

06-0000766

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: Harrison-Wyatt, LLC)
Tivis A. Arms)
Josh Vince Arms)
Kelsie Arms Eastridge)
Charlie E. Street)
Lucy Coleman Looney)

DOCKET NO.
90-1010-0032-02

RELIEF SOUGHT: Issuance of an Amended Supplemental)
Order Amending Prior Orders Affecting)
Drilling Unit AA-8 Located in the Oakwood)
Coalbed Methane Gas Field I,)
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 1B)

REPORT OF THE BOARD

FINDINGS AND ORDER

1. **Hearing Date and Place:** This matter came on for final hearings 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 November 8, 1990, 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 November 19, 1990 in Deed Book 367 at page 219. The Board designated Oxy, USA, predecessor of CNX Gas Company, L.L.C., 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 June 7, 1993 that was filed with the Clerk's Office on June 10, 1993 in Deed Book 409 at page 378 ("Supplemental Order"). The Pooling Order was amended and supplemented by the Board's Supplemental Order Amending Prior Orders executed on February 20, 2003 that was filed with the Clerk's Office on February 21, 2003 in Deed Book 562 at page 739 ("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 Harrison-Wyatt, L.L.C. and the oil and gas fee ownership of Tivis A. Arms, Josh Vince Arms, Kelsie Arms Eastridge, Lucy Looney, and Charlie E. Street or their predecessors in title in a 10.58 acres tract known as VGOB Tract 1B in Subject Drilling Unit AA-8 were in conflict and became subject to the escrow requirements of the Pooling Order.

The Unit Operators Amended Miscellaneous Petition to the Board, received October 25, 2004, a copy of which is attached to and made a part hereof, and sworn testimony attested that Harrison-Wyatt, LLC and Tivis A. Arms, Josh Vince Arms, Kelsie Eastridge and Charles E. Street, have entered into a royalty spilt 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 1B of the Subject Unit and the interests of Harrison-Wyatt, LLC and Tivis A. Arms, Josh Vince Arms, Kelsie Eastridge and Charles E. Street are subject to the split agreement.

- 4.4 Further sworn testimony presented to and accepted by the Board at its November 16, 2004 hearing stated that Harrison-Wyatt, LLC and Lucy Coleman Looney have also reached a royalty split agreement with respect to their interests in Tract 1B. The agreement specifies that escrow regarding the conflicting claims of said parties is no longer required.
- 4.5 Petitioner gave notice to Harrison-Wyatt, LLC and Tivis A. Arms, Josh Vince Arms, and Kelsie Eastridge, Charles E. Street and Lucy Coleman Looney that the Board would take the petition for disbursement 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 1B; (2) delete the requirement that the Unit Operator place future royalties attributable to the above-named parties in Tract 1B 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 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) Harrison-Wyatt, LLC is the owner of 100% of the coal estate underlying VGOB Tract 1B of the subject Drilling Unit AA-8.
- (2) Tivis A. Arms is the owner of 1/60 of the oil and gas estate underlying VGOB Tract 1B of the subject Drilling Unit AA-8.
- (3) Josh Vince Arms is the owner of 1/60 of the oil and gas estate underlying VGOB Tract 1B of the subject Drilling Unit AA-8.
- (4) Kelsie Arms Eastridge is the owner of 1/60 of the oil and gas estate underlying VGOB Tract 1B of the subject Drilling Unit AA-8.
- (5) Charles E. Street is the owner of 1/12 of the oil and gas estate underlying VGOB Tract 1B of the subject Drilling Unit AA-8.
- (6) Lucy Coleman Looney is the owner of 1/96 of the oil and gas estate underlying VGOB Tract 1B of the subject Drilling Unit AA-8.
- (7) Harrison-Wyatt, LLC and Tivis A. Arms, Josh Vince Arms, Kelsie Arms Eastridge, Charlie E. Street, and Lucy Coleman Looney 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.
- (8) The net interests attributable and to be disbursed to Harrison-Wyatt, LLC and Tivis A. Arms, Josh Vince Arms, Kelsie Arms Eastridge, Charlie E. Street, and Lucy Coleman Looney in Tract 1B are shown in Table 1, below.

