

090002346

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:

Equitable Production Company on behalf of
Edmund and Linda Edwards and Range
Resources – Pine Mountain, Inc.

DOCKET NO.

07-1016-2046-01

RELIEF SOUGHT:

Issuance: A Supplemental Order for Disbursement of Escrowed Funds
Action: Amending Prior Orders Affecting Drilling VC-537869, Tract 3
(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 VC-537869 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 February 17, 2008 at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Abingdon, VA. and corrected testimony regarding the disbursement exhibit at 9:00 am on April 21, 2009 at the Russell County Government Center Conference Center in Lebanon, Virginia.
2. **Appearances:** James E. Kaiser, 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 October 16, 2007, 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 Dickenson County on December 17, 2007, Instrument Number 070002417. The Board executed its Supplemental Order Regarding Elections that was filed with the Clerk on April 25, 2007, Instrument Number 080000771 (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 Range Resources – Pine Mountain, Inc; and the gas ownership interests of Edmund and Linda Edwards in the tract known as 3 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 Tract 3, a copy of which is attached to and made a part hereof, states under oath that Range Resource – Pine Mountain, Inc. and the Applicants have entered into an agreement with regards to Tract 3 and that by the terms of the agreements, Range Resource – Pine Mountain, Inc. 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 Range Resource – Pine Mountain, Inc. and the applicants that the Board would consider its disbursement authorization at its hearing on April 21, 2009 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 Tract 3 as identified in the attached miscellaneous petition (2) delete the requirement that the Unit Operator place future royalties attributable to a portion of said Tract 3 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 there are other parties under this order subject to continued payments in the escrow.
- 4.5 The Unit Operator filed the attached accounting for Subject Drilling Unit's Escrow Account with the Board ("Accounting").

5. **Findings:**

5.1. Va. Code 45.1-361.22.5 provides:

The Board shall order payment of principal and accrued interests, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (i) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between them or (ii) an agreement among all claimants owning conflicting estates in the 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) Range Resources – Pine Mountain, Inc. and Edmund and Linda Edwards respectively, are the owners of the coal estate and gas acreage estate underlying VGOB Tract 3 of the Subject Drilling Unit;
- (2) Net interests attributable and to be disbursed to Applicants are shown in Table 1,

VGOB Approved Disbursement
 VGOB 07-1016-2046-01
 UNIT VC-537869

		Net Acreage in Tract	Royalty Split Agreement	Escrowed Acreage Disbursed	Percent of Escrowed Funds Disbursed
TABLE 1					
Tract 3					
Disbursement Table					
Total acreage in escrow before disbursement				11.6500	
3	Pine Mountain Oil and Gas, Inc., Attn: Jerry Grantham, P.O. Box 2136, Abingdon, VA 24212	0.5000	75.0%	0.375	3.2189%
3	Edmund and Linda Edwards, P.O. Box 281, Birchleaf, VA 24220	0.5000	25.0%	0.125	1.0730%

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:

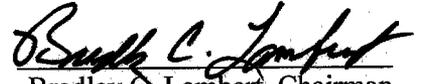
Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and **IT IS SO ORDERED.**

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 20 day of July, 2008, by a majority of the Virginia Gas and Oil Board.


Bradley C. Lambert, Chairman

DONE AND PERFORMED this 20 day of July, 2008, by an Order of this Board.


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

**COMMONWEALTH OF VIRGINIA)
COUNTY OF WASHINGTON**

Acknowledged on this 20th day of July, 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
Notary Public #174394

My commission expires: 09 / 30 / 2009



VGOB 4/21/09
 (49)

VGOB 07/10/16-2046
 537869

TRACT	Owner Name and Address	Split %	Owner Net Interest	Total Net Escrowed Interest	Total Amount in Escrow 3/31/2009	Owner % in Escrow	Owner's Amount in Escrow 03/31/2009
3	Edmund and Linda Edwards PO Box 281 Birchleaf, VA 24220	75%	0.00079688	0.02477500	Bank Total - \$1904.42 Equitable Amount - \$1904.42	3.21646821%	\$ 61.26
3	Range Resources-Pine Mountain Inc Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	25%	0.00026562	0.02477500	Bank Total - \$1904.42 Equitable Amount - \$1904.42	1.07212916%	\$ 20.42

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANTS: Equitable Production Company on behalf of Edmund and Linda Edwards and Range Resources-Pine Mountain Inc.

DOCKET NUMBER: VGOB 07/10/16/2046-01

RELIEF SOUGHT: Supplemental Order for Disbursement of Escrowed Funds on behalf of Edmund and Linda Edwards and Range Resources-Pine Mountain Inc.

LEGAL DESCRIPTIONS: Drilling Unit Number VC-537869 created by Board Order Dated December 5, 2007 VGOB 07/10/16-2046 in Dickenson County, Virginia.

