

Instrument prepared by:

**VIRGINIA GAS AND OIL BOARD**

Order recorded under:

**CODE OF VIRGINIA  
§ 45.1-361.26****VIRGINIA:****BEFORE THE GAS AND OIL BOARD****APPLICANTS:**Mike Rasnake, et al.  
Buckhorn Coal Company**DOCKET NO.****01-0320-0877****RELIEF SOUGHT:**

Issuance: **A Supplemental Order for Disbursement of Escrowed Funds**  
 Action: **Amending Prior Orders Affecting Drilling Unit AY-112, Tracts 2E & 2F**  
 (Referenced herein as "the Subject Drilling Unit")  
 Location: ~~Buchanan County, Virginia~~  
 Russell

**Action Details:**

- (1) To provide a calculation of funds, Unit Operator has deposited into the Escrow Account for Drilling Unit **AY-112** by Tract Subaccounts;
- (2) To provide each applicant, in simple terms, a complete month over month Royalty Accounting of unit production, costs, taxes and proceeds, depicting variables used in the calculation of royalty payments to the unit escrow account.
- (3) To disburse unit funds to the Applicants, in accordance with their Unit Ownership Interests relative to those funds deposited by the Unit Operator into Subject Drilling Unit's Escrow Subaccount for **VGOB Tract(s) identified in Table 1.**

**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 **January 15, 2008** at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Abingdon, VA.
2. **Appearances:** Mark A. 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 tracts** in question or any undivided interest therein.

4. Prior Proceedings:

- 4.1. (a) On March 19, 2001, the Board executed its order pooling 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 SS 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 **Russell County on May 2, 2001, Instrument Number 0001345**. The Board executed its Supplemental Order Regarding Elections that was filed with the Clerk on **April 26, 2001, Instrument Number 0002835** (hereafter all orders are collectively referred to as the "Pooling Orders").
- 4.2 To the extent claims to the Gas were in conflict, pursuant to Va. Code S 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 Orders (herein "Escrow Account"). **According to the Pooling Orders and testimony, the coal estate ownership interests of Buckhorn Coal Company, and the gas and oil ownership interests of Mike Rasnake, et.al. in tracts known as 2E & 2F** in the Subject Drilling Unit were in conflict and became subject to the escrow requirements of the Pooling Order.
- 4.3 The Unit Operator's Miscellaneous Petition **regarding Tracts 2E & 2F**, a copy of which is attached to and made a part hereof, states under oath that **Buckhorn Coal Company**, and the Applicants have entered into an agreement with regards to Tracts 2E & 2F and that by the terms of the agreements, **Buckhorn Coal Company** has entered into a split agreement regarding this Tract and escrow regarding these individual conflicting claims detailed herein, is no longer required.
- 4.4 The Unit Operator gave notice to **Buckhorn Coal Company** and the applicants that the Board would consider its disbursement authorization at its hearing on **January 15, 2008** and consider whether to: (1) amend the Pooling Order to provide for the disbursement a portion of funds on deposit in the Escrow Account attributable to **Tracts 2E & 2F as identified in the attached miscellaneous petition** (2) delete the requirement that the Unit Operator place future royalties attributable to a portion of said **Tracts 2E & 2F and the interests of Applicants identified in the miscellaneous petition 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 continued payments in the escrow.
- 4.5 The Unit Operator filed the attached accounting (**Exhibit A**) 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 tracts 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) **Buckhorn Coal Company and Mike Rasnake et.al. respectively, are the owners of the coal estate, gas and oil acreage estate underlying VGOB Tracts 2E & 2F of the Subject Drilling Unit;**

(2) Net interests attributable and to be disbursed to Applicants are shown in Table 1.

