

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	POCAHONTAS GAS PARTNERSHIP)	
		)	VIRGINIA GAS
		)	AND OIL BOARD
RELIEF SOUGHT:	MODIFICATION OF ORDER ESTABLISHING)	
	DRILLING UNIT BUCHANAN NO. 1 SOUTH	)	DOCKET NO.
	SGU DESCRIBED IN EXHIBIT "A" HERETO	)	98-1117-0697-01
	PURSUANT TO VA. CODE § 45.1-361.20	)	(Modification of
	(herein "Subject Drilling	)	Order entered in
	Unit"); AND (2) POOLING OF	)	VGOB Docket No.
	INTERESTS IN SUBJECT DRILLING	)	98-1117-0697 on
	UNIT PURSUANT TO VA. CODE	)	April 26, 1999 and
	§§ 45.1-361.21 AND 45.1-361.22 FOR	)	filed with the
	The PRODUCTION OF OCCLUDED	)	Clerk of the Circuit
	NATURAL GAS PRODUCED FROM	)	Court of Buchanan
	COALBEDS AND ROCK STRATA	)	County, VA on
	ASSOCIATED THEREWITH (herein	)	May 12, 1999 at Deed
	"Coalbed Methane Gas" or	)	Book 491, Page 744
	"Gas")	)	(herein "Original
		)	Pooling Order")
LEGAL DESCRIPTION:)	
)	
	DRILLING UNIT NUMBER BUCHANAN NO. 1 SOUTH SGU)	
	(herein "Subject Drilling Unit"))	
	BUCHANAN COUNTY, VIRGINIA)	
	(herein "Subject Lands" which are more)	
	particularly described in Paragraph 17.3)	
	hereof and depicted on Exhibit "A")	
	attached hereto).)	

REPORT OF THE BOARD
FINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (herein "Board") at 9:00 a.m. on June 20, 2000, Southwest Higher Education Center, Campus of Virginia Highlands Community College, Abingdon, Virginia.
2. Appearances: Mark A. Swartz of Swartz & Stump, P.C., appeared for the Applicant. Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.
3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a search of the reasonably available sources to determine the identity and whereabouts of gas and oil owners, coal owners, mineral owners and/or potential owners, i.e., persons identified by Applicant as having ("Owner") or claiming ("Claimant") the rights to Coalbed Methane Gas in all coal seams below the Tiller Seam, including, but not limited to the Upper Seaboard, Greasy Creek, Middle Seaboard, Lower Seaboard, Upper Horsepen, Middle Horsepen, War Creek, Lower Horsepen, Pocahontas

No. 9, Pocahontas No. 8, Pocahontas No. 7, Pocahontas No. 6, Pocahontas No. 5, Pocahontas No. 4, Pocahontas No. 3, Pocahontas No. 2 and various unnamed seams and associated strata (hereafter "Subject Formation") in Subject Drilling Unit underlying and comprised of Subject Lands; (2) has given notice to all such parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code §§ 45.1-361.19 and 45.1-361.22, to notice of the application filed herein; and (3) that the persons set forth in Exhibit B-3 hereto are persons identified by Applicant through its due diligence who may be Owners or Claimants of Coalbed Methane Gas interests in Subject Formation, in Subject Drilling Unit underlying and comprised of Subject Lands, who have not heretofore deemed to have leased their Gas interests in Subject Drilling Unit pursuant to the terms of the Original Pooling Order, and /or have not since agreed to lease or sell to the Applicant and/or voluntarily pool their Gas interests. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: Exhibit B-3, F and G.
5. Dismissals: None.
6. Relief Requested: Applicant requests that the Board modify the Original Pooling Order: (1) pursuant to Va. Code § 45.1-361.20, to establish the area identified as Buchanan No. 1 South SGU described in Paragraph 17.3 hereof and depicted on Exhibit A hereto as a sealed gob drilling unit to be served by a minimum of thirteen (13) permitted coalbed methane gas wells and such other existing vertical ventilation holes as the Operator may elect to convert to coalbed methane gas wells (herein "Wells") in order to recover the greatest ultimate recovery of Gas, conform to mine plans and promote mine safety, prevent or assist in preventing waste prohibited by the statute, and to protect correlative rights of all persons in the subject common sources of supply in the Subject Lands; (2) pursuant to Va. Code § 45.1-361.22, including the applicable portions of Va. Code § 45.1-361.21; to pool all the rights, interests and estates in and to the Gas in Subject Formation for the drilling and operation, including production, of said Gas from the Subject Drilling Unit underlying and comprised of the Subject Lands (herein sometimes collectively identified and referred to as "Well Development and/or Operation in the Subject Drilling Unit"); and (3) that the Board designate Pocahontas Gas Partnership as Unit Operator.
7. Relief Granted: The requested relief in this cause be and hereby is granted and the Original Pooling Order is hereby modified to provide: (1) Pursuant to Va. Code § 45.1-361.20, the Board hereby establishes the Buchanan No. 1 South SGU described in Paragraph 17.3 hereof and identified on Exhibit A hereto as Subject Drilling Unit to be served by the Wells; (2) pursuant to Va. Code § 45.1-361.21, all the interests and estates in and to the Gas in Subject Drilling Unit, including that of the Applicant, Owners/Claimants named in the Original Pooling Orders, and the known and unknown

persons listed on Exhibit B-3, attached hereto and made a part hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, be and hereby are pooled in the Subject Formation in the Subject Drilling Unit underlying and comprised of the Subject Lands; and (3) pursuant to Va. Code § 45.1-361.21.C.3, Pocahontas Gas Partnership (herein "Unit Operator") is designated as the Unit Operator authorized to operate the Wells in the Subject Drilling Unit, subject to: the permit provisions contained in Va. Code § 45.1-361.27 et seq.; to 4 VAC 25-150 et seq., Gas and Oil Regulations; and to 4 VAC 25-160 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time.

<u>Subject Formation</u>	<u>Unit Size</u>	<u>Permitted Well Location(s)</u>	<u>Field and Well Classification</u>	<u>Order Number</u>
All coalbeds and coal seams below the Tiller seam, including, but not limited to Upper Seaboard, Greasy Creek, Middle Seaboard, Lower Seaboard, Upper, Horsepen, Middle Horsepen, War Creek, Lower Horsepen, Pocahontas Nos. 9, 8, 7, 6, 5, 4, 3, 2 and various unnamed seams and associated rock strata	Approximately 1,590.44 acres	The following thirteen (13) wells depicted on Exhibit A hereto: CBM-PGP-115D, CBM-PGP-117C, CBM-PGP-118A, CBM-PGP-121E, CBM-PGP-123A, CBM-PGP-128B, CBM-PGP-131A, CBM-PGP-141 CBM-PGP-145 CBM-PGP-147 CBM-PGP-X30B, CBM-PGP-X31C, CBM-PGP-AA30C, (herein "Wells") and such other of said wells as Unit Operator may convert from vertical ventilation holes and permit as coalbed methane wells in order to facilitate underground mine safety as contemplated by Va. Code § 45.1-361.20.C.	Sealed gob Unit established by this Order	Prior to the effective date of this Order, areas comprising Subject Drilling were governed by OGCB 3-90, as amended, (herein "Oakwood I Field Rules") or VGOB No. 91-1119-0162 as amended herein "Oakwood II Field Rules"), and the Board's Orders in VGOB 92-0216-0336 and 92-0316-0349

For the Subject Drilling Unit underlying and comprised of the Subject

Land referred to as:

Unit Number Buchanan No. 1 South SGU
Buchanan County, Virginia

8. Election and Election Period: In the event any Gas Owner or Claimant named in Exhibit B-3 hereto has not or does not reach a voluntary agreement to share in the operation of the Wells at a rate of payment mutually agreed to by said Gas Owner or Claimant and the Unit Operator, then such person named may elect one of the options set forth in Paragraph 9 below and must give written notice of his election of the option selected under Paragraph 9 to the Unit Operator at the address shown below within thirty (30) days from the date this Order is recorded in the county above named. A timely election shall be deemed to have been made if, on or before the last day of said 30-day period, such electing person has delivered his written election to the Unit Operator at the address shown below or has duly postmarked and placed its written election in first class United States mail, postage prepaid, addressed to the Unit Operator at the address shown below.
9. Election Options:
- 9.1 Option 1 - To Participate In The Development and Operation of the Drilling Unit: Any Gas Owner or Claimant named in Exhibit B-3 who has not or does not reach a voluntary agreement with the Unit Operator may elect to participate in the Well Development and Operation in the Subject Drilling Unit (hereafter "Participating Operator") by agreeing to pay such Participating Operator's proportionate part of the actual and reasonable costs of the development contemplated by this Order, including a reasonable supervision fee, of the Well Development and Operation in the Subject Drilling Unit, as more particularly set forth in Virginia Gas and Oil Board Regulation 4 VAC 25-160-100 (herein "Allocable, Completed for Production Costs"). Further, a Participating Operator agrees to pay such Participating Operator's proportionate part of the Allocable, Completed-for-Production Costs as set forth below to the Unit Operator within forty-five (45) days from the later of the date of mailing or the date of recording of this Order. The Allocable, Completed-for-Production Costs for the Subject Drilling Unit are as follows:

