

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANTS: Hugh MacRae Land Trust/Torch Operating)
 Company)
 CNX Gas Company, LLC (Previously)
 Permac Inc.))

DOCKET NO.
 92-0721-0243-02
 (As modified and
 Supplemented by
 Docket No.
 93-0119-0310)

RELIEF SOUGHT: Issuance of an Amended Supplemental)
 Order Amending Prior Orders Affecting)
 Drilling Unit V-20 Located in)
 Buchanan County, VA)
 (herein "Subject Drilling Unit" to Provide:)
 (1) Calculation of Funds Unit Operator)
 Deposited into the Escrow Account for)
 Subject Drilling Unit by Tract Subaccounts;)
 (2) to Applicants a Royalty Accounting; and)
 (3) Disbursement to Hugh MacRae Land)
 Trust/Torch Operating Company and)
 CNX Gas Company, LLC (Previously)
 Permac, Inc.) 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") at 9:00 a.m. on May 18, 2004 at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Abingdon, VA.
2. **Appearances:** Peter Glubiak, Esq. Appeared for the applicant, Mark Swartz, Esq. 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 August 11, 1992, 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 August 17, 1992 in Deed Book 396 at Page 537. The Pooling Order was modified by the Board's Order under Docket No. 93-0119-0310 executed on June 23, 1993 that was filed with the Clerk's Office on July 1, 1993 in Deed Book 410 at page 799 (hereafter all orders are collectively referred to as the "Pooling Orders"). On September 30, 2004, the Board executed an order under Docket 92-0721-0243-01 disbursing escrowed funds to prior petitioners in Tract 1 of Unit V-17. On June 17, 2003, The Board executed an order without docket number amending all prior pooling orders that named Buchanan Production Company, Pocahontas Gas Partnership, Island Creek Coal Company or Consol Energy, Inc. as unit operator, and designated CNX Gas Company, LLC as operator. In Buchanan County, the amendment order was recorded with the Buchanan County Clerk in Deed Book 585, Page 65.

4.2 To the extent claims to the Gas were in conflict, pursuant to Va. Code § 45.1-361-22 payments attributable to said conflicting claims were ordered deposited by the Unit Operator into the escrow account established by the Pooling Order (herein "Escrow Account"). According to the Pooling Orders the coalbed methane claims of oil and gas fee owner CNX Gas Company, LLC (previously Permac, Inc) and Hugh MacRae Land Trust/Torch Operating Company in a 1.07-acre tract known as VGOB Tract 3 in the Subject Drilling Unit was in conflict and became subject to the escrow requirements of the Pooling Order.

4.3 The Unit Operator's Miscellaneous Petition regarding VGOB Tract 3 dated May 18, 2004, a copy of which is attached to and made a part hereof, states under oath that CNX Gas Company and Hugh MacRae Land Trust/Torch Operating Company have entered into a royalty split agreement; and that by the terms of that agreement escrow regarding the conflicting claims of said parties is no longer required. By sworn testimony before the Board on May 18, 2004, the Unit Operator testified that VGOB Tract 3 and the interests of CNX Gas Company and Hugh MacRae Land Trust/Torch Operating Company were subject to the split agreement.

4.4 Applicants gave notice to CNX Gas Company and Hugh MacRae Land Trust/Torch Operating Company that the Board would take the petition referred to in Paragraph 4.3 above under consideration at its hearing on May 18, 2004 and consider whether to: (1) amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract 3 and the interests of CNX Gas Company and Hugh MacRae Land Trust/Torch Operating Company, (2) delete the requirement that the Unit Operator place future royalties attributable to Tract 3 and the interests of CNX Gas Company and Hugh MacRae Land Trust/Torch Operating Company 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 accounting for Subject Drilling Unit's Escrow Account with the Board ("Accounting").

5. **Findings:**

5.1. Va. Code 45.1-361.22.5 provides:

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

5.2 Applicant has certified and represented to the Board that:

- (1) CNX Gas Company, LLC is fee owner of oil and gas rights in Tract 3, and Hugh MacRae Land Trust/Torch Operating Company is fee owner of coal rights in Tract 3.
- (2) CNX Gas Company and Hugh MacRae Land Trust/Torch Operating Company have entered into a royalty split agreement specifying that escrowed funds are to be divided with 50% going to the gas owner and 50% going to the coal owner, and also specifying that future royalties be paid directly to the owners according to the split agreement.
- (3) Net interests attributable and to be disbursed to Applicants are shown in Table 1, Below.