TABLE-1			
Tract # 1B Owner Names	Net acres in Unit	% of Unit	% interest in VGOB 90- 1010-0032-02 balance
Harrison –Wyatt, LLC C/O Wyatt Buick Pontiac P. O. Box 11000 Danville, VA 24543	10.58	13.2250%	3.8271%
Tivis A. Arms 1209 West Madison Street Mayodan, NC 27027	0.176	0.2204%	0.4784%
Kelsie Arms Eastridge P. O. Box 654 Millers Creek, VA 28651	0.176	0.2204%	0.4784%
Josh Vince Arms Rt. 3 Box 316 Grundy, VA 24614	0.176	0.2204%	0.4784%
Charlie E. Street 19171 Stone Mountain Road Abingdon, VA 24210	0.882	1.1021%	2.3919%
Lucy Coleman Looney 883 Woodbriar Dr. Lebanon, VA 24266	0.110	0.13776	0.2990%

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 1B to Harrison-Wyatt, LLC and Tivis A. Arms, Josh Vince Arms, Kelsie Arms Eastridge, Charlie E. Street, and Lucy Coleman Looney 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 Harrison-Wyatt, LLC and Tivis A. Arms, Josh Vince Arms, Kelsie Arms Eastridge, Charlie E. Street, and Lucy Coleman Looney in Tract 1B 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:**

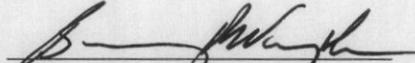
Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and IT IS SO ORDERED.

8. **Appeals:**

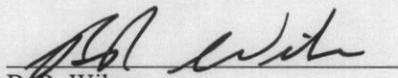
Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated 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.

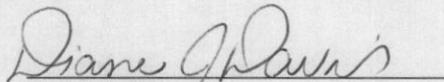

Chairman, Benny R. Wampler

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)

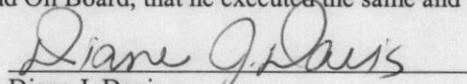
Washington
Acknowledged on this 9th day of March, 2006, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do 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 90-1010-0032-02

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

HEARING DATE: November 16, 2004
(continued from October)

DRILLING UNIT: AA-8

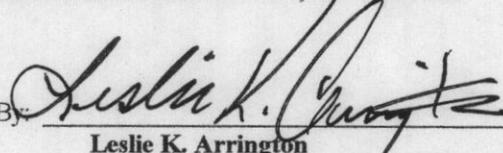
BUCHANAN COUNTY, VIRGINIA



AMENDED 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 Tract(s) 1B 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 Tivis Arms, Josh Arms, Kelsey Eastridge and Charlie E. Street.
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 Tivis Arms, Josh Arms, Kelsey Eastridge and Charlie E. Street, 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: 3.8271 total percent of escrow to Harrison-Wyatt, LLC and 0.4784 percent of escrow to Tivis Arms, Josh Arms and Kelsey Eastridge, individually and 2.3919 percent of escrow to Charlie E. Street.
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

PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

BOOK 562 PAGE 746

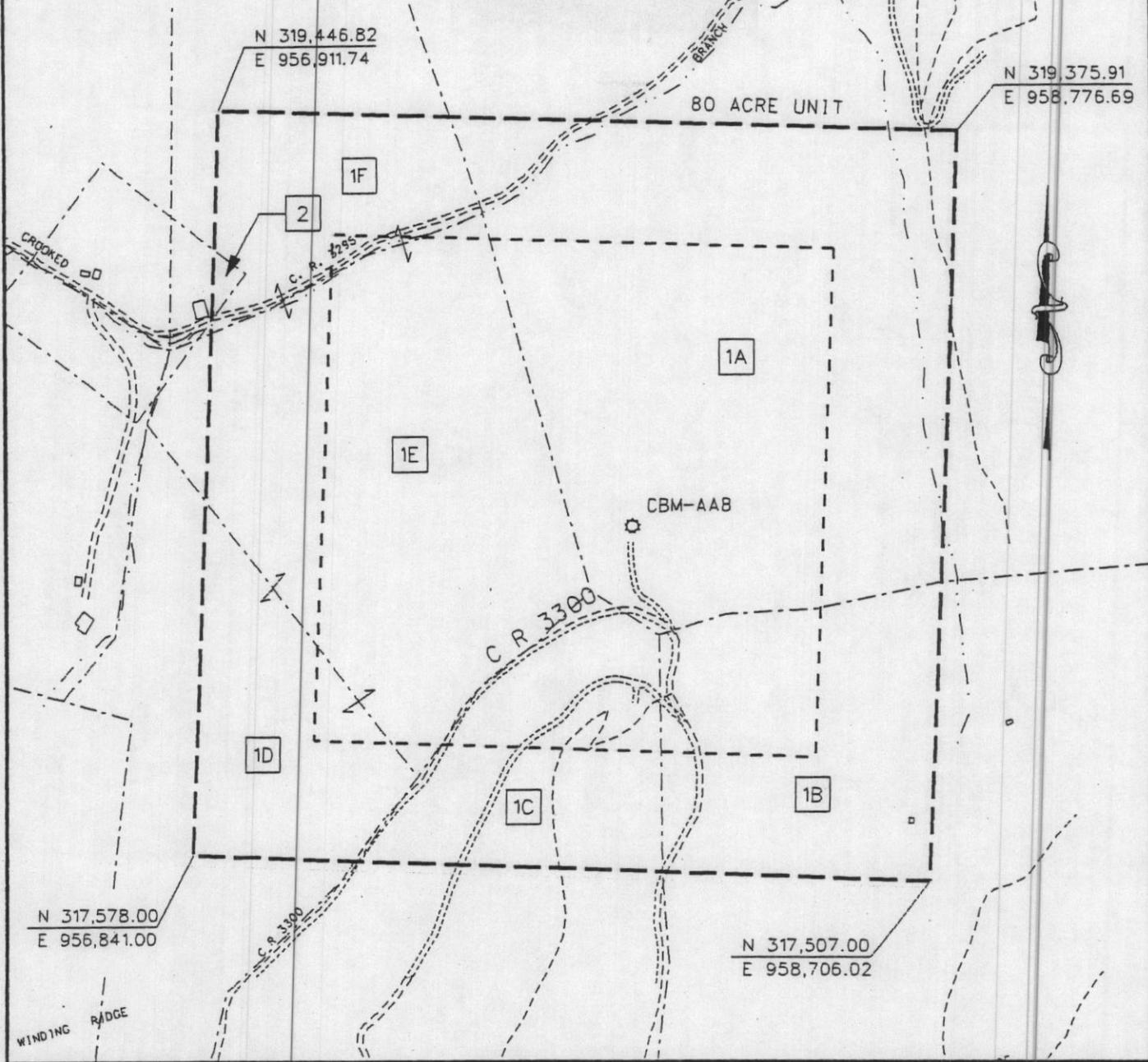


EXHIBIT A
 OAKWOOD FIELD UNIT AA-8
 FORCE POOLING
 VG0B-90-1010-0032-01

Company CONSOL Energy Inc. Well Name and Number UNIT AA8

Tract No. _____ Elevation _____ Quadrangle Varisart

County Buchanan District Prater/Hurricane Scale: 1" = 400' Date 8/15/02

This plat is a new plat ; an updated plat _____ ; or a final plat _____

Form DGO-GO-7
Rev. 9/91

Claude D. Mays
 Licensed Professional Engineer or Licensed Land Surveyor

CLAUDE D. MAYS
 No. 10553
 (Affix Seal)
 PROFESSIONAL ENGINEER

CONSOL Energy, Inc.
UNIT AA-8
Tract Identifications

- 1A. Harrison – Wyatt, LLC (Big Axe Tr. 39) - Coal
 Island Creek Coal Company/Consolidation Coal Co. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 Wellmore Coal Company - Jawbone and Tiller Seams Leased
 Buchanan Production Company - CBM Leased
 Robert A. Rash - Surface, Oil and Gas
 Buchanan Production Company - Oil, Gas and CBM Leased
 29.55 acres 36.9375%
- 1B. Harrison – Wyatt, LLC (Big Axe Tr. 39) - Coal
 Island Creek Coal Company/Consolidation Coal Co. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 Wellmore Coal Company - Jawbone and Tiller Seams Leased
 Buchanan Production Company - CBM Leased
 W. A. Arms Heirs, Successors or Assigns - Surface, Oil and Gas
 Buchanan Production Company - Oil, Gas and CBM Leased
 10.58 acres 13.2250%
- 1C. Harrison – Wyatt, LLC (Big Axe Tr. 39) - Coal
 Island Creek Coal Company/Consolidation Coal Co. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 Wellmore Coal Company - Jawbone and Tiller Seams Leased
 Buchanan Production Company - CBM Leased
 James Lee Ball, et ux. - Surface, Oil and Gas
 Buchanan Production Company - Oil, Gas and CBM Leased
 7.85 acres 9.8125%
- 1D. Harrison – Wyatt, LLC (Big Axe Tr. 39) - Coal
 Island Creek Coal Company/Consolidation Coal Co. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 Wellmore Coal Company - Jawbone and Tiller Seams Leased
 Buchanan Production Company - CBM Leased
 Lonzo Hodge, et ux - Surface, Oil and Gas
 Buchanan Production Company - Oil, Gas and CBM Leased
 6.84 acres 8.5500%
- 1E. Harrison – Wyatt, LLC (Big Axe Tr. 39) - Coal
 Island Creek Coal Company/Consolidation Coal Co. - Coal Below Tiller Seam Leased
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 Wellmore Coal Company - Jawbone and Tiller Seams Leased
 Buchanan Production Company - CBM Leased
 Lonzo Hodge, et ux - Surface, Oil and Gas
 Buchanan Production Company - Oil, Gas and CBM Leased
 19.38 acres 24.2250%