HEARING DATE: February 17, 2009

MISCELLANEOUS PETITION

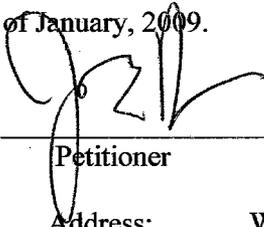
1. Party: Applicants herein are Edmund and Linda Edwards , (hereinafter "Plaintiffs), whose address is P.O. Box 281, Birchleaf, VA 24220 and Range Resources-Pine Mountain Inc., (hereinafter "Plaintiffs), whose address is P.O. Box 2136, Abingdon, VA 24212.
2. Facts:
 - A Equitable was designated as the Operator and Applicants interests were Pooled in the VC-537869 Unit by Order of the Virginia Gas and Oil Board (hereinafter "Board") executed on December 5, 2007 pursuant to Docket No. VGOB 07/10/16-2046 and recorded in the Circuit Court Clerk's Office Dickenson County, Virginia on December 17, 2007 Deed Book 446, Page 726 (hereinafter "Order").
 - b. The order and Supplemental Order required the Escrow Agent named and appointed therein to establish an interest-bearing escrow account for funds pertaining to the above-referenced Unit and subject to escrow pursuant to the terms of the Order.
 - c. The Order and Supplemental Order further required the Operator to deposit bonus and royalty payments with the Escrow agent which could not me made because the person(s) entitled hereto could not be made certain due to conflicting claims of ownership.
 - d. Pine Mountain Oil and Gas, Inc. was a conflicting claimant with the above-listed Plaintiffs with regard to Tract 3, as created by Board Order as VGOB 07/10/16-2046 the applicable Tract.

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- e. To resolve this conflict, a Letter dated January 4, 2008 signed by Ann Edminsten, a Land Technician of Range Resources is attached hereto and incorporated herein as Exhibit "A".
- f. The amounts deposited with the Escrow Agent regarding the Unit need to be determined and distributed accordingly.
- g. Any escrow amount, not yet deposited into the escrow account, held by Operator should also be determined, and distributed to Applicants/Plaintiffs herein, accordingly.
- h. Applicants/Plaintiffs herein do hereby request that the Board enter amended supplemental order for the Unit directing the Escrow Agent and the Operator to disburse to the aforesaid Plaintiff the funds attributable to the previous conflicting claim with Pine Mountain, held in escrow for the VGOB number as listed above.
 - 1. The Applicants certify that the matters set forth in the application, to the best of their knowledge, information, and belief, are true and correct and that the form and content of the Application and conform to the requirements of relevant Board regulations and orders.
 - 2. Legal Authority: Va. Code Ann. §45.1-361.1 et seq., 4 VAC 25-160, and such other regulations and Board orders promulgated pursuant to law.
 - 3. Relief Sought: Applicants request that the Board issue amended supplement order amending all prior orders affecting the Unit which amended supplement order will provide as follows:
 - a. Determining the amount of funds attributable to the Applicants/Plaintiffs herein.
 - b. Directing the Escrow Agent to determine the amount of funds attributable to Applicants/Plaintiffs herein, provide an accounting hereof, and disburse the funds on deposit with the Escrow Agent, including any applicable interest, pertaining to the interest in the Unit shown above for distribution.
 - c. Directing the Operator to determine the amount of funds attributable to the Applicants/Plaintiffs herein, provide an accounting thereof, and disburse the units in its hands, if any, subject to escrow but not then on deposit with the Escrow Agent, including any applicable interest, at the time of the Supplemental Order requested therein is executed, attributable to the Applicants/Plaintiffs herein for distribution.

- d. Directing the Operator to disburse the funds, including any applicable interest, and provide an accounting thereof, which it may receive after the date of the execution of the amended supplemental order requested in the Application, if any, attributable to the Applicants/Plaintiff herein, and to discontinue the payment of such funds into Escrow.
- e. Granting such other relief as is merited by the evidence and is just and equitable whether or not such relief has been specifically requested herein.

Dated this 15th day of January, 2009.

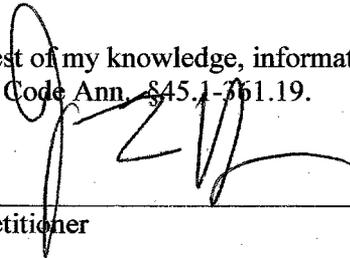
By: 

Petitioner

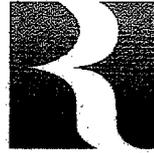
Address: Wilhoit & Kaiser
220 Broad St, Ste. 210
Kingsport, TN 37660

CERTIFICATE

The foregoing application to the best of my knowledge, information and belief is true and correct. Notice was given pursuant to Va. Code Ann. §45.1-361.19.



Petitioner



RANGE RESOURCES

January 4, 2008

Ms. Nikki Atkison
EQUITABLE PRODUCTION COMPANY
225 North Shore Drive
Pittsburgh, PA 15212

**RE: Permanent Split of Royalty
VC-537869 and any future CBM Wells
Edmund Edwards 51.1 Acre Lease
Dickenson County, Virginia**

Dear Ms. Atkison:

I enclose a copy of a letter dated December 19, 2007, between Range Resources – Pine Mountain, Inc., and Edmund Edwards and Linda Edwards, wherein the parties have agreed to a 75%/25% permanent split of escrowed royalty and all future royalty from the above wells and any other CBM wells that include a portion of the Edmund Edwards 51.1 acre lease. Please release the escrowed royalty to Edmund Edwards, Linda Edwards, and Range Resources – Pine Mountain, Inc., and begin making all future payments to the parties pursuant to their agreement.

By copy of this letter, I am notifying Edmund Edwards and Linda Edwards of Pine Mountain's action on this matter. If you have any questions or comments, please do not hesitate to contact me by phone at (276) 619-2644 or by e-mail at aedmisten@gl-energy.com.

Sincerely,

RANGE RESOURCES - PINE MOUNTAIN, INC.

Ann Edmisten, CLAS
Land Technician

Enclosure

cc: Edmund Edwards and Linda Edwards
Wanda (PMOG) w/original enclosure
D. Louthian (PMOG) w/enclosure
P. Horn (PMOG) w/enclosure
D. Hall (EPC) w/enclosure (dhall@eqt.com)

Range Resources – Pine Mountain, Inc.