*VGOB Approved Disbursement*  
VGOB 01-0320-0887

|                           |  | Average Interest | Split Agreement | Acres  | % of Escrowed Funds | Disbursement \$ |
|---------------------------|--|------------------|-----------------|--------|---------------------|-----------------|
| Tract 2E & 2F             |  |                  |                 |        |                     |                 |
| <b>Disbursement Table</b> |  |                  |                 |        |                     |                 |
|                           |  |                  |                 | 51.670 |                     |                 |
| 2E                        | Mike Rasnake, et. al.  | 19.780           |                 |        |                     |                 |
|                           | Mike Rasnake, et. al., 73 Miller Creek Rd., Honaker, VA 24260-7324 | 1/2              | 9.890           | 50.0%  | 4.945               | 9.5704% \$ -    |
|                           | Buckhorn Coal Company  |                  | 9.890           | 50.0%  | 4.945               | 9.5704% \$ -    |
| 2F                        | Mike Rasnake, et. al.  | 1.230            |                 |        |                     |                 |
|                           | Mike Rasnake, et. al., 73 Miller Creek Rd., Honaker, VA 24260-7324 | 5/12th           | 0.513           | 50.0%  | 0.256               | 0.4959% \$ -    |
|                           | Buckhorn Coal Company  |                  | 0.513           | 50.0%  | 0.256               | 0.4959% \$ -    |

6. **Relief Granted:**

For the reasons set forth in Paragraph 4 and 5 above, and based upon the Accounting and Table 1 above, the Escrow Agent is ordered to, within 10 days of receipt of this executed order to disburse funds for the unit and applicants detailed in Table 1 above.

Exhibit E to the Pooling Order, showing owners subject to escrow, **is deleted 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** those applicants indicated in Table 1 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 12 day of January, 2009, by a majority of the Virginia Gas and Oil Board.

*Bradley C. Lambert*  
Bradley C. Lambert, Chairman

DONE AND PERFORMED this 12 day of January, 2009, by an Order of this Board.

*David E. Asbury Jr.*  
David E. Asbury Jr.,  
Principal Executive to the Staff  
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA )  
COUNTY OF WASHINGTON )

Acknowledged on this 12<sup>th</sup> day of January, 2009, personally before me a notary public in and for the Commonwealth of Virginia, appeared **Bradley C. Lambert**, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and **David E. Asbury Jr.**, 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*  
Diane J. Davis  
Notary Public #174394

My commission expires: 09 / 30 / 2009



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL  
DOCKET NO: VGOB 01-0320-0877-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM  
ESCROW REGARDING TRACT(S) a portion of 2E and 2F  
(2) AND AUTHORIZATION FOR DIRECT  
PAYMENT OF ROYALTIES

HEARING DATE: January 15, 2008

DRILLING UNIT: AY-112

~~BUCHANAN~~ COUNTY, VIRGINIA

Russell

MISCELLANEOUS PETITION

1. **Petitioner and its counsel:** Petitioner is **CNX Gas Company LLC**, 2481 John Nash Blvd., Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, **SWARTZ LAW OFFICES, PLLC**, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.

2. **Relief sought:** (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to a portion of Tract(s) 2E and 2F as depicted upon the annexed Exhibit A; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Buckhorn Coal Company and Mike Rasnake.

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:** Buckhorn Coal Company and Mike Rasnake, 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 Exhibit A, further, specifies how said royalties are to be divided and paid.

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  
2481 John Nash Blvd.  
Bluefield, West Virginia 24701  
304/323-6500



**Exhibit A**  
**Tract-by-Tract Escrow Calculation**  
**Account Balances as of 11/30/07**

Unit AY-112  
 VGOB 01-0320-0877-01  
 Acres Escrowed: 52.13

| Owners                       | Tract # | Acres | Total Tract Percent of Escrow | Split | Owners' Percent of Escrow | Amount Due Owners \$184,389.36 |
|------------------------------|---------|-------|-------------------------------|-------|---------------------------|--------------------------------|
|                              | 2a      | 12.34 | 23.6716%                      | ---   | 11.8358%                  | \$21,823.95                    |
|                              |         |       |                               |       | 11.8358%                  | \$21,823.95                    |
|                              | 2b      | 4.01  | 7.6923%                       | ---   | 3.8462%                   | \$7,091.90                     |
|                              |         |       |                               |       | 3.8462%                   | \$7,091.90                     |
|                              | 2c      | 0.85  | 1.6305%                       | ---   | 0.8153%                   | \$1,503.27                     |
|                              |         |       |                               |       | 0.8153%                   | \$1,503.27                     |
|                              | 2d      | 13.92 | 26.7025%                      | ---   | 13.3512%                  | \$24,618.26                    |
|                              |         |       |                               |       | 13.3512%                  | \$24,618.26                    |
| Buckhorn Coal Company - Coal | 2e      | 19.78 | 37.9436%                      | 50%   | 18.9718%                  | \$34,981.98                    |
| Mike Rasnake, et al. - O&G   |         |       |                               |       | 18.9718%                  | \$34,981.98                    |
| Mike Rasnake (1/2 interest)  |         |       |                               |       | 9.4859%                   | \$17,490.99                    |
|                              |         |       |                               |       | 9.4859%                   | \$17,490.99                    |
| Buckhorn Coal Company - Coal | 2f      | 1.23  | 2.3595%                       | 50%   | 1.1797%                   | \$2,175.32                     |
| Mike Rasnake, et al. - O&G   |         |       |                               |       | 1.1797%                   | \$2,175.32                     |
| Mike Rasnake (5/12 interest) |         |       |                               |       | 0.4916%                   | \$906.38                       |
|                              |         |       |                               |       | 0.6882%                   | \$1,268.94                     |