TABLE 1			
Tract # Owner Names	Net acres In unit	% interest in unit	% interest in 95-0815-0511 balance
Tract 3 CNX Gas Company, LLC. (50%)	1.07	1.3375	1.2630
Hugh MacRae Land Trust/ Torch Operation Co. (50%)			1.2630

6. **Relief Granted:**

For the reasons set forth in Paragraph 4 and 5 above, and based upon the Accounting, the Escrow Agent is ordered to, within 10 days of receipt of this executed order: (1) disburse fifty percent (50%) of the funds attributable to VGOB Tract 3, being 1.2630 percent of funds on deposit in the escrow sub-account, on the date of disbursement to:

CNX Gas Company, LLC
P. O. Box 947
Bluefield, VA 24605

And, (2) disburse fifty percent (50%) of the funds attributable to VGOB Tract 3, being 1.2630 percent of funds on deposit in the escrow sub-account, on the date of disbursement to:

Torch Energy Advisors Inc.
P.O. Box 4662
Houston, TX 77210-4662

Exhibit B to the Pooling Order, showing owners subject to escrow, is deleted in toto and replaced with the Exhibit E attached to this order. Further, the Supplemental Order filed in this cause is hereby modified to delete the requirement that payments attributable to the conflicting coalbed methane gas ownership interests of CNX Gas Company and Hugh MacRae Land Trust/Torch Operating Company in VGOB 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 11th day of August, 2005, by a majority of the Virginia Gas and Oil Board.

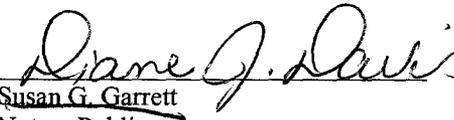

Chairman, Benny R. Wampler

DONE AND PERFORMED this 17th day of August, 2005, 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 11th day of August, 2005, 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: 9/30/05

COMMONWEALTH OF VIRGINIA)

COUNTY OF WASHINGTON)

Acknowledged on this 17th day of August, 2005, 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: 9/30/05

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

**DIVISION OF GAS AND OIL
DOCKET NO: VGOB 92-0721-0243**

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

HEARING DATE: May 18, 2004

DRILLING UNIT: V-20

BUCHANAN COUNTY, VIRGINIA

MISCELLANEOUS PETITION

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

2. **Relief sought:** (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 3 as depicted upon the annexed Exhibit A dated November 12, 1992; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Hugh MacRae Land Trust / Torch Operating Company and CNX Gas Company LLC (prev. Permac Inc).

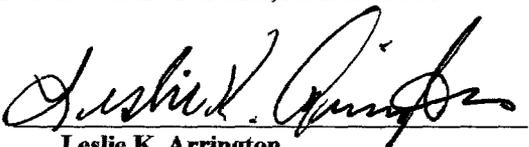
3. **Legal Authority:** Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

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

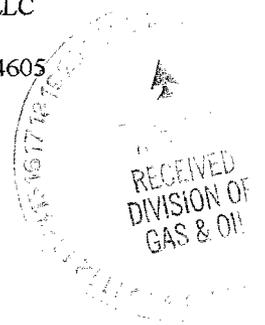
5. **Factual basis for relief requested:** Hugh MacRae Land Trust / Torch Operating Company and CNX Gas Company LLC (prev. Permac Inc.), have entered into a royalty split agreement. Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and, further, specifies how said royalties are to be divided and paid, to-wit: 1.20145 percent of escrow to Hugh MacRae Land Trust / Torch Operating Company and 1.20145 percent of escrow to CNX Gas Company LLC (prev. Permac 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: 