406 W. Main Street

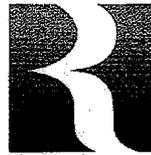
P. O. Box 2136

Abingdon, VA 24212

Tel. (276) 628-9001

Fax (276) 628-7246

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December 19, 2007 **RANGE RESOURCES**

Mr. Edmund Edwards and Mrs. Linda Edwards
P. O. Box 281
Birchleaf, Virginia 24220

Re: Permanent Split of CBM Royalty
Edmund Edwards 51.1 Acre Tract
VC-537869 and Other CBM Wells
Dickenson County, Virginia

Dear Mr. and Mrs. Edwards:

As you are aware, Equitable Production Company ("EPC"), has drilled the referenced coalbed methane gas well on a tract of land (the "Property" or "Subject Tract") in which Range Resources - Pine Mountain, Inc. ("RANGE") owns the coalbed methane gas through its deed from the former coal owner underlying the Property and you own the gas. The above has created conflicting claims as to the ownership of the coalbed methane gas on the Subject Tract between ("RANGE"), as the owner of the coalbed methane gas through its deed from the former coal owner, and you, as the owner of the gas. A plat indicating the location of the well within the operating unit is enclosed for your reference.

Due to our conflicting interests in the Subject Tract, EPC, as operator of the unit, has placed all royalty proceeds attributable to our conflicting interests into an escrow account. These royalty proceeds will remain in the escrow account until either a final legal determination of our conflicting claims to the coalbed methane gas is made or we reach an agreement on the division of the royalty proceeds. The most economical and expedient way to secure a release of the escrowed funds is for us to enter into an agreement which sets forth how the funds are to be distributed. Accordingly, in order to avoid the expense and time required to resolve the ownership question through the courts, RANGE proposes resolving this matter by the agreement described below. Such an agreement will allow us to request distribution of the proceeds presently held in the escrow account and direct payment of all future proceeds.

RANGE proposes that you receive disbursement of 75% of the proceeds held in the escrow account on the above-mentioned well and that RANGE receive disbursement of 25% of the proceeds held in the escrow account on the above-mentioned well. RANGE proposes the same percentage division for all future production payments which may accrue to our conflicting interests from the above-mentioned well. RANGE will, at its sole expense, pursue the administrative process required to secure release of the proceeds held in the escrow account and will absorb all future costs of administering this letter agreement. None of these expenses and costs will be deducted from your 75% of the royalty proceeds. It is also agreed that the royalty from any future coalbed methane gas wells drilled upon the subject tract or upon other lands in which the subject tract is pooled therewith will be permanently split in the same 75%/25% proportion.

10

December 19, 2007

Page 2 of 3

If this division of proceeds is agreeable with you, RANGE will diligently pursue the administrative processes required to secure release of the proceeds in the escrow account to you and RANGE. You will be provided with copies of the correspondence to EPC, requesting distribution of the escrowed funds as well as the directive to EPC to pay all future royalties and other benefits attributable to our conflicting interests in the same 75% / 25% proportion.

This letter agreement effects a permanent division of the accrued, suspended or escrowed royalty payments and all future royalty payments on the above-mentioned wells and future wells which is binding upon you, your heirs and assigns and RANGE and its successors and assigns. By entering into this agreement, the parties agree to refrain from making any claim or bringing any suit against the other party attacking the other party's coalbed methane interests set forth in this letter agreement. It is expressly agreed by the parties hereto that the division of the accrued, suspended or escrowed royalty payments and all future royalty payments on the above-mentioned well shall remain subject to this letter agreement, regardless of any subsequent judicial determination of ownership of coalbed methane in the Commonwealth of Virginia. Provided, however, nothing contained in this letter agreement shall change or alter the parties' common law rights and liabilities or the legal title to their respective coal and gas estates.

By entering into this letter agreement, you confirm that you are the current record title owner of the gas estate underlying the tract attributed to the Nelson C. and Minnie C. Edwards on the enclosed plat. If you are not the current gas owner, please notify us immediately.

By accepting the terms and conditions of this letter agreement, you are directing EPC to disburse royalties in accordance with this agreement. It is understood and agreed that no other terms or conditions of your lease with EPC are affected by this letter agreement.

Please evidence your agreement to these terms by signing this letter agreement on the line indicated below and returning this letter agreement to RANGE in the enclosed self-addressed, stamped envelope. If you have any questions, please do not hesitate to call me at 276-619-2583.

Sincerely,

RANGE RESOURCES - PINE MOUNTAIN, INC.



Phil Horn
District Landman

Enclosures

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December 19, 2007

Page 3 of 3

AGREED TO AND ACCEPTED BY

BY: Edmund Edwards
EDMUND EDWARDS

BY: Linda Edwards
LINDA EDWARDS

RANGE RESOURCES - PINE MOUNTAIN, INC.

BY: Phil Horn
PHIL HORN
DISTRICT LANDMAN

COMMONWEALTH OF VIRGINIA

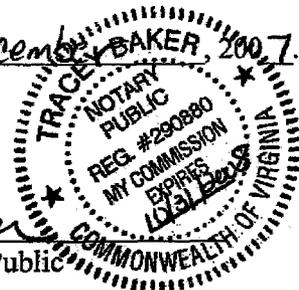
COUNTY OF DICKENSON, to-wit:

I, Tracey Baker, a Notary Public in and for the State and County aforesaid, do hereby certify Edmund Edwards and Linda Edwards, whose names are signed to the writing hereto annexed, has this day acknowledged the same before me, in said County and State.

Given under my hand and notarial seal this the 27th day of December, 2007.