Exhibit E  
Unit AY-112  
Docket #VGOB 01-0320-0877  
List of Conflicting Owners/Claimants that require escrow

BOOK 701 PAGE 0479

|  | Acres in Unit                   | Interest in Unit |
|--|---------------------------------|------------------|
| <b><u>Tract #2A, 12.34 acres</u></b>   |                                 |                  |
| <b><u>COAL FEE OWNERSHIP</u></b>   |                                 |                  |
| (1) Buckhorn Coal Company<br>P. O. Box 187<br>Tazewell, VA 24651   | 12.34 acres                     | 21.0221%         |
| <b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>  |                                 |                  |
| (1) CNX Gas Company LLC<br>2481 John Nash Blvd.<br>Bluefield, WV 24701                                       | 12.34 acres                     | 21.0221%         |
| <b><u>Tract #2B, 4.01 acres</u></b>  |                                 |                  |
| <b><u>COAL FEE OWNERSHIP</u></b>   |                                 |                  |
| (1) Buckhorn Coal Company, Tr.9<br>P. O. Box 187<br>Tazewell, VA 24651                                       | 4.01 acres                      | 6.8313%          |
| <b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>  |                                 |                  |
| (1) H.C. Bostic Coal Company, Inc.<br>P.O. Box 220<br>Swords Creek, VA 24649                                 | 4.01 acres                      | 6.8313%          |
| <b><u>Tract #2C, 0.85 acres</u></b>  |                                 |                  |
| <b><i>Escrow due to title conflict</i></b>   |                                 |                  |
| <b><u>COAL FEE OWNERSHIP</u></b>   |                                 |                  |
| (1) Buckhorn Coal Company<br>P. O. Box 187<br>Tazewell, VA 24651   | 0.85 acres                      | 1.4480%          |
| <b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>  |                                 |                  |
| Earl Whited et al.   |                                 |                  |
| (1) Earl Whited Heirs, Devisees,<br>Successors or Assigns<br>2014 Miller Creek Rd.<br>Swords Creek, VA 24649 | 0.85 acres                      | 1.4480%          |
| <b><u>(OR)</u></b>   |                                 |                  |
| (1) Elijah & Zella Stacy Heirs, Devisees,<br>Successors or Assigns   | 0.85 acres                      | 1.4480%          |
| (a) Fayne E. Stacy<br>1605 6th Street<br>Richlands, VA 24641   | 0.28 acres<br>1/3 of 0.85 acres | 0.4827%          |

Exhibit E  
Unit AY-112

Docket #VGOB 01-0320-0877

## List of Conflicting Owners/Claimants that require escrow

|  | Acres in Unit   | Interest in Unit |
|--|---|------------------|
| (b) Nancy J. Stacy<br>2830 German Town Road<br>Oakton, VA 22124          | 0.14 acres<br>1/6 of 0.85 acres   | 0.2413%          |
| (c) Janice Shortridge<br>9966 Longford Court<br>Veina, VA 22180          | 0.14 acres<br>1/6 of 0.85 acres   | 0.2413%          |
| (d) Myra J. Stacy, widow<br>2611 Stoneridge Court<br>Arlington, TX 76014 | 0.09 acres<br>1/9 of 0.85 acres<br><i>(Life Estate in 1/9)</i>                          | 0.1609%          |
| (e) Allen Stacy<br>2611 Stoneridge Court<br>Arlington, TX 76014          | 0.19 acres<br>2/9 of 0.85 acres<br><i>(1/3 - Subject to Myra Stacy's Life Estate in</i> | 0.3218%          |