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



JB Tract #	1 2.17	3 1.07	3a 37.65	3c 1.14	4 2.5	Check Total 44.53	+ / - Net Income	Operator Balance	Bank Balance
2/25/93	\$10.55	\$5.20	\$182.97	\$5.54	\$12.15	\$216.41	\$0.00	\$216.41	
3/25/93	\$25.49	\$12.57	\$442.11	\$13.39	\$29.36	\$522.92	(\$30.18)	\$709.15	\$709.15
4/25/93	\$18.02	\$8.89	\$312.69	\$9.47	\$20.76	\$369.83	\$0.49	\$1,079.47	\$1,079.47
5/25/93	\$26.87	\$13.25	\$466.22	\$14.11	\$30.96	\$551.41	\$1.78	\$1,632.66	\$1,632.66
6/25/93	\$26.66	\$13.14	\$462.68	\$14.00	\$30.71	\$547.19	\$2.79	\$2,182.64	\$2,182.64
7/25/93	\$34.36	\$16.94	\$596.09	\$18.06	\$39.58	\$705.03	(\$0.77)	\$2,886.90	\$2,886.90
8/25/93	\$35.64	\$17.57	\$618.35	\$18.72	\$41.06	\$731.34	\$0.25	\$3,618.49	\$3,618.49
9/30/93						\$0.00	\$158.07	\$3,776.56	\$3,776.56
10/31/93						\$0.00	\$144.51	\$3,921.07	\$3,921.07
11/25/93	\$0.88	\$0.44	\$15.32	\$0.46	\$1.02	\$18.12	(\$3.95)	\$3,935.24	\$3,917.12
12/25/93	\$0.71	\$0.35	\$12.37	\$0.37	\$0.82	\$14.62	\$6.08	\$3,955.94	\$3,955.94
1/25/94	\$0.89	\$0.44	\$15.40	\$0.47	\$1.02	\$18.22	(\$13.46)	\$3,960.70	\$3,942.48
2/25/94	\$0.40	\$0.20	\$6.97	\$0.21	\$0.46	\$8.24	\$6.61	\$3,975.55	\$3,949.09
3/31/94						\$0.00	\$5.65	\$3,981.20	\$3,981.20
4/25/94	\$1.02	\$0.50	\$17.76	\$0.54	\$1.18	\$21.00	(\$2.92)	\$3,999.28	\$3,978.28
5/25/94	\$1.24	\$0.61	\$21.43	\$0.65	\$1.42	\$25.35	\$7.47	\$4,032.10	\$3,985.75
6/25/94	\$0.46	\$0.23	\$8.05	\$0.24	\$0.53	\$9.51	(\$1.20)	\$4,040.41	\$4,030.90
7/25/94	\$50.89	\$25.09	\$883.00	\$26.74	\$58.63	\$1,044.35	\$9.39	\$5,094.15	\$5,094.15
8/25/94	\$1.01	\$0.50	\$17.56	\$0.53	\$1.17	\$20.77	\$0.29	\$5,115.21	\$5,094.44
9/25/94	\$1.24	\$0.61	\$21.58	\$0.65	\$1.43	\$25.51	\$57.23	\$5,197.95	\$5,197.95
10/25/94	\$1.02	\$0.50	\$17.71	\$0.54	\$1.18	\$20.95	\$1.68	\$5,220.58	\$5,199.63
11/25/94	\$0.06	\$0.03	\$1.07	\$0.03	\$0.07	\$1.26	(\$35.79)	\$5,186.05	\$5,163.84
12/25/94						\$0.00	\$9.55	\$5,195.60	\$5,173.40
1/25/95	\$0.40	\$0.20	\$6.93	\$0.21	\$0.46	\$8.20	\$8.18	\$5,211.96	\$5,211.96
