



**HOWARD WEIL
ENERGY CONFERENCE
MARCH 23, 2009**



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.





Cautionary Language

This presentation contains statements, estimates and projections which are forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934). These statements involve risks and uncertainties that could cause actual results to differ materially from projected results. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. The forward-looking statements include estimates of unproved reserves, projections and estimates concerning the timing and rates of return of future projects, and our future production, revenues, income and capital spending. The forward-looking statements in this presentation speak only as of the date of this presentation; we disclaim any obligation to update these statements unless required by the securities laws, and we caution you not to rely on them unduly.

The United States Securities and Exchange Commission (SEC) permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We use certain terms in this presentation, such as "unproved reserves and/or resources" that the SEC's guidelines strictly prohibit us from including in filings with the SEC. We also caution you that the SEC views such "unproved reserves and/or resources" estimates as inherently unreliable and these estimates may be misleading to investors unless the investor is an expert in the gas industry.

In this presentation, the term "unproved reserves and/or resources" refers to gas that CNX Gas believes is economically recoverable, as of available data on February 17, 2009.



The unproved reserve data contained in this presentation is based on a summary review of the title to coalbed methane and other gas rights we hold, as well as a summary review of the title to the coal from which many of our rights derive. As is customary in the gas industry, prior to the commencement of gas drilling operations on our properties, we conduct a thorough title examination and perform curative work with respect to significant defects. We are typically responsible for curing any title defects at our expense. This curative work may include the acquisition of additional property rights in order to perfect our ownership for development and production of the gas estate.



CONSOL Energy: Coal and Gas



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.



CONSOL ENERGY

America's On Switch.



Overview of CONSOL Energy

- n Largest producer of high-Btu bituminous coal
- n Reserves located near installed base of coal-fired power plants in the Eastern U.S.
- n Achieved the following in 2008:
 - Record revenue of \$4.7 billion
 - Record net cash from operating activities of \$1.0 billion
 - Net income of \$442.5 million, second only to 2005, when a portion of CNX Gas was sold
 - Sold 66.2 million tons of high-Btu coal
- n Industry-leading margins



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Overview of CNX Gas

CXG
LISTED
NYSE

- n 83% owned by CONSOL Energy
- n Largest Appalachian Basin gas producer in terms of revenue, net income, and return on capital employed
- n Achieved the following records in 2008:
 - Production of 76.6 Bcf, up 32%
 - Net income of \$239 million, up 76%
 - Proved reserves of 1.4 trillion cubic feet, up 6%
 - Zero accidents among the employee base
- n Industry-leading margins
- n Carbon credit generation

WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.



CONSOL ENERGY
America's On Switch.



Response to Economic Downturn

- n Improve efficiencies in coal production
- n Align coal production with coal demand
- n Grow gas production by 11% to 85 Bcf
- n Reduce costs throughout the organization

Goal is to improve CONSOL Energy's competitive position, while spending within cash flow.



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Management Re-organization

- n J. Brett Harvey
CEO, CONSOL Energy Inc. and
Chairman and CEO,
CNX Gas Corporation

- n Nicholas J. DeLuliis
Executive Vice President and
COO, CONSOL Energy Inc. and
President and COO,
CNX Gas Corporation

- n William J. Lyons
Executive Vice President and
CFO, CONSOL Energy Inc. and
CNX Gas Corporation

WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Financial Review



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Short Term Financial Flexibility (at December 31, 2008) (\$MM)

| | <u>Amount / Capacity</u> | <u>Amount Drawn</u> | <u>Letters of Credit</u> | <u>Amount Available</u> |
|-------------------------------------|------------------------------|-------------------------|------------------------------|-----------------------------|
| Cash and Cash Equivalents - CONSOL | \$ 137 | \$ - | \$ - | \$ 137 |
| Cash and Cash Equivalents - CNX Gas | 2 | - | - | 2 |
| AR Securitization - CONSOL | 165 | 165 | - | - |
| Revolving Credit Facility - CONSOL | 1,000 | 485 | 271 | 244 |
| Revolving Credit Facility - CNX Gas | 200 | 73 | 15 | 112 |
| Total | \$ <u>1,504</u> | \$ <u>723</u> | \$ <u>286</u> | \$ <u>495</u> |

