

#06-0000768

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: Hugh MacRae Land Trust/Torch Operating)
Company)
EE & E Fletcher, Inc.)

DOCKET NO.
01-0320-0878-01

RELIEF SOUGHT: Issuance of an Amended Supplemental)
Order Amending Prior Orders Affecting)
Drilling Unit **DD-24** Located in the Oakwood)
Coalbed Methane Gas Field, 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 Applicants)
in Accordance with Their Ownership)
Interests Those Funds Deposited by the)
Unit Operator into Subject Drilling Unit's)
Escrow Subaccount for VGOB Tract 3)

REPORT OF THE BOARD

FINDINGS AND ORDER

1. **Hearing Date and Place:** This matter came on for final hearing before the Virginia Gas and Oil Board (herein "Board") on November 16, 2004 at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Abingdon, VA.
2. **Appearances:** Mary Jo Swartz, Esq. of the firm Swartz and Stump L.C. appeared for the Unit Operator; and Sharon M. B. Pigeon, Assistant Attorney General, was present to advise the Board.
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 May 21, 2001, 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 May 25, 2001 in Deed Book 524 at page 699. The Board designated Pocahontas Gas Partnership, predecessor of CNX Gas Company LLC, as the Unit Operator of the Subject Drilling Unit. The Pooling Order was amended and supplemented by the Board's Supplemental Order regarding elections executed on November 8, 2001 that was filed with the Buchanan County Circuit Court Clerk's Office on November 14, 2001 in Deed Book 534 at page 271 ("Supplemental Order"). The Pooling Order was amended and supplemented by the Board's Supplemental Order Amending Prior Orders executed on June 28, 2003 that was filed with the Buchanan County Circuit Court Clerk's Office on July 3, 2003 in Deed Book 0572 at page 0581 ("Supplemental Order")(hereafter the Pooling Order and the Supplemental Orders are collectively referred to as the Pooling Order)
- 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/interests were ordered deposited by the Unit Operator into the escrow account established by the Pooling Order (herein "Escrow Account"). According to the Pooling Order, the coal fee ownership of Hugh MacRae Land Trust/Torch Operating Company and the oil and gas fee ownership of EE & E Fletcher, Inc. (formerly Ellen Fletcher) or their predecessors in title in a 1.54 acres tract known as VGOB Tract 3 in Subject Drilling Unit DD-24 were in conflict and became subject to the escrow requirements of the Pooling Order.
- 4.3. The Unit Operator's Miscellaneous Petition to the Board, received October 15, 2004 by the Division of Gas and Oil, a copy of which is attached to and made a part hereof, and sworn testimony attested that Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. (previously Ellen Fletcher) have entered into a royalty split agreement and that by terms of that agreement escrow regarding the conflicting claims of said parties is no longer required. By sworn testimony, the Unit Operator notified the Board that a portion of VGOB Tract 3 of the Subject Unit and the interests of Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. are subject to the split agreement.
- 4.4. Petitioner gave notice to Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. that the Board would take the petition referred to in Paragraph 4.3 above under consideration at its hearing. Notice stated that the Board would consider whether to: (1) amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract 3; (2) delete the requirement that the Unit Operator place future royalties attributable to the above-named parties in Tract 3 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.
- 4.5. The Unit Operator filed the attached accountings for Subject Drilling Unit's Escrow Account with the Board ("Accountings").

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 The Petitioner has certified and represented to the Board that:

- (1) Hugh MacRae Land Trust/Torch Operating Company is the owner of 100% of the coal estate underlying VGOB Tract 3 of the subject Drilling Unit.
- (2) EE & E Fletcher, Inc. is the owner of 87.5% of the oil and gas estate underlying VGOB Tract 3 of the subject Drilling Unit.
- (3) Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. have entered into royalty split agreements specifying that escrowed funds attributable to their conflicting interests 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.
- (4) The net interests attributable and to be disbursed to Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. in Tract 3 are shown in Table 1, below.

TABLE-1		
Tract # 3 Owner Names	Net acres in Unit	% interest in VGOB 01-0320-0878 balance
Hugh MacRae Land Trust/Torch Operating Company P. O. Box 4268 Houston, TX 77210-4268	1.3475	2.8682%
EE & E Fletcher, Inc. HC 65 Box 27A Rowe, VA 24646	1.3475	2.8682%

6. **Relief Granted:**

For the reasons set forth in Paragraphs 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 escrowed funds attributable to VGOB Tract 3 to Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. according to the percentages shown in Table 1, above, and mail attributable proceeds to the addresses shown in the table. Exhibit E to the Pooling Order, showing owners subject to escrow, is deleted in toto and replaced with the Exhibit E attached hereto. 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 Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. in Tract 3 be deposited by the Unit Operator into the Escrow Account, 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 9th day of March, 2006, by a majority of the Virginia Gas and Oil Board.

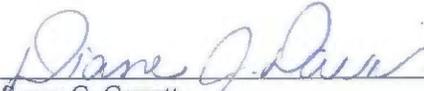

Chairman, Benny R. Wampler

DONE AND PERFORMED this 13th day of March, 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~~)

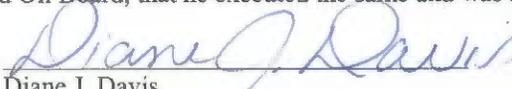
Washington
Acknowledged on this 9th day of March, 2006, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


~~Susan G. Garrett~~
Notary Public

My Commission expires: 9/30/09

COMMONWEALTH OF VIRGINIA)
COUNTY OF WASHINGTON)

13th
Acknowledged on this 13th day of March, 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
DOCKET NO: VGOB 01-0320-0878-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 3
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: November 16, 2004

DRILLING UNIT: DD-24

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, I.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 a portion of Tract(s) 3 as depicted upon the annexed Exhibit A; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Hugh MacRae Land Trust / Torch Operating Company and EE & E Fletcher, Inc. (previously Ellen Fletcher).

