

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EQT Production Company

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 06-0620-1653-01

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

HEARING DATE: March 19, 2013

DRILLING UNIT: VC551315

RUSSELL COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is EQT Production Company, 225 North Shore Drive, Pittsburgh, PA 15212, (412)553-5700. Petitioner's counsel is James Kaiser, Wilhoit and Kaiser Law Firm, 220 Broad Street, Suite 210, Kingsport, TN 37660 .

2. Relief Sought

A petition for the disbursement of funds and authorization of direct payment to Cheryl Fields, Teresa Campbell and Range Resources-Pine Mountain, Inc. in Tract 3 for Well VC-551315, in Castlewood Magisterial District, Russell County, Virginia. To resolve the conflict, a letter dated November 7, 2006 signed by Jerry Grantham, VP of Range Resources-Pine Mountain was provided.

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

Range Resources-Pine Mountain, Inc was a conflicting claimant with regard to Tract 3 as created by Board Order VGOB 06/06/20-1653. To resolve this conflict, a letter dated November 7, 2006 signed by Jerry Grantham VP of Range Resources-Pine Mountain was provided.

6. Attestation

The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

Well Coordinates: (Geographic N27)
37.029361° - 82.16650°

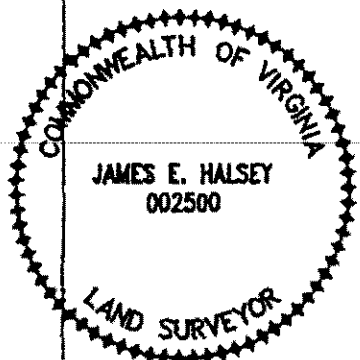
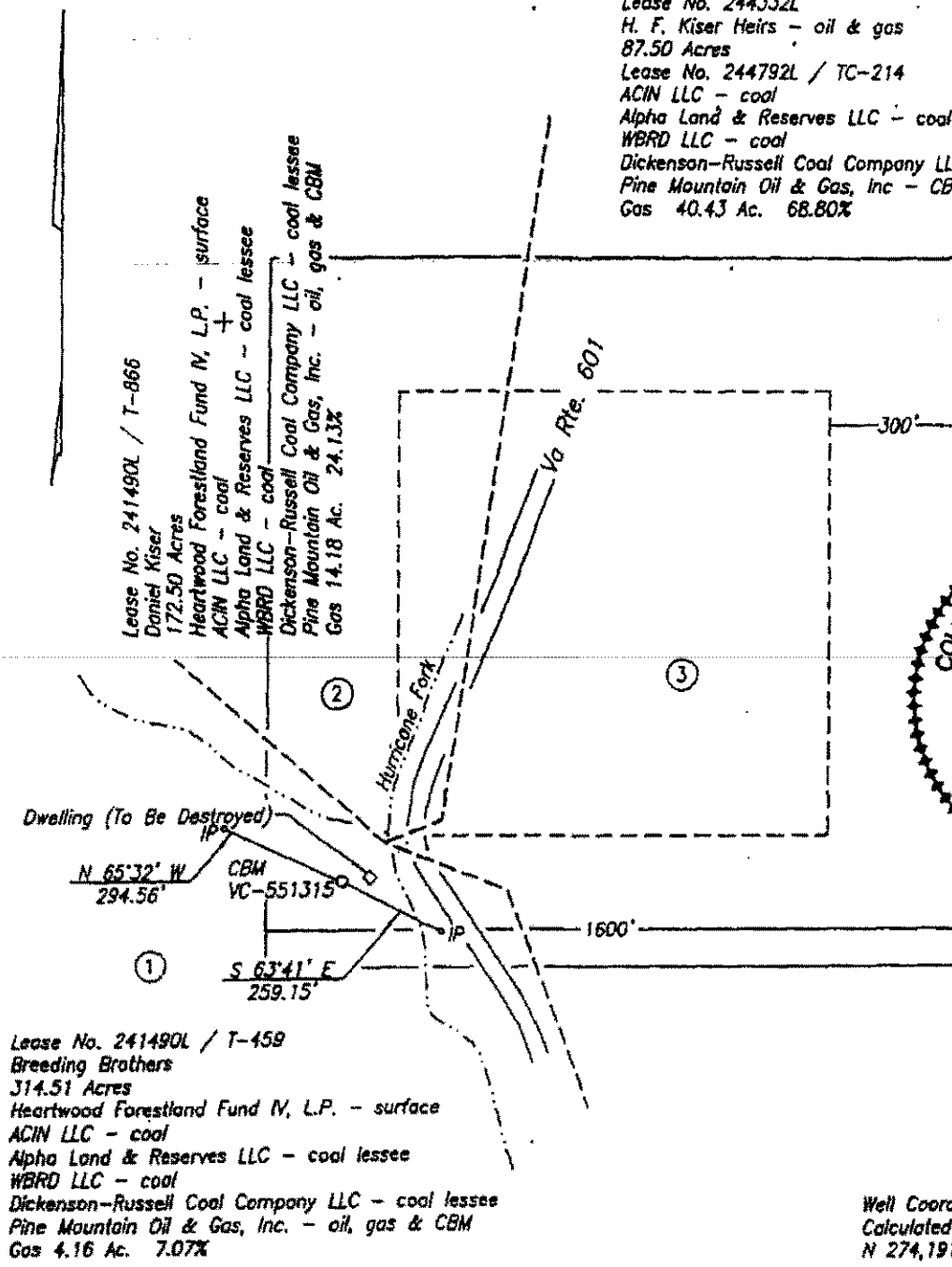
12,110'

Latitude 37° 02' 30"

Longitude 82° 07' 30"

Lease No. 244332L
H. F. Kiser Heirs - oil & gas
87.50 Acres
Lease No. 244792L / TC-214
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Pine Mountain Oil & Gas, Inc. - oil, gas & CBM
Gas 40.43 Ac. 68.80%

Lease No. 241490L / T-866
Daniel Kiser
172.50 Acres
Heartwood Forestland Fund IV, L.P. - surface
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Pine Mountain Oil & Gas, Inc. - oil, gas & CBM
Gas 14.18 Ac. 24.13%



Lease No. 241490L / T-459
Breeding Brothers
314.51 Acres
Heartwood Forestland Fund IV, L.P. - surface
ACIN LLC - coal
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal
Dickenson-Russell Coal Company LLC - coal lessee
Pine Mountain Oil & Gas, Inc. - oil, gas & CBM
Gas 4.16 Ac. 7.07%

Well Coordinates: (VA St. Plane S. Zone,
Calculated from CCC coordinates)
N 274,191 E 929,957

Well Coordinates: (Clinchfield Coal Co.)
S 25,701.49 E 63,272.46

Well elevation determined by
GPS survey from BM Y 108

Area of Unit = 58.77 Ac.

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-551315
TRACT NO. T-459 ELEVATION 2,045.09' QUADRANGLE Duty
COUNTY Russell DISTRICT Castlewood SCALE 1" = 400' DATE 4-04-2006

This Plat is a new plat x; an updated plat ; or a final location plat

+ Denotes the location of a well on United States topographic Maps, scale : to
24,000, latitude and longitude lines being represented by border lines as shown.

