

#06-0000398

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANTS: Buchanan Production Company)
Harrison-Wyatt, LLC)
Bill Ratliff and Geneva Ratliff)
Ira Gordon Ratliff)

DOCKET NO.
92-1117-0284-01

RELIEF SOUGHT: Issuance of an Amended Supplemental)
Order Amending Prior Orders Affecting)
Drilling Unit T-17 Located in)
Buchanan County, VA)
(herein "Subject Drilling Unit" to Provide:)
(1) Calculation of Funds Unit Operator)
Deposited into the Escrow Account for)
Subject Drilling Unit by Tract Subaccounts;)
(2) to Applicants a Royalty Accounting; and)
(3) Disbursement to Buchanan Production)
Company, Harrison-Wyatt, LLC, Bill Ratliff)
and Geneva Ratliff, and Ira Gordon Ratliff in)
Accordance with Their Ownership Interests)
Those Funds Deposited by the Unit Operator)
into Subject Drilling Unit's Escrow)
Subaccount for VGOB Tracts 4a, 4b and 5.)

(As modified by
re-pooling under Docket
No. 95-0321-0493)

REPORT OF THE BOARD

FINDINGS AND ORDER

1. **Hearing Date and Place:** This matter came on for hearings before the Virginia Gas and Oil Board (herein "Board") on January 18, 2005 and February 15, 2005 at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Abingdon, VA.
2. **Appearances:** Peter Glubiak, Esq. Appeared for applicants Bill and Geneva Ratliff and Ira Gordon Ratliff, Mark Swartz, Esq. appeared for the Unit Operator; and Sharon M.B. Pigeon, Assistant Attorney General, was present to advise the Board at the January hearing.
3. **Jurisdiction and Notice:** Pursuant to Va. Code §§ 45.1-361.1 *et seq.*, and in particular Va. Code §§ 45.1-361.21 and 45.1-361.22, the Board finds that it has jurisdiction over the establishment and maintenance of an escrow account, with tract subaccounts, for each of the coalbed methane gas drilling units established by the Board through its field rules that are subject to a Board pooling order. Further, the Unit Operator is required to deposit, as applicable, those funds specified in Va. Code § 45.1-361.21.D., 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4 into the applicable escrow tract subaccounts. The Board finds that: (1) while it does not have jurisdiction to resolve conflicting claims to the ownership of the Coalbed Methane Gas produced by the Unit Operator from wells located on Subject Drilling Unit, and (2) while it does not have jurisdiction to interpret agreements by and between the Gas owners/claimants and/or the Unit Operators or to abridge or contravene the provisions of such agreements, (3) pursuant to Va. Code § 45.1-361.22.A.5, the

Board does have jurisdiction and authority to disburse funds from the Escrow Account provided the Board has been provided with a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between the conflicting claimants or an agreement among all claimants owning conflicting estates in the tract in question or any undivided interest therein.

4. **Prior Proceedings:**

- 4.1. On January 28, 1993, the Board executed its order pooling all interests in the Subject Drilling Unit for the production of occluded natural gas produced from coalbeds and rock strata associated therewith (herein "Gas") in accordance with the provisions of Va. Code §§ 45.1-361.21 and 45.1-361.22 (herein "Pooling Order"). The Pooling Order was filed with the Clerk of the Circuit Court of Buchanan County on February 5, 1993 in Deed Book 404 at Page 132. The Pooling Order was supplemented by the Board's Supplemental Order Regarding Elections executed on July 8, 1993 that was filed with the Clerk's Office on July 13, 1993 in Deed Book 411 at page 323 ("Supplemental Order"). On June 22, 1995, the Board executed an order, under Docket Number 95-0321-0493 and recorded with the Clerk in Deed Book 437 at page 559, modifying the original Order. The modified order was supplemented by the Board's Supplemental Order regarding Elections that was executed on October 2, 1997 and recorder with the Clerk in Deed Book 469 at page 200 (hereafter the Pooling Orders and the Supplemental Orders are collectively referred to as the "Pooling Orders"). All funds attributable to conflicting claimants in the Subject Unit were escrowed under Docket Number 92-1117-0284. On June 17, 2003, The Board executed an order without docket number amending all prior pooling orders that named Buchanan Production Company, Pocahontas Gas Partnership, Island Creek Coal Company or Consol Energy, Inc. as unit operator, and designated CNX Gas Company, LLC as operator. In Buchanan County, the amendment order was recorded with the Buchanan County Clerk in Deed Book 585, Page 65.
- 4.2 To the extent claims to the Gas were in conflict, pursuant to Va. Code § 45.1-361-22 payments attributable to said conflicting claims were ordered deposited by the Unit Operator into the escrow account established by the Pooling Order (herein "Escrow Account"). According to the Pooling Orders the coalbed methane claims of oil and gas fee owners Buchanan Production Company and the coal fee owner Harrison-Wyatt, LLC in a 0.23-acre tract known as VGOB Tract 5, oil and gas fee ownership of Bill and Geneva Ratliff and Harrison-Wyatt in a 2.16-acre tract known as VGOB Tract 4b, and oil and gas fee owner Ira Gordon Ratliff and Harrison-Wyatt, LLC in a 4.35-acre tract known as VGOB Tract 4a in the Subject Drilling Unit were in conflict and became subject to the escrow requirements of the Pooling Order.
- 4.3 The Unit Operator's Miscellaneous Petition regarding VGOB Tract 5, a copy of which is attached to and made a part hereof, states under oath that Buchanan Production Company and Harrison-Wyatt, LLC have entered into a royalty split agreement; and that by the terms of that agreement escrow regarding the conflicting claims of said parties is no longer required. By sworn testimony before the Board on February 15, 2005, the Unit Operator testified that VGOB Tract 5 and the interests of Buchanan Production Company and Harrison-Wyatt, LLC are subject to the split agreement.
- 4.4 Applicants Bill and Geneva Ratliff and Ira Gordon Ratliff Affidavit Regarding Supplemental Order and Disbursement of Escrowed Funds, a copy of which is attached to and made a part hereof, states under oath that Applicants were parties to a Motion for Judgment filed on August 14, 2000 in the Circuit Court of Buchanan County, Virginia Styled DONALD RATLIFF, et al v. HARRISON-WYATT, LLC, Case Number: CL187-00; that the Court ruled in favor of plaintiffs; that the Decision was appealed to the Virginia Supreme Court; and that the Supreme Court, in final non-appealable order, affirmed the Circuit Court opinion.