My commission expires: _____
Registration Number: _____

Tracey Baker
Notary Public



COMMONWEALTH OF VIRGINIA

COUNTY OF WASHINGTON, to-wit:

I, Rebecca Ann M. Edmister, a Notary Public in and for the State and County aforesaid, do hereby certify that Phil Horn, District Landman of Range Resources - Pine Mountain, Inc., whose name as such is signed to the writing hereto annexed, bearing date the 19th day of December, 2007, has this day, before me, in my said County acknowledged the said writing on behalf of said corporation.

Given under my hand and notarial seal this the 20th day of December, 2007.

My commission expires 11/31/2008
Registration Number: 169828

Rebecca Ann M Edmister
Notary Public



TOTAL UNIT AREA
= 58.77 ACRES

LATITUDE 37°10'00"

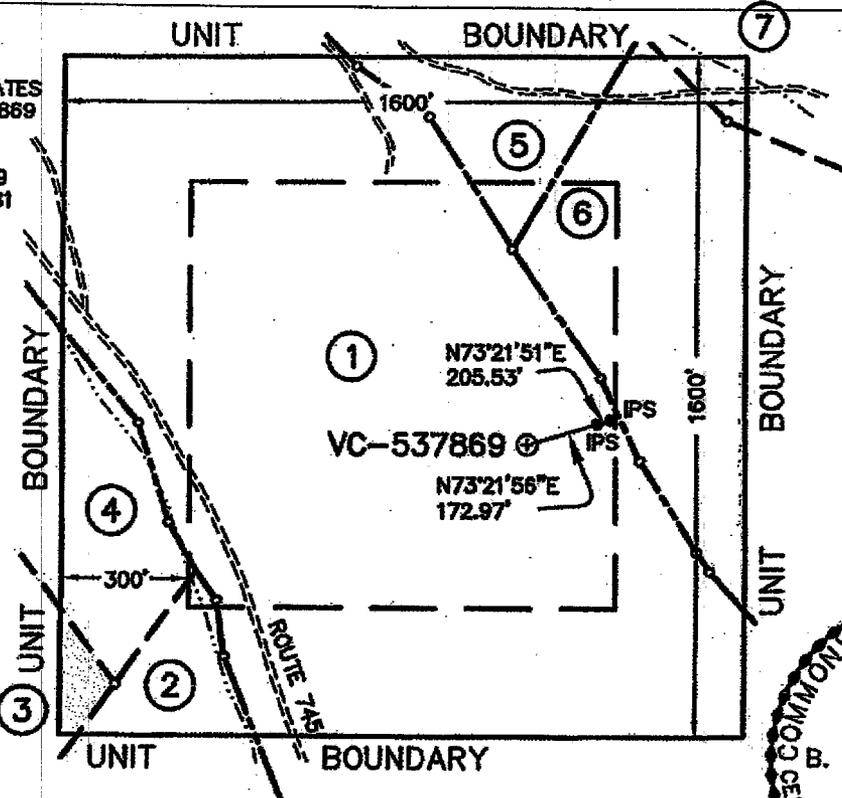
LONGITUDE 82°15'00"

- - - - - DENOTES MINERAL LINE
- - - - - DENOTES SURFACE LINE
- - - - - DENOTES SURFACE & MINERAL LINES

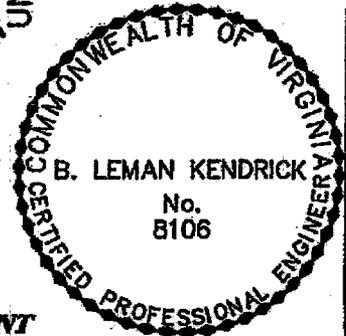
CCC COORDINATES
OF WELL VC-537869
N 21182.76
E 33791.70



STATE PLANE
NAD 27 COORDINATES
OF WELL VC-537869
N 322197.43
E 902343.72
LAT 37.158129
LON -82.267581



COORDINATES
OF BENCH MARK
S 77498.41
E 22826.48
ELEV. = 1754.09



NOTE !!!

WELL COORDINATES ARE BASED ON CLINCHFIELD
COAL COMPANY'S COORDINATE SYSTEM
CLINCHFIELD COAL COMPANY COORDINATES ARE
CALCULATED FROM STATE PLANE WELL COORDINATES.
PROPERTY INFORMATION PROVIDED BY EQUITABLE
PRODUCTION COMPANY.
ELEVATIONS ARE BASED ON NGS CONTROL ST. PAUL 2.

NOTE !!
SEE WELL PLAT SUPPLEMENT
SHEET 2 FOR TRACT INFORMATION.

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-537869

TRACT No. LEASE NO. 241490L / T-283 ELEVATION 1866.48 (GPS) QUADRANGLE HAYS

COUNTY DICKENSON DISTRICT SANDLUCK SCALE: 1" = 400' DATE MARCH 20, 2007

THIS PLAT IS A NEW PLAT x; AN UPDATED PLAT ; OR A FINAL LOCATION PLAT

PROPOSED TOTAL DEPTH OF WELL =

+ DENOTES THE LOCATION OF A WELL ON UNITED STATES TOPOGRAPHIC MAPS, SCALE 1 TO 24,000, LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY BORDER LINES AS SHOWN.