James E. Halsey
Licensed Professional Engineer or Licensed Land Surveyor

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
<u>Gas Estate Only</u>						
1	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased EPC 241490L T-459	7.070000%	4.1600	0.00883750	RI
	Equitable Production Company				0.06186250	WI
Tract 1 Totals			7.070000%	4.1600	7.070000%	
2	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased EPC 241490L T-866	24.130000%	14.1800	0.03016250	RI
	Equitable Production Company				0.21113750	WI
Tract 2 Totals			24.130000%	14.1800	24.130000%	
3	<u>H. F. Kiser Heirs</u> Dora Belle Musick Heirs:					
	Delphia Musick Ball, widow P.O. Box 58 Davenport, VA 24239	Leased EPC 244332L30	0.643462%	0.3783	0.00080433	RI
	Sarah E. Musick, widow Rt. 1, Box B2 Cleveland, VA. 24225	Leased EPC 244332L10	0.643462%	0.3783	0.00080433	RI
	Betty Musick, widow Rt. 2, Box 167 Cleveland, VA. 24225	Leased EPC 244332L14	0.643462%	0.3783	0.00080433	RI
	Thelma Musick, widow 950 lot 39 Hillman Highway Abingdon, VA. 24210	Leased EPC 244332L52	0.643462%	0.3783	0.00080433	RI
	Ralph Elwood Musick, single 15177 Douglas Street Culpepper, VA. 22701	Leased EPC 244332L31	0.643462%	0.3783	0.00080433	RI
	Dorothy Johnson, single Rt. 4, Box 177 B Lebanon, VA. 24266	Leased EPC 244332L16	0.643462%	0.3783	0.00080433	RI
	Hubert C. and Jo Anne Musick, H/W P.O. Box 202 Honaker, VA. 24260	Leased EPC 244332L18	0.643462%	0.3783	0.00080433	RI

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	Ina Musick, widow 667 Hunting Hill Road Piney Flats, TN. 37686	Leased EPC 244332L53	0.643462%	0.3783	0.00080433	RI
Willard Wilson Heirs:						
	Ronald Lewis Wilson Rt. 1, Box 91 Honaker, VA. 24260	Leased EPC 244332L12	0.173837%	0.1021	0.00021731	RI
	Lakie Nears Box 1864 Pace Street Bristol, VA. 24203	Leased EPC 244332L12	0.173837%	0.1021	0.00021731	RI
	Trudie Damron Rt. 1, Box 332 Cleveland, VA. 24225	Leased EPC 244332L12	0.173837%	0.1021	0.00021730	RI
Kenneth Wilson Heirs:						
	Freddy Wilson Unknown	Leased EPC 244332L12	0.086969%	0.0510	0.00010871	RI
	Patricia C. Fields 5994 Clinch Mountain Road Lebanon, VA. 24266-5562	Leased EPC 244332L12	0.086969%	0.0510	0.00010871	RI
	Mildred and Claude Kendrick, H/W Star Rt. Box 94 Dublin, VA.24084	Leased EPC 244332L56	0.115925%	0.0681	0.00014491	RI
	Edith and William B. Matson, H/W 5678 State Rt. 133 Batavia, OH. 45103	Leased EPC 244332L57	0.115925%	0.0681	0.00014491	RI
	Sally Musick, widow Rt 1 Box 181 Cleveland, VA. 24225	Leased EPC 244332L17	0.115925%	0.0681	0.00014491	RI
	Cecil C. and Irene Musick, H/W Rt. 2 Box 114 Cleveland, VA. 24225	Leased EPC 244332L07	0.115925%	0.0681	0.00014491	RI
	James Harold and Annie Bea Musick, H/W Rt. 2 Box 76 B Cleveland, VA. 24225	Leased EPC 244332L08	0.115925%	0.0681	0.00014491	RI
	Fred Musick, Jr. and Allie Musick, H/W P.O. Box 315	Unleased	0.115925%	0.0681	0.00014491	RI

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Northeast, MD. 21901						
Clayton Musick Heirs:						
	Scarlette and Henry Baker, H/W P.O. Box 2374 Lebanon, VA. 24266	Leased EPC 244332L27	0.139090%	0.0817	0.00017386	RI
	Sparker Floyd and Dolly Baker 17085 Brumley Gap Road Abingdon, VA. 24210	Leased EPC 244332L28	0.139090%	0.0817	0.00017386	RI
	Raymond and Patsy Musick Box 1245 Stuart, VA. 24171	Unleased	0.139090%	0.0817	0.00017386	RI
	Samuel Musick 1085 Bellamy Lane Portsmouth, OH. 45663	Unleased	0.139090%	0.0817	0.00017386	RI
Roger M. Musick Heirs:						
	Keith Allen Musick 25005 Lawrence, Apt. 126 Center Line, MI. 48015	Leased EPC 244332L22	0.069595%	0.0408	0.00008699	RI
	Patrick Fitzgerald Musick 25005 Lawrence, Apt. 126 Center Line, MI. 48015	Leased EPC 244332L22	0.069595%	0.0408	0.00008699	RI
Frank P. Kiser Heirs:						
	Velva Lee and Clويد Breeding, H/W Rt. 1 Box 441 Cleveland, VA. 24225	Leased EPC 244332L23	7.644444%	4.4922	0.00955556	RI
Carrie Powers Heirs:						
	Billie Mason and Catherine L. Gilbert, H/W 7442 SE 114th Lane Belleview, FL. 34420	Leased EPC 244332L66	0.212346%	0.1248	0.00026543	RI
	Violet and Arlene Combs, H/W 8122 Sinclair Mill Road Manassas, VA. 20112	Leased EPC 244332L67	0.212346%	0.1248	0.00026543	RI
	Charolette Lewis, Single 8698 Carlton Drive Manassas, VA. 20112	Leased EPC 244332L71	0.212346%	0.1248	0.00026543	RI

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	Sharon and Edward L. Preacher, H/W 10807 Warwick Avenue Fairfax, VA. 22030	Leased EPC 244332L72	0.212346%	0.1248	0.00026543	RI
	Gladys and Carl Crawford, H/W 9904 Wellington Road Manassas, VA. 20110	Leased EPC 244332L74	0.212346%	0.1248	0.00026543	RI
	Lorraine and Meredith Crutchfield, H/W p.o. Box 632 South Hill, VA. 23970	Leased EPC 244332L64	0.212346%	0.1248	0.00026543	RI
	Phyllis Keene, single 497A Washington Street Romney, WV. 26757	Leased EPC 244332L68	0.212346%	0.1248	0.00026543	RI
Burl Gilbert Heirs:						
	Ronnie and Vicki Gilbert, H/W RT. 2, Box 28A Cleveland, VA. 24225	Leased EPC 244332L62	0.106173%	0.0624	0.00013272	RI
	Regina Gilbert, single Rt. 2, Box 127A Cleveland, VA. 24225	Leased EPC 244332L63	0.106173%	0.0624	0.00013272	RI
Gaynell Howell Heirs:						
	Brenda and Ferrell Whitt, H/W 255 Brill Road Star Tannery, VA.22654	Leased EPC 244332L65	0.030335%	0.0178	0.00003792	RI
	Wanda and Randall Whitt, H/W 140 Cline Drive Gore, VA. 22637	Unleased	0.030335%	0.0178	0.00003792	RI
	Carol and Jackie Peacoe, H/W 787 Jordan Spring Road Stephenson, VA 22655	Unleased	0.030335%	0.0178	0.00003792	RI
	Diane Howell, single P.O. Box 414 Hebron, VA. 21830	Unleased	0.030335%	0.0178	0.00003792	RI
	Steven Howell Unknown	Unleased	0.030335%	0.0178	0.00003792	RI
	Kevin Howell, single 140 Cline Drive Gore, VA. 22637	Unleased	0.030335%	0.0178	0.00003792	RI

