

110000749

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:**

CNX Gas Company LLC on behalf of Buckhorn  
Coal Company and Maggie Lee Dyc.

**DOCKET NO.**

**02-0917-1070-03**

**RELIEF SOUGHT:**

**Issuance:** A Supplemental Order for Disbursement of Escrowed Funds  
**Action:** Amending Prior Orders Affecting Drilling AZ-110,  
Tracts 1m and 2a.  
(Referenced herein as "the Subject Drilling Unit")

**Location:** Buchanan County, Virginia

**Action Details:**

- (1) To provide a calculation of funds, Unit Operator has deposited into the Escrow Account for Drilling Unit AZ-110 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

**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 March 15, 2011 at the Russell County Conference Center, 139 Highland Drive, Lebanon Virginia.
2. **Appearances:** , Mark A. Swartz, Esq. SWARTS Law Offices PLLC 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 sub accounts, 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 sub accounts. 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 October 15, 2002, 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 July 14, 2003, Deed Book 587 pages 373 to 393, Instrument Number 0003059. The Board executed its Supplemental Order Regarding Elections that was filed with the Clerk on August 20, 2004, Deed Book 615 pages 267 to 282 , Instrument Number 0403122 (hereafter all orders are collectively referred to as the "Pooling Orders").
- (b) After the Supplemental Petition was filed on August 20, 2004, a *Revised Supplemental Order* for VGOB -02-0917-1070-01 was filed with the Clerk of the Circuit Court of Russell County on October 10, 2004, Deed Book 619 pages 001 to 017, Instrument Number 0403906.
- (c) A Supplemental Petition for the Disbursement of Funds in AZ-110, Tracts 1C, 1D, 1E, 1F, and 1G in VGOB 02-0917-1070-02 was filed with the Clerk of the Circuit Court of Russell County on December 10, 2009, Deed Book 715, Pages 0299 to 0316, Instrument Number 0903208.
- 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 ownership interests of Maggie Lee Dye in Tracts 1m & 2a 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 1m & 2a a copy of which is attached to and made a part hereof, states under oath that Buckhorn Coal Company and the Applicant have entered into an agreement with regards to Tracts 1m & 2a and that by the terms of the agreements, Buckhorn Coal Company has entered into a (50% 50%) split agreement regarding these tracts and escrow regarding these individual conflicting claims detailed herein, is no longer required for these parties.
- 4.4. The Unit Operator gave notice to Buckhorn Coal Company and Maggie Lee Dye that the Board would consider its disbursement authorization at its hearing on March 15, 2011 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 1m & 2a identified in the attached miscellaneous petition (2) delete the requirement that the Unit Operator place future royalties attributable to said Tracts 1m & 2a in the interests of Applicants identified in the miscellaneous petition in the Escrow Account, and (3) continue the escrow account under this docket number because there are other parties under this order subject to continued payments in the escrow under Tract 5.
- 4.5. The Unit Operator filed the attached accounting for Subject Drilling Unit's Escrow Account with the Board ("Accounting").

5. **Findings:**

5.1. Va. Code 45.1-361.22.5 provides:

*The Board shall order payment of principal and accrued interests, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (i) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between them or (ii) an agreement among all claimants owning conflicting estates in the 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 provided revised testimony on November 17, 2009 and has certified and represented to the Board that:

- (1) Buckhorn Coal Company and Maggie Lee Dye are the owners of the coal and gas acreage estate underlying VGOB Tracts 1m and 2a of the Subject Drilling Unit; AZ-110 and that disbursement should be made based on escrow percentage ownership detailed in Table 1.
- (2) Net interests attributable and to be disbursed to Applicants are shown in Table 1.