* Facility authorized for \$165MM, but limited to eligible receivables



Long Term Financial Flexibility (at December 31, 2008) (\$MM)

- n **Manageable Long-Term Debt:**
 - \$490 million of long-term debt
 - No scheduled debt payments until 2010



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Coal Operations



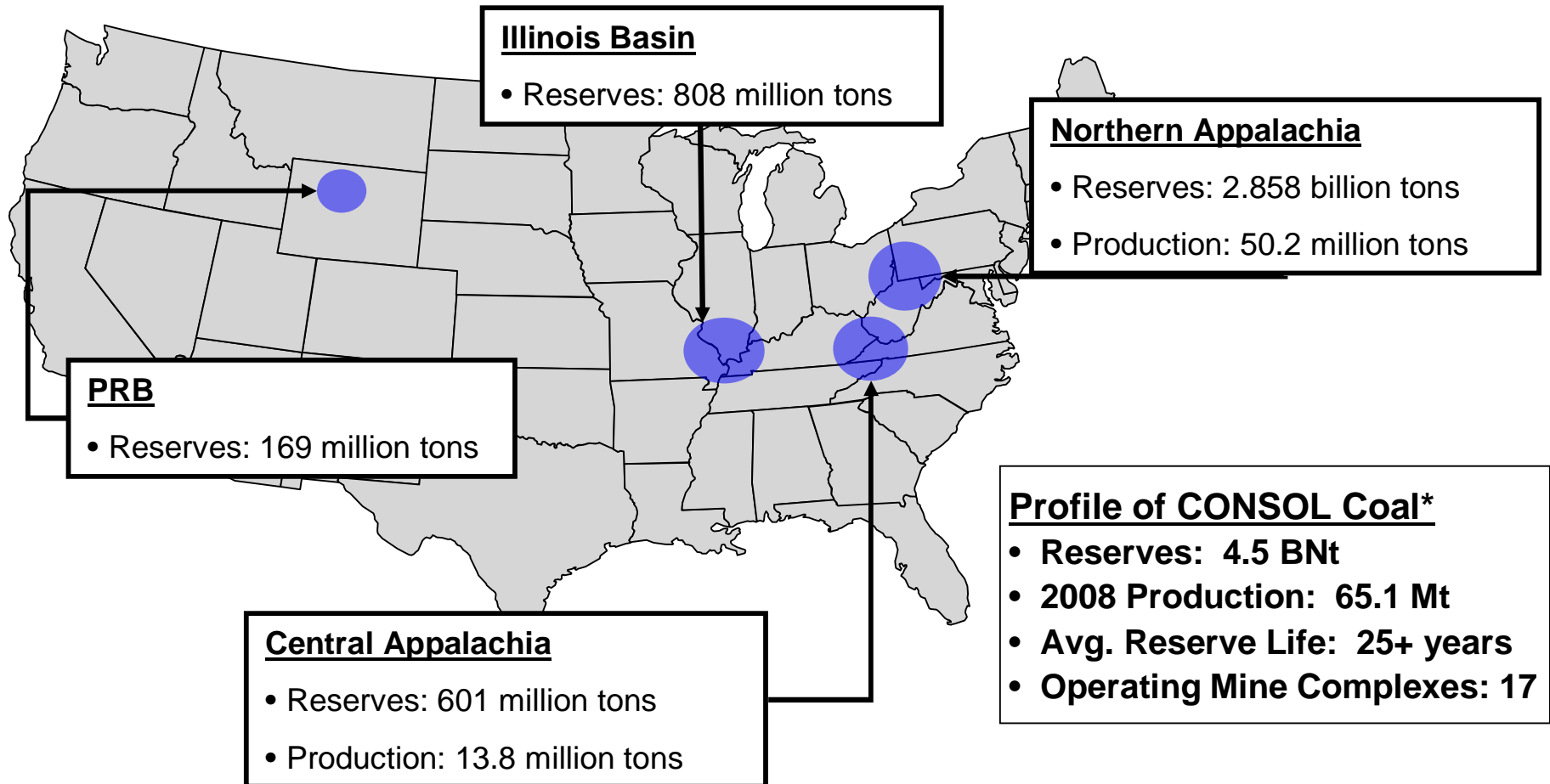
WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.