2/25/95	\$0.42	\$0.21	\$7.28	\$0.22	\$0.48	\$8.61	(\$1.24)	\$5,219.35	\$5,210.74
3/25/95	-\$0.12	-\$0.06	\$1.99	\$0.06	\$0.13	\$2.36	\$47.61	\$5,269.32	\$5,258.35
4/25/95	\$0.01	\$0.01	\$0.20	\$0.01	\$0.01	\$0.24	\$10.68	\$5,280.24	\$5,269.03
5/25/95	\$2.79	\$1.38	\$48.39	\$1.47	\$3.21	\$57.24	\$13.01	\$5,350.49	\$5,350.49
6/25/95	\$0.03	\$0.01	\$0.44	\$0.01	\$0.03	\$0.52	\$3.52	\$5,354.53	\$5,354.01
7/25/95	\$0.06	\$0.03	\$1.00	\$0.03	\$0.07	\$1.19	\$13.14	\$5,368.86	\$5,367.15
8/25/95	\$0.06	\$0.03	\$0.97	\$0.03	\$0.07	\$1.16	\$13.51	\$5,383.53	\$5,380.66
9/25/95	\$0.01		\$0.13		\$0.01	\$0.15	\$76.58	\$5,460.26	\$5,457.24
10/25/95			\$0.05			\$0.05	\$9.40	\$5,469.71	\$5,469.66
11/25/95	\$0.01	\$0.01	\$0.24	\$0.01	\$0.02	\$0.29	\$9.60	\$5,479.60	\$5,479.26
12/25/95	\$0.03	\$0.01	\$0.46	\$0.01	\$0.03	\$0.54	\$22.26	\$5,502.40	\$5,501.52
1/25/96	\$0.07	\$0.03	\$1.14	\$0.03	\$0.08	\$1.35	\$11.37	\$5,515.12	\$5,512.89
2/25/96	\$0.04	\$0.02	\$0.79	\$0.02	\$0.05	\$0.92	\$9.82	\$5,525.86	\$5,522.71
3/25/96	\$0.26	\$0.13	\$4.45	\$0.13	\$0.30	\$5.27	\$56.80	\$5,587.93	\$5,579.51
4/25/96	\$6.01	\$2.97	\$104.33	\$3.16	\$6.93	\$123.40	\$9.59	\$5,720.92	\$5,720.92
5/25/96	\$0.63	\$0.31	\$10.91	\$0.33	\$0.72	\$12.90	(\$0.82)	\$5,733.00	\$5,720.10
6/30/96						\$0.00	\$6.56	\$5,739.56	\$5,726.66
7/31/96						\$0.00	\$33.48	\$5,773.04	\$5,760.14
8/31/96						\$0.00	\$7.92	\$5,780.96	\$5,768.06
9/30/96						\$0.00	\$47.47	\$5,828.43	\$5,828.43
10/31/96						\$0.00	\$15.07	\$5,843.50	\$5,843.50
11/30/96						\$0.00	\$18.76	\$5,862.26	\$5,862.26
12/31/96						\$0.00	\$10.32	\$5,872.58	\$5,872.58
1/25/97						\$0.00	\$48.65	\$5,921.23	\$5,921.23
2/25/97						\$0.00	(\$279.73)	\$5,641.50	\$5,641.50
3/25/97						\$0.00	\$276.10	\$5,917.60	\$5,917.60
4/25/97						\$0.00	\$38.40	\$5,956.00	\$5,956.00
5/25/97						\$0.00	\$28.63	\$5,984.63	\$5,984.63
6/30/97						\$0.00	\$21.50	\$6,006.13	\$6,006.13
7/31/97						\$0.00	\$52.92	\$6,059.05	\$6,059.05
8/31/97						\$0.00	\$12.87	\$6,071.92	\$6,071.92
9/30/97						\$0.00	\$34.42	\$6,106.34	\$6,106.34
						\$0.00	\$28.84	\$6,142.95	\$6,142.95