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	Franklin and Karen Framer, H/W 8566 Burlington Court Manassas, VA. 20110	Unleased	0.030335%	0.0178	0.00003792	RI
	Alma Pauline Butler, single 334 S. Rogers Street Aberdeen, MD 21001	Leased EPC 244332L05	1.911111%	1.1231	0.00238889	RI
	Pridemore and Virginia Zientek Unknown	Unleased	1.911111%	1.1231	0.00238889	RI
	Maynard Powers Unknown	Unleased	1.911111%	1.1231	0.00238889	RI
Luther M. Kiser Heirs:						
	Alma Simerly, single P.O. Box 1624 Honaker, VA. 24260	Leased EPC 244332L15	1.274074%	0.7487	0.00159259	RI
	Roland Delmar Kiser, single P.O. Box 194 Cleveland, VA. 24225	Unleased	1.274074%	0.7487	0.00159259	RI
	Nettie Glenn Wilson, widow P.O. Box 294 Cleveland, VA. 24225	Leased EPC 244332L01	1.274074%	0.7487	0.00159259	RI
	Kennie O'Dell and Thelma Kiser, H/W P.O. Box 62 Cleveland, VA. 24225	Leased EPC 244332L11	1.274074%	0.7487	0.00159259	RI
Hazel Wilson Heirs:						
	Giles and Charlotte Wilson, H/W Rt. 1, Box 338 Cleveland, VA. 24225	Unleased	0.182011%	0.1070	0.00022751	RI
	Roy Lee and Delphia Wilson, H/W HC 4, Box 304 Bee, VA. 24217	Leased EPC 244332L29	0.182011%	0.1070	0.00022751	RI
	Alder and Ella Wilson, H/W 1335 E Old Philadelphia Road Elkton, MD. 21921	Leased EPC 244332L33	0.182011%	0.1070	0.00022751	RI
	Curtis and Connie Wilson, H/W 1867 E Old Philadelphia Road Elkton, MD. 21921	Leased EPC 244332L34	0.182011%	0.1070	0.00022751	RI

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	Lonnie G. and Pam Wilson, H/W 3748 Cunningham Road Thomasville, NC 27360	Leased EPC 244332L35	0.182011%	0.1070	0.00022751	RI
	Kathy Rosenbaum Canter Heirs:					
	Wiley Joe Canter Unknown	Unleased	0.060670%	0.0357	0.00007584	RI
	Johnny Lee Rosenbaum, single 1730 Clifton Road Bristol, TN. 37621	Unleased	0.060670%	0.0357	0.00007584	RI
	Alicia Rosenbaum, single P.O. Box 1114 Bristol, TN. 37621	Unleased	0.060670%	0.0357	0.00007584	RI
	Zelma Head Heirs:					
	Randall and Teresa Head, H/W 1279 Old Neck Road Elkton, MD. 21921	Leased EPC 244332L43	0.036402%	0.0214	0.00004550	RI
	Wanda and Evan Jones, H/W 995 E Old Philadelphia Road Elkton, MD. 21921	Leased EPC 244332L40	0.036402%	0.0214	0.00004550	RI
	Sharon Lynn and Bobby Jones, H/W 2817 Biggs Highway Northeast, MD. 21901	Unleased	0.036402%	0.0214	0.00004550	RI
	Carolyn Sue and Richard Rinehart, H/W P.O. Box 1054 Rising Sun, MD. 21911	Leased EPC 244332L41	0.036402%	0.0214	0.00004550	RI
	Jack Kelvin Head 89 Tolmax Lane Elkton, MD. 21921	Unleased	0.036402%	0.0214	0.00004550	RI
	Ruby Ethel Kiser (deceased) C/O Kennie O'Dell Kiser P.O. Box 62 Cleveland, VA. 24225	Leased EPC 244332L09	1.274074%	0.7487	0.00159259	RI

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Fred S. Kiser Heirs:						
	Vadie Kiser Tiller and Edwin Blankenship, H/W 26934 Watauga Road Abingdon, VA. 24211	Leased EPC 244332L60	1.911111%	1.1231	0.00238889	RI
	Maudie Stevens, single HCR 1, Box 405 Birchleaf, VA. 24220	Leased EPC 244332L20	1.911111%	1.1231	0.00238889	RI
Julie Kiser Heirs:						
	Anita and Wayne Conaway, H/W HCR 1, Box 409 Birchleaf, VA. 24220	Leased EPC 244332L19	0.955556%	0.5615	0.00119444	RI
	Donnie and Diann Kiser, H/W P.O. Box 72 Lawndale, NC. 28090	Leased EPC 244332L26	0.955556%	0.5615	0.00119444	RI
Bertie Counts Heirs:						
	James Albert Counts 814 Shamrock Drive Fredericksburg, VA. 22407	Leased EPC 244332L24	0.273026%	0.1604	0.00034128	RI
	Marvin Eugene Counts P.O. Box 178 Castlewood, VA. 24224	Leased EPC 244332L24	0.273026%	0.1604	0.00034128	RI
	Hancel Wayne Counts 16486 S. St. Paul Street Castlewood, Va. 24283	Leased EPC 244332L24	0.273026%	0.1604	0.00034128	RI
	Lyndon Carrol Counts 16486 S. St. Paul Street Castlewood, VA. 24283	Leased EPC 244332L24	0.273016%	0.1604	0.00034127	RI
	Virginia Dare Turner Rt. 1, Box 682 Clinchco, VA. 24226	Leased EPC 244332L24	0.273016%	0.1604	0.00034127	RI
	Glenda Sue Turner 4316 Kentland Drive Woodbridge, VA. 22193	Leased EPC 244332L24	0.273016%	0.1604	0.00034127	RI
	Lois Ann Phipps HC 67, Box 153A Dante, VA. 24237	Leased EPC 244332L24	0.273016%	0.1604	0.00034127	RI