CONSOL ENERGY
America's On Switch.



Largest Holder of Eastern Coal Reserves



* 2008 production includes 1.1 million tons from Emery, UT. Reserves include 29 mmt assigned to UT and 78 mmt assigned to Western Canada.

WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.





2009 Production Strategy

- n **2009 Production Guidance is for 63 MM tons**
- n **Adjust Production to Match the Market**
 - Idle mines, as necessary
 - Buchanan
 - Mine 84
 - Defer planned expansion projects

Goal is to refrain from building inventory, while spending within cash flow.



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Priced Coal Commitments for 2009-2011 (MM Tons)

| | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|--|-------------|-------------|-------------|
| Avg. Realized Price ^{1,2} | \$59.83 | \$49.44 | \$50.84 |
| Volumes ^{1,2} (mm of tons) | 62.8 | 36.4 | 24.9 |

1 As of February 18, 2009

2 Obligations to deliver coal at prices to be determined by mutual agreement of the parties, including some agreements which contain pre-determined price ranges

CONSOL Energy is essentially sold out in 2009.

WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



CONSOL Energy Expects 2009 to be a Successful Year

- n Industry-leading margins are locked in
- n Good financial flexibility
- n Closed or idled mines, in order to match production with sales
- n Reduced staffing at some operations and staff



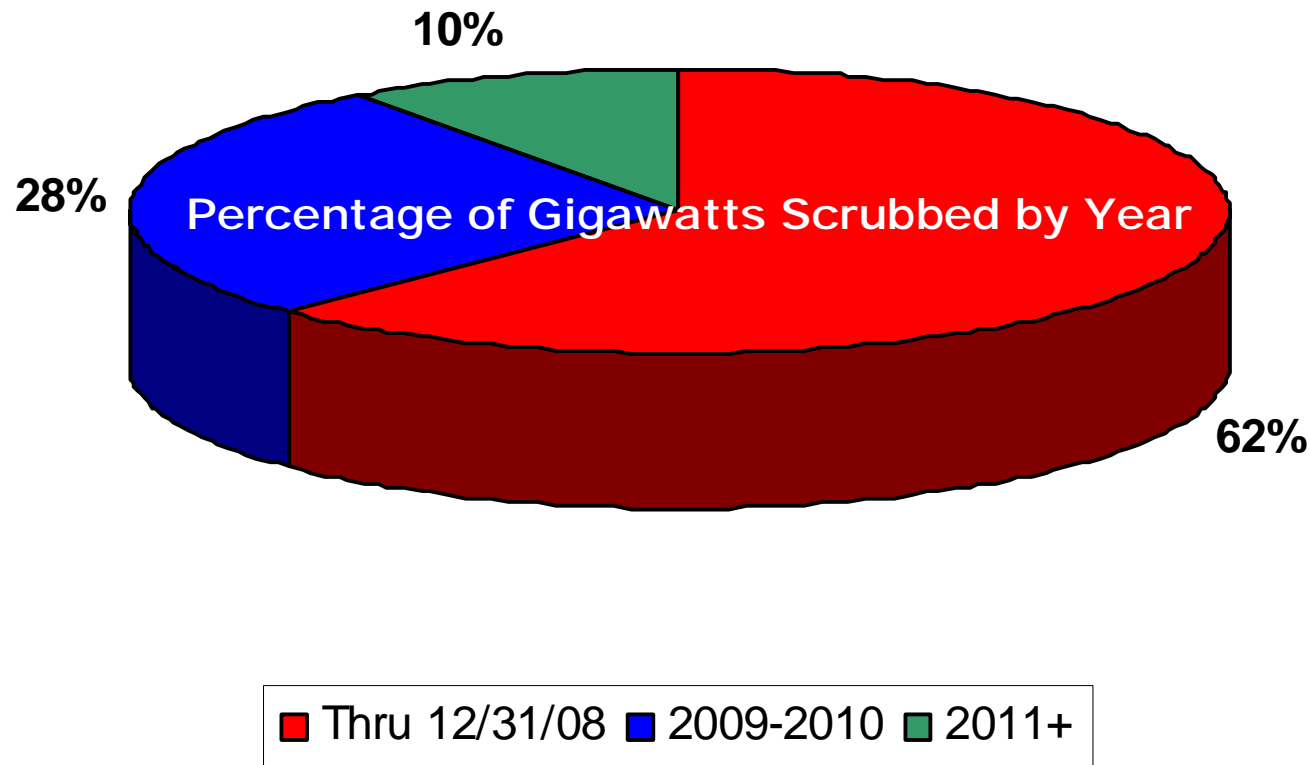
WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Scrubber Builds Are Being Completed