Total Allocable Completed-for-Production	
Costs for Subject Drilling Unit:	\$170,890.05

A Participating Operator's proportionate cost hereunder shall be the total of the results obtained by multiplying the Participating Operator's "Interest in Unit" as set forth in the third column of Exhibit B-3, times the Total Allocable Completed-for-Production Costs set forth above. Provided, however, that in the event a Participating Operator elects to participate and fails or refuses to pay the estimate of his proportionate part of the Total Allocable, Completed-for Production Costs as set forth above, all within the time set forth herein and in the manner prescribed in Paragraph 8 of this Order, then such Participating Operator shall be deemed to have elected not to participate and to have elected

compensation in lieu of participation pursuant to Paragraph 9.2 below.

- 9.2 Option 2 - To Receive A Cash Bonus Consideration: In lieu of participating in the Well Development and Operation in Subject Drilling Unit under Paragraph 9.1 above, any Gas Owner or Claimant named in Exhibit B-3 hereto who has not or does not reach a voluntary agreement with the Unit Operator may elect to accept a cash bonus consideration of \$1.00 per net mineral acre owned by such person, commencing upon entry of this Order and continuing annually until commencement of production from Subject Drilling Unit, and thereafter a royalty of 1/8th of 8/8ths [twelve and one-half percent (12.5%)] of the net proceeds received by the Unit Operator for the sale of the Coalbed Methane Gas produced from any Well Development and Operation covered by this Order multiplied by that person's Interest in Unit or proportional share of said production [for purposes of this Order, net proceeds shall be actual proceeds received less post-production costs incurred downstream of the wellhead, including, but not limited to, gathering, compression, treating, transportation and marketing costs, whether performed by Unit Operator or a third person) as fair, reasonable and equitable compensation to be paid to said Gas Owner or Claimant. The initial cash bonus shall become due and owing when so elected and shall be tendered, paid or escrowed within sixty (60) days of recording of this Order. Thereafter, annual cash bonuses, if any, shall become due and owing on each anniversary of the date of recording of this order in the event production from Subject Drilling Unit has not theretofore commenced, and once due, bonuses shall be tendered, paid or escrowed within sixty (60) days of said anniversary date. Once the initial cash bonus and the annual cash bonuses, if any, are so paid or escrowed, subject to a final legal determination of ownership, said payment(s) shall be satisfaction in full for the right, interests, and claims of such electing person in and to the Gas produced from Subject Formation in the Subject Drilling Unit underlying and comprised of Subject Lands, except, however, for the 1/8th royalties due hereunder.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.2, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any Well Development and Operation covered hereby and such electing person shall be deemed to and hereby does lease and assign, its right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator.

- 9.3. Option 3 - To Share In The Development And Operation As A Non-Participating Person On A Carried Basis And To Receive Consideration In Lieu Of Cash: In lieu of participating in the Well Development and Operation in Subject Drilling Unit under Paragraph 9.1 above, and in lieu of receiving a cash bonus consideration under Paragraph 9.2 above, any Gas Owner or Claimant named in Exhibit B-3 hereto who has not or does not reach a voluntary agreement with the Unit Operator may elect to share in the Development and Operation in Subject Drilling Unit on a carried basis (as a "Carried Well Operator") so that the proportionate part of the Total Completed-for-Production Costs

hereby allocable to such Carried Well Operator's interest is charged against such Carried Well Operator's share of production from Subject Drilling Unit. Such Carried Well Operator's rights, interests, and claims in and to the Gas in Subject Drilling Unit shall be deemed and hereby are assigned to the Unit Operator until the proceeds from the sale of such Carried Well Operator's share of production from Subject Drilling Unit (exclusive of any royalty, excess or overriding royalty, or other non-operating or non cost-bearing burden reserved in any lease, assignment thereof or agreement relating thereto covering such interest) equals three hundred percent (300%) for a leased interest or two hundred percent (200%) for an unleased interest (whichever is applicable) of such Carried Well Operator's share of the Total Completed-for-Production Costs allocable to the interest of such Carried Well Operator. When the Unit Operator recoups and recovers from such Carried Well Operator's assigned interest the amounts provided for above, then, the assigned interest of such Carried Well Operator shall automatically revert back to such Carried Well Operator, and from and after such reversion, such Carried Well Operator shall be treated as if it had participated initially under Paragraph 9.1 above.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.3, when so made, shall be satisfaction in full for the rights, interests, and claims of such electing person in any Well Development and Operation covered hereby and such electing person shall be deemed to have and hereby does assign its rights, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator for the period of time during which its interest is carried as above provided prior to its reversion back to such electing person.

10. Failure to Properly Elect: In the event a person named in Exhibit B-3 hereto has not or does not reach a voluntary agreement with the Unit Operator and fails to elect within the time, in the manner and in accordance with the terms of this Order, one of the alternatives set forth in Paragraph 9 above for which his interest qualifies, then such person shall be deemed to have elected not to participate in the proposed Well Development and Operation in Subject Drilling Unit and shall be deemed, subject to a final legal determination or ownership, to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which its interest qualifies and shall be deemed to have leased and/or assigned his right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator. Persons who fail to properly elect shall be deemed, subject to a final legal determination of ownership, to have accepted the compensation and terms set forth herein at Paragraph 9.2 in satisfaction in full for the right, interests, and claims of such person in and to the Gas produced from the Subject Formation underlying Subject Lands.
11. Default By Participating Person: In the event a person named in Exhibit B-3 elects to participate under Paragraph 9.1, but fails or refuses to pay, to secure the payment or to make an arrangement with the Unit Operator for the payment of such person's

proportionate part of the Total Allocable, Completed-for-Production Cost as set forth herein, all within the time and in the manner as prescribed in this Order, then such person shall be deemed to have withdrawn his election to participate and shall be deemed to have elected to accept as satisfaction in full for such person's right, interest, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which his interest qualifies depending on the excess burdens attached to such interest. Whereupon, any cash bonus consideration due as a result of such deemed election shall be tendered, paid or escrowed by Unit Operator within sixty (60) days after the last day on which such defaulting person under this Order should have paid his proportionate part of such cost or should have made satisfactory arrangements for the payment thereof. When such cash bonus consideration is paid or escrowed, it shall be satisfaction in full for the right, interests, and claims of such person in and to the Gas underlying Subject Drilling Unit in the Subject Lands covered hereby, except, however, for any royalties which would become due pursuant to Paragraph 9.2 hereof.

12. Assignment of Interest: In the event a person named in Exhibit B-3 is unable to reach a voluntary agreement to share in the operation of the Wells contemplated by this Order at a rate of payment agreed to mutually by said Owner or Claimant and the Unit Operator, and such person elects or fails to elect to do other than participate under Paragraph 9.1 above in the Well Development and Operation in Subject Formation in Subject Drilling Unit, then subject to a final legal determination of ownership, such person shall be deemed to have and shall have assigned unto Unit Operator such person's right, interests, and claims in and to said Wells, in Subject Formation in Subject Drilling Unit, and other share in production to which such person may be entitled by reason of any election or deemed election hereunder in accordance with the provisions of this Order governing said election.
13. Unit Operator (or Operator): Pocahontas Gas Partnership be and hereby is designated as Unit Operator authorized to operate the Wells in Subject Formation in Subject Drilling Unit, all subject to the permit provisions contained in Va. Code Ann. §§ 4 VAC 25-150 et seq., Gas and Oil Regulations; and §§ 4 VAC 25-160 et seq.; Virginia Gas and Oil Board Regulations; all as amended from time to time, and all elections required by this Order shall be communicated to Unit Operator in writing at the address shown below:

Pocahontas Gas Partnership
P. O. Box 947
Bluefield, VA 24605
Phone: (540) 988-1016
Fax: (540) 988-1055
Attn: Leslie K. Arrington

14. Commencement of Operations: Unit Operator has already commenced or caused to be commenced operations for the drilling of the Wells within the Subject Drilling Unit and Unit Operator shall prosecute operation of same with due diligence. If Unit Operator does not so prosecute, then this Order shall terminate in accordance with the Board's order so finding, otherwise, this

Order shall expire at 12:00 P.M. on the date on which all of the Wells covered by this Order are permanently abandoned and plugged.