4.5 Applicants gave notice to Buchanan Production Company, Harrison-Wyatt, LLC and CNX Gas Company, LLC that the Board would take the Affidavit referred to in Paragraph 4.3 above under consideration at its hearing and consider whether to: (1) amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract 5 and the interests of Buchanan Production Company and Harrison-Wyatt, LLC, Tract 4a and the interests of Ira Gordon Ratliff, and Tract 4b and the interests of Bill and Geneva Ratliff, (2) delete the requirement that the Unit Operator place future royalties attributable to Tract 5 and the interests of Buchanan Production Company and Harrison-Wyatt, LLC, Tract 4a and the interests of Ira Gordon Ratliff, and Tract 4b and the interests of Bill and Geneva Ratliff in the Escrow Account, and (3) continue the escrow account under this docket number because parties other than those seeking disbursement under this order are subject to escrow.

4.6 The Unit Operator filed the attached accounting for Subject Drilling Unit's Escrow Account with the Board ("Accounting").

5. **Findings:**

5.1. Va. Code 45.1-361.22.5 provides:

The Board shall order payment of principal and accrued interests, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (i) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between them or (ii) an agreement among all claimants owning conflicting estates in the tract in question or any undivided interest therein. The amount to be paid to the conflicting claimants shall be determined based on the percentage of ownership interest of the conflicting claimants as shown in the operator's supplemental filing made part of the pooling order that established the escrow account, the operator's records of deposits attributable to those tracts for which funds are being requested, and the records of the escrow account for the coalbed methane gas drilling unit. The interests of any cotenants who have not entered into an agreement shall remain in the escrow account.

5.2 Applicants have certified and represented to the Board that:

- (1) Buchanan Production Company is fee owner of 143/165 of the oil and gas rights in Tract 5, and Harrison-Wyatt, LLC is fee owner of 100% of the coal rights in Tract 5.
- (2) Buchanan Production Company and Harrison-Wyatt, LLC entered into a royalty split agreement specifying that escrowed funds are to be divided with 50% going to the gas owner and 50% going to the coal owner, and also specifying that future royalties be paid directly to the owners according to the split agreement.
- (3) Bill and Geneva Ratliff are the owners of 100% of oil and gas estate underlying VGOB Tract 4b and Ira Gordon Ratliff is the owner of 100% of the oil and gas estate underlying VGOB Tract 4a of the Subject Drilling Unit;
- (4) Bill and Geneva Ratliff and Ira Gordon Ratliff are prevailing Plaintiffs in Case Number CL187-00 described in the attached affidavit and in Paragraph 4.4, above,
- (5) Tracts 4a and 4b of unit T-17 is subject to that decision which awards Plaintiffs all bonuses and/or royalties, if any, deposited by the Unit Operator in the Escrow Account which are attributable to said tracts.
- (6) Bill and Geneva Ratliff's interests in Tract 4b are subject to liens recorded by the U. S. Internal Revenue Service (IRS). Testimony and supporting documentation presented to

the Board at its February 15, 2005 hearing indicate that a settlement has been reached with the IRS in which the IRS agrees to a 50/50 split of escrowed funds and future payments, less attorney fees, that are attributable to Bill and Geneva Ratliff. Peter Glubiak, attorney for Ratliffs and other prevailing plaintiffs, testified that all payments should be made jointly to him and Ratliffs and he will be responsible for deducting appropriate fees and forwarding remaining funds to appropriate parties. Future payments are to be paid in like manner until the liens are satisfied.

(7) The Board relied on advice from John Byrum of the Virginia Office of Attorney General in its consideration of disbursement of Tract 4a and 4b funds.

(8) Net interests attributable and to be disbursed to Applicants are shown in Table 1, Below.

TABLE 1		
Tract # Owner Names	Net acres In unit	% interest in 92-1117-0284 Balance
Tract 5 Buchanan Production Co. (50%) Harrison-Wyatt, LLC (50%)	0.23	1.4787% 1.4787%
Tract 4b Bill and Geneva Ratliff	2.16	32.0475%
Tract 4a Ira Gordon Ratliff	4.35	64.5401%

6. **Relief Granted:**

For the reasons set forth in Paragraph 4 and 5 above, and based upon the Accounting, the Escrow Agent is ordered to, within 10 days of receipt of this executed order, (1) disburse 50% of 143/164 of the funds attributable to VGOB Tract 5, being 1.4787 percent of funds on deposit in the escrow sub-account on the date of disbursement to:

Buchanan Production Company
P. O. Box 947
Bluefield, VA 24605

(2) disburse 50% of 143/164 of the funds attributable to VGOB Tract 5, being 1.4787 percent of funds on deposit in the escrow sub-account on the date of disbursement to:

Harrison-Wyatt, LLC
C/O Wyatt Buick Pontiac, Inc.
P. O. Box 11000
Danville, VA 24543

(3) disburse one hundred percent (100%) of the funds attributable to VGOB Tract 4b, being 32.0475 percent of funds on deposit in the escrow sub-account on the date of disbursement to:

Peter Glubiak Law Offices, Bill Ratliff and Geneva Ratliff
C/O Glubiak Law Office
P. O. Box 144
Aylett, VA 23009

(4) disburse one hundred percent (100%) of the funds attributable to VGOB Tract 4a, being 64.5401 percent of funds on deposit in the escrow sub-account on the date of disbursement to:

Peter Glubiak Law Offices, Ira Gordon Ratliff
C/O Glubiak Law Office
P. O. Box 144
Aylett, VA 23009

Exhibits to the Pooling Order, showing owners subject to escrow, are deleted in toto and replaced with the Exhibit E attached to this order. Further, the Supplemental Order filed in this cause is hereby modified to delete the requirement that payments attributable to the conflicting coalbed methane gas ownership interests of Buchanan Production Company and Harrison-Wyatt, LLC in VGOB Tract 5, Bill and Geneva Ratliff and Harrison-Wyatt, LLC in VGOB Tract 4b, and Ira Gordon Ratliff and Harrison-Wyatt, LLC in VGOB Tract 4a be deposited by the Unit Operator into the Escrow Account (future payments attributable to Tract 4b are to be sent to Peter Glubiak Law Offices, Bill Ratliff and Geneva Ratliff, at the address shown above), and, because there are other owners subject to escrow under the Supplemental Order, the Escrow Agent is directed to continue the Escrow Account for Subject Drilling Unit. To the extent not specifically granted herein, any other or further relief is denied.

7. **Conclusion:**

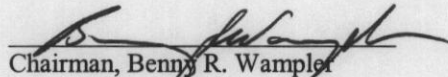
Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and IT IS SO ORDERED.

8. **Appeals:**


Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

9. **Effective Date:** This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 2nd day of Feb 2006, by a majority of the Virginia Gas and Oil Board.



Chairman, Benny R. Wampler

DONE AND PERFORMED this 6th day of February 2006, by an Order of this Board.


B. R. Wilson
Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA)
COUNTY OF ~~WISE~~ Washington)

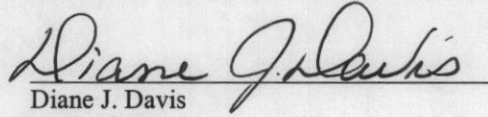
Acknowledged on this 2nd day of February 2006, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My Commission expires: 9/30/09

COMMONWEALTH OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 6th day of February 2006, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires: 9/30/09

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL 01
DOCKET NO: VGOB 92-1117-0284-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 5
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: February 15, 2005

DRILLING UNIT: T-17

BUCHANAN COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. **Petitioner and its counsel:** Petitioner is **CNX Gas Company LLC**, P. O. Box 947, Bluefield, Virginia 24605, 276/988-1000. Petitioner's counsel is Mark A. Swartz, **Swartz & Stump, L.C.**, P.O. Box 517, Abingdon, VA 24212.

2. **Relief sought:** (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to portions of Tract(s) 5 as depicted upon the annexed Exhibit A; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Harrison-Wyatt, LLC and Buchanan Production Company.

3. **Legal Authority:** Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

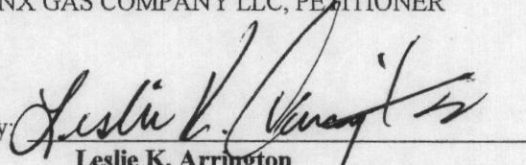
4. **Type of well(s):** Coalbed methane.

5. **Factual basis for relief requested:** Harrison-Wyatt, LLC and Buchanan Production Company, have entered into a royalty split agreement. Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and, further, specifies how said royalties are to be divided and paid, to-wit: 1.4787 percent of escrow to Harrison-Wyatt, LLC and 1.4787 percent of escrow to Buchanan Production Company.

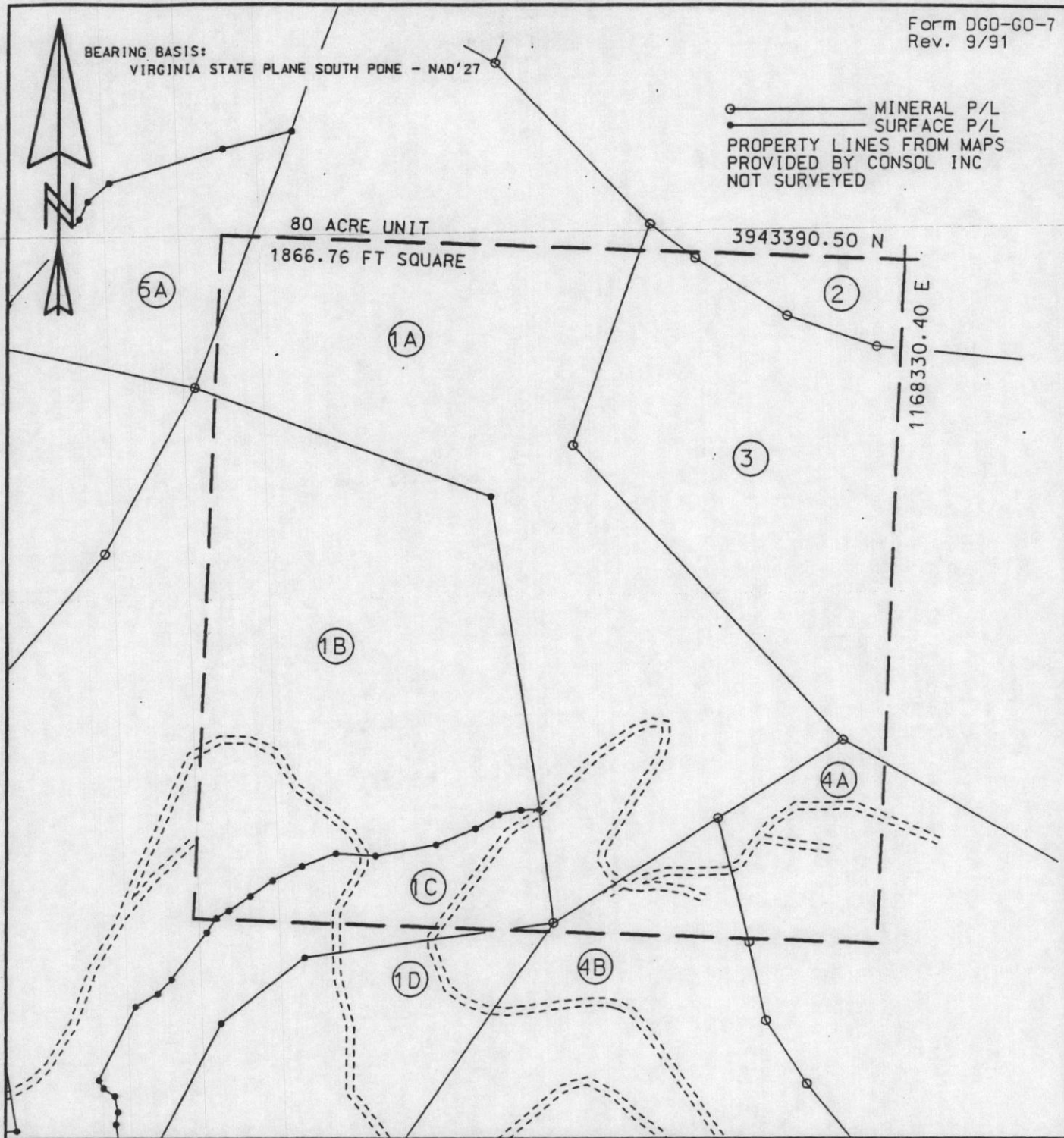
6. **Attestation:** The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC
BY IT'S PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By:



Leslie K. Arrington
Manager – Environmental / Permitting
CNX Gas Company LLC
P.O. Box 947
Bluefield, Virginia 24605
276/988-1000

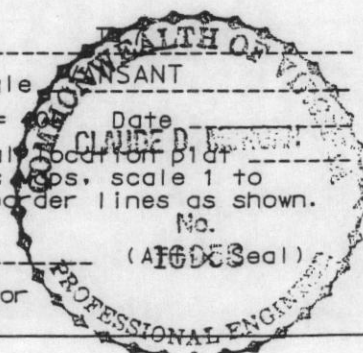


WELL LOCATION PLAT

Company CONSOL INC Well Name and Number _____
 Tract No. _____ Elevation _____ Quadrangle _____
 County BUCHANAN District HURRICANE Scale: 1" = _____ Date _____
 This Plat is a new plat X; an updated plat _____; or a final location 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.

Claude O. Noyes

 Licensed Professional Engineer or Licensed Land Surveyor



CONSOL Inc.
Property and Lease Information
Unit T-17

- 1A. Jessie Childress Heirs - Surface
- 1B. Billy Ray Ratliff, et al - Surface
- 1C. Stella Marie Hess - Surface
- 1D. Bill Ratliff - Surface

- 1. Big Axe Tr. 6 - Coal, Oil & Gas
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessees
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
54.41 acres - 68.01%

- 2. Yukon Pocahontas Coal Company, et al - Coal, Oil & Gas
Big Vein Tr. 3
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
2.00 acres - 2.50%

- 3. Neal Blankenship - Surface
Yukon Pocahontas Coal Company, et al - Coal, Oil & Gas
Big Vein Tr. 116
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessees
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
16.85 acres - 21.07%

- 4A. Ira Gordon Ratliff - Surface, Oil & Gas
Big Axe Tr. 5 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
4.35 acres - 5.43%

- 4B. Billy & Geneva Ratliff - Surface, Oil & Gas
Big Axe Tr. 5 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
2.16 acres - 2.70%
- 5A. Jessie Childress Heirs - Surface, Oil & Gas
Big Axe Tr. 4 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
0.23 acres - 0.29%

VIRGINIA:

AFFIDAVIT

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Pertaining to Applicants/Plaintiffs Bill Ratliff & Geneva Ratliff and Ira Gordon Ratliff, Big Axe Tract 18 and Big Axe Tract 19, which includes Unit T-17 (Tract 1B and Tract 4), created by Board Order as VGOB 92-1117-0284-01

Application of Bill Ratliff and Geneva Ratliff and Ira Gordon Ratliff, Plaintiffs/Applicants, resulting from action brought before the Buchanan County Circuit Court, styled Ratliff, et al v. Harrison – Wyatt, LLC, for disbursement of escrowed funds on behalf of the Plaintiffs/Applicants in Unit T-17 (Tract 1B and Tract 4), VGOB Docket No. 92-1117-0284-01 in the Hurricane District, Buchanan County, Virginia (Big Axe Tract 18 and Big Axe Tract 19)

AFFIDAVIT OF PETER G. GLUBIAK, COUNSEL FOR APPLICANTS LISTED ABOVE REGARDING SUPPLEMENTAL ORDER AND DISBURSEMENT OF FORCED POOLING UNIT FUNDS

Peter G. Glubiak (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant, Peter G. Glubiak, Glubiak Law Offices, a discreet and competent attorney licensed in the State of Virginia, whose office is located at P. O. Box 144, Aylett, Virginia 23009; and that your Affiant is the attorney for the Applicants listed above and has been the attorney of record for Applicants throughout the judicial proceedings described below;
2. That pursuant to Order and Supplemental Order certain funds have been escrowed with regard to the Applicants above for Unit T-17 with the Virginia Gas and Oil Board;
3. Conflicting claim as shown on Orders and Supplemental Orders for the escrowed funds for above-referenced unit arose between Applicants and Harrison – Wyatt, LLC, coal owner underlying Applicants tracts of property as described below;
4. In order to resolve this conflict, a Motion for Judgment Pursuant to Declaratory Judgment Act, Virginia Code § 8.01-184 was filed on August 14, 2000 by Applicants listed above in the Circuit Court of Buchanan County, Virginia, Styled DONALD RATLIFF, et al v. HARRISON – WYATT, LLC, Case Number: CL187-00;
5. Pursuant to trial and Order of the Court, the Honorable Judge Keary R. Williams, Chief Judge of the Circuit Court of Buchanan County, Virginia rendered an Opinion Letter dated August 29, 2002, and an Amendment To Opinion Letter, Page 7, Paragraph 2 dated December 6, 2002, in favor of the Plaintiffs; and pursuant to statute, the Virginia Gas and Oil Board was Ordered to distribute the funds held in escrow attributable to the Applicants listed above;
6. The Decision of the Buchanan County Circuit Court was appealed to the Virginia Supreme Court and pursuant to Order dated March 5, 2004 the Decision of the Buchanan County Circuit Court was affirmed by unanimous opinion of the Virginia Supreme Court, resulting in a final non-appealable order pursuant to statute. It is the Order of the Virginia Supreme Court as well as the original Order of the Buchanan County Circuit Court under which Applicants,

represented by Affiant, apply for the distribution of funds held on escrow for the above-referenced Unit;