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:** Hugh MacRae Land Trust / Torch Operating Company and EE & E Fletcher, Inc. (previously Ellen Fletcher), 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: 2.86825 total percent of escrow to Hugh MacRae Land Trust / Torch Operating Company and 2.86825 percent of escrow to EE & E Fletcher, Inc..

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:

A handwritten signature in black ink, appearing to read "Leslie K. Arrington", written over a horizontal line.

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

N 312,705.22
E 986,568.84

N 312,633.94
E 988,435.64

80 ACRE UNIT

4C

4B

4A

4D

1

2

CBM-PGP-DD24

3

N 310,766.20
E 988,366.79

N 310,837.61
E 986,499.94



EXHIBIT A
OAKWOOD FIELD UNIT DD-24
FORCE POOLING
VGOB-01-0320-0878

Company Pocahontas Gas Partnership Well Name and Number UNIT DD24
Tract No. _____ Elevation _____ Quadrangle Keen Mountain
County Buchanan District Hurricane Scale: 1" = 400' Date: 2/13/01
This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DGO-GO-7 _____ (Affix Seal)
Rev. 9/91 Claude D. Meyer
Licensed Professional Engineer or Licensed Land Surveyor

**POCAHONTAS GAS PARTNERSHIP
UNIT DD-24
Tract Identifications**

1. Buckhorn Coal Mining - Tr. 2 - Fee
Reserve Coal Properties Company - Below Tiller Coal Leased
Pocahontas Gas Partnership - Oil & Gas Leased
Pocahontas Gas Partnership - CBM Leased
28.94 acres 36.1750%

2. Hugh MacRae Land Trust - TR 9 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas Leased
John I. Hale Heirs - Oil & Gas
Pocahontas Gas Partnership - Surface
27.56 acres 34.4500%

3. Hugh MacRae Land Trust - TR 9 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas Leased
Ellen Fletcher - Oil & Gas (87.5%)
Laura Boyd Heirs, Devisees, Successors or Assigns - Oil & Gas (12.5%)
Floyd Junior Blankenship - Surface
1.54 acres 1.9250%

- 4A. Hugh MacRae Land Trust - TR 18 - Coal
Consolidation Coal Company - Below Tiller Coal Leased
Pocahontas Gas Partnership - CBM Leased
Elmer Jackson - Surface, Oil & Gas
10.56 acres 13.2000%

- 4B. Hugh MacRae Land Trust - TR 18 - Coal
Consolidation Coal Company - Below Tiller Coal Leased
Pocahontas Gas Partnership - CBM Leased
Dorothy Hale - Surface, Oil & Gas
3.74 acres 4.6750%

- 4C. Hugh MacRae Land Trust - TR 18 - Coal
Consolidation Coal Company - Below Tiller Coal Leased
Pocahontas Gas Partnership - CBM Leased
Consolidation Coal Company - Surface, Oil & Gas
2.12 acres 2.6500%

- 4D. Hugh MacRae Land Trust - TR 18 - Coal
Consolidation Coal Company - Below Tiller Coal Leased
Pocahontas Gas Partnership - CBM Leased
John I. Hale Heirs - Oil & Gas
Pocahontas Gas Partnership - Surface
5.54 acres 6.9250%

Exhibit EE
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #2 - 27.56 acres</u>			
(1) Hugh Macrae Land Trust, Tr.9 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	27.56 acres	34.4500%	n/a
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
John I. Hale Heirs, et al.	27.56 acres	34.4500%	
(2) Pocahontas Gas Partnership P.O. Box 947 Bluefield, VA 24605	21.19 acres 253/329 of 27.56 acres	26.4919%	n/a
<u>Tract #3 - 1.54 acres *</u>			
(1) Hugh Macrae Land Trust, Tr.9 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	1.35 acres 7/8 of 1.54 acres	1.6844%	5.7365%
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) EE & E Fletcher, inc. HC65 Box 27A Rowe, VA 24646 (previously Ellen Fletcher)	1.35 acres 7/8 of 1.54 acres	1.6844%	5.7365%
<u>Tract #4C - 2.12 acres</u>			
(1) Hugh Macrae Land Trust, Tr.18 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	2.12 acres	2.6500%	n/a
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	2.12 acres	2.6500%	n/a

Exhibit EE
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #4D - 5.54 acres</u>			
(1) Hugh Macrae Land Trust, Tr.18 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	5.54 acres	6.9250%	n/a
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
John I. Hale Heirs, et al.	5.54 acres	6.9250%	
(2) Pocahontas Gas Partnership P.O. Box 947 Bluefield, VA 24605	4.26 acres 253/329 of 5.54 acres	5.3253%	n/a

* Only Tract #3 has been previously escrowed. The remaining tracts have been paid directly to the owners.

Tract-by-Tract Escrow Calculation
Account Balances as of 9/30/04

Unit DD-24

Owners	Tract #	Acres	Total Tract Percent of Escrow 23.49	Owners' Percent of Escrow (50%)	Amount Due Owners \$12,871.69
Hugh MacRae / Torch John I. Hale Heirs, et al.	2	(27.56) 6.37	27.1179%	27.1179%	\$3,490.53
Hugh MacRae / Torch EE & E Fletcher, Inc., et al. a) Ellen Fletcher (7/8)	3	1.54	6.5560%	6.5560% 2.8682%	\$843.87 \$369.19
Hugh MacRae / Torch Elmer Jackson, et ux.	4a	10.56	44.9553%	44.9553%	\$5,786.51
Hugh MacRae / Torch Dorothy Hale	4b	3.74	15.9217%	15.9217%	\$2,049.39
Hugh MacRae / Torch John I. Hale Heirs, et al.	4d	(5.54) 1.28	5.4491%	5.4491%	\$701.39

