor/material	\$0	\$22,964	\$22,964	
		Sales line labor/mat/row	\$0	\$25,000	\$25,000	
		<b>TOTAL TANGIBLES</b>			<b>\$143,403</b>	

<b>GRAND TOTAL WELL COST</b>			<b>\$158,200</b>	<b>\$0</b>	<b>\$410,603</b>
153	115	Plugging & Abandonment	\$25,000		
<b>Production Costs :</b>			<b>\$410,603</b>	<b>Dry Hole Costs :</b>	<b>\$183,200</b>

Prepared by: Bob Staton Title Permit Agent Date 3/10/17

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

September 16, 2005

Mr. Bob Wilson  
Division of Gas and Oil  
P.O. Box 1416  
Abingdon, VA 24212

RE: Location Exception  
Proposed Well CBM I 106  
Nora Coalbed Methane Gas Field (VGOB 89-01-26-0008)

Dear Bob:

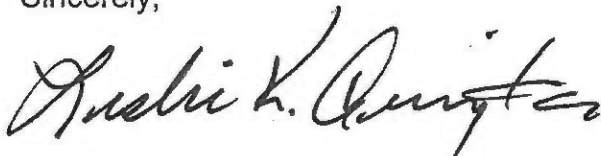
CNX Gas Company LLC respectfully requests a location exception for the above referenced well application, which lies within the field boundaries of the Nora Coalbed Methane Gas Field.

Due to the current condition of the terrain and other topographic constraints the proposed location is being submitted for consideration of a location exception to the Field Rules. Due to the restrictions within the drilling window an economically feasible location. The well has been located within the unit at the best economically and topographically possible location.

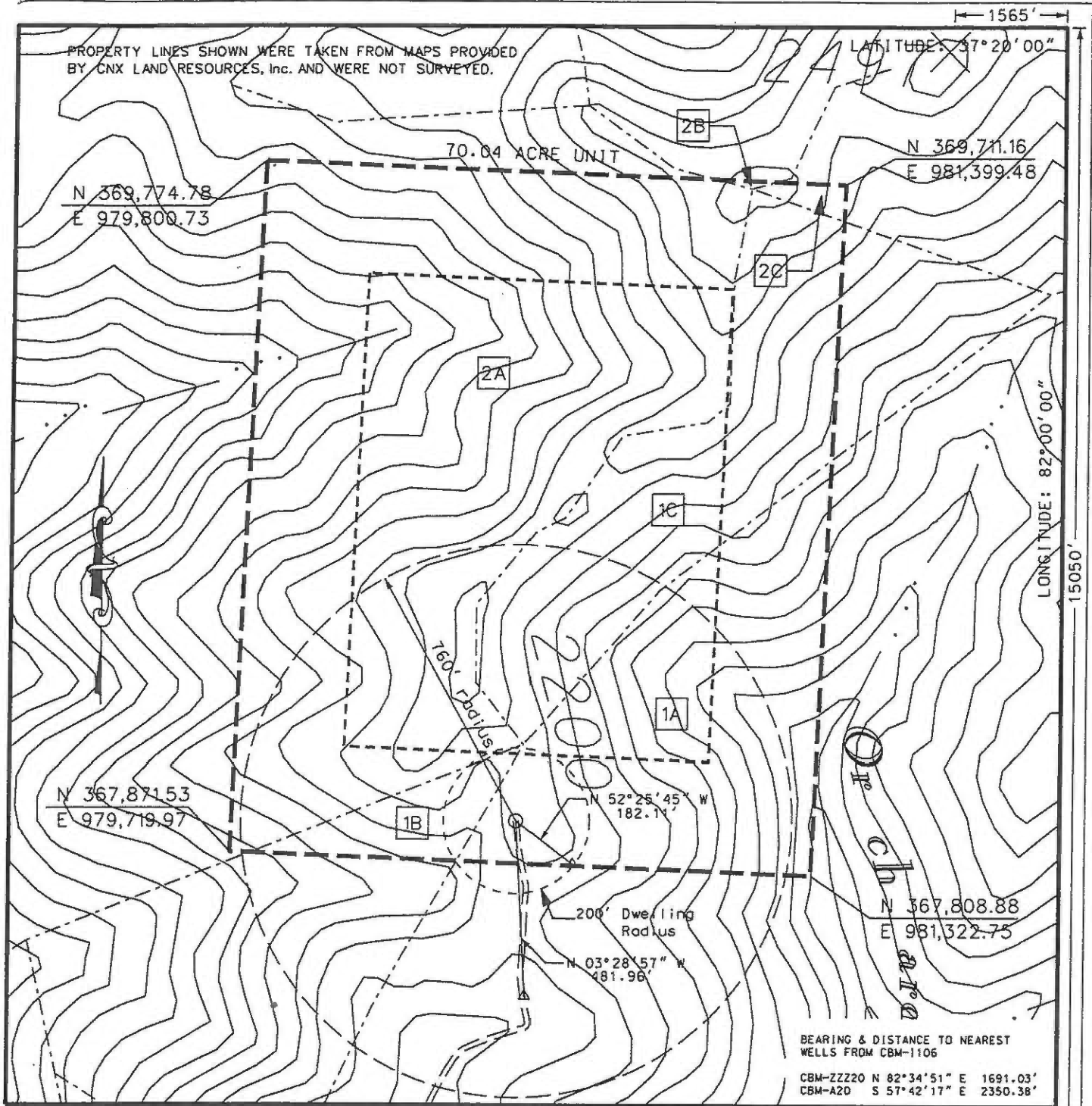
Due to the constraints, CNX Gas Company LLC respectfully requests a location exception for the I 106 location.