VGOB Approved Disbursement  
VGOB 02-0917-1070-03

As Given

	Acreage Fraction	Acreage Interest	Split Agreement	Acres	% of Escrowed Funds
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Table 1

		A portion of Tracts 1c and 1d plus Tracts 1e, 1f, and 1g.			
Item	Tract	Disbursement Table			
				15.9749	
1	1m	Buckhorn Coal Company	4.5900	50.0%	2.2950 14.3663%
2	1m	Maggie Lee Dye	4.5900	50.0%	2.2950 14.3663%
3	2a	Buckhorn Coal Co. - Coal / P.O. Box 187 Tazewell, VA 24651	9.9700	50.0%	4.9850 31.2052%
4	2a	Maggie Lee Dye	9.9700	50.0%	4.9850 31.2052%

**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 24 day of March, 2011 by a majority of the Virginia Gas and Oil Board.

*Bradley C. Lambert*  
Bradley C. Lambert, Chairman  
Virginia Gas and Oil Board

DONE AND PERFORMED this 24 day of March, 2011 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 RUSSELL )

Acknowledged on this 24<sup>th</sup> day of March 2011, 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 / 2013



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL  
DOCKET NO: VGOB 02-0917-1070-03

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

HEARING DATE: March 15, 2011

DRILLING UNIT: AZ-110

RUSSELL COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. Petitioner and its counsel: Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, 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 Tract(s) 1M & 2A as depicted upon the annexed Exhibit A-1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Buckhorn Coal Company and Maggie Lee Dye

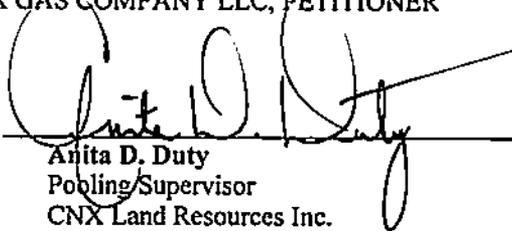
3. Legal Authority: Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

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

5. Factual basis for relief requested Buckhorn Coal Company and Maggie Lee Dye have entered into royalty split agreement(s). Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Exhibit A-1, 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 ITS PROFESSIONAL MANAGER  
CNX GAS COMPANY LLC, PETITIONER

By: 

Anita D. Duty  
Pooling Supervisor  
CNX Land Resources Inc.  
2481 John Nash Blvd.  
Bluefield, West Virginia 24701

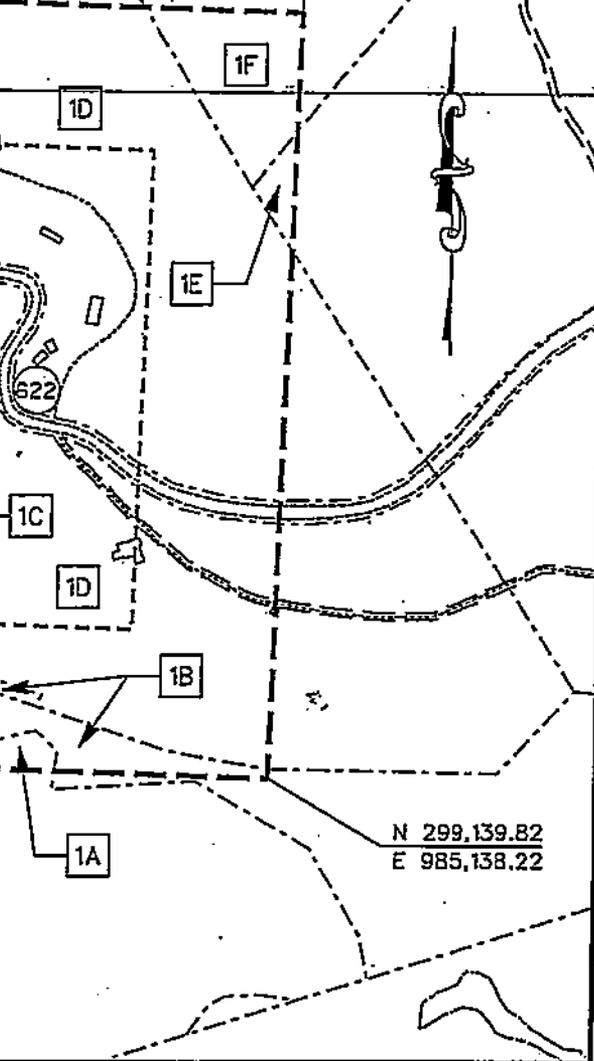
PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