15. Operator's Lien: Unit Operator, in addition to the other rights afforded hereunder, shall have a lien and a right of set off on the Gas estates, rights, and interests owned by any person subject hereto who elects to participate under Paragraph 9.1 in the Subject Drilling Unit to the extent that costs incurred in the Well Development and Operation in the Subject Drilling Unit are chargeable against such person's interest. Such liens and right of set off shall be separable as to each separate person and shall remain liens until the Unit Operator has been paid the full amounts due under the terms of this Order.

16. Escrow Provisions:

In the Original Pooling Order, the Board instructed the Escrow Agent's predecessor to establish an interest-bearing escrow account, (herein "the Escrow Account") and the Escrow Agent is instructed to receive into said account and to account to the Board, on a tract-by-tract basis, for those tracts shown on Exhibit E hereto, pursuant to its agreement for the escrowed funds hereafter described. The current Board Escrow Agent is:

First Union National Bank
Corporate Trust PA1328
123 South Board Street
Philadelphia, PA 19109-1199
Telephone: (215) 985-3485 or (800) 665-9359
Attention: Don Ballinghoff

- 16.1. Escrow Provisions For Unknown or Unlocatable Persons: If any payment of bonus, royalty payment or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be located or is unknown, then such cash bonus, royalty payment, or other payment shall not be commingled with any funds of the Unit Operator and shall, pursuant to Va. Code § 45.1-361.21.D, be deposited by the Unit Operator into the Escrow Account, commencing within one hundred twenty (120) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are being deposited. Such funds shall be held for the exclusive use of, and sole benefit of the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with Va. Code § 45.1-361.21.D.
- 16.2 Escrow Provisions For Conflicting Claimants: If any payment of bonus, royalty payment of other payment due and owing pursuant to Va. Code §§ 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4 or under this Order cannot be made because the person entitled thereto cannot be made certain due to conflicting claims of ownership and/or a defect or cloud on the title, then such cash bonus, royalty payment or other payment, together with Participating Operator's Proportionate Costs paid to Operator pursuant to Paragraph 9.1 hereof, if any, (1) shall not be

commingled with any funds of the Unit Operator; and (2) shall be deposited by the Operator into the Escrow Account within one hundred twenty (120) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of, the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with Va. Code § 45.1-361.22.A.5.

17. Special Findings: The Board specifically and specially finds:
- 17.1 Applicant is a Virginia general partnership comprised of Consolidation Coal Company, a Delaware corporation, and CONOCO Inc., a Delaware corporation;
- 17.2 Pocahontas Gas Partnership is duly authorized to transact business in the Commonwealth of Virginia, is an operator in the Commonwealth of Virginia, and has satisfied the Board's requirements for operations in Virginia;
- 17.3 Applicant, Pocahontas Gas Partnership, claims ownership of gas leases, coalbed methane gas leases, and/or coal leases representing 100.00 percent of the coal interest and 99.93524 percent of the oil and gas interest, and Applicant claims the right to explore for, develop and produce Coalbed Methane Gas from Subject Formations in Subject Drilling Unit in Buchanan County, Virginia, underlying Subject Lands which are more particularly described as:

Beginning at Virginia South State Plane coordinates N 324,293.81 E 993,647.80 thence S 88-35-43 E 8,934.74 feet to N 324,074.76 E 1,002,579.85 thence S 01-34-16 W 7,905.64 feet to N 316,172.09 E 1,002,363.09, thence N 88-35-11 W 7,165.55 feet to N 316,348.85 E 995,199.72, thence N 39-32-35 W 3,532.60 feet to N 319,073.00 E 992,950.66, thence N 89-22-15 W 471.72 feet to N 319,078.18 E 992,478.97, thence N 02-00-10 E 430.08 feet to N 319,508.00 E 992,494.00, thence N 88-57-11 E 656.77 feet to N 319,496.00 E 993,150.66, thence N 40-19-25 E 517.01 feet to N 319,101.83 E 993,485.22, thence N 01-47-37 E 5,194.52 feet to N 324,293.81 E 993,647.80 to the point of beginning containing 1590.44 acres.

- 17.4 For mine safety reasons, before and during active mining in the portions of Buchanan No. 1 Mine underlying Subject Lands, numerous vertical ventilation holes were drilled by the mine operator, some of which Unit Operator may convert and permit as Coalbed Methane Gas wells for the production of Gas from Subject Drilling Unit. Unit Operator proposes to permit a minimum of the thirteen (13) Coalbed Methane Gas wells identified in Paragraph 7 above for its use in the production of Gas from Subject Drilling Unit;

- 17.5 Subject Lands overlies a mined-out and sealed area of the Buchanan No. 1 Mine which is depicted as "Sealed Gob Area" on Exhibit A-1 hereto;
- 17.6 The estimated total production from Subject Drilling Unit is 6 to 8 BCF. The estimated amount of reserves from the Subject Drilling Unit is 6 to 8 BCF;
- 17.7 Set forth in Exhibit B-3 is the name and last known address of each Owner or Claimant identified by the Applicant as having or claiming an interest in the Coalbed Methane Gas in Subject Formation in Subject Drilling Unit underlying and comprised of Subject Lands, who has not been deemed to have leased pursuant to the Original Pooling Order, or has not subsequently leased to the Applicant or the Unit Operator; and/or has not agreed to voluntarily pool his interests in Subject Drilling Unit for its Operation and Development. The interests of the Respondents listed in Exhibit B-3 comprise 0.06476 percent of the oil and gas interests and 0 percent of the coal interests in Subject Drilling Unit;
- 17.8 The Board has heretofore established 80-acre drilling units in the Oakwood Coalbed Gas Field I (See OGCB 3-90, as amended herein "Oakwood I Field Rules") and in the Oakwood Coalbed Methane Gas Field II (See VGOB 91-1119-0162, as amended, herein "Oakwood II Field Rules"), for the area underlying and comprised of Subject Lands, but said field rules specifically provide that they do not apply to the production of Gas once mining is complete and the gob area of such mine is sealed. Set forth in Paragraph 17.11 below is a schedule of the orders heretofore entered by the Board which involve the Subject Lands, or portions thereof;
- 17.9 Applicant testified that the mined-out area of the Buchanan No. 1 Mine underlying Subject Lands and comprising Subject Drilling Unit has been sealed. The Buchanan No. 1 Mine's longwall operation that created the gob area in the Subject Drilling Unit is in the Pocahontas No. 3 coal seam. The mine map attached to the application filed herein and attached hereto as Exhibit A-1 indicates the progress of mining and that mining has been completed within the area of the Buchanan No. 1 mine underlying Subject Lands. Testimony revealed that mine seals have been installed to create the sealed gob area depicted as Buchanan No. 1 South SGU. As of midnight on December 15, 1998, the construction of the seals to isolate the mine works shown on Exhibit A was completed, and said area was no longer subject to the provisions of the Oakwood I or the Oakwood II Field Rules; and (2) the previous Board orders which pooled interests within any of the 80-acre Oakwood drilling units underlying Subject Lands were no longer be applicable to the allocation of production of Gas from the Wells located within Subject Drilling Unit;
- 17.10 The following Coalbed Methane Gas Drilling Units were created by the Board pursuant to the Oakwood I and II Field Rules for the production of frac gas in advance of mining and/or active or unsealed gob gas during mining and said 80-acre units are now encompassed within the area which pursuant to this Order comprises Subject Drilling Unit: portions of Units W-27, W-28, W-29, W-30, W-31, W-32, X-27, X-32, Y-27, Y-32, Z-27, Z-32, AA-27, AA-28, AA-

32, together with Units X-28, X-29, X-30, X-31, Y-28, Y-29, Y-30, Y-31, Z-28, Z-29, Z-30, Z-31, AA-28, AA-29, AA-30 and AA-31. Additionally, the Board heretofore established the SLW5, SLW6, SLW7, SLW8, SLW9, SLW10, SLW11 and SLW12 Drilling Units for the production of Gas from active or unsealed gob areas created during mining.