CONSOL Energy, Inc.
UNIT AA-8
Tract Identifications

- 1F. **Harrison – Wyatt, LLC (Big Axe Tr. 39) - Coal**
Island Creek Coal Company/Consolidation Coal Co. - Coal Below Tiller Seam Leased
Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
Wellmore Coal Company - Jawbone and Tiller Seams Leased
Buchanan Production Company - CBM Leased
Lonzo Hodge, et ux - Surface, Oil and Gas
Buchanan Production Company - Oil, Gas and CBM Leased
5.65 acres 7.0625%
2. **Lonzo Hodge, et ux - Fee**
Buchanan Production Company – Oil, Gas and CBM Leased
0.15 acres 0.1875%

Exhibit EE
Unit AA-8
Docket #VGOB 90-1010-0032-01
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #1B - 10.58 acres</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C., Tr.39 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	10.58 acres	13.2250%	57.4064%
<u>OIL & GAS FEE OWNERSHIP</u>			
W. A. Arms Heirs, Devisees, Successors or Assigns	10.58 acres	13.2250%	57.4064%
(5) Lula Arms Street Heirs, Devisees, Successors or Assigns			
(a) Charlie E. Street 19171 Stone Mountain Road Abingdon, VA 24210	0.882 acres 1/12 of 10.58 acres	1.1021%	4.7839%
(8) Vince Arms Heirs, Devisees, Successors or Assigns			
(a) Tivis A. Arms 1209 West Madison Street Mayodan, NC 27027	0.176 acres 1/60 of 10.58 acres	0.2204%	0.9568%
(b) Kelsey Earp Eastridge P.O. Box 654 Millers Creek, VA 28651	0.176 acres 1/60 of 10.58 acres	0.2204%	0.9568%
(d) Josh Vince Arms Rt.3 Box 316 Grundy, VA 24614	0.176 acres 1/60 of 10.58 acres	0.2204%	0.9568%

only A

*Revised
see next page*

Exhibit EE
Unit AA-8
Docket #VGOB 90-1010-0032-01
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #1B - 10.58 acres</u>			
COAL FEE OWNERSHIP			
(1) Harrison-Wyatt, L.L.C., Tr.39 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	10.58 acres	13.2250%	57.4064%
OIL & GAS FEE OWNERSHIP			
W. A. Arms Heirs, Devisees, Successors or Assigns	10.58 acres	13.2250%	57.4064%
(3) Gusta Arms Coleman Heirs, Devisees, Successors or Assigns			
(g) Lucy Coleman Looney 883 Woodbriar Drive Lebanon, VA 24266	0.110 acres 1/96 of 10.58 acres	0.1378%	0.5980%
(5) Lula Arms Street Heirs, Devisees, Successors or Assigns			
(a) Charlie E. Street 19171 Stone Mountain Road Abingdon, VA 24210	0.882 acres 1/12 of 10.58 acres	1.1021%	4.7839%
(8) Vince Arms Heirs, Devisees, Successors or Assigns			
(a) Tivis A. Arms 1209 West Madison Street Mayodan, NC 27027	0.176 acres 1/60 of 10.58 acres	0.2204%	0.9568%
(b) Kelsey Earp Eastridge P.O. Box 654 Millers Creek, VA 28651	0.176 acres 1/60 of 10.58 acres	0.2204%	0.9568%
(d) Josh Vince Arms Rt.3 Box 316 Grundy, VA 24614	0.176 acres 1/60 of 10.58 acres	0.2204%	0.9568%

**Tract-by-Tract Escrow Calculation
Account Balances as of 7/31/04**

Unit AA-8 (18.43 acres escrowed)

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$27,418.46
Harrison-Wyatt, LLC - Coal	1B	10.58	57.4064%	28.7032%	\$7,869.98
W.A. Armes Heirs - O&G				28.7032%	\$7,869.98
a) Tivis Arms (1/60)				0.4784%	\$131.17
b) Josh Arms (1/60)				0.4784%	\$131.17
c) Kelsie Arms Earp (1/60)				0.4784%	\$131.17
d) Charlie E. Street (1/12)				2.3919%	\$655.83
e) Lucy Looney (1/96)				0.2990%	\$81.98
Harrison-Wyatt, LLC - Coal	1C	7.85	42.5936%	21.2968%	\$5,839.25
James Ball / Janice Ball - O&G				21.2968%	\$5,839.25

Unit AA-9 (78.97 acres escrowed)

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$67,479.62
Harrison-Wyatt, LLC - Coal	2A	36.07	45.6756%	22.8378%	\$15,410.85
Price - O&G				22.8378%	\$15,410.85
Harrison-Wyatt, LLC - Coal	2B	18.84	23.8572%	11.9286%	\$8,049.36
Robert Rash - O&G				11.9286%	\$8,049.36
Harrison-Wyatt, LLC - Coal	2C	24.06	30.4673%	15.2336%	\$10,279.60
W.A. Armes Heirs - O&G				15.2336%	\$10,279.60
a) Tivis Arms (1/60)				0.2539%	\$171.33
b) Josh Arms (1/60)				0.2539%	\$171.33
c) Kelsie Arms Earp (1/60)				0.2539%	\$171.33
d) Charlie E. Street (1/12)				1.2695%	\$856.63
e) Lucy Looney (1/96)				0.1587%	\$107.08

