



**For Immediate Release**

## **CONSOL Energy and Verdeo Group to Develop First Large Coal Mine Ventilation Air Methane Abatement Project in West Virginia**

PITTSBURGH, PA, June 2, 2010 -- CONSOL Energy Inc. (NYSE:CNX) has joined with Verdeo Group, Inc., to develop the first project to destroy ventilation air methane ("VAM") emissions at an active West Virginia coal mine.

The project, which will be located at CONSOL's McElroy Mine near Glen Easton in Marshall County, will demonstrate significant reductions of emissions of methane -- a potent greenhouse gas ("GHG") -- in a safe and proven manner, and without any impact on mine operations or production. It will be the first time the technology will be deployed at an active coal mine in West Virginia, and among the largest such projects of its kind in the U.S. to date.

"Companies will require a wide range of tools and incentives to effectively reduce GHG emissions," said Steve Winberg, CONSOL's Vice President of Research and Development. "CONSOL Energy has committed to utilize as much of its coal mine methane resources as possible. This project will allow us to abate a dilute source of methane that has no commercial value and would otherwise be vented into the atmosphere."

Methane gas is inherent in coal seams and is liberated during the mining process. Coal mines control underground methane emissions through the use of ventilation systems, which circulate large quantities of fresh air through the mine to dilute the methane, and then exhaust the VAM to the surface of the mine and to the atmosphere. According to the U.S. Environmental Protection Agency, VAM represents the largest source of GHG emissions from U.S. coal mines.

"Verdeo is pleased to have the opportunity to finance and co-develop this project with CONSOL," said Jeff Liebert, Managing Director for Verdeo. "Through this collaboration, CONSOL continues to be on the cutting edge of research and new technology development, and is demonstrating its leadership in the effort to proactively reduce GHG emissions," he added.

The project will utilize regenerative thermal oxidation ("RTO") technology to destroy the GHG emissions from the McElroy Mine. RTO technology has been successfully deployed in industrial process applications for many decades and this project will test the ability to use the equipment at a commercial scale in the mining sector. To date, several technology installations have been employed in the U.S. at facilities, including a coal mine, that fall under the jurisdiction of the Mine Safety and Health Administration.

"This project is a stepping stone to utilizing this commercially available equipment on our other mines, reducing our overall methane emissions and potentially creating carbon offset credits," Winberg added.



As a result of the emergence of trading markets for GHG emission reductions, voluntary initiatives like the McElroy VAM project can generate revenue from the sale of carbon offset credits. The value of these credits enables mine operators like CONSOL to secure capital from companies like Verdeo to pay for the RTO technology. The carbon offset credits generated from the VAM oxidation project at the McElroy Mine will be registered with the Climate Action Reserve, a leading pre-compliance certification program in the U.S. that approved a protocol for coal mine methane projects in 2009.

Development efforts between CONSOL and Verdeo are actively underway. The project is expected to become operational in the second quarter of 2011.

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**Verdeo Group, Inc.** is a leading provider of capital and project development solutions to mining and oil & gas companies. Backed by Black River Asset Management, an independently managed subsidiary of Cargill, Inc., Verdeo is developing some of the first innovative mine methane alternative energy and pre-compliance GHG emission reduction projects in North America. Verdeo is based in Washington, DC, and has offices in Denver and Austin: [www.verdeogroup.com](http://www.verdeogroup.com)

**CONSOL Energy, Inc.**, a high-Btu bituminous coal and natural gas company, is a member of the Standard & Poor's 500 Equity Index and the Fortune 500. It was recently named one of the "Top 100 Most Trustworthy" companies for 2010 by Forbes. At year-end 2009, it had 11 bituminous coal mining complexes in six states and reports proven and probable coal reserves of 4.5 billion tons. It also is a majority owner of CNX Gas, a leading Appalachian gas producer, with proved reserves of more than 1.9 trillion cubic feet. Additional information about CONSOL Energy can be found at its Web site: [www.consolenergy.com](http://www.consolenergy.com)

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