Unit FF-24

Owners	Tract #	Acres	Total Tract Percent of Escrow 67.81	Owners' Percent of Escrow (50%)	Amount Due Owners \$72,564.45
Hugh MacRae / Torch EE & E Fletcher, Inc., et al. a) Ellen Fletcher (7/8)	1a	13.20	19.4662%	19.4662% 8.5164%	\$14,125.51 \$6,179.91
Hugh MacRae / Torch Carlos Hale Heirs	1b	40.87	60.2713%	60.2713%	\$43,735.57
Hugh MacRae / Torch Arnold S. Hale, et ux.	1d	13.21	19.4809%	19.4809%	\$14,136.21
Hugh MacRae / Torch Larry Hale, et al.	1f	0.53	0.7816%	0.7816%	\$567.16

Unit FF-25

Owners	Tract #	Acres	Total Tract Percent of Escrow 70.60	Owners' Percent of Escrow (50%)	Amount Due Owners \$65,789.82
Hugh MacRae / Torch EE & E Fletcher, Inc., et al. a) Ellen Fletcher (7/8)	1a	38.88	55.0708%	55.0708% 24.0935%	\$36,230.99 \$15,851.06
Hugh MacRae / Torch Carlos Hale Heirs	1b	0.47	0.6657%	0.6657%	\$437.98
Hugh MacRae / Torch Arnold S. Hale, et ux.	1c	19.98	28.3003%	28.3003%	\$18,618.71
Hugh MacRae / Torch Myrtle Hale, et al.	2	11.27	15.9632%	15.9632%	\$10,502.14

***Note: To calculate the percent of escrow per owner, take the total acres escrowed and divide by the individual tract acres, then divide the result by 2. (Divide by 2 because the owners have agreed to split to money equally.**

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #2 - 27.56 acres</u>			
(1) Hugh Macrae Land Trust, Tr.9 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	27.56 acres	34.4500%	56.3139%
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
John I. Hale Heirs, et al.	27.56 acres	34.4500%	56.3139%
(2) John W. & Myrtle Hale Heirs, Devisees, Successors or Assigns			
(a) Ralph & Helen Hale Rt.2 Box 33B Oakwood, VA 24631	1.148 acres 1/24 of 27.56 acres	1.4354%	
(b) Bill Hale Heirs, Devisees, Successors or Assigns			
(b.3) William Bill Hale P.O. Box 575 Knoxville, TN 37901	0.383 acres 1/72 of 27.56 acres	0.4785%	
(3) Charles D. & Lillie Hale Heirs, Devisees, Successors or Assigns			
(b) Mamie Hale Heirs, Devisees, Successors or Assigns			
(b.1) Curtis & Barbara Hale P.O. Box 335 Rosedale, VA 24280	0.861 acres 1/32 of 27.56 acres	1.0766%	
(c) Elsie Vance Heirs, Devisees, Successors or Assigns			
(c.2) Billy Vance Heirs, Devisees, Successors or Assigns Address Unknown	0.431 acres 1/64 of 27.56 acres	0.5383%	
(5) Florence A. Hale & John Dye Heirs, Devisees Successors or Assigns			
(a) Pearl Dora Perkins Heirs, Devisees Successors or Assigns			
(a.1) Carl Perkins 8312 Camp Road, Rt.5 Mt. Vernon, OH 43050	0.164 acres 1/168 of 27.56 acres	0.2051%	

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(a.2) Clyde Perkins 7679 Co. Road 20 Mt. Gilhead, OH 43338	0.164 acres 1/168 of 27.56 acres	0.2051%	
(a.3) Lawrence Perkins 1252 St. Rt. 314S Mansfield, OH 44903	0.164 acres 1/168 of 27.56 acres	0.2051%	
(e) Ida Dye 4728 Lee Highway Bristol, VA 24201	0.492 acres 1/56 of 27.56 acres	0.6152%	
(g) Charles Whited 2727 9th Street Cuyahoga Falls, OH 44221	0.492 acres 1/56 of 27.56 acres	0.6152%	
(7) Sparrel H. Hale, Heirs, Devisees, Successors or Assigns			
(a) Dewey & Rosa Hale Heirs, Devisees, Successors or Assigns			
(a.1) Jack Hale <i>Address Unknown</i>	0.069 acres 1/400 of 27.56 acres	0.0861%	
(a.2) Helen T. Martin Heirs, Devisees, Successors or Assigns <i>Address Unknown</i>	0.069 acres 1/400 of 27.56 acres	0.0861%	
(a.3) Roger Hale Box 228 Lester, WV 25865	0.069 acres 1/400 of 27.56 acres	0.0861%	
(a.4) John Lewis & Terri Hale 2865 Coal River Road Glen Daniel, WV 25844	0.069 acres 1/400 of 27.56 acres	0.0861%	
(a.5) Dewey Hale, Jr. Box 60 Saxon, WV 25180	0.069 acres 1/400 of 27.56 acres	0.0861%	
(a.6) Jerry Hale Box 228 Lester, WV 25865	0.069 acres 1/400 of 27.56 acres	0.0861%	
(a.7) Sandra Trent P.O. Box 1137 Crab Orchard, WV 25827	0.069 acres 1/400 of 27.56 acres	0.0861%	
(a.8) Bonnie Harless 917 Lincoln Drive South Charleston, WV 25309	0.069 acres 1/400 of 27.56 acres	0.0861%	
(a.9) Virginia Young Box 228 Lester, WV 25865	0.069 acres 1/400 of 27.56 acres	0.0861%	

