

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)
Consolidation Coal Company)
)
)
)

DOCKET NO.
91-0716-0135-02

RELIEF SOUGHT: Issuance of an Amended Supplemental)
Order Amending Prior Orders Affecting)
Drilling Unit **BUN-1** Located in the Hurricane)
Magisterial District of 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 6A)

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 September 22, 2004 at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Abingdon, VA.
2. **Appearances:** Mark Swartz, Esq. of the firm Swartz and Stump L.C. appeared for the Unit Operator.
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 September 30, 1991, 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 October 1, 1991 in Deed Book 381 at page 43. 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 April 4, 1996 that was filed with the Buchanan County Circuit Court Clerk's Office on April 17, 1996 in Deed Book 447 at page 803 ("Supplemental Order"). The Pooling Order was amended and supplemented by the Board's Supplemental Order Amending Prior Orders executed on June 26, 1998 that was filed with the Buchanan County Circuit Court Clerk's Office on July 14, 1998 in Deed Book 478 at page 603 ("Supplemental Order"). The Pooling Order was amended and supplemented by the Board's Supplemental Order regarding elections executed on May 3, 1999 that was filed with the Buchanan County Circuit Court Clerk's Office on May 12, 1999 in Deed Book 491 at page 685 ("Supplemental Order"). (hereafter the Pooling Order and the Supplemental Orders are collectively referred to as the Pooling Order). On April 13, 1999, the Board executed an un-recorded order authorizing disbursement of escrowed funds attributable to VGOB Tracts 1A, 2A, 3A1, 3A2, 3A3, 3A4, 5A, 7A, 8A, 9A, 10A, 11A, 12A, 13A, 14A AND 5A of the Subject Unit.
- 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 Consolidation Coal Company or their predecessors in title in a 59.24 acres tract known as VGOB Tract 6A in 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 to the Board, received August 20, 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 Consolidation Coal Company 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 VGOB Tract 6A of the Subject Unit and the interests of Hugh MacRae Land Trust/Torch Operating Company and Consolidation Coal Company are subject to the split agreement. By sworn testimony, Petitioner corrected errors in the Miscellaneous Petition.
- 4.4. Petitioner gave notice to Hugh MacRae Land Trust/Torch Operating Company and Consolidation Coal Company 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 6A and the interests of Hugh MacRae Land Trust/Torch Operating Company; (2) delete the requirement that the Unit Operator place future royalties attributable to the above-named parties in Tract 6A 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. An accountings for Subject Drilling Unit's Escrow Account was filed with the Board for the previous disbursement referred to in paragraph 4.1, above.

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 6A of the subject Drilling Unit.
- (2) Consolidation Coal Company is the owner of 100% of the oil and gas estate underlying VGOB Tract 6A of the subject Drilling Unit.
- (3) Hugh MacRae Land Trust/Torch Operating Company and Consolidation Coal Company have entered into a royalty split agreement 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 Consolidation Coal Company in Tract 6A are shown in Table 1, below.

TABLE-1		
Tract # 6A Owner Names	Net acres in Unit	% interest in VGOB 91-0716-0135 balance
Hugh MacRae Land Trust/Torch Operating Company P. O. Box 4268 Houston, TX 77210-4268	59.24	20.5623%
Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	59.24	20.5623%

6. **Relief Granted:**

For the reasons set forth in Paragraphs 4 and 5 above, the Escrow Agent is ordered to, within 10 days of receipt of this executed order: (1) Disburse escrowed funds attributable to VGOB Tract 6A to Hugh MacRae Land Trust/Torch Operating Company and Consolidation Coal Company 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 Consolidation Coal Company in Tract 6A 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~~)

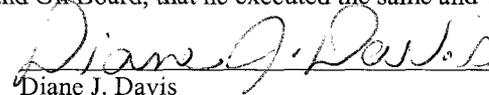
Washington 9th
Acknowledged on this 9th day of March, 2006, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized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