Unit BB-8 (60.55 acres escrowed)

Owners	Tract #	Acres	Total Tract Percent of Escrow	Owners' Percent of Escrow (50%)	Amount Due Owners \$85,145.73
Harrison-Wyatt, LLC - Coal	2A	3.06	5.0537%	2.5268%	\$2,151.49
William & Virginia Ball - O&G				2.5268%	\$2,151.49
Harrison-Wyatt, LLC - Coal	2B	41.46	68.4723%	34.2362%	\$29,150.64
James Ball / Janice Ball - O&G				34.2362%	\$29,150.64
Harrison-Wyatt, LLC - Coal	2C	16.03	26.4740%	13.2370%	\$11,270.74
W.A. Armes Heirs - O&G				13.2370%	\$11,270.74
a) Tivis Arms (1/60)				0.2206%	\$187.85
b) Josh Arms (1/60)				0.2206%	\$187.85
c) Kelsie Arms Earp (1/60)				0.2206%	\$187.85
d) Charlie E. Street (1/12)				1.1031%	\$939.23
e) Lucy Looney (1/96)				0.1379%	\$117.40

***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 AA-8
Docket #VGOB 90-1010-0032-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
<u>Tract #1B - 10.58 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C., Tr.39 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	10.58 acres	13.2250%
<u>OIL & GAS FEE OWNERSHIP</u>		
W. A. Arms Heirs, Devisees, Successors or Assigns	10.58 acres	13.2250%
(1) Florence Arms Coleman Heirs, Devisees, Successors or Assigns		
(a) Edmond M. (Bud) Coleman Heirs, Devisees, Successors or Assigns		
(a.1) Sue Edwards P.O. Box 365 Pembroke, VA 24136	0.088 acres 1/120 of 10.58 acres	0.1102%
(a.2) Judy Fuller 17391 Cleveland Road Abingdon, VA 24211	0.088 acres 1/120 of 10.58 acres	0.1102%
(b) Elmer Coleman Heirs, Devisees, Successors or Assigns		
(b.1) Wanda Coleman Cook Rt.1 Box 393 Castlewood, VA 24224	0.059 acres 1/180 of 10.58 acres	0.0735%
(b.2) Larry E. Coleman Rt.1 Box 232 Cleveland, VA 24225	0.059 acres 1/180 of 10.58 acres	0.0735%
(a.3) Adam F. Coleman <i>Address Unknown</i>	0.059 acres 1/180 of 10.58 acres	0.0735%
(c) Thurman Coleman Heirs, Devisees, Successors or Assigns		
(c.1) Ruth Nuckles Coleman <i>Address Unknown</i>	<i>Life Estate Only</i>	
(c.2) Michael Coleman Rt.1 Box 682 Pounding Mill, VA 24637	0.088 acres 1/120 of 10.58 acres	0.1102%
(c.3) Mildred Coleman Box 269 Pounding Mill, VA 24637	0.088 acres 1/120 of 10.58 acres	0.1102%

Exhibit E
Unit AA-8
Docket #VGOB 90-1010-0032-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
(d) Onie Coleman Jackson Heirs, Devisees, Successors or Assigns		
(d.1) Betty Johnson McClanahan Rt.2 Box 116 A-1 The Plains, VA 22171	0.025 acres 1/420 of 10.58 acres	0.0315%
(d.2) Helen Johnson Faulkner 12860 Birch Lane Beaumont, TX 77706	0.025 acres 1/420 of 10.58 acres	0.0315%
(d.3) Blanche Johnson Dale 6202 Parkview Lane Clinton, MD 20735	0.025 acres 1/420 of 10.58 acres	0.0315%
(d.4) Agnes Johnson Bartee 6207 Upton Place Clinton, MD 20735	0.025 acres 1/420 of 10.58 acres	0.0315%
(d.5) Douglas W. Johnson Rt.1 Box 95-R Marshall, VA 22115	0.025 acres 1/420 of 10.58 acres	0.0315%
(d.6) Phyllis Johnson Durland 1911 Millerville Pike Lancaster, PA 17603	0.025 acres 1/420 of 10.58 acres	0.0315%
(d.7) Kathryn Johnson Webb 9634 Glover Hill Road Manassas, VA 22110	0.025 acres 1/420 of 10.58 acres	0.0315%
(e) Lorene Coleman Lester 8443 East Troy Urbana Road Casstown, OH 45312	0.176 acres 1/60 of 10.58 acres	0.2204%
(2) Gertie Arms Coleman Heirs, Devisees, Successors or Assigns		
(a) Ed Coleman Price Heirs, Devisees, Successors or Assigns		
(a.1) Hurley Street Heirs, Devisees, Successors or Assigns Heirs / Addresses Unknown	0.441 acres 1/24 of 10.58 acres	0.5510%
(b) Edna Coleman Price Heirs, Devisees, Successors or Assigns		
(b.1) James C. Price Box 1 Birchleaf, VA 24220	0.220 acres 1/48 of 10.58 acres	0.2755%
(c) Edgar Allen Price, Sr, Heirs, Devisees, Successors or Assigns		