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(a.10) Don Hale Heirs, Devisees, Successors or Assigns <i>Address Unknown</i>	0.069 acres 1/400 of 27.56 acres	0.0861%	
(c) Lula Hale Heirs, Devisees, Successors or Assigns			
(c.1) Daniel V. Hale P.O. Box 112 Davy, WV 24828	0.077 acres 1/360 of 27.56 acres	0.0957%	
(c.2) Mary Doris Hopkins Box 645 Stollings, WV 25646	0.077 acres 1/360 of 27.56 acres	0.0957%	
(c.3) Nancy L. Keys 4710 Mayview Court Blue Springs, MO 64015	0.077 acres 1/360 of 27.56 acres	0.0957%	
(c.4) David Wayne Hale Box 262 Davy, WV 24828	0.077 acres 1/360 of 27.56 acres	0.0957%	
(c.5) Genevieve Marshall Box 71 Chaples, WV 24820	0.077 acres 1/360 of 27.56 acres	0.0957%	
(c.6) Dorothy Robinson 5205 Wythe Avenue Richmond, VA 23226	0.077 acres 1/360 of 27.56 acres	0.0957%	
(c.7) Donald Everett Hale Box 262 Davy, WV 24828	0.077 acres 1/360 of 27.56 acres	0.0957%	
(c.8) Bertha Lester Hale 4743 Wilson Blvd. Abingdon, VA 24210	0.077 acres 1/360 of 27.56 acres	0.0957%	
(c.9) Margie Smith Hale Heirs, Devisees, Successors or Assigns			
(c.9.1) Kendra Hale 114 Luna Street Alexandria, VA 22306	0.038 acres 1/720 of 27.56 acres	0.0478%	
(c.9.2) Jeffery Glenn Hale 114 Luna Street Alexandria, VA 22306	0.038 acres 1/720 of 27.56 acres	0.0478%	
(d) Unis Hale Mullins Heirs, Devisees, Successors or Assigns			
(d.1) Benny Mullins 38 Lake Drive Welch, WV 24801	0.138 acres 1/200 of 27.56 acres	0.1723%	

**Exhibit E
Unit DD-24**

Docket No. VGOB-01-0320-0878

List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(d.2) Melinda Mullins Jackson, Administratrix Estate of Vincent Dale Mullins, Sr. 4641 Maurey Road Jackson, MS 39211	0.138 acres 1/200 of 27.56 acres	0.1723%	
(d.3) Jack Mullins 33 Spruce Street Hazlett, NJ 07737	0.138 acres 1/200 of 27.56 acres	0.1723%	
(d.4) Betty Giaimo 51 Nautilus Drive Leonardo, NJ 07737	0.138 acres 1/200 of 27.56 acres	0.1723%	
(d.5) Patricia Mullins 256 Summerfield Road Princeton, WV 24740	0.138 acres 1/200 of 27.56 acres	0.1723%	

Tract #3 - 1.54 acres

(1) Hugh Macrae Land Trust, Tr.9 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	0.193 acres 1/8 of 1.54 acres	0.24063%	0.39334%
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			

OIL & GAS FEE OWNERSHIP

(2) Laura Hale Boyd Heirs, Deviseses, Successors or Assigns, et al. (1/8 int.)	0.193 acres 1/8 of 1.54 acres	0.24063%	0.39334%
(a) Leah Vernie Baldwin Heirs, Deviseses, Successors or Assigns			
(a.1) Velva Marie Charles Rt.5 Box 543 Grundy, VA 24614	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.2) Opal Mattie Hunt 1207-2059 Huntington Avenue Alexandria, VA 22303	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.3) Pauline Baldwin 5773 Governors Pond Circle Alexandria, VA 22310	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.4) Leah Mae Mullins Rt.4 Box 123A Grundy, VA 24614	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.5) Beulah Diane Boyd Rt.2 Box 453 Vansant, VA 24656	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(a.6) Laura Virginia Manier Rt.2 Box 54 Vansant, VA 24656	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.7) Henry Nathan Baldwin, Jr. Rt.2 Box 453 Vansant, VA 24656	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.8) Judy Elizabeth Hagy Rt.2 Box 448 Vansant, VA 24656	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.9) Gary Raymond Baldwin 49 Amsterdam Road Daleville, VA 24083-2921	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.10) Bradley Dean Baldwin Rt.2 Box 453 Vansant, VA 24656	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.11) James Curtis Baldwin Rt.1 Box 422A Vansant, VA 24656	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.12) Samuel Marcus Baldwin, II P.O. Box 994 Vansant, VA 24656	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.13) Brandon Scott Baldwin P.O. Box 994 Vansant, VA 24656	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(a.14) Samantha Leah Baldwin P.O. Box 994 Vansant, VA 24656	0.0013 acres 1/154 of 0.193 acres	0.00156%	0.00255%
(b) Lizzie Trula Greenwood 4518 Maple Grove Road Hampstead, MD 21074	0.0175 acres 1/11 of 0.193 acres	0.02188%	0.03576%
(c) Ada Nell Stiltner Heirs, Devisees, Successors or Assigns			
(c.1) Patricia G. Rice Rt.1 Box 425 Vansant, VA 24656	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(c.2) Teresa Church P.O. Box 473 Davenport, VA 24239	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(c.3) Shelia Miller 22455 Wyldwood Road Abingdon, VA 24211	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(c.4) Vickie Viers Rt.1 Box 425A Vansant, VA 24656	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(c.5) Terry Boyd Rt.1 Box 425A Vansant, VA 24656	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(c.6) Wayne Stiltner Rt.1 Box 425A Vansant, VA 24656	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(d) Marcus Boyd 863 Evins Avenue Smithville, TN 37166	0.0175 acres 1/11 of 0.193 acres	0.02188%	0.03576%
(e) Ireson Boyd Heirs, Devisees, Successors or Assigns			
(e.1) Hassie C. Boyd 612 Dry Creek Road Smithville, TN 37166	0.0175 acres 1/11 of 0.193 acres	0.02188%	0.03576%
(f) Charles Milton Boyd Heirs, Devisees, Successors or Assigns			
(f.1) Annie Boyd Heirs, Devisees, Successors or Assigns			
(f.1.1) Lester Boyd Box 182 Vansant, VA 24656	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(f.1.2) Helen Viola Coleman Rt.1 Box 586 Vansant, VA 24656	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(f.1.3) Betty Perkins Rt.1 Box 421 Vansant, VA 24656	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(f.1.4) Peggy Tiller Rt.2 Box 466 Vansant, VA 24656	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(f.1.5) Joan B. Boyd Rt.2 Box 461 Vansant, VA 24656	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(f.1.6) Barbara Evans 1685 Peach Grove Avenue Harrisonburg, VA 22801	0.0029 acres 1/66 of 0.193 acres	0.00365%	0.00596%
(g) Mary Boyd Cook Heirs, Devisees, Successors or Assigns			
(g.1) Edward Cook Heirs, Devisees, Successors or Assigns			
(g.1.1) Nancy Cook, widow 33967 Wadsworth Libonia, MI 48150	0.0044 acres 1/44 of 0.193 acres	0.00547%	0.00894%