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Bascom Kiser and Dallas Brooks Kiser Heirs:						
	Brady Brooks HC 67, Box 245 Dante, Va. 24237	Leased EPC 244332L13	7.644444%	4.4922	0.00955556	RI
Elsie Mae Counts Heirs:						
	Rayford Counts Rt.1, Box 696 Dante, VA. 24237	Leased EPC 244332L25	1.274074%	0.7487	0.00159259	RI
	James E. Counts Rt. 1, Box 344 Clintwood, VA. 24228	Leased EPC 244332L25	1.274074%	0.7487	0.00159259	RI
	Christopher Darrel Counts 5256 Blacksburg Road Troutville, VA. 24175	Leased EPC 244332L25	1.274074%	0.7487	0.00159259	RI
	Linda Gail Chafin Rt. 1, Box 276 Cleveland, VA. 25225	Leased EPC 244332L25	1.274074%	0.7487	0.00159259	RI
	William Larry Counts Rt. 1, Box 276 Cleveland, VA. 25225	Leased EPC 244332L25	1.274074%	0.7487	0.00159259	RI
Junior Lee Counts Heirs:						
	Lora Lee Counts Rt. 1 Box 630 Dante, VA. 24237	Leased EPC 244332L25	0.318529%	0.1872	0.00039816	RI
	Kevin J. Counts Rt. 1, Box 630 Dante, VA. 24237	Leased EPC 244332L25	0.318529%	0.1872	0.00039816	RI
	Anthony Counts P.O. Box 91 Cleveland, VA. 24225	Leased EPC 244332L25	0.318529%	0.1872	0.00039816	RI
	Destia Puckett P.O. Box 91 Cleveland, VA. 24225	Leased EPC 244332L25	0.318529%	0.1872	0.00039816	RI

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	Lula Kiser Johnson Heirs:					
	Anne J. Campbell, widow Rt. 1, Box 42 Cleveland, VA.24225	Leased EPC 244332L03	2.548148%	1.4974	0.00318519	RI
	Inas Counts P.O. Box 2995 Lebanon, VA. 24226	Leased EPC 244332L02	2.548148%	1.4974	0.00318519	RI
	Delphia Combs, widow 32 Train Track Avenue Cleveland, VA 24225	Leased EPC 244332L04	2.548148%	1.4974	0.00318519	RI
	Rufus Counts Kiser Heirs:					
	William Arthur and Sylvia Kiser, H/W 421 Beaugard Drive Chesapeake, VA. 23322	Unleased	0.955656%	0.5615	0.00119457	RI
	Christine and James Kiser, H/W 719 St. Paul Street Newport News, VA. 23605	Unleased	0.955656%	0.5615	0.00119457	RI
	Nellie Kiser Wells, single 2128 A. Street Augusta, GA. 30904	Leased EPC 244332L46	0.955656%	0.5615	0.00119457	RI
	Ama Kiser Vance, widow 409 West Main Street, Apt. 4 Tazewell, VA. 24651	Unleased	0.955556%	0.5615	0.00119444	RI
	Elaine Hankins Craft Heirs:					
	Dave Craft 2700 Willimar Street Richmond, VA. 23234	Unleased	0.546034%	0.3209	0.00068254	RI
	Charles and Lorraine Hankins, H/W 1694 Royal Gate Drive New Braunfels, TX. 78132	Unleased	0.546034%	0.3209	0.00068254	RI
	Feba Clair Bryan Heirs:					
	Ada Karen and Clarence Hayes, H/W 1542 Holly Hills Road Powhatan, VA. 23139	Unleased	0.546034%	0.3209	0.00068254	RI
	Jean Bryan, single 4009 Kanawha Turnpike South Charleston, WV. 25309	Leased EPC 244332L70	0.546035%	0.3209	0.00068254	RI

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Margaret Marie Kiser Perkins Heirs:						
	Oakley Eugene and Dorothy Perkins, H/W 2416 Lamberts Avenue Richmond, VA. 23234	Leased EPC 244332L73	0.364121%	0.2139	0.00045515	RI
	Brenda and James Courtney, H/W 1904 Graves Road Sandston, VA. 23150	Leased EPC 244332L61	0.364121%	0.2139	0.00045515	RI
	Greta and Robert Shaw, H/W 14010 North Carriage lane Midlothian, VA. 23313	Leased EPC 244332L69	0.364121%	0.2139	0.00045515	RI
	Lila Elizabeth Kiser, single 2416 Lamberts Avenue Richmond, VA. 23234	Leased EPC 244332L47	0.955556%	0.5615	0.00119444	RI
Equitable Production Company					0.60200000	WI
Tract 3 Totals			68.800000%	40.4300	68.800000%	
TOTAL GAS ESTATE			100.000000%	58.7700	1.0000	
<u>Coal Estate Only</u>						
1	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490L T-459	7.070000%	4.1600	0.00883750	RI
Equitable Production Company					0.06186250	WI
Tract 1 Totals			7.070000%	4.1600	7.070000%	
2	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 241490L T-866	24.130000%	14.1800	0.03016250	RI
Equitable Production Company					0.21113750	WI
Tract 2 Totals			24.130000%	14.1800	24.130000%	
3	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 244792L TC-214	68.800000%	40.4300	0.08600000	RI

EXHIBIT "B"
VC-551315
SUPPLEMENTAL EXHIBIT "B"
VGOB 06/06/20-1653

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
	Equitable Production Company				0.60200000 WI
<u>Tract 3 Totals</u>			68.800000%	40.4300	68.800000%
TOTAL COAL ESTATE			100.000000%	58.7700	1.00000000

EXHIBIT "E"
VC-551315
Revised 02/04/2013

Gas Estate Only

3 H. F. Kiser Heirs

Dora Belle Musick Heirs:

Delphia Musick Ball, widow P.O. Box 58 Davenport, VA 24239	Leased EPC 244332L30	0.643462%	0.3783
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Sarah E. Musick, widow Rt. 1, Box B2 Cleveland, VA. 24225	Leased EPC 244332L10	0.643462%	0.3783
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Betty Musick, widow Rt. 2, Box 167 Cleveland, VA. 24225	Leased EPC 244332L14	0.643462%	0.3783
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Thelma Musick, widow 950 lot 39 Hillman Highway Abingdon, VA. 24210	Leased EPC 244332L52	0.643462%	0.3783
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Ralph Elwood Musick, single 15177 Douglas Street Culpepper, VA. 22701	Leased EPC 244332L31	0.643462%	0.3783
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Dorothy Johnson, single Rt. 4, Box 177 B Lebanon, VA. 24266	Leased EPC 244332L16	0.643462%	0.3783
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Hubert C. and Jo Anne Musick, H/W P.O. Box 202 Honaker, VA. 24260	Leased EPC 244332L18	0.643462%	0.3783
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Ina Musick, widow 667 Hunting Hill Road Piney Flats, TN. 37686	Leased EPC 244332L53	0.643462%	0.3783
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Willard Wilson Heirs:

Ronald Lewis Wilson Rt. 1, Box 91 Honaker, VA. 24260	Leased EPC 244332L12	0.173837%	0.1021
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Lakie Nears Box 1864 Pace Street Bristol, VA. 24203	Leased EPC 244332L12	0.173837%	0.1021
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Trudie Damron Rt. 1, Box 332 Cleveland, VA. 24225	Leased EPC 244332L12	0.173837%	0.1021
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Kenneth Wilson Heirs:

Freddy Wilson Unknown	Leased EPC 244332L12	0.086969%	0.0510
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Patricia C. Fields Rt. 3, Box 198A Lebanon, VA. 24266	Leased EPC 244332L12	0.086969%	0.0510
Mildred and Claude Kendrick, H/W Star Rt. Box 94 Dublin, VA.24084	Leased EPC 244332L56	0.115925%	0.0681
Edith and William B. Matson, H/W 5678 State Rt. 133 Batavia, OH. 45103	Leased EPC 244332L57	0.115925%	0.0681
Sally Musick, widow Rt. 1, Box 710 Cleveland, VA. 24225	Leased EPC 244332L17	0.115925%	0.0681
Cecil C. and Irene Musick, H/W Rt. 2 Box 114 Cleveland, VA. 24225	Leased EPC 244332L07	0.115925%	0.0681
James Harold and Annie Bea Musick, H/ Rt. 2 Box 76 B Cleveland, VA. 24225	Leased EPC 244332L08	0.115925%	0.0681
Fred Musick, Jr. and Allie Musick, H/W P.O. Box 315 Northeast, MD. 21901	Unleased	0.115925%	0.0681

Clayton Musick Heirs:

Scarlette and Henry Baker, H/W P.O. Box 2374 Lebanon, VA. 24266	Leased EPC 244332L27	0.139090%	0.0817
Sparker Floyd and Dolly Baker 17085 Brumley Gap Road Abingdon, VA. 24210	Leased EPC 244332L28	0.139090%	0.0817
Raymond and Patsy Musick Box 1245 Stuart, VA. 24171	Unleased	0.139090%	0.0817
Samuel Musick 1085 Bellamy Lane Portsmouth, OH. 45663	Unleased	0.139090%	0.0817

Roger M. Musick Heirs:

Keith Allen Musick 25005 Lawrence, Apt. 126 Center Line, MI. 48015	Leased EPC 244332L22	0.069595%	0.0408
Patrick Fitzgerald Musick 25005 Lawrene, Apt. 126 Center Line, MI. 48015	Leased EPC 244332L22	0.069595%	0.0408

Frank P. Kiser Heirs:

Velva Lee and Cloid Breeding, H/W Rt. 1 Box 441 Cleveland, VA. 24225	Leased EPC 244332L23	7.644444%	4.4922
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Carrie Powers Heirs:

Billie Mason and Catherine L. Gilbert, H/ 7442 SE 114th Lane Belleview, FL. 34420	Leased EPC 244332L66	0.212346%	0.1248
Violet and Arlene Combs, H/W 8122 Sinclair Mill Road Manassas, VA. 20112	Leased EPC 244332L67	0.212346%	0.1248
Charolette Lewis, Single 8698 Carlton Drive Manassas, VA. 20112	Leased EPC 244332L71	0.212346%	0.1248
Sharon and Edward L. Preacher, H/W 10807 Warwick Avenue Fairfax, VA. 22030	Leased EPC 244332L72	0.212346%	0.1248
Gladys and Carl Crawford, H/W 9017 Richmond Avenue Manassas, VA. 20110	Leased EPC 244332L74	0.212346%	0.1248
Lorraine and Meredith Crutchfield, H/W p.o. Box 632 South Hill, VA. 23970	Leased EPC 244332L64	0.212346%	0.1248
Phyllis Keene, single 497A Washington Street Romney, WV. 26757	Leased EPC 244332L68	0.212346%	0.1248

Burl Gilbert Heirs:

Ronnie and Vicki Gilbert, H/W RT. 2, Box 28A Cleveland, VA. 24225	Leased EPC 244332L62	0.106173%	0.0624
Regina Gilbert, single Rt. 2, Box 127A Cleveland, VA. 24225	Leased EPC 244332L63	0.106173%	0.0624

Gaynell Howell Heirs:

Brenda and Ferrell Whitt, H/W 255 Brill Road Star Tannery, VA.22654	Leased EPC 244332L65	0.030335%	0.0178
Wanda and Randall Whitt, H/W 140 Cline Drive Gore, VA. 22637	Unleased	0.030335%	0.0178
Carol and Jackie Peacoe, H/W P.O. Box 2 Stephenson, VA. 22656	Unleased	0.030335%	0.0178
Diane Howell, single P.O. Box 414 Hebron, VA. 21830	Unleased	0.030335%	0.0178
Steven Howell Unknown	Unleased	0.030335%	0.0178

Kevin Howell, single 140 Cline Drive Gore, VA. 22637	Unleased	0.030335%	0.0178
Franklin and Karen Framer, H/W 8566 Burlington Court Manassas, VA. 20110	Unleased	0.030335%	0.0178
Alma Pauline Butler, single 334 S. Rogers Street Aberdeen, MD 21001	Leased EPC 244332L05	1.911111%	1.1231
Pridemore and Virginia Zientek Unknown	Unleased	1.911111%	1.1231
Maynard Powers Unknown	Unleased	1.911111%	1.1231

Luther M. Kiser Heirs:

Alma Simerly, single P.O. Box 1624 Honaker, VA. 24260	Leased EPC 244332L15	1.274074%	0.7487
Roland Delmar Kiser, single P.O. Box 194 Cleveland, VA. 24225	Unleased	1.274074%	0.7487
Nettie Glenn Wilson, widow P.O. Box 294 Cleveland, VA. 24225	Leased EPC 244332L01	1.274074%	0.7487
Kennie O'Dell and Thelma Kiser, H/W P.O. Box 62 Cleveland, VA. 24225	Leased EPC 244332L11	1.274074%	0.7487

Hazel Wilson Heirs:

Giles and Charlotte Wilson, H/W Rt. 1, Box 338 Cleveland, VA. 24225	Unleased	0.182011%	0.1070
Roy Lee and Delphia Wilson, H/W HC 4, Box 304 Bee, VA. 24217	Leased EPC 244332L29	0.182011%	0.1070
Alder and Ella Wilson, H/W 1335 E Old Philadelphia Road Elkton, MD. 21921	Leased EPC 244332L33	0.182011%	0.1070
Curtis and Connie Wilson, H/W 1867 E Old Philadelphia Road Elkton, MD. 21921	Leased EPC 244332L34	0.182011%	0.1070
Lonnie G. and Pam Wilson, H/W 3748 Cunningham Road Thomasville, NC 27360	Leased EPC 244332L35	0.182011%	0.1070

Kathy Rosenbaum Canter Heirs:

Wiley Joe Canter	Unleased	0.060670%	0.0357
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Unknown

Johnny Lee Rosenbaum, single 1730 Clifton Road Bristol, TN. 37621	Unleased	0.060670%	0.0357
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Alicia Rosenbaum, single P.O. Box 1114 Bristol, TN. 37621	Unleased	0.060670%	0.0357
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Zelma Head Heirs:

Randall and Teresa Head, H/W 1279 Old Neck Road Elkton, MD. 21921	Leased EPC 244332L43	0.036402%	0.0214
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Wanda and Evan Jones, H/W 995 E Old Philadelphia Road Elkton, MD. 21921	Leased EPC 244332L40	0.036402%	0.0214
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Sharon Lynn and Bobby Jones, H/W 2817 Biggs Highway Northeast, MD. 21901	Unleased	0.036402%	0.0214
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Carolyn Sue and Richard Rinehart, H/W P.O. Box 1054 Rising Sun, MD. 21911	Leased EPC 244332L41	0.036402%	0.0214
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Jack Kelvin Head 89 Tolmax Lane Elkton, MD. 21921	Unleased	0.036402%	0.0214
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Ruby Ethel Kiser (deceased) C/O Kennie O'Dell Kiser P.O. Box 62 Cleveland, VA. 24225	Leased EPC 244332L09	1.274074%	0.7487
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Fred S. Kiser Heirs:

Vadie Kiser Tiller and Edwin Blankenship, H/W 26934 Watauga Road Abingdon, VA. 24211	Leased EPC 244332L60	1.911111%	1.1231
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Maudie Stevens, single HCR 1, Box 405 Birchleaf, VA. 24220	Leased EPC 244332L20	1.911111%	1.1231
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Julie Kiser Heirs:

Anita and Wayne Conaway, H/W HCR 1, Box 409 Birchleaf, VA. 24220	Leased EPC 244332L19	0.955556%	0.5615
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Donnie and Diann Kiser, H/W P.O. Box 72 Lawndale, NC. 28090	Leased EPC 244332L26	0.955556%	0.5615
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Bertie Counts Heirs:

James Albert Counts	Leased EPC	0.273026%	0.1604
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814 Shamrock Drive
Fredericksburg, VA. 22407

244332L24

Marvin Eugene Counts
P.O. Box 178
Castlewood, VA. 24224

Leased EPC
244332L24

0.273026%

0.1604

Hancel Wayne Counts
16486 S. St. Paul Street
Castlewood, Va. 24283

Leased EPC
244332L24

0.273026%

0.1604

Lyndon Carrol Counts
16486 S. St. Paul Street
Castlewood, VA. 24283

Leased EPC
244332L24

0.273016%

0.1604

Virginia Dare Turner
Rt. 1, Box 682
Clinchco, VA. 24226

Leased EPC
244332L24

0.273016%

0.1604

Glenda Sue Turner
4316 Kentland Drive
Woodbridge, VA. 22193

Leased EPC
244332L24

0.273016%

0.1604

Lois Ann Phipps
HC 67, Box 153A
Dante, VA. 24237

Leased EPC
244332L24

0.273016%

0.1604

Bascom Kiser and Dallas Brooks Kiser Heirs:

Brady Brooks
HC 67, Box 245
Dante, Va. 24237

Leased EPC
244332L13

7.644444%

4.4922

Junior Lee Counts Heirs:

Anthony Counts
P.O. Box 91
Cleveland, VA. 24225

Leased EPC
244332L25

0.318529%

0.1872

Destia Puckett
P.O. Box 91
Cleveland, VA. 24225

Leased EPC
244332L25

0.318529%

0.1872

Lula Kiser Johnson Heirs:

Anne J. Campbell, widow
Rt. 1, Box 42
Cleveland, VA.24225

Leased EPC
244332L03

2.548148%

1.4974

Delphia Combs, widow
P.O. Box 303
Cleveland, VA. 24225

Leased EPC
244332L04

2.548148%

1.4974

Rufus Counts Kiser Heirs:

William Arthur and Sylvia Kiser, H/W
421 Beauregard Drive
Chesapeake, VA. 23322

Unleased

0.955656%

0.5615

Christine and James Kiser, H/W

Unleased

0.955656%

0.5615

719 St. Paul Street
Newport News, VA. 23605

Nellie Kiser Wells, single 2128 A. Street Augusta, GA. 30904	Leased EPC 244332L46	0.955656%	0.5615
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Ama Kiser Vance, widow 409 West Main Street, Apt. 4 Tazewell, VA. 24651	Unleased	0.955556%	0.5615
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Elaine Hankins Craft Heirs:

Dave Craft 2700 Willimar Street Richmond, VA. 23234	Unleased	0.546034%	0.3209
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Charles and Lorraine Hankins, H/W 1694 Royal Gate Drive New Braunfels, TX. 78132	Unleased	0.546034%	0.3209
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Feba Clair Bryan Heirs:

Ada Karen and Clarence Hayes, H/W 1542 Holly Hills Road Powhatan, VA. 23139	Unleased	0.546034%	0.3209
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Jean Bryan, single 4009 Kanawha Turnpike South Charleston, WV. 25309	Leased EPC 244332L70	0.546035%	0.3209
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Margaret Marie Kiser Perkins Heirs:

Oakley Eugene and Dorothy Perkins, H/A 2416 Lamberts Avenue Richmond, VA. 23234	Leased EPC 244332L73	0.364121%	0.2139
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Brenda and James Courtney, H/W 1904 Graves Road Sandston, VA. 23150	Leased EPC 244332L61	0.364121%	0.2139
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Greta and Robert Shaw, H/W 14010 North Carriage lane Midlothian, VA. 23313	Leased EPC 244332L69	0.364121%	0.2139
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Lila Elizabeth Kiser, single 2416 Lamberts Avenue Richmond, VA. 23234	Leased EPC 244332L47	0.955556%	0.5615
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TOTAL GAS ESTATE		59.244424%	34.8147
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TR

LESSOR

LEASE
STATUS

INTEREST
WITHIN
UNIT

ACREAGE
WITHIN
UNIT

Coal Estate Only

3	Pine Mountain Oil & Gas, Inc.	Leased-EPC	59.244424%	34.8147
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Attn: Jerry Grantham
P.O. Box 2136
Abingdon, VA 24212

244792L
TC-214

TOTAL GAS ESTATE

59.244424%

34.8147

EXHIBIT "EE"
VC-551315
Revised 2/4/2013

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	
<u>DISBURSEMENT -01</u>					
Gas Estate					
3	Rayford Counts Rt.1, Box 696 Dante, VA. 24237	Leased EPC 244332L25	0.955556%	0.5615	<u>75%</u>
	James E. Counts Rt. 1, Box 344 Clintwood, VA. 24228	Leased EPC 244332L25	0.955556%	0.5615	<u>75%</u>
	Christopher Darrel Counts 5256 Blacksburg Road Troutville, VA. 24175	Leased EPC 244332L25	0.955556%	0.5615	<u>75%</u>
	Linda Gail Chafin Rt. 1, Box 276 Cleveland, VA. 25225	Leased EPC 244332L25	0.955556%	0.5615	<u>75%</u>
	William Larry Counts Rt. 1, Box 276 Cleveland, VA. 25225	Leased EPC 244332L25	0.955556%	0.5615	<u>75%</u>
Junior Lee Counts Heirs:					
	Lora Lee Counts Rt. 1 Box 630 Dante, VA. 24237	Leased EPC 244332L25	0.238896%	0.1404	<u>75%</u>
	Kevin J. Counts Rt. 1, Box 630 Dante, VA. 24237	Leased EPC 244332L25	0.238896%	0.1404	<u>75%</u>
	<u>Total Gas Estate</u>		<u>5.255570%</u>	<u>3.0884</u>	

<u>COAL ESTATE</u>					
3	Range Resources-Pine Mountain PO Box 2136 Abingdon, VA 24212	244792L TC-214	1.751857%	1.0295	<u>25%</u>
	<u>Total Coal Estate</u>		<u>1.751857%</u>	<u>1.0295</u>	