**Tract #2D, 13.92 acres****COAL FEE OWNERSHIP**

|  |             |          |
|--|-------------|----------|
| (1) Buckhorn Coal Company<br>P. O. Box 187<br>Tazewell, VA 24651 | 13.92 acres | 23.7138% |
|--|-------------|----------|

**OIL & GAS FEE OWNERSHIP**

|   |             |          |
|---|-------------|----------|
| (1) Earl Whited Heirs, Deviseses,<br>Successors or Assigns<br>2014 Miller Creek Rd.<br>Swords Creek, VA 24649 | 13.92 acres | 23.7138% |
|---|-------------|----------|

**Tract #2E, 19.78 acres****COAL FEE OWNERSHIP**

|  |             |          |
|--|-------------|----------|
| (1) Buckhorn Coal Company<br>P. O. Box 187<br>Tazewell, VA 24651 | 19.78 acres | 33.6968% |
|--|-------------|----------|

**OIL & GAS FEE OWNERSHIP**

|   |                                  |          |
|---|----------------------------------|----------|
| (1) Mike Rasnake, et al.<br>35 Acre Tract | 19.78 acres                      | 33.6968% |
| (b) Frank Webb<br>Address Unknown         | 9.89 acres<br>1/2 of 19.78 acres | 16.8484% |

**Tract #2F, 1.23 acres****COAL FEE OWNERSHIP**

|  |            |         |
|--|------------|---------|
| (1) Buckhorn Coal Company<br>P. O. Box 187<br>Tazewell, VA 24651 | 1.23 acres | 2.0954% |
|--|------------|---------|

Exhibit E  
Unit AY-112  
Docket #VGOB 01-0320-0877  
List of Conflicting Owners/Claimants that require escrow

|  | Acres in Unit                      | Interest in Unit |
|--|------------------------------------|------------------|
| <b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>                                  |                                    |                  |
| (1) Mike Rasnake, et al.<br>20 Acre Tract                                  | 1.23 acres                         | 2.0954%          |
| (b) Frank Webb<br>Address Unknown  | 0.615 acres<br>1/2 of 1.23 acres   | 1.0477%          |
| (c) Carrie Dye Heirs, Devisees,<br>Successors or Assigns                   |                                    |                  |
| (a) Luther Dye<br>P.O. Box 326<br>Tazewell, VA 24651                       | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |
| (b) Claude E. Dye<br>Box 85<br>Jewell Ridge, VA 24622                      | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |
| (c) Claude & Unice Dye Cordell<br>207 Oliver Avenue<br>Princeton, WV 24740 | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |
| (d) Doris Dye Corns<br>King Corner E. Rd.7<br>Box 397<br>Mansfield, OH     | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |
| (e) Delcie Dye<br>Rt.1 Box 227<br>Swords Creek, VA 24649                   | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |
| (f) Dolfus Dye<br>c/o Delcie Dye<br>Rt.1 Box 228<br>Swords Creek, VA 24649 | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |
| (g) Cecil Dye<br>P.O. Box 33<br>Rosedale, VA 24280                         | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |
| (h) Donald Dye Heirs, Devisees,<br>Successors or Assigns                   |                                    |                  |
| (h.1) Doris Dye<br>P.O. Box 173<br>Rosedale, VA 24280                      | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |
| (i) Ronnie Dye<br>c/o Delcie Dye<br>Rt.1 Box 227<br>Swords Creek, VA 24649 | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |
| (j) Connie Dye Richardson<br>Rt.1 Box 327<br>Swords Creek, VA 24649        | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |

Exhibit E  
Unit AY-112

Docket #VGOB 01-0320-0877

List of Conflicting Owners/Claimants that require escrow

|  | Acres in Unit                      | Interest in Unit |
|--|------------------------------------|------------------|
| (k) Wanda Richardson<br>P.O. Box 530<br>Rosedale, VA 24280 | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |
| (l) Danny Dye<br>Rt.1 Box 337<br>Swords Creek, VA 24649    | 0.009 acres<br>1/144 of 1.23 acres | 0.0146%          |

