

VIRGINIA: BOOK 527 PAGE 1

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

REVISED SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB-93-0216-0328

ELECTIONS: UNIT Q-40  
(herein "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on December 6, 1993 which was recorded at Deed Book 416, Page 814 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on December 16, 1993, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed POCAHONTAS GAS PARTNERSHIP (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates that the escrow of funds is required with regard to Unit Q-40;

Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust PA1328, 123 Broad Street, Philadelphia, PA 19109-1199, Telephone: (215) 985-3485 or (800) 664-9359, Attn: Don Ballinghoff, or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore. The respondents listed in Exhibit B-2 to the Affidavit of Elections are dismissed.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow or who is hereby dismissed and whose address is known within seven seven (7) days from the date of receipt of this Order.

Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

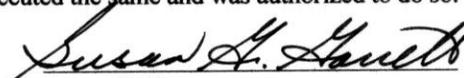
Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 28<sup>th</sup> day of June, 2001, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

STATE OF VIRGINIA  
COUNTY OF WISE

Acknowledged on this 28<sup>th</sup> day of June, 2001, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

  
Susan G. Garrett  
Notary

My commission expires: July 31, 2003

DONE AND PERFORMED THIS 5<sup>th</sup> day of July, 2001, by Order of the Board.

  
B. R. Wilson,  
Director of the Division of Gas & Oil Board and  
Principal Executive to the Board

STATE OF VIRGINIA  
COUNTY OF WASHINGTON

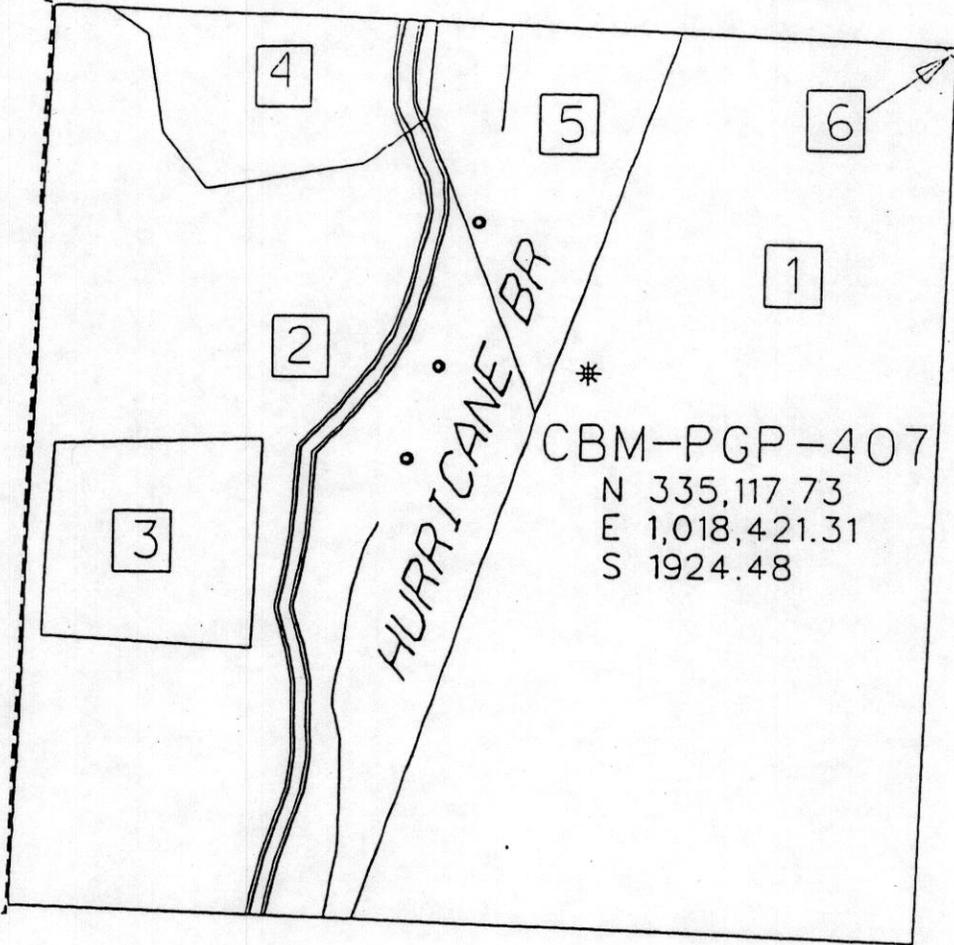
Acknowledged on this 5<sup>th</sup> day of July, 2001, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Director of the Division of Gas & Oil Board and Principal Executive to the Board, that he executed the same and was authorized to do so.