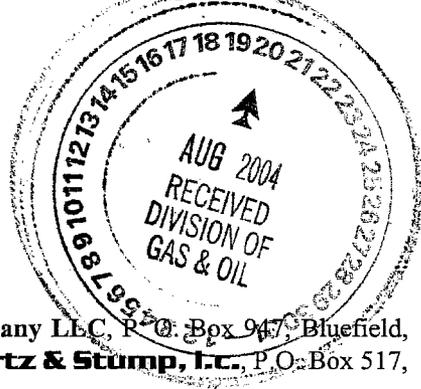
DIVISION OF GAS AND OIL
DOCKET NO: VGOB 91-0716-0135-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 6A
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: September 21, 2004

DRILLING UNIT: BUN-1

BUCHANAN COUNTY, VIRGINIA



MISCELLANEOUS PETITION

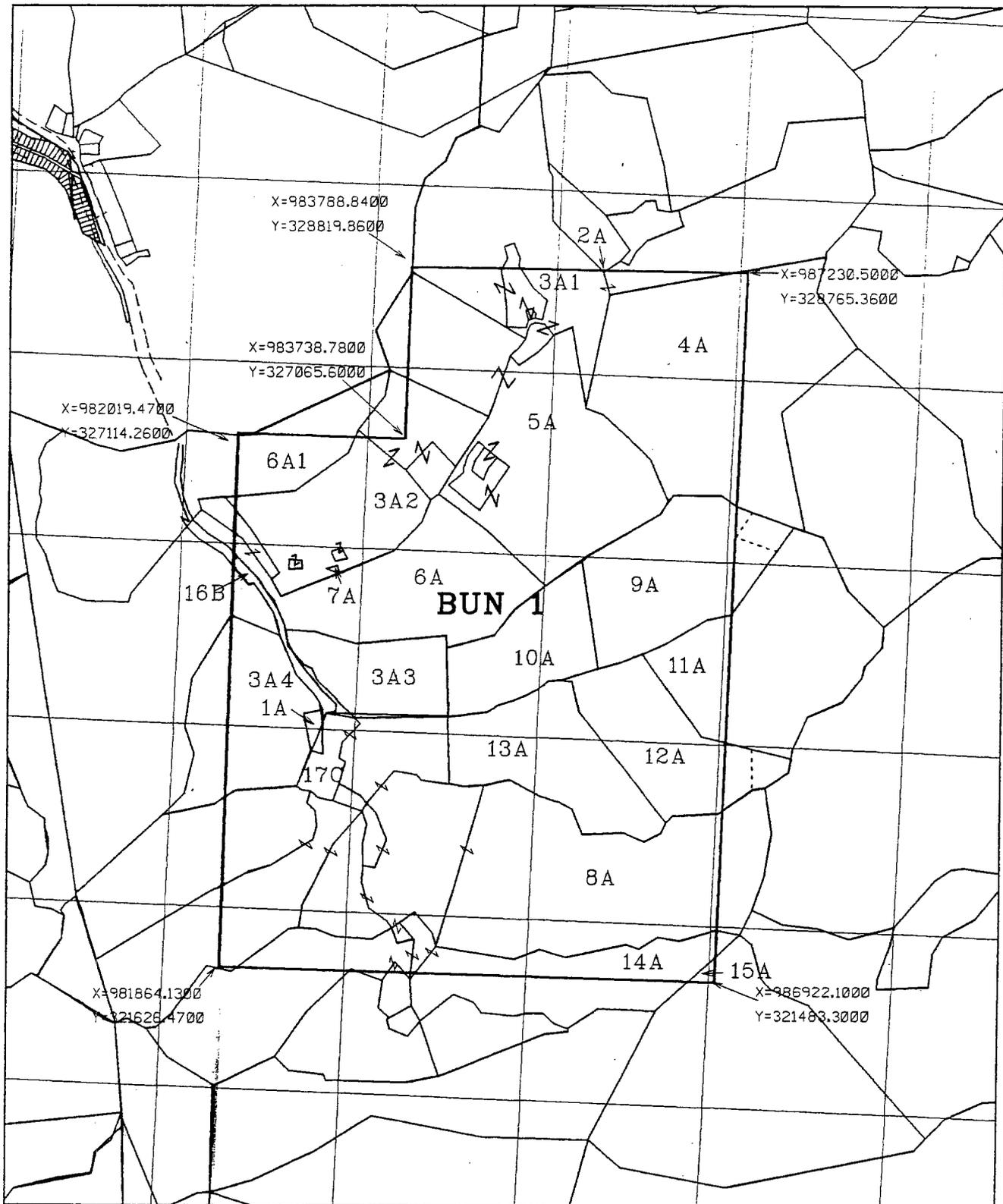
1. **Petitioner and its counsel:** Petitioner is CNX Gas Company LLC, P.O. Box 947, Bluefield, Virginia 24605, 276/988-1000. Petitioner's counsel is Mark A. Swartz, **Swartz & Stump, I.C.**, P.O. Box 517, Abingdon, VA 24212.
2. **Relief sought:** (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 6A 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 Consolidation Coal 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:** Hugh MacRae Land Trust / Torch Operating Company and Consolidation Coal 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: 40.2774 percent of escrow to Hugh MacRae Land Trust / Torch Operating Company and 40.2774 total percent of escrow to Consolidation Coal 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:

A handwritten signature in black ink, appearing to read 'Leslie K. Arrington'. The signature is 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



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VIRGINIA GAS AND OIL BOARD
DOCKET NO. VGOB 91-0716-0135

SCALE 1"=1500'

POCAHONTAS GAS PARTNERSHIP

Unit BUN 1

Tract Identifications

- 1A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas
1.00 acres 0.12853%
- 2A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas
0.20 acres 0.02571%
- 3A1. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Consolidation Coal Company - Oil & Gas
37.00 acres 4.75578%
- 3A2. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Consolidation Coal Company - Oil & Gas
55.50 acres 7.13368%
- 3A3. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Consolidation Coal Company - Oil & Gas
24.00 acres 3.08483%
- 3A4. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Consolidation Coal Company - Oil & Gas
30.59 acres 3.93188%
- 4A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Consolidation Coal Company - Oil & Gas
63.00 acres 8.09769%

POCAHONTAS GAS PARTNERSHIP

Unit BUN 1

Tract Identifications

- 5A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas
99.00 acres 12.72494%
- 6A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Permac Inc. - Oil & Gas
59.24 acres 7.61440%
- 6A1. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - Oil & Gas Leased
Pocahontas Gas Partnership - CBM Leased
W. S. Ellis Heirs - Oil & Gas
14.30 acres 1.83805%
- 7A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas
0.50 acres 0.06427%
- 8A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Consolidation Coal Company - Oil & Gas
195.80 acres 25.16710%
- 9A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas
40.00 acres 5.14139%

POCAHONTAS GAS PARTNERSHIP

Unit BUN 1

Tract Identifications

- 10A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas
31.00 acres 3.98458%
- 11A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas
17.00 acres 2.18509%
- 12A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas
33.00 acres 4.24165%
- 13A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Consolidation Coal Company - Oil & Gas
39.00 acres 5.01285%
- 14A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Consolidation Coal Company - Oil & Gas
27.00 acres 3.47044%
- 15A. Hugh MacRae Land Trust - TR. 11 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Pocahontas Gas Partnership - Oil & Gas
0.10 acres 0.01285%
- 16B. Norfolk Southern Railway - Coal, Oil & Gas (except P-3 seam)
Consolidation Coal Company - P-3 seam Coal
7.51 acres 0.96530%
- 17C. Consolidation Coal Company - Coal, Oil & Gas
3.26 acres 0.41902%

Exhibit EE
UNIT BUN-1
Docket # VGOB-91-0716-0135
List of Conflicting Owners/Claimants with Royalty Split Agreements
(Disbursements for all tracts except Tract #6A have already taken place)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
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Tract #1A - 1.00 Acre

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	1.00 acres	0.12853%	n/a
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CBM Royalty Owner:

Torch Operating Company
P. O. Box 200722
Houston, TX 77216-0122

OIL & GAS FEE OWNERSHIP

(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	1.00 acres	0.12853%	n/a
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Tract #2A - 0.20 Acre

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	0.20 acres	0.02571%	n/a
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CBM Royalty Owner:

Torch Operating Company
P. O. Box 200722
Houston, TX 77216-0122

OIL & GAS FEE OWNERSHIP

(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	0.20 acres	0.02571%	n/a
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Tract #3A1 - 37.00 Acre

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	37.00 acres	4.75578%	n/a
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CBM Royalty Owner:

Torch Operating Company
P. O. Box 200722
Houston, TX 77216-0122

Exhibit EE
UNIT BUN-1
Docket # VGOB-91-0716-0135
List of Conflicting Owners/Claimants with Royalty Split Agreements
(Disbursements for all tracts except Tract #6A have already taken place)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	37.00 acres	4.75578%	n/a
<u>Tract #3A2 - 55.50 Acre</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	55.50 acres	7.13368%	n/a
<u>CBM Royalty Owner:</u>			
Torch Operating Company 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	55.50 acres	7.13368%	n/a
<u>Tract #3A3 - 24.00 Acre</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	24.00 acres	3.08483%	n/a
<u>CBM Royalty Owner:</u>			
Torch Operating Company 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	24.00 acres	3.08483%	n/a
<u>Tract #3A4 - 30.59 Acre</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	30.59 acres	3.93188%	n/a

Exhibit EE
UNIT BUN-1
Docket # VGOB-91-0716-0135
List of Conflicting Owners/Claimants with Royalty Split Agreements
(Disbursements for all tracts except Tract #6A have already taken place)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>CBM Royalty Owner:</u>			
Torch Operating Company 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	30.59 acres	3.93188%	n/a
<u>Tract #5A - 99.00 Acre</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	99.00 acres	12.72494%	n/a
<u>CBM Royalty Owner:</u>			
Torch Operating Company P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	99.00 acres	12.72494%	n/a
<u>Tract #6A - 59.24 Acre</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	59.24 acres	7.61440%	41.12461%
<u>CBM Royalty Owner:</u>			
Torch Operating Company 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	59.24 acres	7.61440%	41.12461%

Exhibit EE
UNIT BUN-1
Docket # VGOB-91-0716-0135
List of Conflicting Owners/Claimants with Royalty Split Agreements
(Disbursements for all tracts except Tract #6A have already taken place)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
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Tract #7A - 0.50 Acre

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	0.50 acres	0.06427%	n/a
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CBM Royalty Owner:

Torch Operating Company
P. O. Box 200722
Houston, TX 77216-0122

OIL & GAS FEE OWNERSHIP

(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	0.50 acres	0.06427%	n/a
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Tract #8A - 195.80 Acre

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr.11 P. O. Box 29 Tazewell, VA 24651	195.80 acres	25.16710%	n/a
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CBM Royalty Owner:

Torch Operating Company
P. O. Box 200722
Houston, TX 77216-0122

OIL & GAS FEE OWNERSHIP

(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	195.80 acres	25.16710%	n/a
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Tract #9A - 40.00 Acre

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 13 P. O. Box 29 Tazewell, VA 24651	40.00 acres	5.14139%	n/a
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CBM Royalty Owner:

Torch Operating Company
P. O. Box 200722
Houston, TX 77216-0122

Exhibit EE
UNIT BUN-1
Docket # VGOB-91-0716-0135
List of Conflicting Owners/Claimants with Royalty Split Agreements
(Disbursements for all tracts except Tract #6A have already taken place)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	40.00 acres	5.14139%	<i>n/a</i>

Tract #10A - 31.00 Acre

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 13 P. O. Box 29 Tazewell, VA 24651	31.00 acres	3.98458%	<i>n/a</i>
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CBM Royalty Owner:

Torch Operating Company
P. O. Box 200722
Houston, TX 77216-0122

OIL & GAS FEE OWNERSHIP

(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	31.00 acres	3.98458%	<i>n/a</i>
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Tract #11A - 17.00 Acre

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 13 P. O. Box 29 Tazewell, VA 24651	17.00 acres	2.18509%	<i>n/a</i>
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CBM Royalty Owner:

Torch Operating Company
P. O. Box 200722
Houston, TX 77216-0122

OIL & GAS FEE OWNERSHIP

(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	17.00 acres	2.18509%	<i>n/a</i>
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Tract #12A - 33.00 Acre

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 13 P. O. Box 29 Tazewell, VA 24651	33.00 acres	4.24165%	<i>n/a</i>
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Exhibit EE
UNIT BUN-1
Docket # VGOB-91-0716-0135
List of Conflicting Owners/Claimants with Royalty Split Agreements
(Disbursements for all tracts except Tract #6A have already taken place)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>CBM Royalty Owner:</u>			
Torch Operating Company P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	33.00 acres	4.24165%	n/a
<u>Tract #13A - 39.00 Acre</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Hugh Macrae Land Trust Tr 13 P. O. Box 29 Tazewell, VA 24651	39.00 acres	5.01285%	n/a
<u>CBM Royalty Owner:</u>			
Torch Operating Company 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	39.00 acres	5.01285%	n/a
<u>Tract #14A - 27.00 Acre</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Hugh Macrae Land Trust Tr 13 P. O. Box 29 Tazewell, VA 24651	27.00 acres	3.47044%	n/a
<u>CBM Royalty Owner:</u>			
Torch Operating Company 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	27.00 acres	3.47044%	n/a

Exhibit EE
UNIT BUN-1
Docket # VGOB-91-0716-0135
List of Conflicting Owners/Claimants with Royalty Split Agreements
(Disbursements for all tracts except Tract #6A have already taken place)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #15A - 0.10 Acre</u>			
<u>COAL FEE OWNERSHIP</u>			
(1) Hugh Macrae Land Trust Tr 7 P. O. Box 29 Tazewell, VA 24651	0.10 acres	0.01285%	<i>n/a</i>
<u>CBM Royalty Owner:</u>			
Torch Operating Company P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>			
(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	0.10 acres	0.01285%	<i>n/a</i>

Docket # VGOB-91-0716-0135
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
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Tract #4A - 63.00 Acres

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	63.00 acres	8.09769%
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CBM Royalty Owner:

Torch Operating Company
P. O. Box 200722
Houston, TX 77216-0122

OIL & GAS FEE OWNERSHIP

(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	63.00 acres	8.09769%
(2) Clinton Don Wood (1/8 Royalty Only) Drawer L 414 Ann Street Frankfort, KY 40602		

Tract #6A1 - 14.30 Acres

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 11 P. O. Box 29 Tazewell, VA 24651	14.30 acres	1.83805%
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CBM Royalty Owner:

Torch Operating Company
P. O. Box 200722
Houston, TX 77216-0122

OIL & GAS FEE OWNERSHIP

(1) W.S. Ellis Heirs James W. Huffman, Agent 296 Timberleaf Beavercreek, OH 45430	14.30 acres	1.83805%
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Tract #16B - 7.51 Acres

COAL FEE OWNERSHIP

(1) Norfolk Southern Railroad (Except P-3 Seam) 8 North Jefferson Street Roanoke, VA 24042	7.51 acres	0.96530%
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OIL & GAS FEE OWNERSHIP

(1) Norfolk Southern Railroad 8 North Jefferson Street Roanoke, VA 24042	7.51 acres	0.96530%
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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 3rd day of March, 2006 at 3:04 P.M.
Deed Book No. Amme and Page No. _____.
Returned to: Amme.
TESTE: James M. Bevins, Jr., Clerk
TESTE: Quincy S. Allen, Deputy Clerk

BV
\$27

ENTERED

INSTRUMENT #060000771
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MARCH 13, 2006 AT 03:04PM
JAMES M. BEVINS, CLERK
RECORDED BY: AKT