B. Lemman Kendrick 3/20/07 (AFFIX SEAL)
LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

①

Lease No. 241490L / T-283
B.H. EDWARDS
274.37 ACRES
HEARTWOOD FORESTLAND FUND IV - Surface
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
PINE MOUNTAIN OIL & GAS, INC. - Oil, Gas & CBM
GAS 40.15 AC. - 68.32%

②

Lease No. 243324L
RUAL & RUTH ANN FULLER - surface, coal, oil, gas & CBM
35.50 ACRES
GAS 1.85 AC. - 3.15%

③

Lease No. 242008L
NELSON C. & MINNIE C. EDWARDS - oil, gas (CBM)
51.10 ACRES
LEASE No. 244792 TC-181
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND
& RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal (CBM)
GAS 0.50 AC. - 0.85%

④

Lease No. 241490L / T-303
JOHN HAY
199.61 ACRES
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
PINE MOUNTAIN OIL & GAS, INC. - Oil, Gas & CBM
GAS 3.45 AC. - 5.87%

⑤

Lease No. 241640L / T2-36
B.H. EDWARDS
34.00 ACRES (p.o. 119.64 Acres)
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
PINE MOUNTAIN OIL & GAS, INC. - Oil, Gas & CBM
GAS 3.10 AC. - 5.28%

⑥

Lease No. 243401L
RICHARD EDWARDS, et al - oil, gas (CBM)
Lease No. 2447921 / TC-182
C.A. WILLIS
128.00 ACRES
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA LAND &
RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal (CBM)
GAS 9.30 AC. - 15.82%

⑦

Lease No. 241490L / T-230
JOHN ANDERSON
123.50 ACRES
DICKENSON-RUSSELL COAL COMPANY, LLC/ALPHA
LAND & RESERVES, LLC/ACIN, LLC/WBRD, LLC - Coal
PINE MOUNTAIN OIL & GAS, INC. - Oil, Gas & CBM
GAS 0.42 AC. - 0.71%



THOMPSON & LITTON

312 Clintwood Main Street
Suite 201
P.O. Box 1969
Clintwood, Virginia 24228

EQUITABLE PRODUCTION COMPANY
WELL No. VC-537869
WELL PLAT SUPPLEMENT
SHEET 2

PROJECT No.:
VC-537869

SCALE: 1" = 400'

DATE: MARCH 20, 2007

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BOOK

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VIRGINIA:

IN THE CIRCUIT COURT FOR DICKENSON COUNTY, ON THE 1ST
DAY OF NOVEMBER, 2006.

IN RE: PROBATE OF WILL OF NELSON C. EDWARDS, DECEASED.

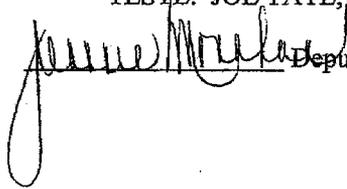
A writing bearing date on the 14th day of January, 1998, purporting to be the true Last Will and Testament of NELSON C. EDWARDS, deceased, was, on this day presented in the Clerk's Office aforesaid and offered for probate.

It appearing to the Clerk that NELSON C. EDWARDS was a resident of Dickenson County, Virginia, within the jurisdiction of this Court and that he died, testate on January 29, 2006.

It further appearing that the aforesaid will was duly executed pursuant to the provisions of Section §64.1-87.1 of the Code of Virginia and has thereby been legally proven. The writing is hereby admitted to probate and ORDERED to be recorded as and for the true last will and testament of NELSON C. EDWARDS, deceased.

Whereupon, no motion was made for the appointment of a personal representative, the will was admitted to Probate only to effect the transfer of real and personal property hereunder.

TESTE: JOE TATE, CLERK


Deputy Clerk

INSTRUMENT NO.
060000136

BOOK 36 PAGE 074

LAST WILL AND TESTAMENT

OF

NELSON C. EDWARDS

I, NELSON C. EDWARDS, SSN: 230-28-7726,
RESIDING AT P.O. BOX 101, BIRCHLEAF, IN DICKENSON
COUNTY, VIRGINIA, BEING OF SOUND MIND, MAKE,
PUBLISH, AND DECLARE THIS TO BE MY LAST WILL AND
TESTAMENT, REVOKING ALL PREVIOUS WILLS,

FIRST: I DESIRE THAT ALL MY JUST DEBTS AND
FUNERAL EXPENSES BE PAID AS SOON AS PRACTICABLE
AFTER MY DEATH.

SECOND: I GIVE TO MY BELOVED SON, EDMUND
CARTER EDWARDS, ALL MY GUNS AND TOOLS THAT MY
WIFE DOESN'T NEED. I ALSO GIVE MY SON EDMUND
CARTER EDWARDS, 51 ACRES OF LAND AND HOUSE I
OWN, RECORDED ON DEED BOOK 204, PAGE 740, ALONG
WITH GAS AND OIL MINERALS.

THIRD: I GIVE 1/2 INTEREST OF ALL MY ASSETS,
MONEY, BONDS, C.D.'S, AND BANK ACCOUNTS TO MY
WIFE MINNIE EDWARDS. THE OTHER 1/2, I LEAVE TO
MY THREE CHILDREN EDMUND CARTER EDWARDS,

N.C.E.
NCE

10

**JETTY ARTHA O'QUINN, AND JANET BARBARA
BREWER. EQUAL AMOUNTS TO EACH**

**FOURTH: ALSO, I GIVE MY BELOVED DAUGHTER
JETTY ARTHA O'QUINN 1/4 INTEREST IN 17.2 ACRE
TRACT WITH HOUSE, DEEDBOOK 265, PAGE 450,**

**FIFTH: I ALSO GIVE MY BELOVED DAUGHTER
JANET BARBARA BREWER, 1/4 INTEREST IN 17.2 ACRE
TRACT WITH HOUSE DEED BOOK 265, PAGE 450.**

**SIXTH: MY WIFE MINNIE L EDWARDS IS
ENTITLED TO 1/2 INTEREST IN THE 17.2 TRACT, DEED
BOOK 265, PAGE 450, ACCORDING TO VIRGINIA STATE
LAW.**