N 300,796.00  
E 983,597.17

N 300,738.59  
E 985,195.64

58.74 ACRE UNIT

CBM-AZ110



N 299,197.22  
E 983,539.75

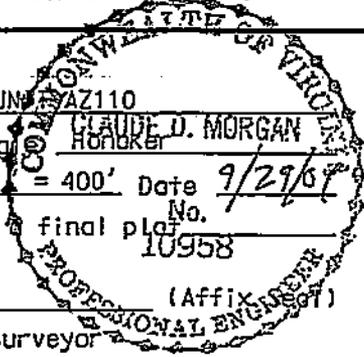
N 299,139.82  
E 985,138.22

EXHIBIT A  
MIDDLE RIDGE 1 FIELD  
UNIT AZ-110  
FORCE POOLING  
VGOB-02-0917-1070

Company CNX Gas Company LLC Well Name and Number UNB-AZ110  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle \_\_\_\_\_  
 County Russell District New Garden Scale: 1" = 400' Date 9/29/07  
 This plot is a new plot X ; an updated plot \_\_\_\_\_ ; or a final plot \_\_\_\_\_  
 No. 10958

Form DGO-60-7  
Rev. 9/91

*Claude D. Morgan*  
 Licensed Professional Engineer or Licensed Land Surveyor



# CNX Gas Company LLC

Unit AZ-110

Tract Identifications

(58.74 Acre Unit)

- 
- 1A. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Mary Dye, et al - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased (8/9)  
0.23 acres      0.3915 %
- 1B. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Lowie Perkins, et al. - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
0.98 acres      1.6684 %
- 1C. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Goldie Hess, et al. - Surface (Cemetery), Oil and Gas  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
0.13 acres      0.2213 %
- 1D. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Goldie Hess, et al. - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
29.28 acres      49.8468 %
- 1E. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Earl Whited - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
0.25 acres      0.4256 %
-

**CNX Gas Company LLC**

**Unit AZ-110**

**Tract Identifications**

**(58.74 Acre Unit)**

- 1F. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Earl Whited - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
1.67 acres      2.8430 %
- 1G. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Earl Whited - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
3.06 acres      5.2094 %
- 1H. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Mike Rasnake, et ux. - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
6.18 acres      10.5209 %
- 1I. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Roger Dye - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
0.61 acres      1.0385 %
- 1J. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
W. H. Wilson Heirs, et al. - Surface and All Minerals except Coal  
0.62 acres      1.0555 %

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**CNX Gas Company LLC**

**Unit AZ-110**

**-Tract Identifications-**

**(58.74 Acre Unit)**

- 1K. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
James E. Dye, et ux. - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
0.08 acres      0.1362 %
- 1L. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Commonwealth of Virginia - Surface and All Minerals except Coal  
0.55 acres      1.1066 %
- 1M. Buckhorn Coal Company Tr. 9 - Coal  
Reserve Coal Properties Company - Below Drainage Coal Leased  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Maggie Lee Dye - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
4.59 acres      7.8141 %
- 2A. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) - Coal  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Maggie Lee Dye - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
9.97 acres      16.9731 %
- 2B. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) - Coal  
Knox Creek Coal Corporation - Above Drainage Coal Leased  
CNX Gas Company LLC - CBM Leased  
Mary Dye, et al - Surface and All Minerals except Coal  
CNX Gas Company LLC - Oil, Gas and CBM Leased (8/9)  
0.44 acres      0.7491 %