Exhibit E
Unit AA-8
Docket #VGOB 90-1010-0032-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
(c.1) Edgar Allen Price, Jr. 3609 Pamlico Circle Norfolk, VA 23513	0.110 acres 1/96 of 10.58 acres	0.1378%
(c.2) Katherine Price Sears 4105 Lake Boulevard Oceanside, CA 92049	0.110 acres 1/96 of 10.58 acres	0.1378%
(3) Gusta Arms Coleman Heirs, Devisees, Successors or Assigns		
(a) Gladys Coleman Blankenship Heirs, Devisees, Successors or Assigns		
(a.1) Elmer James Jackson P.O. Box 145 Vansant, VA 24656	0.012 acres 1/864 of 10.58 acres	0.0153%
(a.2) Ettie Mae Hill P.O. Box 134 Vansant, VA 24656	0.012 acres 1/864 of 10.58 acres	0.0153%
(a.3) Paul Jackson P.O. Box 117 Davenport, VA 24239	0.012 acres 1/864 of 10.58 acres	0.0153%
(a.4) Agnes Hurley Rt.1 Box 392 Vansant, VA 24656	0.012 acres 1/864 of 10.58 acres	0.0153%
(a.5) Linda Ruth Gilbert Rt.1 Box 409 Vansant, VA 24656	0.012 acres 1/864 of 10.58 acres	0.0153%
(a.6) Lois Kate Boyd P.O. Box 409 Vansant, VA 24656	0.012 acres 1/864 of 10.58 acres	0.0153%
(a.7) Ira Roger Jackson P.O. Box 1097 Vansant, VA 24656	0.012 acres 1/864 of 10.58 acres	0.0153%
(a.8) Rhonda Renee Gilbert P.O. Box 26 Davenport, VA 24239	0.012 acres 1/864 of 10.58 acres	0.0153%
(a.9) Marshall Odell Jackson Heirs, Devisees, Successors or Assigns		
(a.9.1) Richard Jackson McHenry 8545 Maineville Road Orrville, OH 44667	0.006 acres 1/1728 of 10.58 acres	0.0077%
(a.9.2) Sally A. Hartzler 7296 Apple Creek Road Sterling, OH 44276	0.006 acres 1/1728 of 10.58 acres	0.0077%

Exhibit E
Unit AA-8
Docket #VGOB 90-1010-0032-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
(b) Howard Coleman Heirs, Devisees, Successors or Assigns		
(b.1) Opal Coleman 18988 I-18 Continental, OH 45831	0.110 acres 1/96 of 10.58 acres	0.1378%
(c) Beatrice Coleman Owens Heirs, Devisees, Successors or Assigns		
(c.1) Burton Eugene Owens P.O. Box 1933 Grundy, VA 24614	0.055 acres 1/192 of 10.58 acres	0.0689%
(c.2) Darlene Owens Mullins P.O. Box 228 Rosedale, VA 24280	0.055 acres 1/192 of 10.58 acres	0.0689%
(d) Sadie Coleman Peters 301 Falls Street Defiance, OH 43512	0.110 acres 1/96 of 10.58 acres	0.1378%
(e) Herman Coleman 1417 Fairfax Road Bellevue, NE 68005	0.110 acres 1/96 of 10.58 acres	0.1378%
(f) Mae Coleman Shortridge 279 Ridgewood Drive Lebanon, VA 24266	0.110 acres 1/96 of 10.58 acres	0.1378%
(h) Alva C. Coleman Heirs, Devisees, Successors or Assigns		
(h.1) Alva Lee Coleman P.O. Box 252 Grundy, VA 24614	0.055 acres 1/192 of 10.58 acres	0.0689%
(h.2) Angel Coleman Mullins 620 Mountain Brook Circle Stone Mountain, GA 30087	0.055 acres 1/192 of 10.58 acres	0.0689%
(4) James (Jim) Arms Heirs, Devisees, Successors or Assigns		
(a) Nelson Arms 1195 Dayton Drive Warminster, PA 18974	0.294 acres 1/36 of 10.58 acres	0.3674%
(b) Virgie Arms Maynard 625 Ellen Road Newport News, VA 23605	0.294 acres 1/36 of 10.58 acres	0.3674%
(c) Mae Catherine Arms Heirs, Devisees, Successors or Assigns		