17.11 The Board heretofore issued the following orders for the creation of drilling units and/or the pooling of interests within those units located within the Oakwood I and/or II Fields underlying portions of Subject Lands. Effective as of midnight on December 15, 1998, the day on which construction of the seals to isolate the Buchanan No. 1 mine works in the Pocahontas No. 3 seam underlying Subject Lands was completed, except as otherwise herein provided, the following orders became superseded by the terms of the Original Pooling Order as modified by this Order with respect to the allocation of production, revenue and costs:

UNIT NO.	VGOB NO.	DATE ENTERED	DATE FILED	DEED BOOK	PAGE NO.
SLW 5 thru 12	92-0121-0180	04/29/92	04/29/92		
SLW 5 thru 12	93-0622-0385	10/01/93	10/08/93	414	311
SLW 5	92-0218-0183	04/29/92	05/01/92	390	697
SLW 5	92-0218- 0183-01	11/16/98	11/16/98	--	--
SLW 6	92-0218-0184	04/29/92	05/01/92	390	677
SLW 7	92-0218-0185	04/29/92	05/01/92	390	666
SLW 7	92-0218- 0185-01	11/02/98	11/03/98	--	--
SLW 8	92-0421-0216	08/18/92	08/19/92	396	764
SLW 8	93-0817-0392	10/25/93	10/29/93	415	195
SLW 9	92-0421-0217	08/18/92	08/19/92	396	776
SLW 10	92-0421-0218	07/27/92	07/30/92	396	63
SLW 11	92-0818-0248	10/01/92	10/08/92	399	697
SLW 11	93-0817-0393	01/04/94	01/07/94	417	312
SLW 12	92-0818-0249	10/01/92	10/08/92	399	723
SLW 12	93-0817-0394	No Order			
SLW 8 thru 12	95-0418-0498	08/17/95	08/17/95	439	197
W-29	95-0418-0499	12/11/95	12/19/95	444	121
X-29	95-0418-0500	12/11/95	12/19/95	444	90
Y-29	95-0418-0501	05/12/95	05/12/95	--	--
W-30	95-0418-0502	12/11/95	12/19/95	444	16
W-31	95-0418-0503	12/11/95	12/19/95	444	66
X-31	95-0418-0504	12/11/95	12/19/95	444	42
Y-31	95-0418-0505	Withdrawn			

Notwithstanding anything hereinabove stated, portions of Drilling Units SLW5 and SLW6 lie outside of Subject Drilling Unit and will continue to have active or unsealed gob production contemplated by the terms of the Board's orders pooling said units pursuant to the Oakwood II Field Rules. This continuing active gob production allocable to the SLW5 Unit is from the 1 East Longwall Panel in the Buchanan No. 1 mine and that active gob production allocable to the SLW6 Unit is from the 2 East panel of said mine. As a consequence, the Board's prior pooling orders regarding these units shall remain in effect with and govern continuing

production from Well No. PGP-CBM-113 which will continue to be allocated to SLW5 and production from Well PGP-CBM-116 will continue to be allocated to SLW6.

17.12 To date, other than Unit Operator, there have been no Owners or Claimants who have elected to be Participating Operators or Carried Operators for any Oakwood I or Oakwood II drilling Unit encompassed within the boundaries of Subject Drilling Unit which were created and/or pooled by the Board; therefore, to date the Unit Operator has borne the total costs of developing and operating said units.

17.13 Applicant's evidence established that the fair, reasonable and equitable compensation to be paid to any person in lieu of the right to participate in any Well(s) covered hereby are those options provided in Paragraph 9 above;

17.14 Relief requested and granted is just and reasonable, is supported by substantial evidence and will afford each person listed and named in Exhibit B-3 hereto the opportunity to recover or receive, without unnecessary expense, such person's just and fair share of the production from Subject Drilling Unit. The granting of the Application and relief requested therein will ensure to the extent possible the greatest ultimate recovery of Coalbed Methane Gas, conform to mine plans and promote mine safety, prevent or assist in preventing the various types of waste prohibited by statute and protect or assist in protecting the correlative rights of all persons in the subject common sources of supply in the Subject Lands. Therefore, the Board is entering an Order granting the relief herein set forth.

18. Mailing Of Order And Filing Of Affidavit: Applicant or its Attorney shall file an affidavit with the Secretary of the Board within sixty (60) days after the date of recording of this Order stating that a true and correct copy of said Order was mailed within seven (7) days from the date of its receipt to each Respondent named in Exhibit B-3 pooled by this Order and whose address is known.

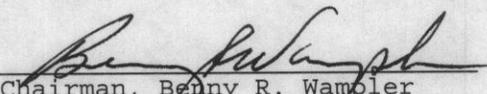
19. Availability of Unit Records: The Director shall provide all persons not subject to a lease with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).

20. Conclusion: The terms and provisions set forth in Paragraph 5 above hereby are granted and IT IS SO ORDERED.

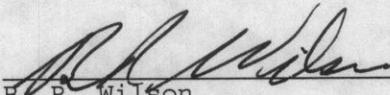
21. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court in the manner set forth therein.

22. Effective Date: This Order is effective as of the date of its execution.

DONE AND EXECUTED this 15th day of December, 2000, by a majority of the Virginia Gas and Oil Board.

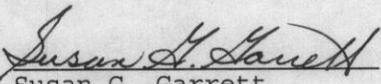

Chairman, Benny R. Wampler

DONE AND PERFORMED this 28th day of December, 2000, by Order of this Board.


B. R. Wilson
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

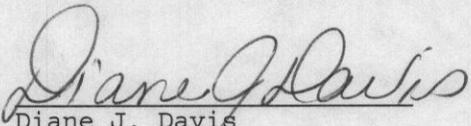
Acknowledged on this 15th day of December, 2000, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires July 31, 2002

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 28th day of December, 2000, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, 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 September 30, 2001

BUCHANAN CO.

VA

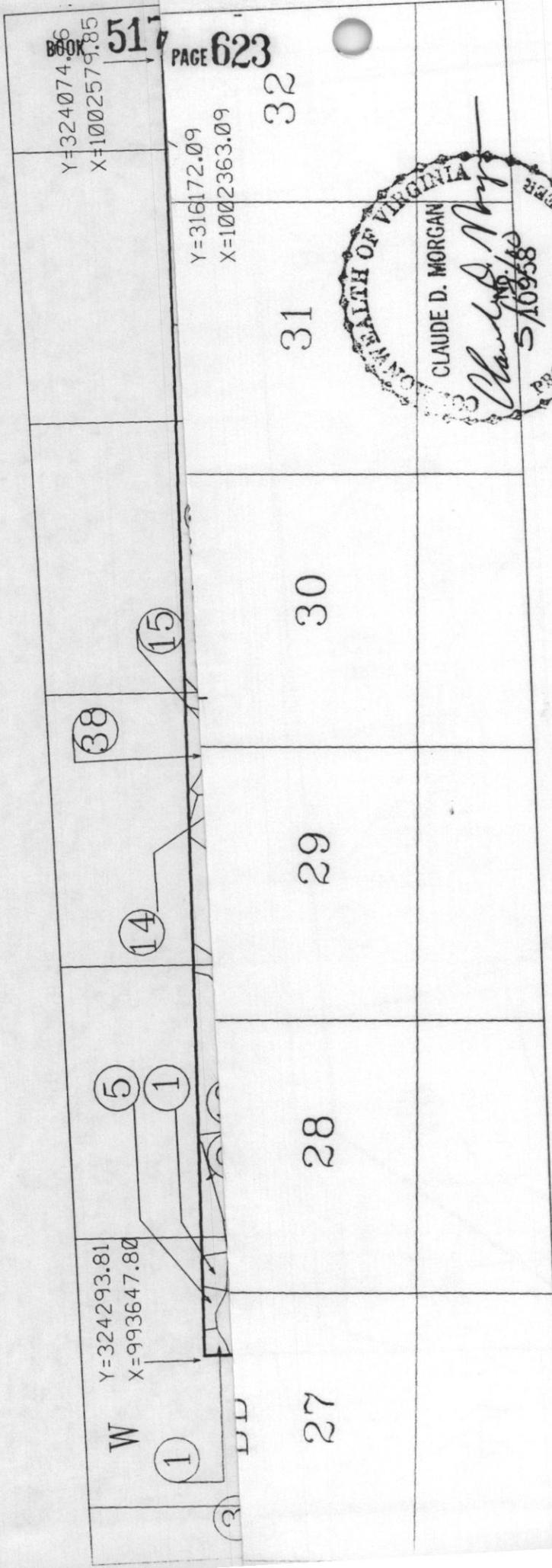
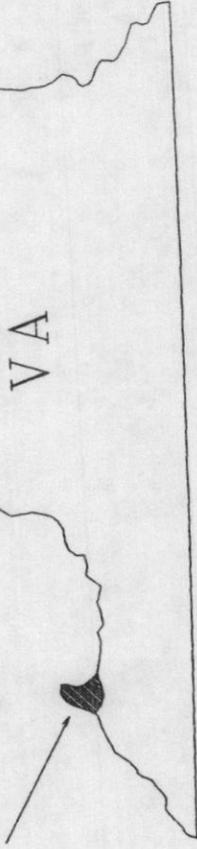
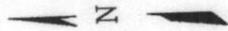