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Exhibit E  
Unit AZ-110  
Docket #VGOB 02-0917-1070-03  
List of Conflicting Owners/Claimants that require escrow  
(58.74 Acre Unit)

	Acres In Unit	Interest In Unit
<b><u>Tract #1A, 0.23 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	0.23 acres	0.3918%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Mary Dye, et al.	0.23 acres	0.3916%
(g) Howard Dye c/o Leva Jane Settoon 5760 Highway 107 Marksville, LA 71351	0.026 acres 1/9 of 0.23 acres	0.0435%
<b><u>Tract #1B, 0.98 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	0.98 acres	1.6884%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Lowie Perkins, et al.	0.98 acres	1.6884%
(b) Wayne Perkins c/o Debbie Boyd 21431 Bonher Road Bristol, VA 24202	0.07 acres 1/14 of 0.98 acres	0.1192%
<b><u>Tract #1J, 0.62 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	0.62 acres	1.0555%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) W.H. Wilson Heirs, et al. (Cemetery) Heirs Unknown	0.62 acres	1.0555%
<b><u>Tract #1L, 0.65 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	0.65 acres	1.1066%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Commonwealth of Virginia Dept. of Transportation P.O. Box 1768 Bristol, VA 24203	0.65 acres	1.1066%
<b><u>Tract #2B, 0.44 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Buckhorn Coal Company (J.Fuller 453 Ac.Tract) P. O. Box 187 Tazewell, VA 24651	0.44 acres	0.7491%

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Exhibit E  
Unit AZ-110  
Docket #VGOB 02-0917-1070-03  
List of Conflicting Owners/Claimants that require escrow  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Mary Dye, et al.	0.44 acres	0.7491%
(g) Howard Dye c/o Leva Jane Settoon 5760 Highway 107 Marksville, LA 71351	0.049 acres 1/9 of 0.44 acres	0.0832%

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Exhibit EE  
Unit AZ-110  
Docket #VGOB 02-0917-1070-03  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(58.74 Acre Unit)

	Acres In Unit	Interest In Unit	Percent of Escrow
<u>Tract #1A, 0.23 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	0.23 acres	0.3916%	n/a
<u>OIL &amp; GAS OWNERSHIP</u>			
(1) Mary Dye, et al.	0.23 acres	0.3916%	
(a) Mary Dye 21377 Sims Rd. Abingdon, VA 24211	0.077 acres 1/3 of 0.23 acres	0.1305%	n/a
(b) Allen Dye 19433 Avon-Belden Road Grafton, OH 44044	0.026 acres 1/9 of 0.23 acres	0.0435%	n/a
(c) Mack Dye c/o Nancy Gioitta 13580 Brookhaven Brookpark, OH 44142	0.026 acres 1/9 of 0.23 acres	0.0435%	n/a
(d) Russell H. Dye, Jr. 1456 Buckingham Gate Blvd., Unit F Cuyahoga Falls, OH 44221-5515	0.026 acres 1/9 of 0.23 acres	0.0435%	n/a
(e) Nancy Gioitta 13580 Brookhaven Brookpark, OH 44142	0.026 acres 1/9 of 0.23 acres	0.0435%	n/a
(f) Janice Workman 7762 State Road Parma, OH 44134	0.026 acres 1/9 of 0.23 acres	0.0435%	n/a
<u>Tract #1B, 0.98 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	0.98 acres	1.6684%	n/a
<u>OIL &amp; GAS OWNERSHIP</u>			
(1) Lowie Perkins, et al.	0.98 acres	1.6684%	
(a) Lowie Perkins 1452 Drill Rd. Honaker, VA 24260	0.91 acres 13/14 of 0.98 acres	1.5492%	n/a
<u>Tract #1C, 0.13 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	0.13 acres	0.2213%	n/a