Exhibit E
Unit AA-8
Docket #VGOB 90-1010-0032-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
(c.1) Peter Jacobsen 9612 27th Bay Avenue Norfolk, VA 23518	0.294 acres 1/36 of 10.58 acres	0.3674%
(6) John Arms Heirs, Devisees, Successors or Assigns		
(a) Hulet Arms P.O. Box 100 Melrose, OH 45861	0.294 acres 1/36 of 10.58 acres	0.3674%
(b) John Dorsie Arms 7891 State Route 66 Oakwood, OH 45873	0.294 acres 1/36 of 10.58 acres	0.3674%
(c) Ruby Pauline Arms Jenkins 7849 Keys Road Mount Vernon, OH 43050	0.294 acres 1/36 of 10.58 acres	0.3674%
(7) Alice Arms Jackson Heirs, Devisees, Successors or Assigns		
(a) Alice Mae Elliott 3449 Johnstown Road Centerburg, OH 43011	0.441 acres 1/24 of 10.58 acres	0.5510%
(b) John Jackson, II 2846 Vanetta Road Centerburg, OH 43011	0.441 acres 1/24 of 10.58 acres	0.5510%
(8) Vince Arms Heirs, Devisees, Successors or Assigns		
(c) Juanita I. Arms Deel Heirs, Devisees, Successors or Assigns		
(c.1) John Deel <i>Address Unknown</i>	<i>(Life Estate Only)</i>	
(c.2) Martha Irene Deel 375 Huntington Circle Alpharetta, GA 30201	0.088 acres 1/120 of 10.58 acres	0.1102%
(c.3) William V. Deel Box 14 Maxie, VA 24628	0.088 acres 1/120 of 10.58 acres	0.1102%
(e) William (Billy) P. Arms Heirs, Devisees, Successors or Assigns		
(e.1) Wanda Arms, widow P.O. Box 294 Rosedale, VA 24280	0.176 acres 1/60 of 10.58 acres	0.2204%
(9) Slemp Arms Heirs, Devisees, Successors or Assigns		

Exhibit E
Unit AA-8
Docket #VGOB 90-1010-0032-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
(a) Pauline Arms Jessee Rt.H Box 454 Coeburn, VA 24230	0.294 acres 1/36 of 10.58 acres	0.3674%
(b) Donald Arms Rt.H Box 454 Coeburn, VA 24230	0.294 acres 1/36 of 10.58 acres	0.3674%
(c) Jean Arms Mullins Rt.H Box 454 Coeburn, VA 24230	0.294 acres 1/36 of 10.58 acres	0.3674%
(10) Dock Arms Heirs, Devisees, Successors or Assigns		
(a) Dessie Arms 13200 Mallicote Drive Abingdon, VA 24210	0.882 acres 1/12 of 10.58 acres	1.1021%
(11) Howell Arms Heirs, Devisees, Successors or Assigns		
(a) Mary June Shortridge Arms Rt.1 Box 117 Vansant, VA 24656	0.882 acres 1/12 of 10.58 acres	1.1021%
(12) Virgie Arms Osborne Heirs, Devisees, Successors or Assigns		
(a) James Osborne 26413 Mansfield Road Devince, OH 43512	0.176 acres 1/60 of 10.58 acres	0.2204%
(b) Ron Osborne 43983 Upper Clear Cadiz, OH 43907	0.176 acres 1/60 of 10.58 acres	0.2204%
(c) Bill Osborne 1280 3 Springs Russellville, TN 37860	0.176 acres 1/60 of 10.58 acres	0.2204%
(d) Delmar Osborne P.O. Box 2625 Grundy, VA 24614	0.176 acres 1/60 of 10.58 acres	0.2204%
(e) Geraldine O'Quinn Rt.1 Box 112 Vansant, VA 24656	0.176 acres 1/60 of 10.58 acres	0.2204%

Tract #1C - 7.85 acres

COAL FEE OWNERSHIP

(1) Harrison-Wyatt, L.L.C., Tr.39 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	7.85 acres	9.8125%
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OIL & GAS FEE OWNERSHIP

Exhibit E
Unit AA-8
Docket #VGOB 90-1010-0032-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
(1) James Lee Ball 17401 Morrison Road Meadowview, VA 24361	7.85 acres	9.8125%
Janice S. Ball HC4 Box 530 Council, VA 24260		

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 2:57P. M.
Deed Book No. _____ and Page No. -.
Returned to: Amme TESTE: James M. Bevins, Jr. Clerk
TESTE: Janice S. Ball Deputy Clerk

REC'D
CLERK'S OFFICE OF
BUCHANAN COUNTY VA
MARCH 13 2006



WACHOVIA

EMPLOYEE SHAREHOLDER SERVICES

0000462958

90-1010-0032T1BR1

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 1305.57

01/VGOB
04/05/2006

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

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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 0000462958