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(g.2) Lloyd Cook Rt.5 Box 535 Grundy, VA 24614	0.0044 acres 1/44 of 0.193 acres	0.00547%	0.00894%
(g.3) Willard Cook 6227 East Owens Las Vegas, NV 89110	0.0044 acres 1/44 of 0.193 acres	0.00547%	0.00894%
(g.4) Ercil Cook Heirs, Devisees, Successors or Assigns <i>Address Unknown</i>	0.0044 acres 1/44 of 0.193 acres	0.00547%	0.00894%
(h) Marion Boyd, Jr. Heirs, Devisees, Successors or Assigns			
(h.1) Sandra Boyd Street P.O. Box 595 Vansant, VA 24656	0.0044 acres 1/44 of 0.193 acres	0.00547%	0.00894%
(h.2) Larry Ireson Boyd 612 Dry Creek Road Smithville, TN 37166	0.0044 acres 1/44 of 0.193 acres	0.00547%	0.00894%
(h.3) Sherry Boyd Stacy P.O. Box 396 Vansant, VA 24656	0.0044 acres 1/44 of 0.193 acres	0.00547%	0.00894%
(h.4) Rodney Boyd HCR Box 29H Grundy, VA 24614	0.0044 acres 1/44 of 0.193 acres	0.00547%	0.00894%
(i) Ardue Guy Boyd Heirs, Devisees, Successors or Assigns			
(i.1) Marshall Boyd 4797 Hayden Crest Drive Hilliard, OH 43026	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.2) Thelma Boyd Lester HCR Box 1088 Big Rock, VA 24603	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.3) Ferrell Boyd Rt.2 Box 516 Vansant, VA 24656	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.4) James H. Boyd Rt.1 Box 55 Vansant, VA 24656	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.5) Anna Lou Boyd Colley Rt.1 Box 343 Vansant, VA 24656	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.6) Estil Boyd Heirs, Devisees, Successors or Assigns			

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(i.6.1) Katherine Boyd P.O. Box 6883 Statesville, NC 28687	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.7) Charles Boyd Rt.1 Box 578 Vansant, VA 24656	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.8) William P. Boyd Rt.2 Box 464 Vansant, VA 24656	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.9) David G. Boyd Box 54 Vansant, VA 24656	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.10) Steve Boyd Rt.1 Box 415 Vansant, VA 24656	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.11) Robert G. Boyd Rt.1 Box 416 Vansant, VA 24656	0.0015 acres 1/132 of 0.193 acres	0.00182%	0.00298%
(i.12) Carlie B. Clevinger Heirs, Devisees, Successors or Assigns			
(i.12.1) Donald Clevinger Rt.1 Box 422C Vansant, VA 24656	0.0007 acres 1/264 of 0.193 acres	0.00091%	0.00149%
(i.12.2) Franklin Clevinger Rt.1 Box 503A Vansant, VA 24656	0.0007 acres 1/264 of 0.193 acres	0.00091%	0.00149%
(2) James D. Rasnake 22484 Montego Bay Road Abingdon, VA 24211	0.0350 acres 2/11 of 0.193 acres	0.04375%	0.07152%

Tract #4A - 10.56 acres

(1) Hugh Macrae Land Trust, Tr.18 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	10.56 acres	13.2000%	21.5774%
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			

OIL & GAS FEE OWNERSHIP

(1) Elmer & Evelyn Jackson P.O. Box 415 Vansant, VA 24656	10.56 acres	13.2000%	21.5774%
---	-------------	----------	----------

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #4B - 3.74 acres</u>			
(1) Hugh Macrae Land Trust, Tr.18 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	3.74 acres	4.6750%	7.6420%
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Dorothy Hale P.O. Box 415 Vansant, VA 24656	3.74 acres	4.6750%	7.6420%
<u>Tract #4D - 5.54 acres</u>			
(1) Hugh Macrae Land Trust, Tr.18 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	5.54 acres	6.9250%	11.3200%
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
John I. Hale Heirs, et al.	5.54 acres	6.9250%	11.3200%
(2) John W. & Myrtle Hale Heirs, Devisees, Successors or Assigns			
(a) Ralph & Helen Hale Rt.2 Box 33B Oakwood, VA 24631	0.231 acres 1/24 of 5.54 acres	0.2885%	0.4717%
(b) Bill Hale Heirs, Devisees, Successors or Assigns			
(b.3) William Bill Hale P.O. Box 575 Knoxville, TN 37901	0.077 acres 1/72 of 5.54 acres	0.0962%	0.1572%
(3) Charles D. & Lillie Hale Heirs, Devisees, Successors or Assigns			
(b) Mamie Hale Heirs, Devisees, Successors or Assigns			
(b.1) Curtis & Barbara Hale P.O. Box 335 Rosedale, VA 24280	0.173 acres 1/32 of 5.54 acres	0.2164%	0.3537%
(c) Elsie Vance Heirs, Devisees, Successors or Assigns			