**SEVENTH: I GIVE ALL THE REST, THAT IS NOT
DECLARED IN THIS WILL, AND RESIDUE OF MY
PROPERTY, REAL, PERSONAL, AND MIXED TO MY WIFE,
MINNIE L EDWARDS.**

**EIGHTH: IN THE EVENT MY WIFE PREDECEASES
ME, OR SHOULD HER DEATH OCCUR SIMULTANEOUSLY**

N.C.E.
NCE

BOOK 36 PAGE 076

WITH MY OWN DEATH, OR SHOULD SHE DIE WITHIN THIRTY DAYS OF THE DATE OF MY OWN DEATH, I GIVE ALL MY PROPERTY, BOTH REAL AND PERSONAL, TANGIBLE AND INTANGIBLE, WHEREVER SITUATED, EQUALLY TO MY BELOVED CHILDREN, EDMUND CARTER EDWARDS, JANET BARBARA BREWER, AND JETTY ARTHA O'QUINN. IF EITHER OF MY CHILDREN PREDECEASES ME, I DIRECT THAT THEIR SHARE GO TO THEIR SURVIVING CHILDREN; OR IF THEY HAVE NO CHILDREN, THEIR SHARE GO TO MY SURVIVING CHILDREN.

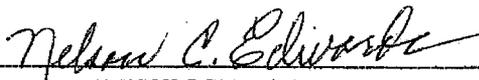
NINTH: I APPOINT EDMUND CARTER EDWARDS AS EXECUTOR OF MY LAST WILL AND TESTAMENT, BUT IF HE IS UNABLE TO SERVE, THEN I APPOINT MY GRANDSON, BRIAN P. O'QUINN AS SUBSITUTE EXECUTOR OF MY LAST WILL AND TESTAMENT. I DESIRE THAT NO SURETY BE REQUIRED AND THAT NO INVENTORY OR APPRAISAL BE MADE OF MY ESTATE.

N.C.E.
NCE

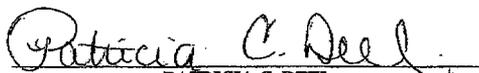
BOOK

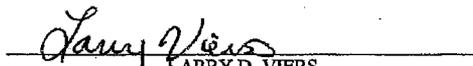
36 PAGE 077

IN TESTAMONY WHEREOF, I HAVE SIGNED MY
NAME TO THIS LAST WILL AND TESTAMENT, TYPE
WRITTEN ON 3 SHEETS OF PAPER, HAVING, INITIALED
THE FIRST AND SECOND PAGE FOR IDENTIFICATION
PURPOSES ONLY, ON Wednesday, January 14, 1998.


NELSON C. EDWARDS

SIGNED, PUBLISHED, AND DECLARED BY NELSON C. EDWARDS
AS HIS LAST WILL AND TESTAMENT IN THE PRESENCE OF ALL OF US,
PRESENT AT THE SAME TIME, WHO, AT HIS REQUEST, IN HIS PRESENCE,
HAVE SIGNED OUR NAMES AS WITNESSES.


PATRICIA C. DEEL


LARRY D. VIERS


JAMES R. BARTLEY

DICKENSON COUNTY, VIRGINIA:

ON THIS DAY PERSONALLY APPEARED NELSON C. EDWARDS, KNOWN TO ME TO BE THE TESTATOR, AND PATRICIA C. DEEL, LARRY D. VIERS, AND JAMES R. BARTLEY, WHOSE NAMES ARE SIGNED TO THE FOREGOING INSTRUMENT, BEING DULY SWORN; NELSON C. EDWARDS, THE TESTATOR, DECLARED TO ME AND TO THE WITNESSES THAT IS HIS LAST WILL AND TESTAMENT AND THAT HE HAS WILLINGLY SIGNED IT IN THE PRESENCE OF THE WITNESSES AS HIS FREE AND VOLUNTARY ACT AND THAT THE WITNESSES STATED BEFORE ME THAT THE FOREGOING WILL HAS SIGNED AND ACKNOWLEDGED BY THE TESTATOR, NELSON C. EDWARDS, AND HIS LAST WILL AND TESTAMENT IN THEIR PRESENCE OF EACH OTHER, SIGNED THEIR NAMES AS WITNESSES ON THE DATE OF THE WILL, AND THAT THE TESTATOR, AT THE TIME WAS OVER THE AGE OF EIGHTEEN YEARS AND OF SOUND AND DISPOSING MIND AND MEMORY.


NELSON C. EDWARDS


PATRICIA C. DEEL

BOOK 36 PAGE 079

Larry Viers
LARRY D. VIERS

James R. Bartley
JAMES R. BARTLEY

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME BY NELSON EDWARDS,
TESTATOR, AND LARRY D. VIERS, PATRICIA C. DEEL, AND JAMES R. BARTLEY, WITNESSES,
ON Wednesday, January 14, 1998

Patricia A. Bartley
NOTARY PUBLIC

MY COMMISSION EXPIRES: MAY 31, 1999.



BOOK 36 PAGE 080

CODICAL
TO WILL OF

NELSON C. EDWARDS

REFER TO PAGE NO. 2 DATED JANUARY 14, 1998

HAVING SOLD THE 17.2 ACRE TRACT WITH
HOUSE, DEED BOOK 265, PAGE 450, I GIVE EACH
OF MY BELOVED DAUGHTERS, (JETTY ARTHA
O'QUINN AND JANET BARBARA BREWER)
THE EQUAL SUM OF \$5,000.00 EACH.