EMPLOYEE SHAREHOLDER SERVICES

DATE	CHECK AMOUNT
04/05/2006	*****1305.57**

PAY ONE THOUSAND THREE HUNDRED FIVE AND 57/100 DOLLARS

TO THE ORDER OF:

000123 04/05/06 00462958 ESPP LMDRESCL
HARRISON-WYATT, LLC
C/O WYATT BUICK PONTIAC
P O BOX 11000
DANVILLE VA 22843

VOID AFTER 90 DAYS

AUTHORIZED SIGNATURE

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER

⑈00462958⑈ ⑆031100225⑆ 5079900000071⑈



WACHOVIA

EMPLOYEE SHAREHOLDER SERVICES

0000462959

90-1010-0032T1BR2

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 163.20

01/VGOB
04/05/2006

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

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

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

CHECK NUMBER 0000462959

EMPLOYEE SHAREHOLDER SERVICES

DATE	CHECK AMOUNT
04/05/2006	*****163.20**

PAY ONE HUNDRED SIXTY THREE AND 20/100 DOLLARS

TO THE ORDER OF:



VOID AFTER 90 DAYS

000122 04/05/06 00462959 ESPP.LUDHESCI
TIVIS A ARMS
1209 WEST MADISON STREET
MAYODAN NC 27027



[Signature]
AUTHORIZED SIGNATURE

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER

⑈00462959⑈ ⑆031100225⑆ 507990000007⑈



WACHOVIA

EMPLOYEE SHAREHOLDER SERVICES

0000462960

90-1010-0032T1BR3

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 163.20

01/VGOB
04/05/2006

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

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

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

CHECK NUMBER 0000462960

EMPLOYEE SHAREHOLDER SERVICES

DATE	CHECK AMOUNT
04/05/2006	*****163.20**

PAY ONE HUNDRED SIXTY THREE AND 20/100 DOLLARS

TO THE ORDER OF:



000123 04/06/06 00462960 ESSP LMDHESCS
KELSIE ARMS EASTRIDGE
P O BOX 654
MILLERS CREEK VA 22651



VOID AFTER 90 DAYS

AUTHORIZED SIGNATURE

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WACHOVIA

EMPLOYEE SHAREHOLDER SERVICES

0000462961

90-1010-0032T1BR4

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 163.20

01/VG08
04/05/2006

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

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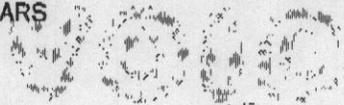
DEPT OF MINES, MINERALS & ENERGY
VIRGINIA GAS & OIL BOARD
EMPLOYEE SHAREHOLDER SERVICES

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

CHECK NUMBER 0000462961

DATE	CHECK AMOUNT
04/05/2006	*****163.20**

PAY ONE HUNDRED SIXTY THREE AND 20/100 DOLLARS
TO THE ORDER OF:



VOID AFTER 90 DAYS

000124 04/06/06 00462961 ESSP LUDNESC1
JOSH VINCE ARMS
RT 3 BOX 316
GRUNDY VA 24614



AUTHORIZED SIGNATURE

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⑈00462961⑈ ⑆031100225⑆ 5079900000071⑈



WACHOVIA

EMPLOYEE SHAREHOLDER SERVICES

0000462962

90-1010-0032T1BR5

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 815.97

01/VGOB
04/05/2006

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

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

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

CHECK NUMBER 0000462962

EMPLOYEE SHAREHOLDER SERVICES

DATE	CHECK AMOUNT
04/05/2006	*****815.97**

PAY EIGHT HUNDRED FIFTEEN AND 97/100 DOLLARS

TO THE ORDER OF:



VOID AFTER 90 DAYS

00025 04/06/06 00462962 ESSP LWDRESCJ
CHARLIE E STREET
19171 STONE MOUNTAIN ROAD
ABINGDON VA 24210



[Signature]
AUTHORIZED SIGNATURE

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WACHOVIA

EMPLOYEE SHAREHOLDER SERVICES

0000462963

90-1010-0032T1BR6

DESCRIPTION	AMOUNT
PLAN REFUND	\$ 102.00

01/VGOB
04/05/2006

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

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

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

CHECK NUMBER 0000462963

EMPLOYEE SHAREHOLDER SERVICES

DATE	CHECK AMOUNT
04/05/2006	*****102.00**

PAY ONE HUNDRED TWO AND 00/100 DOLLARS

TO THE ORDER OF:



000326 04/05/06 00462963 ESSP LUDMESC1
LUCY COLEMAN LOONEY
883 WOODBRIAR DR
LEBANON VA 24266



VOID AFTER 90 DAYS

[Handwritten Signature]
AUTHORIZED SIGNATURE

PRINTED WITH BLUE BACKGROUND ON WHITE PAPER

⑈00462963⑈ ⑆031100225⑆ 5079900000071⑈