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-08/8
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(c.2) Billy Vance Heirs, Devisees, Successors or Assigns <i>Address Unknown</i>	0.087 acres 1/64 of 5.54 acres	0.1082%	0.1769%
(5) Florence A. Hale & John Dye Heirs, Devisees Successors or Assigns			
(a) Pearl Dora Perkins Heirs, Devisees Successors or Assigns			
(a.1) Carl Perkins 8312 Camp Road, Rt.5 Mt. Vernon, OH 43050	0.033 acres 1/168 of 5.54 acres	0.0412%	0.0674%
(a.2) Clyde Perkins 7679 Co. Road 20 Mt. Gilhead, OH 43338	0.033 acres 1/168 of 5.54 acres	0.0412%	0.0674%
(a.3) Lawrence Perkins 1252 St. Rt. 314S Mansfield, OH 44903	0.033 acres 1/168 of 5.54 acres	0.0412%	0.0674%
(e) Ida Dye 4728 Lee Highway Bristol, VA 24201	0.099 acres 1/56 of 5.54 acres	0.1237%	0.2021%
(g) Charles Whited 2727 9th Street Cuyahoga Falls, OH 44221	0.099 acres 1/56 of 5.54 acres	0.1237%	0.2021%
(7) Sparrel H. Hale, Heirs, Devisees, Successors or Assigns			
(a) Dewey & Rosa Hale Heirs, Devisees, Successors or Assigns			
(a.1) Jack Hale <i>Address Unknown</i>	0.014 acres 1/400 of 5.54 acres	0.0173%	0.0283%
(a.2) Helen T. Martin Heirs, Devisees, Successors or Assigns <i>Address Unknown</i>	0.014 acres 1/400 of 5.54 acres	0.0173%	0.0283%
(a.3) Roger Hale Box 228 Lester, WV 25865	0.014 acres 1/400 of 5.54 acres	0.0173%	0.0283%
(a.4) John Lewis & Terri Hale 2865 Coal River Road Glen Daniel, WV 25844	0.014 acres 1/400 of 5.54 acres	0.0173%	0.0283%
(a.5) Dewey Hale, Jr. Box 60 Saxon, WV 25180	0.014 acres 1/400 of 5.54 acres	0.0173%	0.0283%
(a.6) Jerry Hale Box 228 Lester, WV 25865	0.014 acres 1/400 of 5.54 acres	0.0173%	0.0283%

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(a.7) Sandra Trent P.O. Box 1137 Crab Orchard, WV 25827	0.014 acres 1/400 of 5.54 acres	0.0173%	0.0283%
(a.8) Bonnie Hartless 917 Lincoln Drive South Charleston, WV 25309	0.014 acres 1/400 of 5.54 acres	0.0173%	0.0283%
(a.9) Virginia Young Box 228 Lester, WV 25865	0.014 acres 1/400 of 5.54 acres	0.0173%	0.0283%
(a.10) Don Hale Heirs, Devisees, Successors or Assigns <i>Address Unknown</i>	0.014 acres 1/400 of 5.54 acres	0.0173%	0.0283%
(c) Lula Hale Heirs, Devisees, Successors or Assigns			
(c.1) Daniel V. Hale P.O. Box 112 Davy, WV 24828	0.015 acres 1/360 of 5.54 acres	0.0192%	0.0314%
(c.2) Mary Doris Hopkins Box 645 Stollings, WV 25646	0.015 acres 1/360 of 5.54 acres	0.0192%	0.0314%
(c.3) Nancy L. Keys 4710 Mayview Court Blue Springs, MO 64015	0.015 acres 1/360 of 5.54 acres	0.0192%	0.0314%
(c.4) David Wayne Hale Box 262 Davy, WV 24828	0.015 acres 1/360 of 5.54 acres	0.0192%	0.0314%
(c.5) Genevieve Marshall Box 71 Chaples, WV 24820	0.015 acres 1/360 of 5.54 acres	0.0192%	0.0314%
(c.6) Dorothy Robinson 5205 Wythe Avenue Richmond, VA 23226	0.015 acres 1/360 of 5.54 acres	0.0192%	0.0314%
(c.7) Donald Everett Hale Box 262 Davy, WV 24828	0.015 acres 1/360 of 5.54 acres	0.0192%	0.0314%
(c.8) Bertha Lester Hale 4743 Wilson Blvd. Abingdon, VA 24210	0.015 acres 1/360 of 5.54 acres	0.0192%	0.0314%
(c.9) Margie Smith Hale Heirs, Devisees, Successors or Assigns			
(c.9.1) Kendra Hale 114 Luna Street Alexandria, VA 22306	0.008 acres 1/720 of 5.54 acres	0.0096%	0.0157%

Exhibit E
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(c.9.2) Jeffery Glenn Hale 114 Luna Street Alexandria, VA 22306	0.008 acres 1/720 of 5.54 acres	0.0096%	0.0157%
(d) Unis Hale Mullins Heirs, Devisees, Successors or Assigns			
(d.1) Benny Mullins 38 Lake Drive Welch, WV 24801	0.028 acres 1/200 of 5.54 acres	0.0346%	0.0566%
(d.2) Melinda Mullins Jackson, Administratrix Estate of Vincent Dale Mullins, Sr. 4641 Maurey Road Jackson, MS 39211	0.028 acres 1/200 of 5.54 acres	0.0346%	0.0566%
(d.3) Jack Mullins 33 Spruce Street Hazlett, NJ 07737	0.028 acres 1/200 of 5.54 acres	0.0346%	0.0566%
(d.4) Betty Gialmo 51 Nautilus Drive Leonardo, NJ 07737	0.028 acres 1/200 of 5.54 acres	0.0346%	0.0566%
(d.5) Patricia Mullins 256 Summerfield Road Princeton, WV 24740	0.028 acres 1/200 of 5.54 acres	0.0346%	0.0566%

