

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING
ELECTIONS: UNIT PKG-18
(herein "Subject Drilling Unit")

DOCKET NUMBER 94/04/19-0438

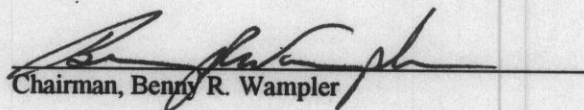
REPORT OF BOARD

FINDINGS AND ORDER

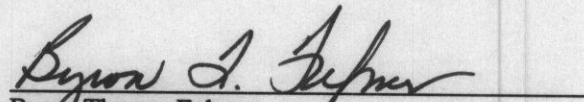
1. This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on December 20, 1994 and April 21, 1994; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for the subject Docket on September 29, 1994, and recorded in Deed Book 427, Page 748, in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on October 3, 1994 (herein "Pooling Order"). The Pooling Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the exhibits attached and made a part of the Pooling Order. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Pooling Order directed Ashland Exploration, Inc. (herein the "Designated Operator"), to mail copies of said Order to all Respondents whose interests, if any, were pooled by the Pooling Order;
 - (b) The Designated Operator filed its affidavit of mailing attached hereto, disclosing that it had mailed a true and correct copy of the Pooling Order to all Respondents whose interests, if any, were pooled by the Pooling Order;
 - (c) The Pooling Order required each Respondent whose interest, if any, were pooled by the terms of said Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit, a copy of which is attached, in accordance with 7.c of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, if any, were pooled by the Pooling Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, deemed, under the terms of the Pooling Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;
 - (d) The Pooling Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests, if any, subject to escrow under the terms and provisions of the Board Order, in light of the election made or deemed to have been made (herein "Statement of Interests").
 - (e) Current Board standards requiring escrow of funds and the Board's agreement with its Escrow agent, First Virginia Bank-Mt. Empire, P.O. Box 1038, Abingdon, Virginia 24212, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof, if any, subject to escrow.

3. Order: An examination of the exhibits attached to the Pooling Order indicate that there are no unknown or unlocatable owners whose gas interests were pooled by the Pooling Order and are therefore subject to the escrow requirements of Va. Code § 45.1-361.21 or the terms of the Pooling Order. Therefore, unless and/or until otherwise ordered by the Board, the Escrow Agent, First Virginia Bank-Mt. Empire, is not required to establish interest-bearing escrow account(s) to receive from the Designated Operator funds attributable to Respondents' Gas interests in Subject Drilling Unit or to account to the Board therefore.
4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney 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 within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 20th day of December, 1998, by a majority of the Virginia Gas and Oil Board.

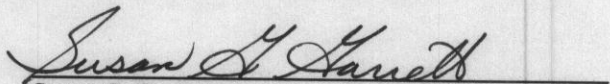

Chairman, Benny R. Wampler

DONE AND PERFORMED this 28th day of December, 1998, by Order of the Board.


Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNT OF WISE)

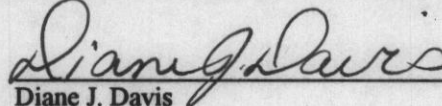
Acknowledged on this 20th day of December, 1998, personally appeared before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary

My commission expires July 31, 2002

STATE OF VIRGINIA)
COUNT OF WASHINGTON)

Acknowledged on this 28th day of December, 1998, personally appeared before me a notary public in and for the Commonwealth of Virginia, appeared Byron T. Fulmer, 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

My commission expires September 30, 2001

VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Ashland Exploration, Inc. for Forced Pooling of Interests in Unit Number PKG-18 VGOB Docket No. 94/04/19-0438 in Buchanan County, Virginia

AFFIDAVIT OF Ashland Exploration, Inc. (hereinafter "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

J. Grant McGuire (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is the Designated Operator's counsel, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on September 29, 1994, by the Virginia Gas and Oil Board regarding the captioned (CBM or conventional) Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2 above, your Affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that annexed hereto and incorporated herein are copies of the letters of transmittal, receipts for certified mail, and return receipts pertaining to said mailing;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on March 31, 1994.
5. That the Designated Operator, Ashland Exploration, Inc., has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

None.
6. That no election was made by any person and such persons are deemed to have leased.