Since 2006, CONSOL has signed 6 multi-year, multi-million ton agreements with domestic customers that in aggregate ~ 250 million tons of high-Btu coal



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

CONSOL ENERGY
America's On Switch.



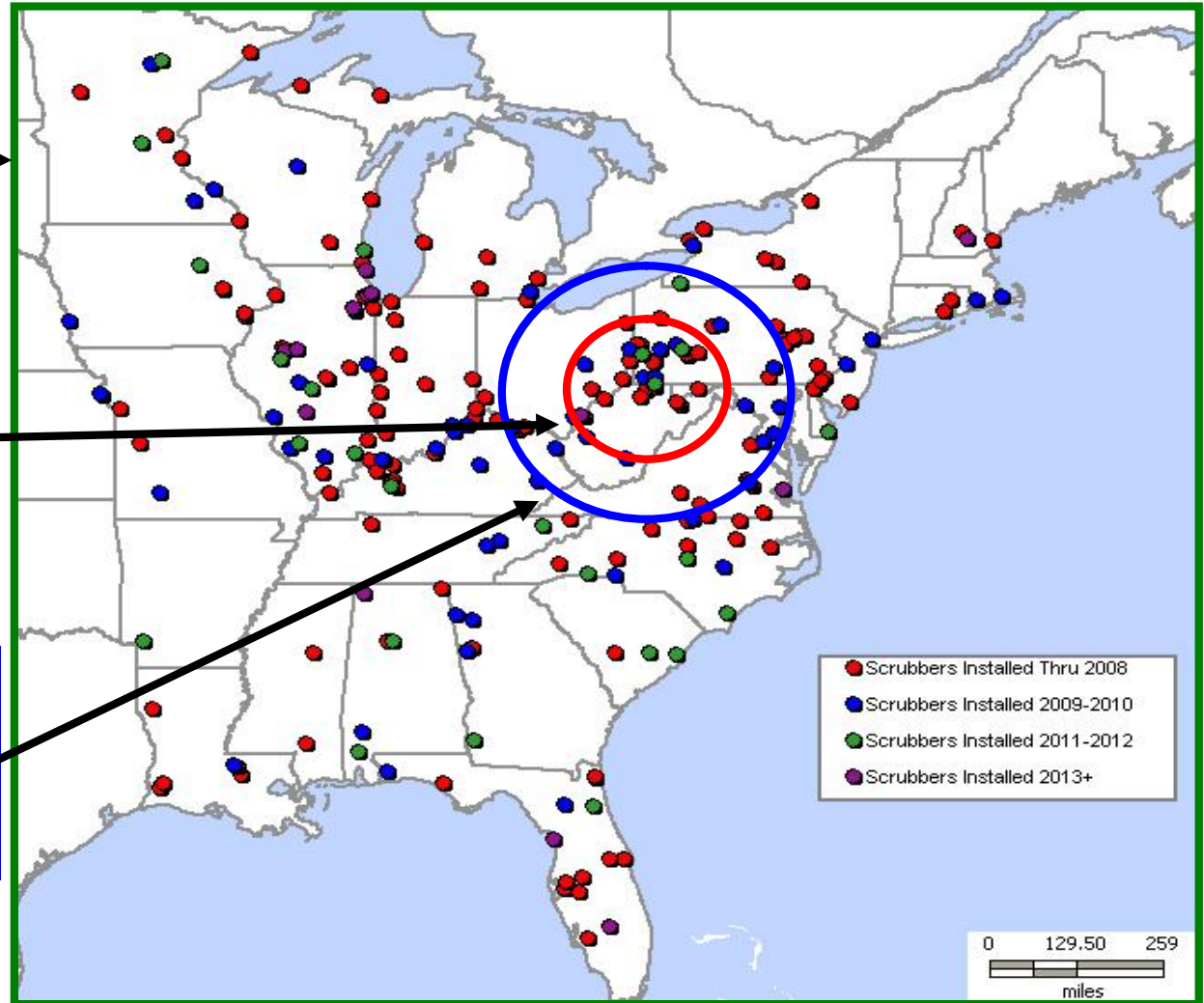
Close Proximity to Scrubbed Customers

By 2012, ~ 142 gigawatts scrubbed east of Mississippi River

60 generating units within 50 miles of CONSOL's NAPP coal reserves

CONSOL's Assets in Appalachia

- Producing Complexes: 16
- Reserves: 3.5 billion tons



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

CONSOL ENERGY
America's On Switch.



CNX Gas Corporation

CXG
LISTED
NYSE



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.



CONSOL ENERGY
America's On Switch.



2008 Record Results

CXG
LISTED
NYSE

- § **Record Production of 76.6 Bcf, up 32%**