NCE
NCE
JUNE 9, 1998

Witness: *James R. Bartley* 6-9-98
Witness: *Patricia C. Deel* 6-9-98

*Signed and sworn before me this
9th of June 1998*

Signed
James R. Bartley, Notary
My Comm. expires
May 31, 1999

LIST OF HEIRS
COMMONWEALTH OF VIRGINIA

Case No.: EDWARDS,NELS

Dickenson County Circuit Court

Nelson C. Edwards
NAME OF DECEDENT

January 29, 2006
DATE OF DEATH

I/We, the undersigned, hereby state under oath that the following are all of the heirs of the Decedent:

NAMES OF HEIRS	ADDRESSES	RELATIONSHIP	AGE
Minnie Edwards	P O Box 101 Birchleaf, VA 24220	Wife	Adult
Jetty Artha O'Quinn	for information purposes only	Daughter	Adult
Janet Barbara Brewer	for information purposes only		
Edmund Carter Edwards	for information purposes only	Son	Adult

I/we am/are (please check one):

- Proponent(s) of the will (no qualification)
- Personal representative(s) of the decedent's estate
- Heir-at-law of intestate decedent (no qualification within 30 days following death)

Given under my/our hand this first day of November, 2006
DATE

Edmund Carter Edwards
PRINTED NAME OF SUBSCRIBER

Edmund Carter Edwards
SIGNATURE OF SUBSCRIBER

PRINTED NAME OF SUBSCRIBER

SIGNATURE OF SUBSCRIBER

PRINTED NAME OF SUBSCRIBER

SIGNATURE OF SUBSCRIBER

State of Virginia

Dickenson County, to-wit:

Subscribed and sworn to before me by Edmund Carter Edwards

this first day of November, 2006

My commission expires:

Tracy Baker, D.C.
CLERK/DEPUTY CLERK/NOTARY PUBLIC

VIRGINIA: In the Clerk's Office of the Dickenson County Circuit Court this first day of November, 2006
the foregoing LIST OF HEIRS was filed and admitted to record.

Teste: Joe Tate
CLERK

by Tracy Baker, Deputy Clerk

PROBATE INFORMATION FORM
COMMONWEALTH OF VIRGINIA

Court File No.: EDWARDS,NELS

(For appointment of executor, administrator, curator, and/or probate of a will without qualification.)

Circuit Court of Dickenson County

- 1. Decedent's full name: Nelson C. Edwards Married Single Divorced Widowed
- 2. Decedent's Residence address at death (street, city, state): P O Box 181 Birchleaf VA 24220
- 3. Date of birth: April 3, 1927 Date and place of death: January 29, 2006 - Dickenson County VA
- 4. Proof of death: Death certificate Obituary Other (specify): Hayi Funeral Home
- 5. The decedent died: with a will without a will Date of will (and codicils) 1/14/1998 / 6/9/1998
- 6. Requested action: appointment of: administrator executor curator probate of will
- 7. Name of person making request: Edmund Carter Edwards
- 8. Mailing address: P O Box 281 Birchleaf VA 24220
- 9. Basis for request: executor named in will sole-distributee other distributee creditor other:
- 10. Name of person seeking appointment: Edmund Carter Edwards
- 11. Day telephone: (276) 865-0116 Night telephone: _____
- 12. Residence address: P O Box 281 Birchleaf VA 24220
- 13. Mailing address, if different: _____
- 14. Name of any additional person seeking appointment: _____
- 15. Day telephone: _____ Night telephone: _____
- 16. Residence address: _____
- 17. Mailing address, if different: _____
- 18. Name of assisting attorney, if any: _____ Telephone: _____
- 19. Attorney's mailing address: _____
- 20. The total value of the decedent's real and personal estate did did not exceed \$15,000 on the date of death.

I hereby certify that to the best of my knowledge and belief this is an accurate statement of facts, and I acknowledge a continuing legal duty to report any later discovered errors or inconsistencies to the Clerk of Court.

November 1, 2006
DATE

Edmund Carter Edwards
PRINTED NAME OF REQUESTING PERSON

Edmund Carter Edwards
SIGNATURE OF REQUESTING PERSON

INFORMATION TO BE FURNISHED BY EACH PERSON SEEKING APPOINTMENT

- 21. Are you a person under a disability? yes no. (See Instructions for explanation.)
- 22. Have you ever been convicted of a felony? yes no.
- 23. Have you ever filed for bankruptcy? yes no.
- 24. Are you now, or have you ever been, an attorney at law in Virginia or elsewhere? yes no. (If yes, and you do not now possess an active license from the Virginia State Bar, explain the details on a separate sheet of paper.)

I (we) hereby certify that to the best of my (our) knowledge and belief this is an accurate statement of facts, and I (we) acknowledge a continuing duty to report any later discovered errors or inconsistencies to the Clerk of Court.

November 1, 2006
DATE

Edmund Carter Edwards
PRINTED NAME OF REQUESTING PERSON

Edmund Carter Edwards
SIGNATURE OF REQUESTING PERSON

November 1, 2006
DATE

PRINTED NAME OF REQUESTING PERSON

SIGNATURE OF REQUESTING PERSON

Tax ID #7392

THIS DEED OF GIFT, made and entered into on this the 17 day of April 2007, by and between **MINNIE EDWARDS, (Widow), GRANTOR**, and **EDMUND CARTER EDWARDS, GRANTEE**, whose address is P.O. Box 281, Birchleaf, Virginia.