DISBURSEMENT -02

3	Maynard Counts 122 America Street Cleveland, VA 24225	Leased EPC 244332L25	0.955556%	0.5615	<u>75%</u>
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	<u>Total Gas Estate</u>		<u>0.955556%</u>	<u>0.5615</u>	
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COAL ESTATE

3	Range Resources-Pine Mountain PO Box 2136 Abingdon, VA 24212	244792L TC-214	0.318519%	0.1872	<u>25%</u>
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	<u>Total Coal Estate</u>		<u>0.318519%</u>	<u>0.1872</u>	
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DISBURSEMENT -03

Gas Estate Only

3 H. F. Kiser Heirs

Inas Counts Heirs

	Teresa Campbell PO Box 1403 Lebanon, VA 24266	Leased EPC 244332L02	0.955556%	0.5615	<u>75%</u>
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	Cheryl Fields PO Box 332 Rosedale, VA 24280	Leased EPC 244332L02	0.955556%	0.5615	<u>75%</u>
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	<u>Total Gas Estate</u>		<u>1.911112%</u>	<u>1.1230</u>	
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Coal Estate Only

3	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased-EPC 244792L TC-214	0.637037%	0.3744	<u>25%</u>
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	<u>Total Coal Estate</u>		<u>0.637037%</u>	<u>0.3744</u>	
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Pmt Date	Pmt Amount
08/07/2007	\$5,471.91
09/10/2007	\$472.99
10/12/2007	\$403.75
11/08/2007	\$357.62
12/10/2007	\$400.14
01/09/2008	\$447.10
02/08/2008	\$444.47
03/10/2008	\$426.51
04/08/2008	\$435.64
05/07/2008	\$540.18
06/09/2008	\$553.33
07/14/2008	\$671.85
08/07/2008	\$682.35
09/05/2008	\$796.84
10/10/2008	\$541.94
11/07/2008	\$471.83
12/09/2008	\$421.03
01/12/2009	\$349.06
02/11/2009	\$382.18
03/10/2009	\$304.73
04/09/2009	\$219.08
05/12/2009	\$216.70
06/08/2009	\$157.94
07/10/2009	\$163.20
08/12/2009	\$174.25
09/10/2009	\$190.26
10/12/2009	\$148.57
11/09/2009	\$119.23
12/09/2009	\$178.17
01/13/2010	\$214.07
02/10/2010	\$213.50
03/09/2010	\$276.73
04/14/2010	\$265.71
05/10/2010	\$249.04
06/08/2010	\$176.13
07/13/2010	\$191.61
08/10/2010	\$72.00
09/10/2010	\$87.49
10/11/2010	\$82.83
12/09/2010	\$82.22
01/13/2011	\$25.63
02/11/2011	\$9.53
03/11/2011	\$8.44
04/12/2011	\$8.74
05/11/2011	\$24.16
06/11/2011	\$23.48
07/13/2011	\$12.14
08/10/2011	\$10.64
09/12/2011	\$11.74

10/12/2011	\$11.54
11/10/2011	\$9.91
12/09/2011	\$9.86
01/17/2012	\$38.33
02/10/2012	\$17.18
03/12/2012	\$17.78
04/13/2012	\$10.95
05/11/2012	\$15.66
06/12/2012	\$4.65
07/11/2012	\$4.58
08/10/2012	\$5.90
09/12/2012	\$7.64
10/10/2012	\$8.56
11/09/2012	\$6.92
12/12/2012	\$9.14

\$18,367.28

-\$1,584.41 Disbursement -01

\$16,782.87

<u>Unit Name</u>	<u>Docket #</u>	<u>Unit</u>	<u>Beginning</u>	<u>Deposits</u>	<u>Money</u>	<u>CDARS</u>	<u>Fees for</u>	<u>Audit</u>	<u>Ending</u>
VC551315	1653	EQT	\$17,075.09	\$9.14	\$0.36	\$4.45	(\$1.42)	(\$2.00)	\$17,085.62

**PINE MOUNTAIN
Oil and Gas, Inc.**

P.O. Box 2136
406 W. Main Street
Abingdon, Virginia 24212
Phone: (276) 628-9001
Fax: (276) 628-7246



November 7, 2006

Miss Cheryl Fields
P. O. Box 332
Rosedale, Virginia 24280

702835

501853

Re: Permanent Split of CBM Royalty
H. F. Kiser Heirs 87.50 Acre Tract
VC-1853, VC-2835, VC-502832, VC-536070 and VC-551315 Wells
Russell County, Virginia

Dear Miss Fields:

As you are aware, Equitable Production Company ("EPC"), has drilled the referenced coalbed methane gas wells on a tracts of land (the "Property" or "Subject Tract") in which Pine Mountain Oil and Gas, Inc. ("PMOG") owns the coalbed methane gas through its deed from the former coal owner underlying the Property and you own an undivided interest in the gas. The above has created conflicting claims as to the ownership of the coalbed methane gas on the Subject Tract between ("PMOG"), as the owner of the coalbed methane gas through its deed from the former coal owner, and you, as the owner of an undivided interest in the gas. Plats indicating the location of the wells within the operating units are 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, PMOG 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.

PMOG proposes that you receive disbursement of 75% of the proceeds held in the escrow account on the above-mentioned wells and that PMOG receive disbursement of 25% of the proceeds held in the escrow account on the above-mentioned wells. PMOG proposes the same percentage division for all future production payments which may accrue to our conflicting interests from the above-mentioned wells. PMOG 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.

If this division of proceeds is agreeable with you, PMOG will diligently pursue the administrative processes required to secure release of the proceeds in the escrow account to you and PMOG. 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 PMOG 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 an undivided interest in the gas estate underlying the tract attributed to the H. F. Kiser Heirs on the enclosed plats. 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 PMOG in the enclosed self-addressed, stamped envelope. If you have any questions, please do not hesitate to call Phil Horn at 276-619-2583.

Sincerely,

PINE MOUNTAIN OIL AND GAS, INC.

Jerry H. Grantham
Vice President

Enclosures

AGREED TO AND ACCEPTED BY

BY: Cheryl Fields
CHERYL FIELDS

PINE MOUNTAIN OIL AND GAS, INC.

BY: Jerry H. Grantham
JERRY H. GRANTHAM
VICE PRESIDENT

COMMONWEALTH OF VIRGINIA

COUNTY OF RUSSELL, to-wit:

I, Patricia Ann McReynolds, a Notary Public in and for the State and County aforesaid, do hereby certify Cheryl Fields, whose name is 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 11th day of December, 2006.

My commission expires August 31, 2010.

Patricia Ann McReynolds
Notary Public

COMMONWEALTH OF VIRGINIA

COUNTY OF WASHINGTON, to-wit:

I, Philip S Horn, a Notary Public in and for the State and County aforesaid, do hereby certify that Jerry H. Grantham, Vice President of Pine Mountain Oil and Gas, Inc., whose name as such is signed to the writing hereto annexed, bearing date the 17th day of November, 2006, 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 28th day of November, 2006.

My commission expires 11/31/07.