EXHIBIT A

VGOB-98-1117-0697-01



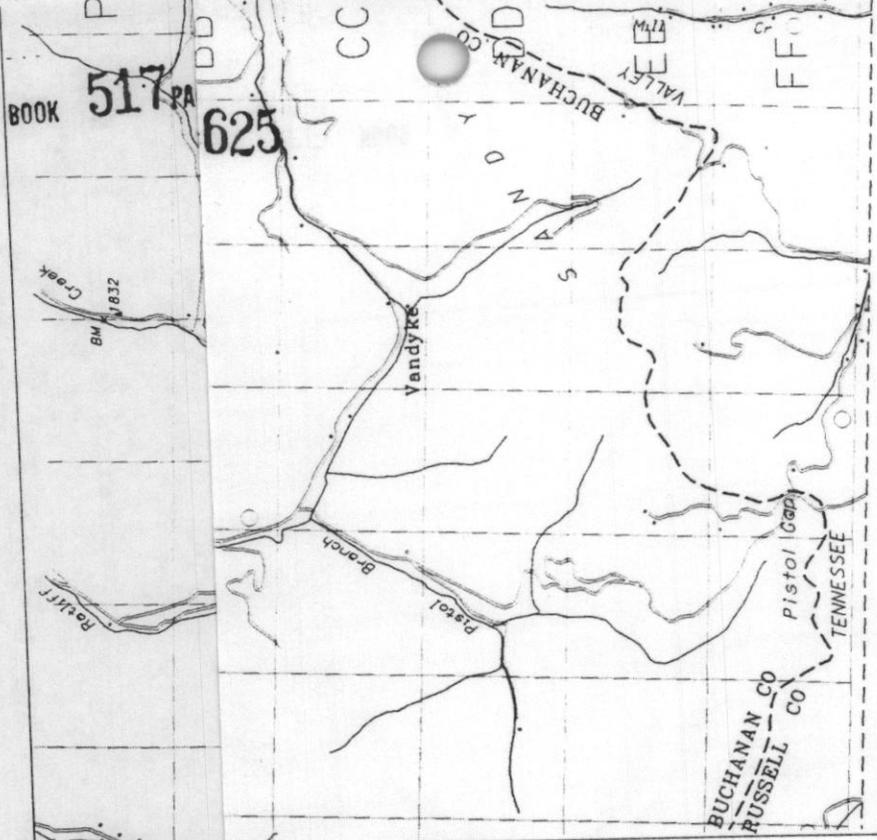
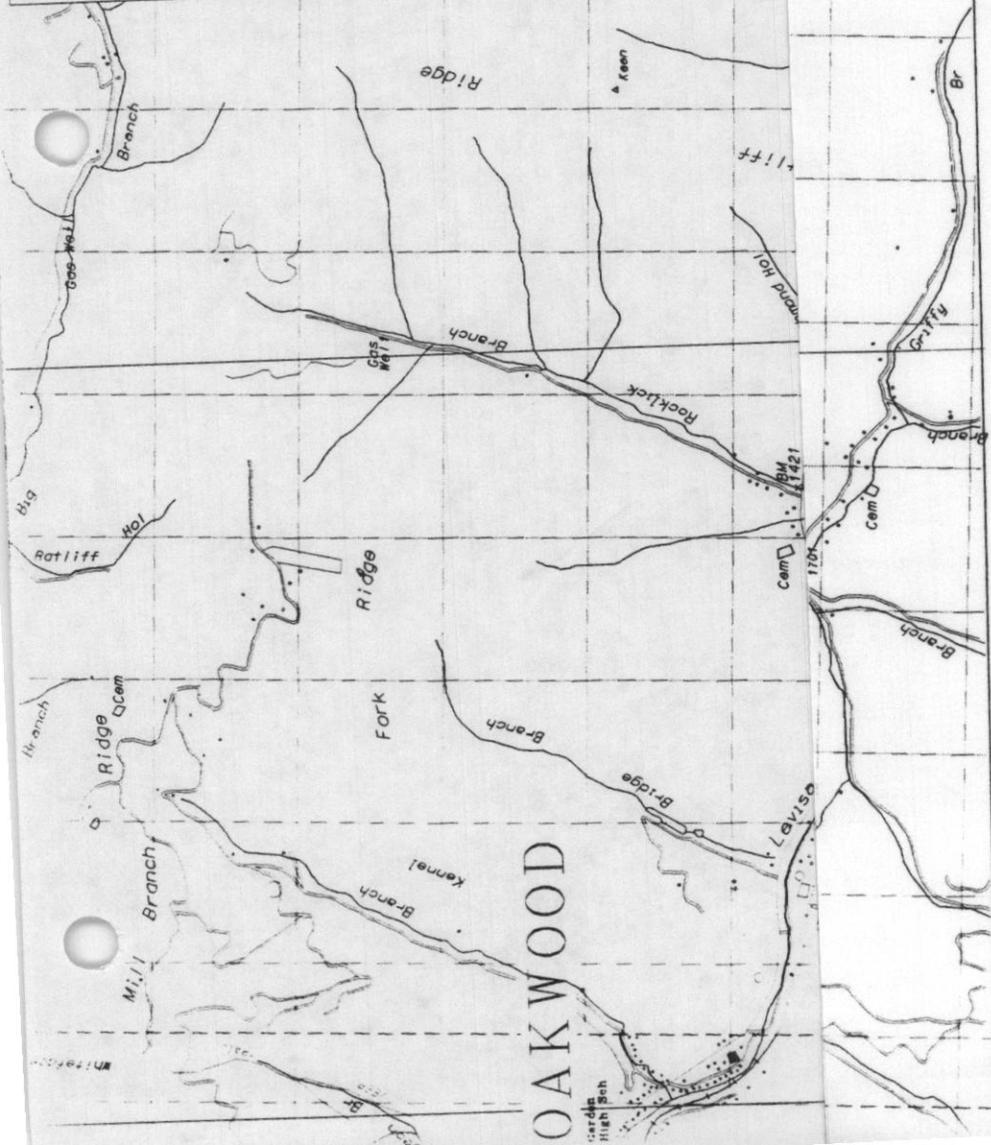
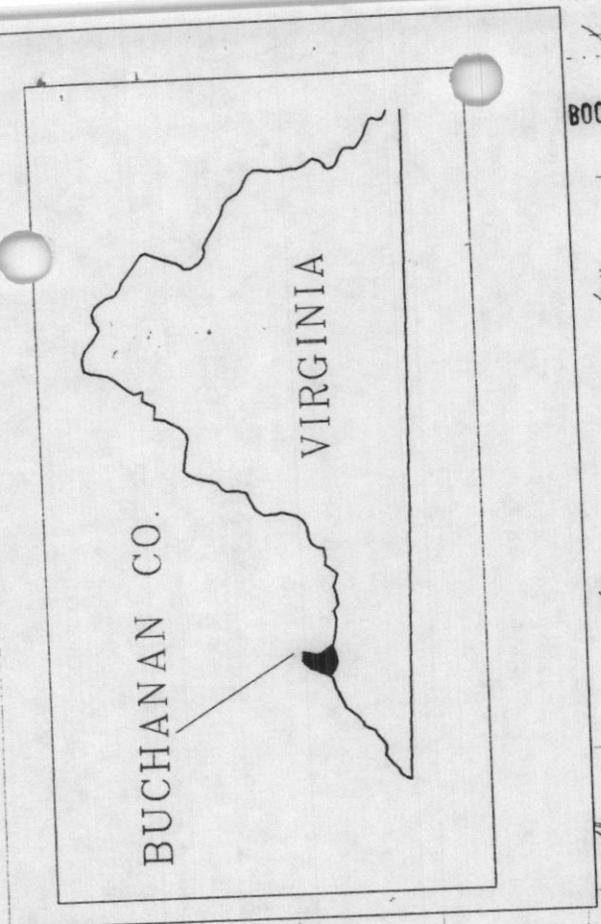


EXHIBIT A1
 SOUTH LONGWALL
 AREA
 VGOB-98-1117-0697-01

29 30 31 32 33 34

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

1. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas
1.50 acres 0.09431%

2. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
Ernest Addison Heirs - Oil & Gas
1.95 acres 0.12261%

3. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Consolidation Coal Company - Oil & Gas
1.83 acres 0.11506%

4. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Consolidation Coal Company - Oil & Gas
3.72 acres 0.23390%

5. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Jackie Meadows - Oil & Gas
0.72 acres 0.04527%

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

6. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Consolidation Coal Company - Oil & Gas
0.17 acres 0.01069%
7. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Consolidation Coal Company - Oil & Gas
0.08 acres 0.00503%
8. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Consolidation Coal Company - Oil & Gas
4.55 acres 0.28608%
9. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Consolidation Coal Company - Oil & Gas
48.15 acres 3.02746%
10. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas
7.33 acres 0.46088%

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

11. Hugh MacRae Land Trust - TR 2 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
Ernest Keen Heirs - Oil & Gas
81.53 acres 5.12625%
12. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
Ernest Keen Heirs - Oil & Gas
12.69 acres 0.79789%
13. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
Glen Rose - Oil & Gas
10.92 acres 0.68660%
14. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas
1.57 acres 0.09871%
15. Yukon Pocahontas Coal Company et al Tr 50-2 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
8.49 acres 0.53381%

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

16. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas
19.18 acres 1.20596%
17. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Consolidation Coal Company - Oil & Gas
48.86 acres 3.07211%
18. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Consolidation Coal Company - Oil & Gas
0.11 acres 0.00692%
19. Hugh MacRae Land Trust - TR 21 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
2.04 acres 0.12827%
20. Hugh MacRae Land Trust - TR 21A - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
54.47 acres 3.42484%

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

21. Hugh MacRae Land Trust - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas
18.55 acres 1.16634%
22. Hugh MacRae Land Trust - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
Thurman Wade - Oil & Gas
41.05 acres 2.58105%
23. Hugh MacRae Land Trust - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas
42.57 acres 2.67662%
24. Hugh MacRae Land Trust - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
Coal Mountain Mining - Oil & Gas
79.56 acres 5.00239%
25. Coal Mountain Mining - TR 2 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
40.23 acres 2.52949%

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

26. Coal Mountain Mining - TR 6 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
106.39 acres 6.68934%
27. Coal Mountain Mining - TR 14 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
Ernest Keen Heirs - Oil & Gas
57.61 acres 3.62227%
28. Hugh MacRae Land Trust - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Winfred Wade - Oil & Gas
1.27 acres 0.07985%
29. Hugh MacRae Land Trust - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Agnes Deskins - Oil & Gas
1.34 acres 0.08425%
30. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Earl Marshall Heirs - Oil & Gas
20.06 acres 1.26129%

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

31. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas
19.31 acres 1.21413%
32. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Julius Rowe - Oil & Gas
6.64 acres 0.41749%
33. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Bobby Steele - Oil & Gas
19.07 acres 1.19904%
34. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Grady Horn - Oil & Gas
0.77 acres 0.04841%
35. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Ruth Steele - Oil & Gas
1.78 acres 0.11192%

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

- 36A. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
A. Ferrell Heirs - Oil & Gas
0.11 acres 0.00692%
- 36B. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Nancy Rose - Oil & Gas
0.26 acres 0.01635%
37. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas
0.64 acres 0.04024%
38. Coal Mountain Mining - TR 24 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Garden Realty Corporation - Oil & Gas
1.56 acres 0.09809%
39. Coal Mountain Mining - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Yukon Pocahontas et al Tr 112 - Oil & Gas
55.74 acres 3.50469%

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

40. Coal Mountain Mining - TR 19 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
122.60 acres 7.70856%
41. Coal Mountain Mining - TR 9A - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
248.27 acres 15.61015%
42. Coal Mountain Mining - TR 23 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Terry Baldwin - Oil & Gas
37.15 acres 2.33583%
43. Coal Mountain Mining - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Terry Baldwin - Oil & Gas
31.48 acres 1.97933%
44. Coal Mountain Mining - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Gary Davis et al - Oil & Gas
7.88 acres 0.49546%

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

45. Coal Mountain Mining - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Gary Davis et al - Oil & Gas
65.40 acres 4.11207%
46. Hurt McGuire Land Trust - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
15.21 acres 0.95634%
47. Coal Mountain Mining - TR 7 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
128.74 acres 8.09461%
- 47A. John Astor Rife - Coal, Oil & Gas
Coal Lessees
Consolidation Coal Company - Pocahontas No. 3 Seam Lessee
Island Creek Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
3.98 acres 0.25025%
48. Coal Mountain Mining - TR 9 - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
88.90 acres 5.58965%
49. Consolidation Coal Company - Coal, Oil & Gas
2.99 acres 0.18800%
50. Coal Mountain Mining - TR 24 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company

**POCAHONTAS GAS PARTNERSHIP
BUCHANAN #1 SOUTH SGU
Tract Identifications**

United Coal Company
Pocahontas Gas Partnership - CBM Lessee
Pocahontas Gas Partnership - Oil & Gas Lessee
Roy & Ann McCowan - Oil & Gas
1.13 acres 0.07105%

51. Coal Mountain Mining - TR 14 - Coal
 Coal Lessees
 Permac, Inc.
 Consolidation Coal Company
 United Coal Company
 Pocahontas Gas Partnership - CBM Lessee
 Pocahontas Gas Partnership - Oil & Gas Lessee
 Ann R. Lambert - Oil & Gas
 0.55 acres 0.03458%
52. Coal Mountain Mining - TR 14 - Coal
 Coal Lessees
 Permac, Inc.
 Consolidation Coal Company
 United Coal Company
 Pocahontas Gas Partnership - CBM Lessee
 Pocahontas Gas Partnership - Oil & Gas Lessee
 Ralph Keen - Oil & Gas
 0.23 acres 0.01446%
53. Hugh MacRae Land Trust - TR 17 - Coal
 Coal Lessees
 Permac, Inc.
 Consolidation Coal Company
 United Coal Company
 Pocahontas Gas Partnership - CBM Lessee
 Consolidation Coal Company - Oil & Gas
 11.56 acres 0.72684%

Exhibit B-3
BUCHANAN #1 SOUTH SGU
Docket # VGOB-98-1117-0697
List of Unleased Owners/Claimants

		Net Acres in Unit	Interest in Unit	Election
II.	<u>OIL & GAS FEE OWNERSHIP</u>			
	<u>Tract #34 - 0.77 Acres</u>			
(1)	Grady Horn Rt. 1, Box 65 Raven, VA 24639	0.77 acres	0.04841%	
	<u>Tract #36B - 0.26 Acres</u>			
(1)	Nancy Rose P. O. Box 568 Keen Mountain, VA 24624	0.26 acres	0.01635%	

BUCHANAN #1 SOUTH SGU
Docket # VGOB-98-1117-0697

List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
Tract #5 - 0.72 Acres		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	0.72 acres	0.04527%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Jackie Meadows Rt. 1, Box 78 Raven, VA 24639	0.72 acres	0.04527%
Tract #11 - 81.53 Acres		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 2 P. O. Box 29 Tazewell, VA 24651	81.53 acres	5.12625%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Ernest Keen Heirs, Devisees, Successors or Assigns	81.53 acres	25.84190%
(a) Paul Keen Rt. 1, Box 52 Raven, VA 24639	13.59 acres 1/6 of 81.53 acres	4.30698%
(b) Ralph Keen Rt. 1, Box 52 Raven, VA 24639	13.59 acres 1/6 of 81.53 acres	4.30698%
(c) Arnold Keen RR 2, Box 91 Cedar Bluff, VA 24609	13.59 acres 1/6 of 81.53 acres	4.30698%
(d) Ruby Hale Box 731 Cedar Bluff, VA 24609	13.59 acres 1/6 of 81.53 acres	4.30698%
(e) Anna R. Lambert Rt. 4, Box 597 N. Tazewell, VA 24630	13.59 acres 1/6 of 81.53 acres	4.30698%

Exhibit E
 BUCHANAN #1 SOUTH SGU
 Docket # VGOB-98-1117-0697
 List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
(f) Ann McCowan P.O. Box 677 Rosedale, VA 24280	13.59 acres 1/6 of 81.53 acres	4.30698%

Tract #12 - 12.69 Acres**COAL FEE OWNERSHIP**

(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651 Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122	12.69 acres	0.79789%
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OIL & GAS FEE OWNERSHIP