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Exhibit EE  
Unit AZ-110  
Docket #VGOB 02-0917-1070-03  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Goldie Hess (Cemetery) 1557 Miller Creek Road Rowe, VA 24646	0.13 acres	0.2213%	n/a
<b><u>Tract #1D, 29.28 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	29.28 acres	49.8468%	n/a
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Goldie Hess 1557 Miller Creek Road Rowe, VA 24646	29.28 acres	49.8468%	n/a
<b><u>Tract #1E, 0.25 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	0.25 acres	0.4256%	n/a
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Michael Whited, et al <i>(previously Columbus Earl Whited heirs)</i>	0.25 acres	0.4256%	
(a) Michael Whited PO Box 297 Swords Creek, VA 24696	0.025 acres 1/10 of 0.25 acres	0.0426%	n/a
(b) Ferrell Whited PO Box 1471 Honaker, VA 24260-1471	0.045 acres 9/50 of 0.25 acres	0.0766%	n/a
(c) Herald Whited PO Box 315 Swords Creek, VA 24649	0.045 acres 9/50 of 0.25 acres	0.0766%	n/a
(d) Marty Whited PO Box 0881 Lebanon, VA 24266-0881	0.045 acres 9/50 of 0.25 acres	0.0766%	n/a
(e) Cathy Darlene Ward 2014 Miller Creek Rd Swords Creek, VA 24649	0.045 acres 9/50 of 0.25 acres	0.0766%	n/a
(f) Melissa Skeens 120 Clifton Farm Rd Honaker, VA 24260	0.045 acres 9/50 of 0.25 acres	0.0766%	n/a

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Exhibit EE  
Unit AZ-110  
Docket #VGOB 02-0917-1070-03  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
<b><u>Tract #1F, 1.67 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	1.67 acres	2.8430%	n/a
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Michael Whited, et al <i>(previously Columbus Earl Whited heirs)</i>	1.67 acres	2.8430%	
(a) Michael Whited PO Box 297 Swords Creek, VA 24696	0.167 acres 1/10 of 1.67 acres	0.2843%	n/a
(b) Ferrell Whited PO Box 1471 Honaker, VA 24260-1471	0.301 acres 9/50 of 1.67 acres	0.5117%	n/a
(c) Herald Whited PO Box 315 Swords Creek, VA 24649	0.301 acres 9/50 of 1.67 acres	0.5117%	n/a
(d) Marty Whited PO Box 0881 Lebanon, VA 24266-0881	0.301 acres 9/50 of 1.67 acres	0.5117%	n/a
(e) Cathy Darlene Ward 2014 Miller Creek Rd Swords Creek, VA 24649	0.301 acres 9/50 of 1.67 acres	0.5117%	n/a
(f) Melissa Skeens 120 Clifton Farm Rd Honaker, VA 24260	0.301 acres 9/50 of 1.67 acres	0.5117%	n/a
<b><u>Tract #1G, 3.06 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	3.06 acres	5.2094%	n/a
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Michael Whited, et al <i>(previously Columbus Earl Whited heirs)</i>	3.06 acres	5.2094%	
(a) Michael Whited PO Box 297 Swords Creek, VA 24696	0.306 acres 1/10 of 1.67 acres	0.5209%	n/a
(b) Ferrell Whited PO Box 1471 Honaker, VA 24260-1471	0.551 acres 9/50 of 1.67 acres	0.9377%	n/a
(c) Herald Whited PO Box 315 Swords Creek, VA 24649	0.551 acres 9/50 of 1.67 acres	0.9377%	n/a