11/30/97						\$0.00	\$38.29	\$9,101.27	\$9,101.27
6/30/98						\$0.00	\$134.86	\$6,316.10	\$6,316.10
12/31/98						\$0.00	\$144.19	\$6,460.29	\$6,460.29
1/25/99						\$0.00	\$29.90	\$6,490.19	\$6,490.19
2/25/99						\$0.00	\$3.55	\$6,493.74	\$6,493.74
3/25/99						\$0.00	\$17.84	\$6,511.58	\$6,511.58
4/25/99						\$0.00	\$28.44	\$6,540.02	\$6,540.02
5/25/99						\$0.00	\$13.60	\$6,553.62	\$6,553.62
6/30/99						\$0.00	\$20.14	\$6,573.76	\$6,573.76
7/31/99						\$0.00	\$25.73	\$6,599.49	\$6,599.49
8/31/99						\$0.00	\$11.17	\$6,610.66	\$6,610.66
9/30/99						\$0.00	\$31.68	\$6,642.34	\$6,642.34
10/31/99						\$0.00	\$21.76	\$6,664.10	\$6,664.10
11/30/99						\$0.00	\$7.28	\$6,671.38	\$6,671.38
12/31/99						\$0.00	\$60.60	\$6,731.98	
5/31/00						\$0.00	\$29.37	\$6,761.35	
6/30/00						\$0.00	\$27.41	\$6,788.76	
7/31/00						\$0.00	\$28.73	\$6,817.49	
8/31/00						\$0.00	\$28.75	\$6,846.24	
9/30/00						\$0.00	\$26.98	\$6,873.22	
10/31/00						\$0.00	\$31.21	\$6,904.43	
11/30/00						\$0.00	\$28.80	\$6,933.23	
12/31/00						\$0.00	\$28.14	\$6,961.37	
1/31/01						\$0.00	\$29.46	\$6,990.83	
2/28/01						\$0.00	\$20.70	\$7,011.53	
1/31/01						\$0.00	\$22.26	\$7,033.79	
4/30/01						\$0.00	\$21.85	\$7,055.64	
5/31/01						\$0.00	\$17.90	\$7,073.54	
6/30/01						\$0.00	\$15.07	\$7,088.61	
7/31/01						\$0.00	\$15.79	\$7,104.40	
8/31/01						\$0.00	\$15.36	\$7,119.76	
9/30/01						\$0.00	\$11.45	\$7,131.21	
10/31/01						\$0.00	\$10.29	\$7,141.50	
11/30/01						\$0.00	\$8.07	\$7,149.57	
12/31/01						\$0.00	\$8.64	\$7,158.21	
1/31/02						\$0.00	\$5.13	\$7,163.34	
2/28/02						\$0.00	\$3.79	\$7,167.13	
3/31/02						\$0.00	\$4.19	\$7,171.32	
4/30/02						\$0.00	\$4.66	\$7,175.98	
5/30/02						\$0.00	\$3.92	\$7,179.90	
6/30/02						\$0.00	\$3.71	\$7,183.61	
7/31/02						\$0.00	\$3.90	\$7,187.51	
8/30/02						\$0.00	\$3.77	\$7,191.28	
9/30/02						\$0.00	\$3.19	\$7,194.47	
10/31/02						\$0.00	\$3.53	\$7,198.00	
11/30/02						\$0.00	\$3.33	\$7,201.33	
12/31/02						\$0.00	\$1.63	\$7,202.96	
1/31/03						\$0.00	\$1.49	\$7,204.45	
2/28/03						\$0.00	\$0.74	\$7,205.19	
3/31/03						\$0.00	\$1.22	\$7,206.41	
4/30/03						\$0.00	\$0.85	\$7,207.26	
5/30/03						\$0.00	\$1.16	\$7,208.42	
6/30/03						\$0.00	\$0.71	\$7,209.13	
7/31/03						\$0.00	\$0.29	\$7,209.42	
8/29/03						\$0.00	\$0.25	\$7,209.67	
9/30/03						\$0.00	\$0.39	\$7,210.06	
10/31/03						\$0.00	\$0.61	\$7,210.67	
11/30/03						\$0.00	\$0.39	\$7,211.06	
12/31/03						\$0.00	\$0.74	\$7,211.80	
1/31/04						\$0.00	\$0.53	\$7,212.33	\$7,212.33