7. The interest in claims of all persons involved in the funds currently held in escrow by the Virginia Gas and Oil Board have been determined by a final non-appealable Order of Court and the ownership of the escrowed funds has also been the subject of a Circuit Court Order, which has subsequently been affirmed by the Virginia Supreme Court. It is Affiant's position that the matter has finally been determined and that therefore as the attorney on behalf of the Applicants listed above, he seeks distribution of all funds currently held in escrow for this unit, as well as those funds to be deposited at any later date pertaining to this unit.

8. Unit T-17, (Tract 1B and Tract 4) created by Board Order as VGOB 92-1117-0284-01, is subject to disbursement of funds due to the Court's Decision regarding ownership (Big Axe Tract 18 and Big Axe Tract 19); and

9. There are no other parties interested in these funds other than those who have previously been notified, including Harrison – Wyatt, LLC, by its Attorney, J. Scott Sexton, and CNX Energy, pursuant to the Orders and Supplemental Orders on file with the board.

Further saith Affiant not.

Dated at Aylett, Virginia, this 14 day of December, 2004.

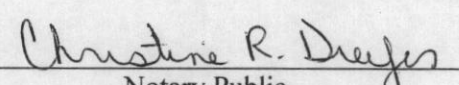


Peter G. Glubiak, Affiant

COMMONWEALTH OF VIRGINIA:
CITY/COUNTY OF King William, to-wit:

I, the undersigned, a Notary Public, in and for the County aforesaid, in the State of Virginia, do certify that, **PETER G. GLUBIAK**, Affiant, has acknowledged the foregoing writing before me in my County and State aforesaid.

Given under my hand this 14th day of December, 2004.



Notary Public

My commission expires: October 31, 2008

Tract-by-Tract Escrow Calculation
Account Balances as of 12/13/04

Docket #22
Unit S-15 (7.79 acres escrowed)
VGOB 92-0721-0237

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$7,759.02
Harrison-Wyatt, LLC - Coal	2	7.72	99.1014%	*	\$7,689.30
Jerry Raines - O&G					
Harrison-Wyatt, LLC - Coal	3	0.07	0.8986%	0.4493%	\$34.86
Clifford & Iris Blankenship				0.4493%	\$34.86

Docket #19
Unit S-17 (3.20 acres escrowed)
VGOB 98-0120-0617

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$3,047.30
Harrison-Wyatt, LLC - Coal	6	0.73	22.8125%	11.4063%	\$347.58
Jessie Childress Heirs - O&G				11.4063%	\$347.58
a) Buchanan Production Company (143/165)				9.8854%	\$301.24
Harrison-Wyatt, LLC - Coal	7	2.47	77.1875%	*	\$2,352.13
Jerry Raines - O&G					

Docket #20
Unit T-17 (6.74 acres escrowed)
VGOB 92-1117-0284

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$1,419.92
Harrison-Wyatt, LLC - Coal	4a	4.35	64.5401%	*	\$916.42
Ira Ratliff - O&G					
Harrison-Wyatt, LLC - Coal	4b	2.16	32.0475%	*	\$455.05
Billy & Geneva Ratliff - O&G					
Harrison-Wyatt, LLC - Coal	5	0.23	3.4125%	1.7062%	\$24.23
Jessie Childress Heirs - O&G				1.7062%	\$24.23
a) Buchanan Production Company (143/165)				1.4787%	\$21.00

Docket #21
Unit W-20 (79.94 acres escrowed)
VGOB 92-0721-0240

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$83,900.84
Hugh MacRae Land Trust - Coal	1	25.34	31.6988%	15.8494%	\$13,297.77
Gaston Cook Heirs - O&G				15.8494%	\$13,297.77
Hugh MacRae Land Trust - Coal	1a	0.51	0.6380%	0.3190%	\$267.63
Gaston Cook Heirs - O&G				0.3190%	\$267.63
Mullins, et al. - Coal	3	12.54	15.6868%	7.8434%	\$6,580.66
Consolidation Coal Co. - O&G				7.8434%	\$6,580.66
Harrison-Wyatt, LLC - Coal	4	2.50	3.1273%	*	\$2,623.87
Dianna Graham - O&G					
Hugh MacRae Land Trust - Coal	5	12.49	15.6242%	7.8121%	\$6,554.43
W.S. Ellis Heirs - O&G				7.8121%	\$6,554.43
Hugh MacRae Land Trust - Coal	6	26.56	33.2249%	16.6125%	\$13,937.99
Consolidation Coal Co. - O&G				16.6125%	\$13,937.99

*This owner is entitled to 100% of the royalties attributable to this tract.

Note: The highlighted entries are additions.