(1) Ernest Keen Heirs, Devisees, Successors or Assigns	12.69 acres	25.84190%
(a) Paul Keen Rt. 1, Box 52 Raven, VA 24639	2.115 acres 1/6 of 12.69 acres	4.30698%
(b) Ralph Keen Rt. 1, Box 52 Raven, VA 24639	2.115 acres 1/6 of 12.69 acres	4.30698%
(c) Arnold Keen RR 2, Box 91 Cedar Bluff, VA 24609	2.115 acres 1/6 of 12.69 acres	4.30698%
(d) Ruby Hale Box 731 Cedar Bluff, VA 24609	2.115 acres 1/6 of 12.69 acres	4.30698%
(e) Anna R. Lambert Rt. 4, Box 597 N. Tazewell, VA 24630	2.115 acres 1/6 of 12.69 acres	4.30698%
(f) Ann McCowan P.O. Box 677 Rosedale, VA 24280	2.115 acres 1/6 of 12.69 acres	4.30698%

Tract #13 - 10.92 Acres**COAL FEE OWNERSHIP**

(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651 Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122	10.92 acres	0.68660%
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Exhibit E
BUCHANAN #1 SOUTH SGU
Docket # VGOB-98-1117-0697
List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Glen Rose 114 First Avenue Richlands, VA 24641	10.92 acres	0.68660%
<u>Tract #22 - 41.05 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 5 P. O. Box 29 Tazewell, VA 24651 Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122	41.05 acres	2.58105%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Thurman Wade P. O. Box 225 Oakwood, VA 24631	41.05 acres	2.58105%
<u>Tract #27 - 57.61 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Tr 14 P. O. Box 230 Tazewell, VA 24651	57.61 acres	3.62227%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Ernest Keen Heirs, Devisees, Successors or Assigns	57.61 acres	25.84190%
(a) Paul Keen Rt. 1, Box 52 Raven, VA 24639	9.602 acres 1/6 of 57.61 acres	4.30698%
(b) Ralph Keen Rt. 1, Box 52 Raven, VA 24639	9.602 acres 1/6 of 57.61 acres	4.30698%
(c) Arnold Keen RR 2, Box 91 Cedar Bluff, VA 24609	9.602 acres 1/6 of 57.61 acres	4.30698%
(d) Ruby Hale Box 731 Cedar Bluff, VA 24609	9.602 acres 1/6 of 57.61 acres	4.30698%
(e) Anna R. Lambert Rt. 4, Box 597 N. Tazewell, VA 24630	9.602 acres 1/6 of 57.61 acres	4.30698%

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	Net Acres in Unit	Interest in Unit
(f) Ann McCowan P.O. Box 677 Rosedale, VA 24280	9.602 acres 1/6 of 57.61 acres	4.30698%

Tract #28 - 1.27 Acres

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 5 P. O. Box 29 Tazewell, VA 24651	1.27 acres	0.07985%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		

OIL & GAS FEE OWNERSHIP

(1) Winfred L. Wade Rt. 1, Box 57 Raven, VA 24639	1.27 acres	0.07985%
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Tract #29 - 1.34 Acres

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 5 P. O. Box 29 Tazewell, VA 24651	1.34 acres	0.08425%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		

OIL & GAS FEE OWNERSHIP

(1) Agnes Deskins Rt. 1, Box 59 Raven, VA 24639	1.34 acres	0.08425%
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Tract #30 - 20.06 Acres

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	20.06 acres	1.26129%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		

OIL & GAS FEE OWNERSHIP

(1) Earl Marshall Heirs, Deviseses, Successors or Assigns	20.06 acres	6.46160%
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List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
(a) Charles L. Ritchie 1509 Kentucky Ave. Bristol, VA 37620	12.538 acres 5/8 of 20.06 acres	4.03850%
(b) Lowery L. Jackson 5001 Parker Avenue West Palm Beach, FL 33405	2.508 acres 1/8 of 20.06 acres	0.80770%
(c) Corbit Jackson Rt. 1, Box 80 Raven, VA 24639	2.508 acres 1/8 of 20.06 acres	0.80770%
(d) Herbert L. Jackson P. O. Box 426 Grundy, VA 24614	2.508 acres 1/8 of 20.06 acres	0.80770%

Tract #32 - 6.64 Acres

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	6.64 acres	0.41749%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		

OIL & GAS FEE OWNERSHIP

(1) Julius Rowe P. O. Box 454 Grundy, VA 24614	6.64 acres	0.41749%
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Tract #33 - 19.07 Acres

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	19.07 acres	1.19904%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		

OIL & GAS FEE OWNERSHIP

(1) Bobby Steele Rt. 1, Box 66 Raven, VA 24639	19.07 acres	1.19904%
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List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
<u>Tract #34 - 0.77 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651 Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122	0.77 acres	0.04841%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Grady Horn Rt. 1, Box 65 Raven, VA 24639	0.77 acres	0.04841%
<u>Tract #35 - 1.78 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651 Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122	1.78 acres	0.11192%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Ruth Steele Rt. 1, Box 66 Raven, VA 24639	1.78 acres	0.11192%
<u>Tract #36A - 0.11 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651 Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122	0.11 acres	0.00692%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) A. Ferrell Heirs, Devisees, Successors, or Assigns	0.11 acres	0.00692%
(a) Maize F. Boardwine Rt. 3, Box 164-A Pulaski, VA 24301		

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List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
(b) Samuel L. Ferrell Rt. 3, Box 164-A Pulaski, VA 24301		
(c) Clarence & Doshie Ferrell Rt. 3, Box 127 Abingdon, VA 24210		
(d) Flora French 1806 5th Street Richlands, VA 24641		
(e) Mary Honaker Star Route, Box 135 Raven, VA 24639		
(f) Hazel Hylton 122 Smith Street Tazewell, VA 24651		
(g) Joshua & Della Ferrell Heirs, Devisees, Successor, or Assigns Addresses Unknown		
(h) Margie Moore 910 Jackson Street Rochester, IN 46975		
(i) James & Betty Wilkes 621 Corbley Road Rossville, GA 20741		
(j) Kelly & Danita Wilkes 439 South Elmwood Street Rossville, GA 20741		
(k) Michael Wilkes 309 Huntington Park Louisville, KY 40213		
(l) Janet & Robert Willett 1624 Osburn Road Chickanauga, GA 30707		
(m) Mary Scott Heirs, Devisees, Successor, or Assigns Addresses Unknown		
(n) Florine P. Ferrell P. O. Box 247 Oakwood, VA 24631		
(o) Gary Ferrell P. O. Box 247 Oakwood, VA 24631		

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List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
(p) Teresa & Ronnie Frazier Rt. 6, Box 704 Abingdon, VA 24210		
(q) Denise & Darrell Lavinger Rt. 2, Box 464 Narrows, VA 24124		
(r) Joan D. & Willaim Boyd Rt. 2, Box 464 Vansant, VA 24656		
(s) John D. Davis Rt. 1, Box 30-A Raven, VA 24639		
(t) Jack & Sharon Davis P. O. Box 82 Oakwood, VA 24631		
(u) Guy W. Davis P. O. Box 1041 Vansant, VA 24656		
(v) Harold R. & Loetta Boyd Star Route, Box 133 Raven, VA 24639		
(w) Arthur J. & Phyllis Boyd 5500 Qualla Road Chesterfield, VA 23832		
(x) Clarence W. Boyd Jr. Rt. 1, Box 701 Pounding Mill, VA 24637		
(y) Larry R. & Linda Boyd 2125 Clay Street Kannapolis, NC 28081		
(z) David F. Boyd 2603 Fruehauf Road Richmond, VA 23228		
(aa) Elibabeth Merrell 801 Delaware Temple, TX 76504		
(bb) Molly & Terry Carlson P. O. Box 63, 119061 Silver Bowl, MT 59750		
(cc) Virginia Howell Rt. 3, Box 711 Martinsville, VA 24112		
(dd) Caroline Leavett & Benjamin A. Donaldson P. O. Box 796 Boulder, MT 59632		

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List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit
(ee) Mary Martin 2102 Elm Street Butte, MT 59701		
(ff) Loretta Robinson Rt. 2, Box 470 Grundy, VA 24614		
(gg) Tammy Sluder 3127 Pennsylvania Longview, WA 98632		

Tract #36B - 0.26 Acres

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	0.26 acres	0.01635%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		

OIL & GAS FEE OWNERSHIP

(1) Nancy Rose P. O. Box 568 Keen Mountain, VA 24624	0.26 acres	0.01635%
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Tract #44 - 7.88 Acres