- § **Record Net Income of \$239.1 million, up 76%**
- § **Zero Lost-Time Incidents for Employees**
- § **Early Success in the Marcellus Shale Exploration Program**
 - § 1st vertical well: Peak production of 1.3 MMcf per day
 - § 1st horizontal well: A record 6.5 MMcf per day
- § **Meaningful increases in reserves and net unrisked resources, despite lower prices**

WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Leading Appalachian Producer

CXG
LISTED
NYSE

Among Appalachian producers, CNX Gas is:

- § #1 in Sales Revenue
- § #1 in Profitability and Returns
- § #1 in Production Growth
- § #2 in Production Volume
- § #2 in Market Capitalization

Industry-wide, CNX Gas is:

- § #1 in Safety
- § #1 in Unit Margins
- § #1 in Carbon Credit Generation

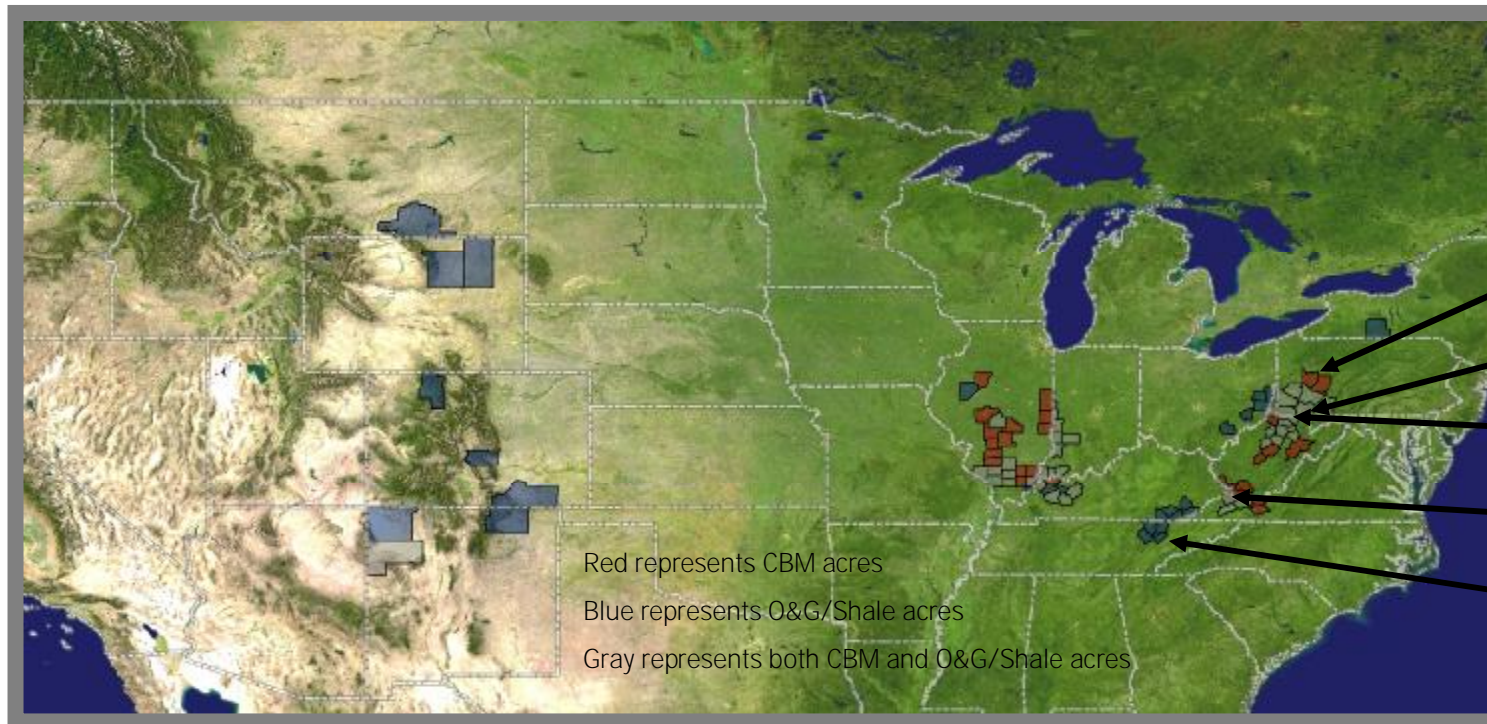
WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Asset Profile