4.8731%	2.4029%	84.5497%	2.5601%	5.6142%	100.0000%
\$351.47	\$173.30	\$6,098.01	\$184.64	\$404.91	\$7,212.33
Dianne Graham	Torch / CNX (Permec)				

Exhibit E
Unit V-20
Docket #VGOB 92-0721-0243
List of Conflicting Owners/Claimants that require escrow

Revised 8/11/05

	Net Acres in Unit	Interest in Unit	Division of 3 - Panel 1.116%	Division of 4 - Panel 6.250%	Division of 5 - Panel 5.076%
<u>Tract #3a - 37.65 acres</u>					
<u>COAL FEE OWNERSHIP</u>					
(1) Hugh Macrae Land Trust c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	37.65 acres	47.0625%	0.525%	2.941%	2.389%
(2) Torch Operating Co. (CBM Royalty Owner) P.O. Box 4662 Houston, TX 77210-4662					
<u>OIL & GAS FEE OWNERSHIP</u>					
(1) W.S. Ellis Heirs, Devisees, Successors or Assigns c/o James W. Huffman, Agent 296 Timberleaf Beavercreek, OH 45430	37.65 acres	47.0625%	0.525%	2.941%	2.389%
<u>Tract #3C - 1.14 acres</u>					
<u>COAL FEE OWNERSHIP</u>					
(1) Hugh Macrae Land Trust c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	1.14 acres	1.4250%	0.016%	0.089%	0.072%
(2) Torch Operating Co. (CBM Royalty Owner) P.O. Box 4662 Houston, TX 77210-4662					
<u>OIL & GAS FEE OWNERSHIP</u>					
(1) Gaston Cook Heirs, Devisees, Successors or Assigns	1.14 acres	1.4250%	0.016%	0.089%	0.072%

**Exhibit E
Unit V-20
Docket #VGOB 92-0721-0243
List of Conflicting Owners/Claimants that require escrow**

Revised 8/11/05

	Net Acres in Unit	Interest in Unit	Division of 3 - Panel 1.116%	Division of 4 - Panel 6.250%	Division of 5 - Panel 5.076%
(a) Mary Ann Bartram 1539 Nicolay Way Baltimore, MD 21201	0.114 acres 1/10 of 1.14 acres	0.1425%	0.002%	0.009%	0.007%
(b) Jean C. Kline 1373 Ironwood Street Woodbridge, VA 22191	0.114 acres 1/10 of 1.14 acres	0.1425%	0.002%	0.009%	0.007%
(c) Harold V. Cooke P.O. Box 305 Oakwood, VA 24631	0.114 acres 1/10 of 1.14 acres	0.1425%	0.002%	0.009%	0.007%
(d) Leslie K. Cook 5714 W. Nobis Circle Homosassa, FL 32646	0.114 acres 1/10 of 1.14 acres	0.1425%	0.002%	0.009%	0.007%
(e) Mamie K. Cook 1373 Ironwood St. Woodbridge, VA 22191	0.114 acres 1/10 of 1.14 acres	0.1425%	0.002%	0.009%	0.007%
(f) Robert B. Cook Box 21 Rowe, VA 24646	0.114 acres 1/10 of 1.14 acres	0.1425%	0.002%	0.009%	0.007%
(g) Nancy C. Duty P.O. Box 816 Grundy, VA 24614	0.114 acres 1/10 of 1.14 acres	0.1425%	0.002%	0.009%	0.007%
(h) Lawonne C. Gibson 2117 Old York Road York, SC 29745	0.114 acres 1/10 of 1.14 acres	0.1425%	0.002%	0.009%	0.007%
(i) Kathy Diane Murray 140 Janice Drive Mt. Airy, NC 27030	0.114 acres 1/10 of 1.14 acres	0.1425%	0.002%	0.009%	0.007%
(j) Francis C. Hinchee 14411 North Fairview Lane Woodbridge, VA 22191	0.114 acres 1/10 of 1.14 acres	0.1425%	0.002%	0.009%	0.007%
(k) Hazel C. Hart 1384 Longview Drive Apt #5 Woodbridge, VA 22191	(conflicting owner unknown interest)				

Tract #4 - 2.50 acres

COAL FEE OWNERSHIP

(1) Norfolk Southern Corporation Attn: Todd Dunn P.O. Box 1517 Bluefield, WV 24701	2.50 acres	3.1250%	0.035%	0.195%	0.159%
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OIL & GAS FEE OWNERSHIP

(1) W.S. Ellis Heirs, Devisees, Successors or Assigns c/o James W. Huffman, Agent 296 Timberleaf Beavercreek, OH 45430	2.50 acres	3.1250%	0.035%	0.195%	0.159%
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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 18th day of August, 2005 at 12:04 P. M. The tax imposed by §587.1-802 of the Code has been paid in the amount of \$.
Deed Book No. and Page No. TESTE: James M. Bevins, Jr., Clerk
Returned to: Amme TESTE: Deputy Clerk

BU
\$20

ENTERED

INSTRUMENT #050002459
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 18, 2005 AT 12:04PM
JAMES W. BEVINS, CLERK
RECORDED BY: AKT