Exhibit E
Unit T-17

Docket # VGOB-95/03/21-0493

List of Conflicting Owners/Claimants that require escrow

Acres in Unit

Percent of
Unit

Tract No. 5, 0.23 Acres

COAL FEE OWNERSHIP

(1) Big Axe Land Company Tr 4 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	0.23 acres	0.28750%
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OIL & GAS FEE OWNERSHIP

(1) Jessie Childress Heirs, et al.	0.23 acres	0.28750%
(a) Phyllis Everett 4472 Dike Road Winter Park, FL 32792	0.014 acres 2/33 of 0.23 acres	0.01742%
(b) Eleanor Hankins 2819 Broadwood Drive Knoxville, TN 37917	0.014 acres 2/33 of 0.23 acres	0.01742%
(c) Louise & Lester Agee 7601 Bull Run Road Manassas, VA 22110	0.003 acres 2/165 of 0.23 acres	0.00348%

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 7th day of February, 20 06 12:43 P. M.
Deed Book No. _____ and Page No. _____.
Returned to: James M. Bevins, Jr. TESTE: James M. Bevins, Jr., Clerk
Deputy Clerk TESTE: Deputy Clerk

03-06-06

04:00pm

From-WACHOVIA ESSG

+2156706564

T-111 P.005/012 F-578

**WACHOVIA**

EMPLOYEE SHAREHOLDER SERVICES

0000453629

92-1117-0284T4AR1

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 955.98

01/VGOB
03/03/2006

WACHOVIA TOLL FREE CUSTOMER SERVICE 1-888-396-0853
 WEB ADDRESS: www.wachovia.com/corp_inst/essg/login

N N N N N N N

THE BACK OF CHECK HAS AN ARTIFICIAL WATERMARK. HOLD AT ANGLE TO VIEW.

DEPT. OF MINES, MINERALS & ENERGY
 VIRGINIA GAS & OIL BOARD

WACHOVIA BANK, N.A.
 62-22/311 38875

CHECK NUMBER 0000453629

EMPLOYEE SHAREHOLDER SERVICES

PAY NINE HUNDRED FIFTY FIVE AND 98/100 DOLLARS

TO THE ORDER OF:

000078 03/06/06 00453629 ESSP LUNESG1
 PETER GLUBIAK LAW OFFICES,
 IRA GORDON RATLIFF
 C/O GLUBIAK LAW OFFICE
 P.O. BOX 144
 AYLETT VA 23009

VOID AFTER 90 DAYS

AUTHORIZED SIGNATURE

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER

⑈00453629⑈ ⑆031100225⑆ 5079900000071⑈

**WACHOVIA****EMPLOYEE SHAREHOLDER SERVICES****0000453630**

92-1117-0284T4BR1

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 474.69

01/VGOB
03/03/2006

WACHOVIA TOLL FREE CUSTOMER SERVICE 1-888-396-0853
 WEB ADDRESS: www.wachovia.com/corp_inst/essg/login

N N N N N N N

THE BACK OF CHECK HAS AN ARTIFICIAL WATERMARK. HOLD AT ANGLE TO VIEW.

DEPT. OF MINES, MINERALS & ENERGY
 VIRGINIA GAS & OIL BOARD

WACHOVIA BANK, N.A.
 62-22/311 38876

CHECK NUMBER **0000453630****EMPLOYEE SHAREHOLDER SERVICES**

DATE	CHECK AMOUNT
03/03/2006	*****474.69**

PAY FOUR HUNDRED SEVENTY FOUR AND 69/100 DOLLARS
TO THE ORDER OF:

000079 03/06/06 00453630 ESSP LWDHESC1
 PETER GLUBIAK LAW OFFICES
 BILL RATLIFF AND GENEVA RATLIFF
 C/O GLUBIAK LAW OFFICE
 P.O. BOX 144
 AYLETT VA 23009

VOID AFTER 90 DAYS

AUTHORIZED SIGNATURE

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER

⑈00453630⑈ ⑆031100225⑆ 5079900000071⑈

**WACHOVIA**

EMPLOYEE SHAREHOLDER SERVICES

0000453631

92-1117-0284T5R1

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 21.90

01/VGOB
03/03/2006WACHOVIA TOLL FREE CUSTOMER SERVICE 1-888-396-0853
WEB ADDRESS: www.wachovia.com/corp_inst/essg/login

N N N N N N N

THE BACK OF CHECK HAS AN ARTIFICIAL WATERMARK. HOLD AT ANGLE TO VIEW.

DEPT OF MINES, MINERALS & ENERGY
VIRGINIA GAS & OIL BOARDWACHOVIA BANK, N.A.
62-22/311 38875

CHECK NUMBER 0000453631

EMPLOYEE SHAREHOLDER SERVICES

DATE	CHECK AMOUNT
03/03/2006	*****21.90**

PAY TWENTY ONE AND 90/100 DOLLARS
TO THE ORDER OF:

VOID AFTER 90 DAYS

000080 03/06/06 00453631 ESSP LWDHESCL
BUCHANAN PRODUCTION COMPANY
P.O. BOX 947
BLUEFIELD VA 24605
AUTHORIZED SIGNATURE

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER

⑈00453631⑈ ⑆031100225⑆ 5079900000071⑈

**WACHOVIA****EMPLOYEE SHAREHOLDER SERVICES****0000453632**

92-1117-0284T5R2

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 21.90

01/VGOB
03/03/2006WACHOVIA TOLL FREE CUSTOMER SERVICE 1-888-396-0853
WEB ADDRESS: www.wachovia.com/corp_inst/essg/login

N N N N N N N

THE BACK OF CHECK HAS AN ARTIFICIAL WATERMARK. HOLD AT ANGLE TO VIEW.