  
Diane J. Davis, Notary

My commission expires: July 31, 2002

N 335,881  
E 1,017,310

N 335,810  
E 1,019,175



N 334,010  
E 1,017,243

N 333,939  
E 1,019,109

LEGEND:

- TRACT LAND HOOK
- \* EXISTING CBM WELL
- 1 TRACT LAND ID'S

EXHIBIT B1  
OAKWOOD FIELD UNIT Q-40  
FORCE POOLING  
VGOB-93/02/16-0328

COMPANY POCAHONTAS GAS PARTNERSHIP WELL NAME AND NUMBER Q-40

TRACT NO.        ELEVATION        QUADRANGLE JEWELL RIDGE

COUNTY BUCHANAN DISTRICT GARDEN SCALE: 1" = 400' DATE 1/12/93

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

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

*Claude P. Morgan* (AFFIX SEAL)  
LICENSED PROFESSIONAL ENGINEER

**POCAHONTAS GAS PARTNERSHIP**  
**UNIT Q-40**  
**Tract Identifications**

1. Coal Mountain Mining Tr 26 - Coal, Oil & Gas  
Reserve Coal Properties - Below drainage coal Leased  
United Coal Company/A. T. Massey Coal Co. - Above drainage coal Leased  
Pocahontas Gas Partnership - Oil & Gas, CBM Leased  
39.06 acres                      48.8250 %
  
2. Metcalf Estate - Coal, Oil & Gas  
Island Creek Coal Co. - Below drainage coal Leased (except P3 seam)  
Reserve Coal Properties - P3 seam Leased  
Pocahontas Gas Partnership - Oil & Gas, CBM Leased  
28.47 acres                      35.5875 %
  
3. Reserve Coal Properties - Fee  
3.73 acres                      4.6625 %
  
4. Franks Estate Tr. 8 - ½ Coal, Oil & Gas  
Clyborne, Inc. - ½ Coal Above Jawbone Seam  
Clyborne, Inc. - ½ Oil & Gas  
Reserve Coal Properties - ½ Coal Jawbone & Below  
Reserve Coal Properties - ½ Coal Jawbone & Below Leased  
Pocahontas Gas Partnership - Oil & Gas, CBM Leased  
3.47 acres                      4.3375 %
  
5. Hurt McGuire Heirs - Coal  
Reserve Coal Properties - Below drainage coal Leased  
Jewell Smokeless - Above drainage coal Leased  
Pocahontas Gas Partnership - CBM Leased  
W. B. McDonald - Oil & Gas  
5.12 acres                      6.4000 %
  
6. Hurt McGuire Heirs - Coal  
Reserve Coal Properties - Below drainage coal Leased  
Jewell Smokeless - Above drainage coal Leased  
Pocahontas Gas Partnership - CBM Leased  
W. B. McDonald - Oil & Gas  
0.15 acres                      0.1875 %

Docket No. VGOB-93-0216-0328  
List of Owners/Claimants to be Dismissed

	Net Acres in Unit	Interest in Unit	Reason for Dismissal
<b>I. <u>COAL FEE OWNERSHIP</u></b>			
<b><u>Tract #3 - 4.07 acres</u></b>			
(1) Martin Short 1322 Farmer Street Richlands, VA 24641	4.07 acres	5.08750%	Purchased

Exhibit EE  
 Unit Q-40  
 Docket No. VGOB-93-0216-0328      BOOK 527 PAGE 9  
 List of Owners/Claimants with Royalty Split Agreements

	Net Acres in Unit	Interest in Unit
<b><u>Tract #4 - 2.53 acres</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Franks Estate, et al., Tr. 8	2.53 acres	3.16250%
(c) Reserve Coal Properties (1/2 coal below jawbone) P. O. Box 947 Bluefield, VA 24605	1.265 acres 1/2 of 2.53 acres	1.58125%

**OIL & GAS FEE OWNERSHIP**

(1) Franks Estate, et al., Tr. 8	2.53 acres	3.16250%
(b) Ronald A. Clyborne 9325 Olympic View Drive Edmonds, WA 98020	1.265 acres 1/2 of 2.53 acres	1.58125%

CASE : 027C1R010001974  
 RPT : 0100003730  
 BUCHANAN COUNTY COURT

INSTRUMENT #D10001974  
 RECORDED IN THE CLERK'S OFFICE OF  
 BUCHANAN COUNTY ON  
 JULY 12, 2001 AT 11:04AM

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 12<sup>th</sup> day of July, 2001 M. Deed Book No. 527 and Page No. 01A.  
 Returned this date to: Nam Adams TESTE: James M. Bevens, Jr., Clerk  
Mailed TESTE: Patricia Jones, Deputy Clerk