OIL & GAS FEE OWNERSHIP

(1) Terry Baldwin (Oil & Gas Claimant) P.O. Box 531 Oakwood, VA 24631	3.94 acres 1/2 of 7.88 acres	0.24773%
(2) Gary Davis, et al (Oil & Gas Claimant)	3.94 acres 1/2 of 7.88 acres	0.24773%
(a) Gary Davis P.O. Box 47 Shortt Gap, VA 24627	1.576 acres 2/5 of 3.94 acres	0.09909%
(b) Wayne Davis P.O. Box 183 Pounding Mill, VA 24637	0.788 acres 1/5 of 3.94 acres	0.04955%
(c) Buford Davis Rt. 1 Box 190 Pounding Mill, VA 24637	0.788 acres 1/5 of 3.94 acres	0.04955%
(d) Ruth Boyd P.O. Box 127 Grottoes, VA 24441	0.788 acres 1/5 of 3.94 acres	0.04955%

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	Net Acres in Unit	Interest in Unit
<u>Tract #50 - 1.13 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Tr 14 P. O. Box 675 Tazewell, VA 24651	1.13 acres	0.07105%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Roy & Ann McCowan Rt. 2, Box 52 Raven, VA 24639	1.13 acres	0.07105%
<u>Tract #51 - 0.55 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Tr 14 P. O. Box 675 Tazewell, VA 24651	0.55 acres	0.03458%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Anna R. Lambert Rt. 4, Box 597 North Tazewell, VA 24630	0.55 acres	0.03458%
<u>Tract #52 - 0.23 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Tr 14 P. O. Box 675 Tazewell, VA 24651	0.23 acres	0.01446%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Ralph Keen Rt. 1, Box 52 Raven, VA 24539	0.23 acres	0.01446%

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List of Conflicting Owners/Claimants with Royalty Split Agreements

	Net Acres in Unit	Interest in Unit
Tract #1 - 1.50 Acres		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	1.50 acres	0.09431%
Torch Operating Company (CBM royalty owner) 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	1.50 acres	0.09431%
Tract #2 - 1.95 Acres		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	1.95 acres	0.12261%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Ernest Addison Heirs	1.95 acres	0.12261%
(a) Myrtle Addison c/o Ralph Addison 13129 West Brook Drive Fairfax, VA 22030	0.65 acres 1/3 of 1.95 acres	0.04087%
(b) Ralph Addison 13129 West Brook Drive Fairfax, VA 22030	0.26 acres 2/15 of 1.95 acres	0.01635%
(c) Gayle Henderson Rt. 1, Box 325 Sugar Grove, VA 24375	0.26 acres 2/15 of 1.95 acres	0.01635%
(d) Helen McGrady 11656 Cemetery Road Bealeton, VA 22712	0.26 acres 2/15 of 1.95 acres	0.01635%
(e) Joe Addison P. O. Box 91 Nokesville, VA 22123	0.26 acres 2/15 of 1.95 acres	0.01635%
(f) Evelyn Massey P.O. Box 661 Gainesville, VA 20156	0.26 acres 2/15 of 1.95 acres	0.01635%

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	Net Acres in Unit	Interest in Unit
<u>Tract #3 - 1.83 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	1.83 acres	0.11506%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	1.83 acres	0.11506%
<u>Tract #4 - 3.72 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	3.72 acres	0.23390%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	3.72 acres	0.23390%
<u>Tract #6 - 0.17 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	0.17 acres	0.01069%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	0.17 acres	0.01069%

List of Conflicting Owners/Claimants with Royalty Split Agreements

	Net Acres in Unit	Interest in Unit
<u>Tract #7 - 0.08 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	0.08 acres	0.00503%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	0.08 acres	0.00503%
<u>Tract #8 - 4.55 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	4.55 acres	0.28608%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	4.55 acres	0.28608%
<u>Tract #9 - 48.15 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	48.15 acres	3.02746%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	48.15 acres	3.02746%

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	Net Acres in Unit	Interest in Unit
<u>Tract #10 - 7.33 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	7.33 acres	0.46088%
Torch Operating Company (CBM royalty owner) 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	7.33 acres	0.46088%
<u>Tract #14 - 1.57 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	1.57 acres	0.09871%
Torch Operating Company (CBM royalty owner) 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	1.57 acres	0.09871%
<u>Tract #16 - 19.18 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	19.18 acres	1.20596%
Torch Operating Company (CBM royalty owner) 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	19.18 acres	1.20596%

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	Net Acres in Unit	Interest in Unit
<u>Tract #17 - 48.86 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	48.86 acres	3.07211%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	48.86 acres	3.07211%
<u>Tract #18 - 0.11 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	0.11 acres	0.00692%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	0.11 acres	0.00692%
<u>Tract #21 - 18.55 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 5 P. O. Box 29 Tazewell, VA 24651	18.55 acres	1.16634%
Torch Operating Company (CBM royalty owner) 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	18.55 acres	1.16634%

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	Net Acres in Unit	Interest in Unit
<u>Tract #23 - 42.57 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 5 P. O. Box 29 Tazewell, VA 24651	42.57 acres	2.67662%
Torch Operating Company (CBM royalty owner) 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	42.57 acres	2.67662%
<u>Tract #24 - 79.56 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 5 P. O. Box 29 Tazewell, VA 24651	79.56 acres	5.00239%
Torch Operating Company (CBM royalty owner) P. O. Box 200722 Houston, TX 77216-0122		
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Coal Mountain Mining P. O. Box 230 Tazewell, VA 24651	79.56 acres	5.00239%
<u>Tract #31 - 19.31 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	19.31 acres	1.21413%
Torch Operating Company (CBM royalty owner) 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	19.31 acres	1.21413%

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	Net Acres in Unit	Interest in Unit
<u>Tract #37 - 0.64 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	0.64 acres	0.04024%
Torch Operating Company (CBM royalty owner) 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	0.64 acres	0.04024%
<u>Tract #38 - 1.56 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Tr 24 P. O. Box 230 Tazewell, VA 24651	1.56 acres	0.09809%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Garden Realty Corporation c/o Betty Boyd King 2370 Lyndhurst Avenue Winston-Salem NC 27103	1.56 acres	0.09809%
<u>Tract #39 - 55.74 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Tr 17 P. O. Box 230 Tazewell, VA 24651	55.74 acres	3.50469%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Yukon Pocahontas Coal Co. et al Tr 112 P. O. Box 187 Tazewell, VA 24651	55.74 acres	3.50469%
<u>Tract #42 - 37.15 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Tr 23 P. O. Box 230 Tazewell, VA 24651	37.15 acres	2.33583%

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	Net Acres in Unit	Interest in Unit
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Terry Baldwin P. O. Box 230 Tazewell, VA 24651	37.15 acres	2.33583%
<u>Tract #43 - 31.48 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Tr 5 P. O. Box 230 Tazewell, VA 24651	31.48 acres	1.97933%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Terry Baldwin P. O. Box 230 Tazewell, VA 24651	31.48 acres	1.97933%
<u>Tract #45 - 65.40 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Tr 5 P. O. Box 230 Tazewell, VA 24651	65.40 acres	4.11207%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Gary Davis, et al	65.40 acres	4.11207%
(a) Gary Davis P.O. Box 47 Shortt Gap, VA 24627	26.16 acres 2/5 of 65.40 acres	1.64483%
(b) Wayne Davis P.O. Box 183 Pounding Mill, VA 24637	13.08 acres 1/5 of 65.40 acres	0.82241%
(c) Buford Davis Rt. 1 Box 190 Pounding Mill, VA 24637	13.08 acres 1/5 of 65.40 acres	0.82241%
(d) Ruth Boyd 12672 Petersburg St. Chester, VA 23831	13.08 acres 1/5 of 65.40 acres	0.82241%
<u>Tract #53 - 11.56 Acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	11.56 acres	0.72684%

Exhibit EE
UNIT - BUCHANAN #1 SOUTH SGU
Docket # VGOB-98-1117-0697
List of Conflicting Owners/Claimants with Royalty Split Agreements

BOOK 517 PAGE 556

Net Acres
in Unit

Interest
in Unit

Torch Operating Company (CBM royalty owner)
P. O. Box 200722
Houston, TX 77216-0122

OIL & GAS FEE OWNERSHIP

(1) Consolidation Coal Company
P. O. Box 947
Bluefield, VA 24605

11.56 acres

0.72684%

EMBEDDED

INSTRUMENT NO. 000000
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY VA
JANUARY 3, 2001 AT 11:11 AM
JAMES M. BEVINS, JR., CLERK

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 January, 20 01 1111 P. M.
Deed Book No. 517 and Page No. 609.
Returned this date to: Wmme.
TESTE: James M. Bevins, Jr., Clerk
TESTE: Genevieve S. Jella Deputy Clerk