Philip S Horn
Notary Public

QUIT CLAIM DEED

For and in consideration of the sum of (\$1.00) and other consideration, I, Dennis Counts, (GRANTOR), of P.O. Box 332, Rosedale, Virginia 24280 do hereby sell convey and quit claim to Cheryl Fields of P.O. Box 332 Rosedale, Virginia 24280, (GRANTEE) and Teresa Campbell of P.O. Box 1403, Lebanon, Virginia 24266 (GRANTEE) all of my right title and interest in and to the oil, gas and coalbed methane gas under the H. F. Kiser Estate 87.50 acre tract located in Russell County, Virginia; being all of the undivided interest in said tract I inherited from my mother, Eva Inas Counts, deceased.

In addition to the above, it is the intent of the Grantor to convey any other oil, gas and coalbed methane gas that he may own in the State of Virginia to Cheryl Fields and Teresa Campbell.

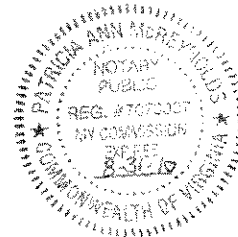
Dennis Counts
DENNIS COUNTS

STATE OF VIRGINIA, COUNTY OF RUSSELL

I Patricia Ann McReynolds, a Notary Public of said County and State, do certify that Dennis Counts whose name is signed to the writing hereto annexed, has this day acknowledged the same before me in said County and State.

Given under my hand this 18th day of October, 2007.

Patricia Ann McReynolds (SEAL)
Notary Public



My commission expires: August 31, 2010

Registration Number: 707 0007

This document prepared by: Cheryl Fields
P.O. Box 332
Rosedale, Virginia 24280

6703348

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF RUSSELL COUNTY, 10-18 2007. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 1.00 o'clock P. M. after payment of \$ _____ tax imposed by Sec. 58.1-402.

Original returned this date to: Dennis Counts

TESTE: Dollie M. Compton, CLERK
BY: Larrie Parlett O. CLERK

LIST OF HEIRS/REAL ESTATE AFFIDAVIT
COMMONWEALTH OF VIRGINIA

Case No. 06-180

Russell County, Circuit Court

Eva Inas Counts (Johnson) 11-7-03
NAME OF DECEDENT DATE OF DEATH

Cheryl Fields
NAME AND ADDRESS OF SUBSCRIBER

P.O. Box 332 Rosedale, VA 24280

I have an interest as heir at law in the real property of the decedent; AND/OR

I qualified in _____ as
NAME OF COURT

the personal representative of the above-named decedent, who died intestate as to the real estate described herein, and who, at the time of death, was seized of real property in this county/city, briefly described as

Castlewood district

The name and last known address of decedent's heirs are:

NAMES OF HEIRS	ADDRESSES	RELATIONSHIP	AGE
Dennis Counts	Rosedale, VA	Son	51
Teresa Campbell	Lebanon, VA	Daughter	37
Cheryl Fields	Rosedale, VA	Daughter	45

Cheryl Fields
SIGNATURE OF SUBSCRIBER

State of Virginia

City/County of Russell to-wit:

Subscribed and sworn to before me by Cheryl Fields

this 26th day of October, 2006

My commission expires:

Jennifer Kendrick
CLERK/DEPUTY CLERK/NOTARY PUBLIC

VIRGINIA: In the Clerk's Office of the Russell Co. Circuit Court this 26th day of October, 2006 the foregoing LIST OF HEIRS was filed and admitted to record.

Teste: *Jennifer Kendrick*
CLERK

**PINE MOUNTAIN
Oil and Gas, Inc.**

P.O. Box 2136
406 W. Main Street
Abingdon, Virginia 24212
Phone: (276) 628-9001
Fax: (276) 628-7246



November 7, 2006

Mrs. Teresa Cambell and Mr. Russell Campbell
P. O. Box 1403
Lebanon, Virginia 24266

702835

501853

Re: Permanent Split of CBM Royalty
H. F. Kiser Heirs 87.50 Acre Tract
VC-1853, VC-2835, VC-502832, VC-536070 and VC-551315 Wells
Russell County, Virginia

Dear Mrs. and Mr. Campbell:

As you are aware, Equitable Production Company ("EPC"), has drilled the referenced coalbed methane gas wells on a tracts of land (the "Property" or "Subject Tract") in which Pine Mountain Oil and Gas, Inc. ("PMOG") owns the coalbed methane gas through its deed from the former coal owner underlying the Property and you own an undivided interest in the gas. The above has created conflicting claims as to the ownership of the coalbed methane gas on the Subject Tract ~~between ("PMOG"), as the owner of the coalbed methane gas through its deed from the former coal owner, and you, as the owner of an undivided interest in the gas.~~ Plats indicating the location of the wells within the operating units are 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, PMOG 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.

PMOG proposes that you receive disbursement of 75% of the proceeds held in the escrow account on the above-mentioned wells and that PMOG receive disbursement of 25% of the proceeds held in the escrow account on the above-mentioned wells. PMOG proposes the same percentage division for all future production payments which may accrue to our conflicting interests from the above-mentioned wells. PMOG 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.

November 7, 2006

Page 2 of 3

If this division of proceeds is agreeable with you, PMOG will diligently pursue the administrative processes required to secure release of the proceeds in the escrow account to you and PMOG. 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 PMOG 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.

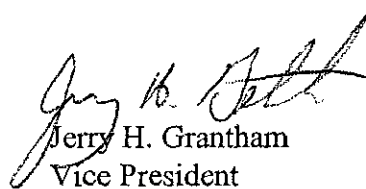
By entering into this letter agreement, you confirm that you are the current record title owner of an undivided interest in the gas estate underlying the tract attributed to the H. F. Kiser Heirs on the enclosed plats. If you are not the current gas owner, please notify us immediately.

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 PMOG in the enclosed self-addressed, stamped envelope. If you have any questions, please do not hesitate to call Phil Horn at 276-619-2583.

Sincerely,

PINE MOUNTAIN OIL AND GAS, INC.


Jerry H. Grantham
Vice President

Enclosures

AGREED TO AND ACCEPTED BY

BY: Teresa Campbell
TERESA CAMPBELL

Russell Campbell
RUSSELL CAMPBELL

PINE MOUNTAIN OIL AND GAS, INC.

BY: Jerry H. Grantham
JERRY H. GRANTHAM
VICE PRESIDENT

COMMONWEALTH OF VIRGINIA

COUNTY OF RUSSELL, to-wit:

I, Terri P. Garrett, a Notary Public in and for the State and County aforesaid, do hereby certify Teresa Campbell and Russell Campbell, whose names are signed to the writing hereto annexed, have this day acknowledged the same before me, in said County and State.

Given under my hand and notarial seal this the 20th day of December, 2006.

My commission expires 4/30/08.

Terri P. Garrett
Notary Public

COMMONWEALTH OF VIRGINIA

COUNTY OF WASHINGTON, to-wit:

I, Philip S Horn, a Notary Public in and for the State and County aforesaid, do hereby certify that Jerry H. Grantham, Vice President of Pine Mountain Oil and Gas, Inc., whose name as such is signed to the writing hereto annexed, bearing date the 17th day of November, 2006, 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 28th day of November, 2006.

My commission expires 1/31/07.

Philip S Horn
Notary Public