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 13th day of March, 2006 at 2:53 P. M.
Deed Book No. DMME and Page No. ---.
Returned to: DMME.
TESTE: James M. Bevins, Jr., Clerk
TESTE: Genevieve S. Allen, Deputy Clerk



WACHOVIA

EMPLOYEE SHAREHOLDER SERVICES

0000463068

01-0320-0878T3R1

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 618.02

01/VGOB
04/06/2006



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 0000463068

EMPLOYEE SHAREHOLDER SERVICES

DATE	CHECK AMOUNT
04/06/2006	*****618.02**

PAY SIX HUNDRED EIGHTEEN AND 02/100 DOLLARS
TO THE ORDER OF:



000046 04/07/06 0000463068 ESSP EMPRES3
HUGH MACRAE LAND TRUST/TORCH
OPERATING COMPANY
P O BOX 4268
HOUSTON TX 772104268

VOID AFTER 90 DAYS

AUTHORIZED SIGNATURE

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER

⑈00463068⑈ ⑆031100225⑆ 507990000007⑈



WACHOVIA

EMPLOYEE SHAREHOLDER SERVICES

0000463069

01-0320-0878T3R2

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 618.02

01/VGOB
04/06/2006

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, MINERAL'S & ENERGY
VIRGINIA GAS & OIL BOARD

WACHOVIA BANK, N.A.
62-22311 38875

CHECK NUMBER **0000463069**

EMPLOYEE SHAREHOLDER SERVICES

DATE	CHECK AMOUNT
04/06/2006	*****618.02**

PAY SIX HUNDRED EIGHTEEN AND 02/100 DOLLARS

TO THE ORDER OF:



VOID AFTER 90 DAYS

000069 04/07/06 000463069 ESPP LMBRESCL
EE & E FLETCHER INC
HC 65 BOX 27A
ROWE VA 24646



AUTHORIZED SIGNATURE

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER

⑈000463069⑈ ⑆031100225⑆ 507990000007⑈

Exhibit EE
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #4D - 5.54 acres</u>			
(1) Hugh Macrae Land Trust, Tr.18 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	5.54 acres	6.9250%	n/a
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
John I. Hale Heirs, et al.	5.54 acres	6.9250%	
(2) Pocahontas Gas Partnership P.O. Box 947 Bluefield, VA 24605	4.26 acres 253/329 of 5.54 acres	5.3253%	n/a

* Only Tract #3 has been previously escrowed. The remaining tracts have been paid directly to the owners.

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO: VGOB 01-0320-0878-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 3
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: November 16, 2004

DRILLING UNIT: DD-24

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, I.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 a portion of Tract(s) 3 as depicted upon the annexed Exhibit A; and (2) authorization to begin paying royalties directly to the parties to the royalty split between **Hugh MacRae Land Trust / Torch Operating Company and EE & E Fletcher, Inc. (previously Ellen Fletcher).**

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:** **Hugh MacRae Land Trust / Torch Operating Company and EE & E Fletcher, Inc. (previously Ellen Fletcher),** 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: 2.86825 total percent of escrow to **Hugh MacRae Land Trust / Torch Operating Company** and 2.86825 percent of escrow to **EE & E Fletcher, Inc.**

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:

A handwritten signature in blue ink that reads "Leslie K. Arrington".