7. That the following interests and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

None.
8. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interests and/or claims which are not subject to escrow and should, therefore, be dismissed as Respondents:

None.
9. That pursuant to the provisions of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth and identifies the conflicting claims and/or interests which require escrow of funds pursuant to the terms of §§45.1-361.21.D, 45.1-361.22.A.3 and 4;

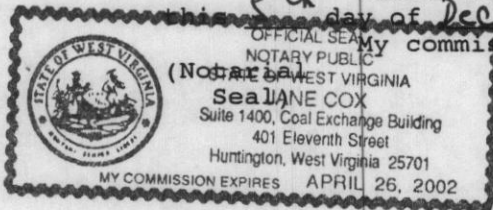
Dated at Huntington, this 5 day of Dec, 1994.

J. Dr. Lini

Affiant

STATE OF WEST VIRGINIA,
COUNTY OF CABELL, TO-WIT:

Taken, subscribed and sworn to before me, the undersigned authority, this 5th day of December, 1994.



(Notary Public)
JANE COX

Suite 1400, Coal Exchange Building
401 Eleventh Street
Huntington, West Virginia 25701

MY COMMISSION EXPIRES APRIL 26, 2002

My commission expires

April 26, 2002
Jane Cox
Notary Public

EXHIBIT C

Owners and Potential Owners of Gas and Oil

Name/Address

1. Day Heirs:

Gladys McGlothin
1927 5th Street
Richlands, VA 24641

Grace Goss
P.O. Box 382
Doran, VA 24612

A.G. Day and Carrie Day
Box 31
Rosedale, VA 24280

Mildred D. Hunsaker
C/O Anthony Craig Hunsaker
P.O. Box 612
Richlands, VA 24641

Perry P. Day and Mildred A. Day
2708 Meadow Drive
Akron, OH 44312

Juanita D. Jewell and Joshua T. Jewell
2719 Mohican Drive
Akron, OH 44312

William A. Altizer and Virginia Altizer
General Delivery
Jewell Ridge, VA 24622

Lera Short and Elmer D. Short
P. O. Box 1423
Cedar Bluff, VA 24609

Rufus B. Altizer, Jr. and Glenna N. Altizer
P. O. Box 125
Jewell Ridge, VA 24622

John H. Altizer and Helen Altizer
HCR 63 Box 33
Jewell Ridge, VA 24622

Virginia E. Smith and Raymond S. Smith
P. O. Box 335
Doran, VA 24612

Henry Altizer and Helen Merlene Altizer
General Delivery
Jewell Ridge, VA 24622

Mollie Belle A. Meadows and Tivis Meadows
P. O. Box 321
Pounding Mill, VA 24637

Ruby A. Ward and Thomas D. Ward
General Delivery
Pilgrims Knob, VA 24634

Ollie Kate Honaker and Carlos A. Honaker
Rt. 4, Box 270
Ozard, AL 36360

Sadie MacKey
General Delivery
Cedar Bluff, VA 25609

Harold Altizer
General Delivery
Shortt Gay, VA 24647

Emery Altizer
Rt. 2
Cedar Bluff, VA 24609

A. Landon Altizer and Ineda Altizer
P. O. Box 32
Shortt Gap, VA 24647

Edna A. Lawson
P. O. Box 295
Raven, VA 24639

Robert B. Altizer and Susan H. Altizer
P. O. Box 718
Tazewell, VA 24651

Mary Sue Newsome
1809 Montavista Drive
Pulaski, VA

Johnny E. Altizer and Betsy C. Altizer
Box 1002
Richlands, VA 24641

Janis A. Humphrey
P. O. Box 9-A
Richlands, VA 24641

James Altizer
12831 Percival Street
Chester, VA 23831

Edna Day
15606 Carrollton Blvd.
Carrollton, VA 23314

Hazel D. Mathews
4221 Twin Pine Road
Portsmouth, VA 23703

Sybil D. Baldwin and James E. Baldwin
15616 Carrollton Blvd.
Carrollton, VA 23314

Edith D. Ratliff and Ralph Ratliff
Box 1894
Abingdon, VA 24210

Ola Gay D. Jordan and Melvin R. Jordan
15281 Turner Drive
Smithfield, VA 23430

K. David Day and Sylvia S. Day
15562 Carrollton Blvd.
Carrollton, VA 23314

Thelma F. Day Lovelace and Glen Lovelace
22801 Rein Street
East Detroit, MI 48021