CXG
LISTED
NYSE



Nittany
Marcellus
Mountaineer
Virginia Ops
Chattanooga

- 🔥 **Reserve Base/Resource Potential**
 - 1.422 Tcf of proved reserves, of which 55% are developed
 - 1.323 Tcf of unproved reserves
 - 4.7 - 12.6 Tcf of resource potential
 - 7.4 - 15.3 Tcf of Total Estimated Reserves and Resources
 - 4.2 million gross acres

WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Gas Operations Summary

CXG
LISTED
NYSE

Coal Bed Methane:

- § Most experience related to active coal mining
- § Most CBM horizontal drilling experience

Marcellus Shale:

- § Successfully adopted other producers' exploration techniques
- § Successfully benefited from the horizontal drilling experience on the CBM side
- § Many synergies with Mountaineer CBM Operations
- § Applied cutting-edge science to understanding shale



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Two-Pronged Growth Strategy

CXG
LISTED
NYSE

Continue to grow CBM reserves and production:

- § Virginia, Mountaineer, and Nittany

Move quickly on emerging shale opportunities:

- § Replicate early success in Marcellus Shale
- § Perfect completion techniques in Chattanooga Shale

CNX Gas evolved from a one-play CBM operator to a large E&P company with a portfolio of plays.



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



Carbon Credit Generation

CXG
LISTED
NYSE

- § **CNX Gas captures methane ahead of coal mining**
- § **This methane is eligible for carbon emissions credits on the Chicago Climate Exchange**
- § **CNX Gas has registered 8.4 million tons of credits, which were generated from 2003 – 2007**
- § **On-going annual credits could be in the 2 – 3 million ton range**

CNX Gas is the only E&P company registered as an offset provider on the Chicago Climate Exchange.



Hedge Position

CXG
LISTED
NYSE

CNX Gas uses an opportunistic ladder approach to lock in future cash flows:

- § 41.9 Bcf hedged in 2009 at \$9.74 per Mcf**
- § 23.3 Bcf hedged in 2010 at \$9.59 per Mcf**

**Hedge position means CNX Gas can self-fund
11% production growth in 2009.**



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

CONSOL ENERGY
America's On Switch.



CONSOL Energy's Advantage

- n **Unique energy mix: coal, gas, and transportation**
 - Diversified coal business is well-positioned to capitalize on growing long-term demand for energy and the expanding installed scrubber base
 - Low-risk gas business is complementary to coal business and continues to produce record results
 - River transportation advantage with over 700 barges, 24 tow boats, and a 65% Upper Ohio River market share
- n **Higher pricing in contract renewals continues to increase cash flow**
 - Revenue growth outpacing cost increases, leading to improved margins
- n **Demonstrated liquidity/access to capital**
 - Publicly traded stocks
 - Dedicated borrowing facilities
- n **Significant reserve base supports long-term liability requirements**
 - 4.5 billion tons of coal
 - 1.4 Tcf of gas

WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

 **CONSOL ENERGY**
America's On Switch.



**HOWARD WEIL
ENERGY CONFERENCE
MARCH 23, 2009**



WE'RE WORKING DOWN HERE, TO KEEP AMERICA RUNNING UP THERE.