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Exhibit EE  
Unit AZ-110  
Docket #VGOB 02-0917-1070-03  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(58.74 Acro Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
(d) Marty Whited PO Box 0881 Lebanon, VA 24266-0881	0.551 acres 9/50 of 1.67 acres	0.9377%	n/a
(e) Cathy Darlene Ward 2014 Miller Creek Rd Swords Creek, VA 24649	0.551 acres 9/50 of 1.67 acres	0.9377%	n/a
(f) Melissa Skeens 120 Clifton Farm Rd Honaker, VA 24260	0.551 acres 9/50 of 1.67 acres	0.9377%	n/a
<b><u>Tract #1H, 6.18 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	6.18 acres	10.5209%	n/a
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Mike Rasnake, et ux. 73 Miller Creek Rd. Honaker, VA 24260	6.18 acres	10.5209%	n/a
<b><u>Tract #1I, 0.61 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	0.61 acres	1.0385%	n/a
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Roger Lee Dye 1229 Miller Creek Rd. Rowe, VA 24646	0.61 acres	1.0385%	n/a
<b><u>Tract #1K, 0.08 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	0.08 acres	0.1362%	n/a
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) James E. Dye, et ux. Box 304 Oakwood, VA 24639	0.08 acres	0.1362%	n/a
<b><u>Tract #1M, 4.59 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Buckhorn Coal Company, Tr.9 P. O. Box 187 Tazewell, VA 24651	4.59 acres	7.8141%	14.3667%

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Exhibit EE  
Unit AZ-110  
Docket #VGOB 02-0917-1070-03  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit	Percent of Escrow
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Maggie Lee Dye 1322 Miller Creek Road Rowe, VA 24646	4.59 acres	7.8141%	14.3667%
<b><u>Tract #2A, 9.97 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Buckhorn Coal Company (J.Fuller 453 Ac.Tract) P. O. Box 187 Tazewell, VA 24651	9.97 acres	16.9731%	31.2061%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Maggie Lee Dye 1322 Miller Creek Road Rowe, VA 24646	9.97 acres	16.9731%	31.2061%
<b><u>Tract #2B, 0.44 acres</u></b>			
<b><u>COAL OWNERSHIP</u></b>			
(1) Buckhorn Coal Company (J.Fuller 453 Ac.Tract) P. O. Box 187 Tazewell, VA 24651	0.44 acres	0.7491%	n/a
<b><u>OIL &amp; GAS OWNERSHIP</u></b>			
(1) Mary Dye, et al.	0.44 acres	0.7491%	
(a) Mary Dye 21377 Sims Rd. Abingdon, VA 24211	0.147 acres 1/3 of 0.44 acres	0.2497%	n/a
(b) Allen Dye 19433 Avon-Belden Road Grafton, OH 44044	0.049 acres 1/9 of 0.44 acres	0.0832%	n/a
(c) Mack Dye c/o Nancy Gioitta 13580 Brookhaven Brookpark, OH 44142	0.049 acres 1/9 of 0.44 acres	0.0832%	n/a
(d) Russell H. Dye, Jr. 1456 Buckingham Gate Blvd., Unit F Cuyahoga Falls, OH 44221-5515	0.049 acres 1/9 of 0.44 acres	0.0832%	n/a
(e) Nancy Gioitta 13580 Brookhaven Brookpark, OH 44142	0.049 acres 1/9 of 0.44 acres	0.0832%	n/a
(f) Janice Workman 7762 State Road Parma, OH 44134	0.049 acres 1/9 of 0.44 acres	0.0832%	n/a

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**Exhibit A-1  
Tract-by-Tract Escrow Calculation  
Account Balances as of 12/31/10**

Unit AZ-110  
VGOB 02-0917-1070-03  
Acres Escrowed: 15.97446

Owners	Tract #	Acres	Owner Acres	Interest	Owners' Percent of Escrow (50%)	Amount Due Owners \$20,779.85 ✓
Buckhorn Coal Co. - Coal	1m	4.59			14.3667%	\$2,985.38
Maggie Lee Dye - O&G					14.3667%	\$2,985.38
Buckhorn Coal Co. - Coal	2a	9.97			31.2061%	\$6,484.57
Maggie Lee Dye - O&G					31.2061%	\$6,484.57

*Wells contributing to the escrow account:*

AZ110

INSTRUMENT #110000749  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
MARCH 30, 2011 AT 11:00AM

BEVERLY S. TILLER, CLERK  
RECORDED BY: DA.

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