Exhibit EE  
Unit AY-112

Docket #VGOB 01-0320-0877

## List of Conflicting Owners/Claimants with Royalty Split Agreements

|   |   | Acres in Unit                     | Interest in Unit | Percent of Escrow |
|---|---|-----------------------------------|------------------|-------------------|
| <b><u>Tract #2E, 19.78 acres</u></b>      |   |                                   |                  |                   |
| <b><u>COAL FEE OWNERSHIP</u></b>          |   |                                   |                  |                   |
| (1)                                       | Buckhorn Coal Company<br>P. O. Box 187<br>Tazewell, VA 24651      | 19.78 acres                       | 33.6968%         | 9.4859%           |
| <b><u>OIL &amp; GAS FEE OWNERSHIP</u></b> |   |                                   |                  |                   |
| (1)                                       | Mike Rasnake, et al.<br>35 Acre Tract                             | 19.78 acres                       | 33.6968%         |                   |
| (a)                                       | Mike Rasnake, et ux.<br>73 Miller Creek Road<br>Honaker, VA 24260 | 9.89 acres<br>1/2 of 19.78 acres  | 16.8484%         | 9.4859%           |
| <b><u>Tract #2F, 1.23 acres</u></b>       |   |                                   |                  |                   |
| <b><u>COAL FEE OWNERSHIP</u></b>          |   |                                   |                  |                   |
| (1)                                       | Buckhorn Coal Company<br>P. O. Box 187<br>Tazewell, VA 24651      | 1.23 acres                        | 2.0954%          | 0.4916%           |
| <b><u>OIL &amp; GAS FEE OWNERSHIP</u></b> |   |                                   |                  |                   |
| (1)                                       | Mike Rasnake, et al.<br>20 Acre Tract                             | 1.23 acres                        | 2.0954%          |                   |
| (a)                                       | Mike Rasnake, et ux.<br>73 Miller Creek Road<br>Honaker, VA 24260 | 0.513 acres<br>5/12 of 1.23 acres | 0.8731%          | 0.4916%           |

List of Conflicting Owners/Claimants with Royalty Split Agreements

|   | Acres in Unit                    | Interest in Unit | Percent of Escrow |
|---|----------------------------------|------------------|-------------------|
| <b><u>Tract #2E, 19.78 acres</u></b>                                  |                                  |                  |                   |
| <b><u>COAL FEE OWNERSHIP</u></b>                                      |                                  |                  |                   |
| (1) Buckhorn Coal Company<br>P. O. Box 187<br>Tazewell, VA 24651      | 19.78 acres                      | 33.6968%         | 9.4859%           |
| <b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>                             |                                  |                  |                   |
| (1) Mike Rasnake, et al.<br>35 Acre Tract                             | 19.78 acres                      | 33.6968%         |                   |
| (a) Mike Rasnake, et ux.<br>73 Miller Creek Road<br>Honaker, VA 24260 | 9.89 acres<br>1/2 of 19.78 acres | 16.8484%         | 9.4859%           |

**Tract #2F, 1.23 acres**

**COAL FEE OWNERSHIP**

|  |            |         |         |
|--|------------|---------|---------|
| (1) Buckhorn Coal Company<br>P. O. Box 187<br>Tazewell, VA 24651 | 1.23 acres | 2.0954% | 0.4916% |
|--|------------|---------|---------|

**OIL & GAS FEE OWNERSHIP**

|   |                                   |         |         |
|---|-----------------------------------|---------|---------|
| (1) Mike Rasnake, et al.<br>20 Acre Tract                             | 1.23 acres                        | 2.0954% |         |
| (a) Mike Rasnake, et ux.<br>73 Miller Creek Road<br>Honaker, VA 24260 | 0.513 acres<br>5/12 of 1.23 acres | 0.8731% | 0.4916% |

0900190

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF RUSSELL COUNTY, 1-26, 2009. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 3:03 o'clock P.M., after payment of \$        tax imposed by Sec. 58.1-802.

TESTE: ANN S. McREYNOLDS, CLERK  
BY: Sarah Gilmer D. CLERK

Original returned this date to: David Asbury