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

N 312,705.22
E 986,568.84

N 312,633.94
E 988,435.64

80 ACRE UNIT

4C

4B

4A

4D

1

2

CBM-PGP-DD24

3

N 310,766.20
E 988,366.79

N 310,837.61
E 986,499.94

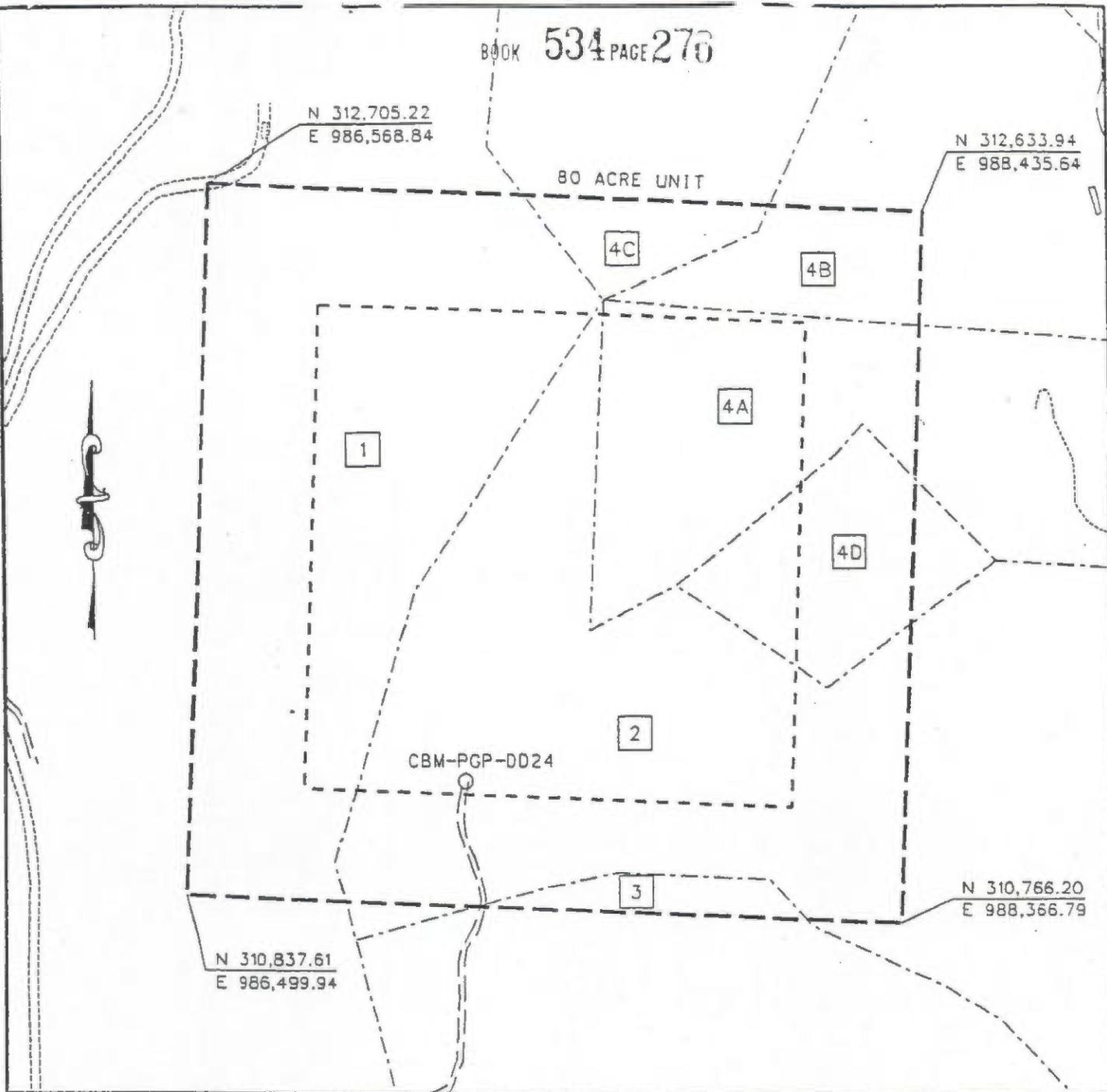
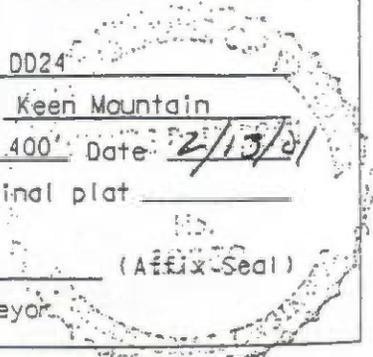


EXHIBIT A
DAKWOOD FIELD UNIT DD-24
FORCE POOLING
VGOB-01-0320-0878

Company Pocahontas Gas Partnership Well Name and Number UNIT DD24
Tract No. _____ Elevation _____ Quadrangle Keen Mountain
County Buchanan District Hurricane Scale: 1" = 400' Date: 2/13/01
This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DGO-GD-7
Rev. 9/91

Claude Q. Mays
Licensed Professional Engineer or Licensed Land Surveyor



**POCAHONTAS GAS PARTNERSHIP
UNIT DD-24
Tract Identifications**

1. Buckhorn Coal Mining - Tr. 2 - Fee
Reserve Coal Properties Company - Below Tiller Coal Leased
Pocahontas Gas Partnership - Oil & Gas Leased
Pocahontas Gas Partnership - CBM Leased
28.94 acres 36.1750%

2. Hugh MacRae Land Trust - TR 9 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas Leased
John I. Hale Heirs - Oil & Gas
Pocahontas Gas Partnership - Surface
27.56 acres 34.4500%

3. Hugh MacRae Land Trust - TR 9 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas Leased
Ellen Fletcher - Oil & Gas (87.5%)
Laura Boyd Heirs, Devisees, Successors or Assigns - Oil & Gas (12.5%)
Floyd Junior Blankenship - Surface
1.54 acres 1.9250%

- 4A. Hugh MacRae Land Trust - TR 18 - Coal
Consolidation Coal Company - Below Tiller Coal Leased
Pocahontas Gas Partnership - CBM Leased
Elmer Jackson - Surface, Oil & Gas
10.56 acres 13.2000%

- 4B. Hugh MacRae Land Trust - TR 18 - Coal
Consolidation Coal Company - Below Tiller Coal Leased
Pocahontas Gas Partnership - CBM Leased
Dorothy Hale - Surface, Oil & Gas
3.74 acres 4.6750%

- 4C. Hugh MacRae Land Trust - TR 18 - Coal
Consolidation Coal Company - Below Tiller Coal Leased
Pocahontas Gas Partnership - CBM Leased
Consolidation Coal Company - Surface, Oil & Gas
2.12 acres 2.6500%

- 4D. Hugh MacRae Land Trust - TR 18 - Coal
Consolidation Coal Company - Below Tiller Coal Leased
Pocahontas Gas Partnership - CBM Leased
John I. Hale Heirs - Oil & Gas
Pocahontas Gas Partnership - Surface
5.54 acres 6.9250%

Exhibit EE
Unit DD-24
Docket No. VGOB-01-0320-0878
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #2 - 27.56 acres</u>			
(1) Hugh Macrae Land Trust, Tr.9 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	27.56 acres	34.4500%	n/a
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
John I. Hale Heirs, et al.	27.56 acres	34.4500%	
(2) Pocahontas Gas Partnership P.O. Box 947 Bluefield, VA 24605	21.19 acres 253/329 of 27.56 acres	26.4919%	n/a
<u>Tract #3 - 1.54 acres *</u>			
(1) Hugh Macrae Land Trust, Tr.9 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	1.35 acres 7/8 of 1.54 acres	1.6844%	5.7365%
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) EE & E Fletcher, Inc. HC65 Box 27A Rowe, VA 24646 <i>(previously Ellen Fletcher)</i>	1.35 acres 7/8 of 1.54 acres	1.6844%	5.7365%
<u>Tract #4C - 2.12 acres</u>			
(1) Hugh Macrae Land Trust, Tr.18 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	2.12 acres	2.6500%	n/a
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	2.12 acres	2.6500%	n/a