Should you have any questions in regards to this request, please contact my office as soon as possible.

Sincerely,



Leslie K. Arrington



THE ACTUAL WELL LOCATION WILL BE WITHIN 10 FEET OF THE PROPOSED LOCATION ACCORDING TO 4 VAC 25-150-290 AND 45.1-361.30.

### WELL LOCATION PLAT

Company CNX Gas Company LLC Well Name or Number CBM-1106  
 Tract No. C.L. Ritter Lumber Company Tr.12 (253 Acre Tract) Scale: 1" = 400'  
 County Buchanan District North Grundy Quadrangle Grundy Date \_\_\_\_\_  
 Elevation 2244.96' Well Elevation Determined By Trig. Levels From CONSOL Inc. Benchmarks  
 Well Coordinates (Virginia State Plane - South Zone - NAD' 27): N 367,957.64 E 980,508.96  
 This plat is a new plat X ; an updated plat \_\_\_\_\_ ; or a final plat \_\_\_\_\_

+ Denotes the location of a well on United States Topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

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

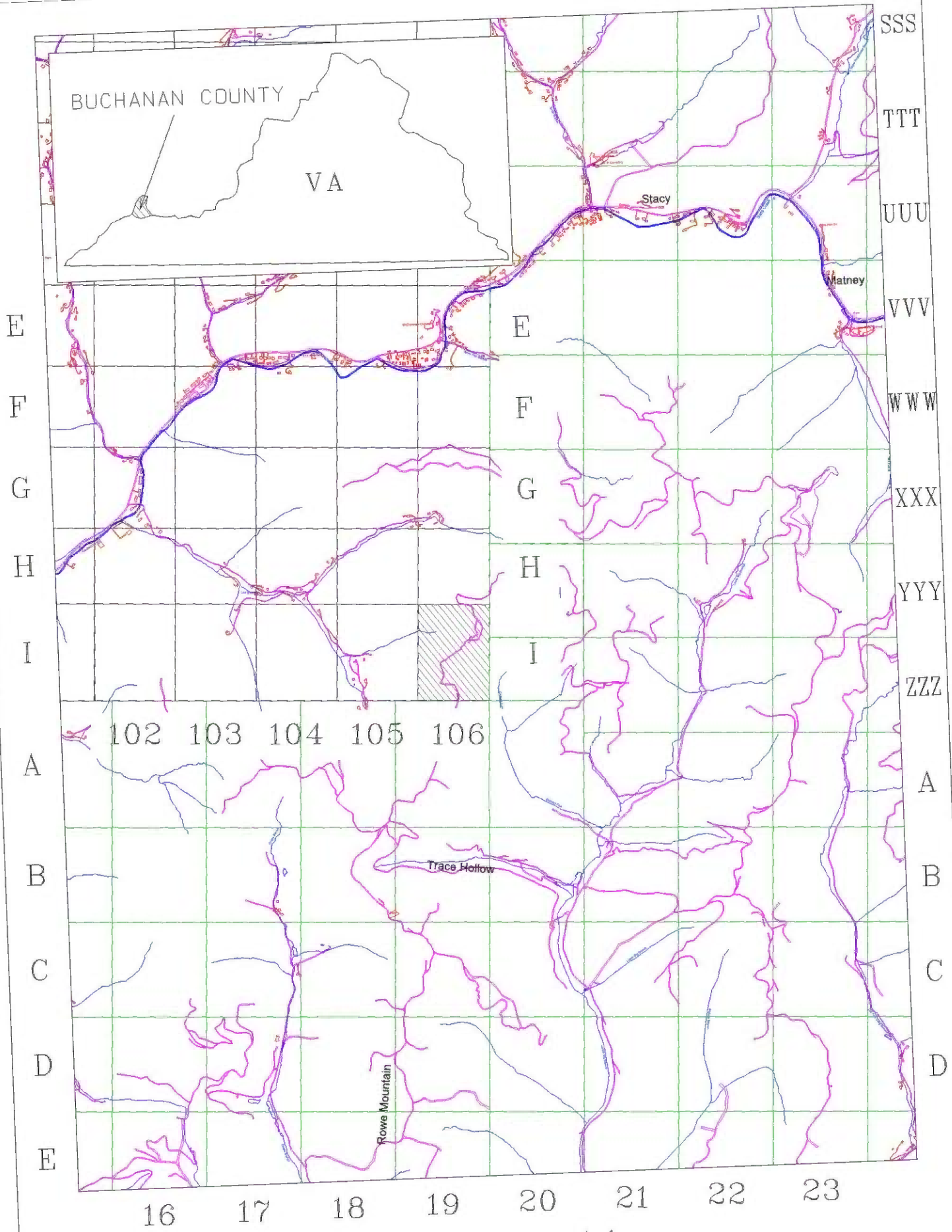


EXHIBIT A1  
 UNIT I-106  
 VGOB 06-0620-1651-01