WITNESSETH:

That for and in consideration of love and affection, the Grantor does hereby grant, give and convey unto Grantee, any and all interest they may have in that certain tract or parcel of land, situate, lying and being in the Sandlick Magisterial District of Dickenson County, Virginia, and being more particularly bounded and described as follows:

BEGINNING on a walnut near a graveyard, thence S 4 00 W 200 feet to a walnut; thence S 68 00 W 190 feet to a walnut; thence N 62 00 W 342 feet to a stake; thence N 89 00 W 187 feet to a walnut; thence N 32 00 W 290 feet to a hickory; thence N 62 00 W 350 feet to a stake; thence N 38 00 W 333 feet to a dead chestnut; thence N 43 00 W 443 feet to a dead chestnut; thence N 62 00 W 152 feet to a chestnut in original line; thence N 56 00 E 18 poles to a large poplar under a hill; thence across rich hollow S 88 00 E 62 poles to a white oak on a flat; thence S 72 00 E 16 poles to a double chestnut; thence 44 00 E 82 poles to two black oaks on a knob; thence N 38 00 E 44 poles to two cucumbers in a hollow; thence S 18 00 W 64 poles to a white oak and hickory; thence S 1 00 E 48 poles to a stake; thence N 77 00 W 340 feet to a gate post; thence N 21 00 W 106 feet to a service bush; thence N 19 00 W 108 feet to a poplar; thence N 9 00 W 147 feet to the BEGINNING, containing 51 acres, more or less, and being the same land conveyed to Nelson C. Edwards by Geraldine Adams McCoy, by deed dated September 29, 1980, of record in Deed Book 204, Page 740, in the Clerk's Office of Dickenson County, Virginia; and by will from Nelson Edwards to Edmund Carter Edwards dated November 1, 2006, of record in Will Book 36, page 74, in Clerk's Office of Dickenson County, Virginia.

There is also conveyed by this deed a right of way for a road for the benefit of the land conveyed by deed s over the lands conveyed to Velvia Hay and Arvie Edwards by deeds dated February 8, 1941.

By executing this deed the party of the first part also acknowledges that the party of the second part shall receive the house located on the above described property, and the contents thereof, in addition to the land itself.

There is excepted from this conveyance such exceptions and reservations as have been heretofore made by prior deeds of record.

WITNESS the following signature and seal:

Minnie Edwards (SEAL)
MINNIE EDWARDS
INSTRUMENT #BY7000680
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
APRIL 17, 2007 AT 12:19PM
JOE TATE, CLERK

STATE OF VIRGINIA,
COUNTY OF DICKENSON, To-wit:

RECORDED BY: JEM

The foregoing instrument was acknowledged before me this 17th day of April, 2007, by Minnie Edwards.

My commission expires; June 30, 2009

[Signature]
NOTARY PUBLIC

This Deed was prepared without the benefit of a Title examination.

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, 4/17 2007. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 12:19 o'clock P M, after payment of \$ 0 tax imposed by Sec. 58.1-802.

Original returned this date to: *[Signature]* BY: *[Signature]* JOE TATE, CLERK D. CLERK

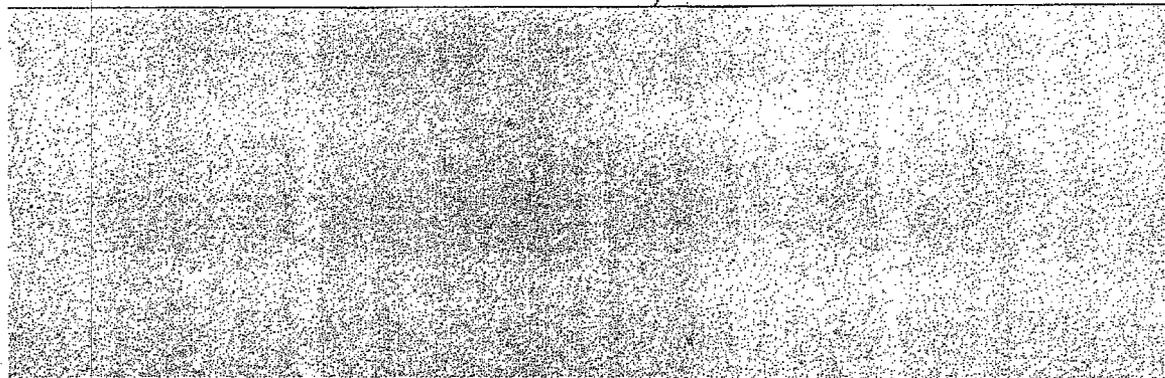


EXHIBIT "E"
VC-537869

<u>TR</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<u>Gas Estate Only</u>				
2	Dominion Mining Company Unknown Stockholders of Dominion Mining Company TAX ID Minerals Only	Unleased	3.150000%	1.8500
6	Richard Wade Edwards and Rita Owens Edwards, h/w P.O. Box 127 Birchleaf, VA 24220 TAX ID 6985	Leased 243401	7.910000%	4.6500
	Rebecca J. Galyon and Edward Galyon, w/h 12113 South Piney Point Bishopville, MD 21813	Leased 243401	7.910000%	4.6500
TOTAL			18.970000%	11.1500
<u>Coal Estate Only</u>				
2	Pine Mountain Oil and Gas, INC. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212 TAX ID 20464	Leased 241490 T-283	3.150000%	1.8500
6	Pine Mountain Oil & Gas, Inc. ATTN: Jerry Grantham P.O. Box 2136 Abingdon, VA. 24212 TAX ID # 11924	Leased 244792/ TC-182	15.820000%	9.3000
TOTAL			18.970000%	11.1500

INSTRUMENT #090002346
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 4, 2009 AT 02:21PM

BEVERLY S. TILLER, CLERK
RECORDED BY: NKE