DEPT OF MINES, MINERALS & ENERGY
VIRGINIA GAS & OIL BOARDWACHOVIA BANK, N.A.
62-22/311 38875CHECK NUMBER **0000453632****EMPLOYEE SHAREHOLDER SERVICES**

DATE	CHECK AMOUNT
03/03/2006	*****21.90**

PAY TWENTY ONE AND 90/100 DOLLARS

TO THE ORDER OF:

000061 03/04/06 00453632 ESSP LVDHESG1
HARRISON-WYATT, LLC
C/O WYATT BUICK PONTIAC, INC.
P.O. BOX 11000
DANVILLE VA 24543

VOID AFTER 90 DAYS

AUTHORIZED SIGNATURE

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER

⑈00453632⑈ ⑆031100225⑆ 5079900000071⑈

Tract-by-Tract Escrow Calculation
Account Balances as of 12/13/04

Docket #22
Unit S-15 (7.79 acres escrowed)
VGOB 92-0721-0237

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$7,759.02
Harrison-Wyatt, LLC - Coal	2	7.72	99.1014%	*	\$7,689.30
Jerry Raines - O&G					
Harrison-Wyatt, LLC - Coal	3	0.07	0.8986%	0.4493%	\$34.86
Clifford & Iris Blankenship				0.4493%	\$34.86

Docket #19
Unit S-17 (3.20 acres escrowed)
VGOB 98-0120-0617

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$3,047.30
Harrison-Wyatt, LLC - Coal	6	0.73	22.8125%	11.4063%	\$347.58
Jessie Childress Heirs - O&G				11.4063%	\$347.58
a) Buchanan Production Company (143/165)				9.8854%	\$301.24
Harrison-Wyatt, LLC - Coal	7	2.47	77.1875%	*	\$2,352.13
Jerry Raines - O&G					

Docket #20
Unit T-17 (6.74 acres escrowed)
VGOB 92-1117-0284

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$1,419.92
Harrison-Wyatt, LLC - Coal	4a	4.35	64.5401%	*	\$916.42
Ira Ratliff - O&G					
Harrison-Wyatt, LLC - Coal	4b	2.16	32.0475%	*	\$455.05
Billy & Geneva Ratliff - O&G					
Harrison-Wyatt, LLC - Coal	5	0.23	3.4125%	1.7062%	\$24.23
Jessie Childress Heirs - O&G				1.7062%	\$24.23
a) Buchanan Production Company (143/165)				1.4787%	\$21.00

Docket #21
Unit W-20 (79.94 acres escrowed)
VGOB 92-0721-0240

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$83,900.84
Hugh MacRae Land Trust - Coal	1	25.34	31.6988%	15.8494%	\$13,297.77
Gaston Cook Heirs - O&G				15.8494%	\$13,297.77
Hugh MacRae Land Trust - Coal	1a	0.51	0.6380%	0.3190%	\$267.63
Gaston Cook Heirs - O&G				0.3190%	\$267.63
Mullins, et al. - Coal	3	12.54	15.6868%	7.8434%	\$6,580.66
Consolidation Coal Co. - O&G				7.8434%	\$6,580.66
Harrison-Wyatt, LLC - Coal	4	2.50	3.1273%	*	\$2,623.87
Dianna Graham - O&G					
Hugh MacRae Land Trust - Coal	5	12.49	15.6242%	7.8121%	\$6,554.43
W.S. Ellis Heirs - O&G				7.8121%	\$6,554.43
Hugh MacRae Land Trust - Coal	6	26.56	33.2249%	16.6125%	\$13,937.99
Consolidation Coal Co. - O&G				16.6125%	\$13,937.99

*This owner is entitled to 100% of the royalties attributable to this tract.

Note: The highlighted entries are additions.

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL 01
DOCKET NO: VGOB 92-1117-0284-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 5
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: February 15, 2005

DRILLING UNIT: T-17

BUCHANAN COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. **Petitioner and its counsel:** Petitioner is CNX Gas Company LLC, P. O. Box 947, Bluefield, Virginia 24605, 276/988-1000. Petitioner's counsel is Mark A. Swartz, **Swartz & Stump, L.C.**, P.O. Box 517, Abingdon, VA 24212.
2. **Relief sought:** (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to portions of Tract(s) 5 as depicted upon the annexed Exhibit A; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Harrison-Wyatt, LLC and Buchanan Production Company.
3. **Legal Authority:** Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.
4. **Type of well(s):** Coalbed methane.
5. **Factual basis for relief requested:** Harrison-Wyatt, LLC and Buchanan Production Company, have entered into a royalty split agreement. Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and, further, specifies how said royalties are to be divided and paid, to-wit: 1.4787 percent of escrow to Harrison-Wyatt, LLC and 1.4787 percent of escrow to Buchanan Production Company.
6. **Attestation:** The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

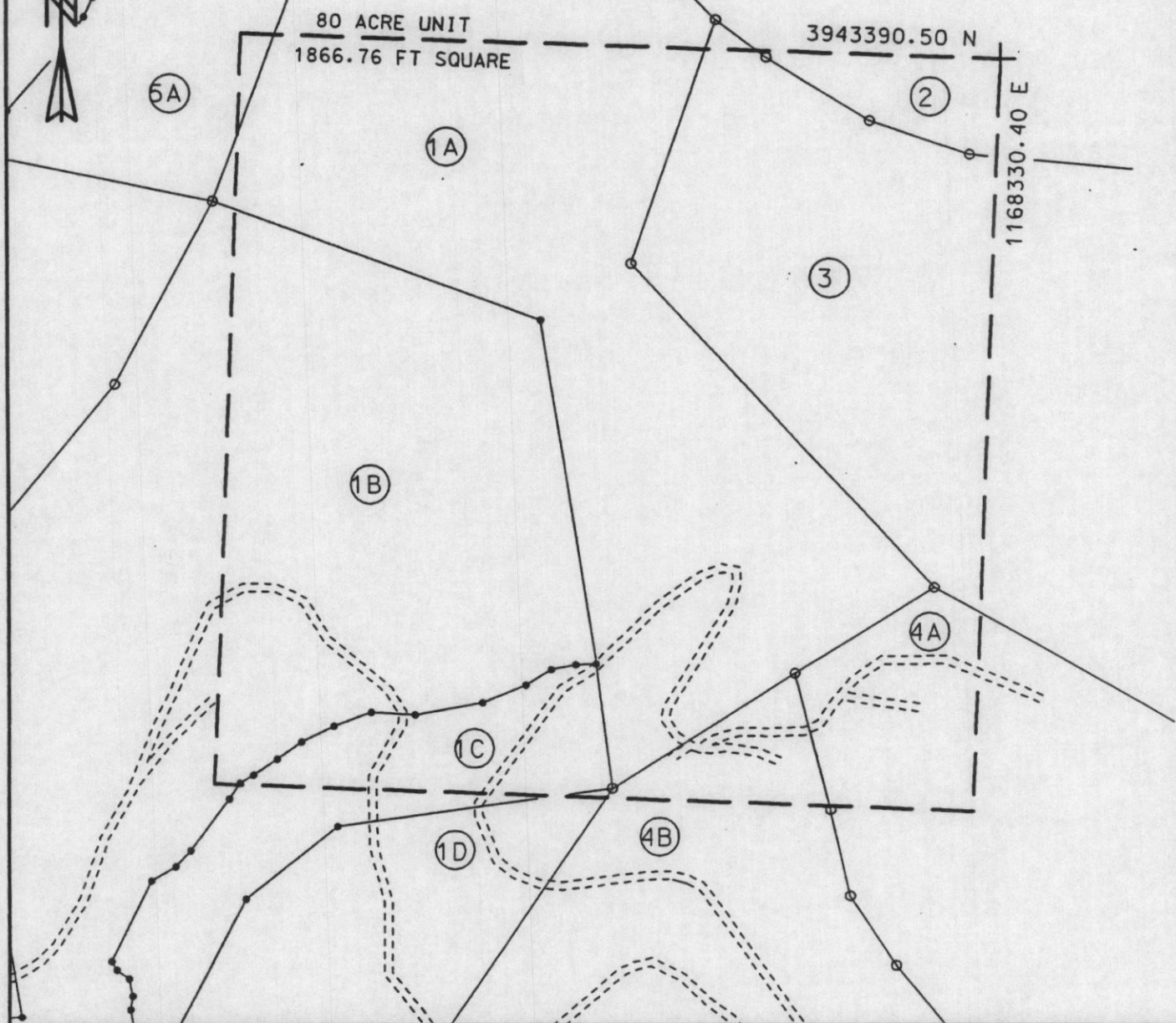
CNX GAS COMPANY LLC
BY IT'S PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By: 

Leslie K. Arrington
Manager - Environmental / Permitting
CNX Gas Company LLC
P.O. Box 947
Bluefield, Virginia 24605
276/988-1000

BEARING BASIS:
VIRGINIA STATE PLANE SOUTH PONE - NAD'27

○ MINERAL P/L
● SURFACE P/L
PROPERTY LINES FROM MAPS
PROVIDED BY CONSOL INC
NOT SURVEYED



WELL LOCATION PLAT

Company CONSOL INC Well Name and Number _____

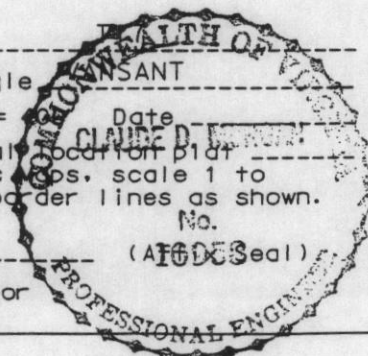
Tract No. _____ Elevation _____ Quadrangle _____

County BUCHANAN District HURRICANE Scale: 1" = _____ Date _____

This Plat is a new plat X; an updated plat _____; or a final location 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.

Claude D. Meyer

Licensed Professional Engineer or Licensed Land Surveyor



CONSOL Inc.
Property and Lease Information
Unit T-17

- 1A. Jessie Childress Heirs - Surface
- 1B. Billy Ray Ratliff, et al - Surface
- 1C. Stella Marie Hess - Surface
- 1D. Bill Ratliff - Surface

- 1. Big Axe Tr. 6 - Coal, Oil & Gas
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessees
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
54.41 acres - 68.01%

- 2. Yukon Pocahontas Coal Company, et al - Coal, Oil & Gas
Big Vein Tr. 3
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
2.00 acres - 2.50%

- 3. Neal Blankenship - Surface
Yukon Pocahontas Coal Company, et al - Coal, Oil & Gas
Big Vein Tr. 116
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessees
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
16.85 acres - 21.07%

- 4A. Ira Gordon Ratliff - Surface, Oil & Gas
Big Axe Tr. 5 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
4.35 acres - 5.43%

- 4B. Billy & Geneva Ratliff - Surface, Oil & Gas
Big Axe Tr. 5 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
2.16 acres - 2.70%
- 5A. Jessie Childress Heirs - Surface, Oil & Gas
Big Axe Tr. 4 - Coal
Wayles R. Harrison & Landon R. Wyatt, Jr., Trustees
NONE OF RECORD - Oil & Gas Lessee
Island Creek Coal Company - Coal Lessee
Beatrice Pocahontas Company
Jewell Smokeless Coal Corporation
Buchanan Production Company - CBM Lessee
0.23 acres - 0.29%

Exhibit E
Unit T-17
Docket # VGOB-95/03/21-0493
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
<u>Tract No. 5, 0.23 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Big Axe Land Company Tr 4 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	0.23 acres	0.28750%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Jessie Childress Heirs, et al.	0.23 acres	0.28750%
(a) Phyllis Everett 4472 Dike Road Winter Park, FL 32792	0.014 acres 2/33 of 0.23 acres	0.01742%
(b) Eleanor Hankins 2819 Broadwood Drive Knoxville, TN 37917	0.014 acres 2/33 of 0.23 acres	0.01742%
(c) Louise & Lester Agee 7601 Bull Run Road Manassas, VA 22110	0.003 acres 2/165 of 0.23 acres	0.00348%

Exhibit EE
Unit T-17
Docket # VGOB-95/03/21-0493
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract No. 5, 0.23 Acres</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Big Axe Land Company Tr 4 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	0.23 acres	0.28750%	3.4125%
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Jessie Childress Heirs, et al.	0.23 acres	0.28750%	3.4125%
(c) Buchanan Production Co. P. O. Box 947 Bluefield, VA 24605	0.199 acres 143/165 of 0.23 acres	0.24917%	2.9575% (50% paid to each owner)