Debra D. Williamson and Jack Williamson
15590 Carrollton Blvd.
Carrollton, VA 23314

Glen A. Day
6017 Jefferson Avenue
Newport News, VA 23605

Hobert W. Day and Rebekah Day
526 Onancock Trail
Newport News, VA 23602

Pernell A. Day
Rt. 1, Box 152
Carrollton, VA 23314

Allie S. Gillespie and Troy Gillespie
Rt. 1, Box 150
Carrollton, VA 23314

Windle A. Day and Caroline Day
P. O. Box 266
Carrollton, VA 23314

Annette Day
P. O. Box 266
Carrollton, VA 23314

Paul T. Chambers
Rt. 1, Pea Patch
Jewell Ridge, VA 24622

Ralph E. Chambers and Shirley B. Chambers
Rt. 1, Box 530
Pounding Mill, VA 24637

Rex T. Chambers and Delma H. Chambers
609 Virginia Avenue
Richlands, VA 24641

Homer C. Chambers
Rt. 1, Pea Patch
Jewell Ridge, VA 24622

Jerry T. Chambers
86221 Waterworks Road
Hopedale, OH 43976

Gaynell C. Horton and Donald C. Horton
General Delivery
Raven, VA 24639

Maybell C. Cole and Donald L. Cole
HCR 63, Box 58
Jewell Ridge, VA 24622

Leased
Bernice C. Nelson and Ronnie Nelson
HCR 63, Box 27
Jewell Ridge, VA 24622

Carol C. Nelson and Clyde A. Nelson
HCR 63, Box 21
Jewell Ridge, VA 24622

2. Buchanan Production Company
(Gas lessee from certain Day Heirs)
C/O Consolidation Coal Company
29 College Avenue
P. O. Box 890
Bluefield, WV 24605-0890
3. Oxy USA
(Gas lessee from certain Day Heirs)
C/O Consolidation Coal Company
29 College Avenue
P. O. Box 890
Bluefield, WV 24605-0890

4. Rogers Heirs -

Lon B. Rogers Bradshaw Trust
Fon Rogers, II, Trustee
403 Quality Place
300 East Main Street
Lexington, KY 40507

4b. Gregory Poulos
48 Azalee Avenue
Inglis, FL 32649

4c. Shaun Rogers
7 Main Street
St. Johnsbury, VT 05819

4d. Pamela Poulos
1444 Mendavia Avenue
Coral Gables, FL 33146

4e. Jason Poulos
10870 SW 95th Street
Miami, FL 33176

4f. Kevin Rogers
3975 20th Street, Suite J
Vero Beach, FL 32960

4g. James L. Rogers, III
U/W of James L. Rogers, Jr.
P. O. Box 365
Greenville, KY 42345

4h. T. G. Rogers, III
730 Walnut Forest Road Apt. L
Winston Salem, NC 27103

4i. Lloyd E. Painter, Trustee For
Derek B. Rogers
P. O. Box 385
Greenville, KY 42345

VGOB-94/04/19-0438
PKG-18Owners and Potential Owners of Coal or Minerals

Same as above list of gas owners and including:

1. Jewell Smokeless Coal Corporation (coal lessee)
P. O. Box 70
Vansant, Virginia 24656
2. Jewell Ridge Coal Co. (coal lessee)
P. O. Box 7
Dante, Virginia 24237
3. Island Creek Coal Co. (coal lessee)
Drawer L
Oakwood, Virginia 24631

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EXHIBIT D

Unleased Owners and Potential Owners of Gas
And their interests

<u>Name/Address</u>	<u>Interest In Tract</u>	<u>Interest In Unit by Acreage and by Percent</u>
1. <u>Day Heirs:</u>		
Mildred D. Hunsaker C/O Anthony Craig Hunsaker P.O. Box 612 Richlands, VA 24641	1/18	2.177776 ac. 1.209999%
William A. Altizer and Virginia Altizer* General Delivery Jewell Ridge, VA 24622	1/120	.326665 ac. .181499%
Lera Short and Elmer D. Short* P. O. Box 1423 Cedar Bluff, VA 24609	1/120	Same as above
Rufus B. Altizer, Jr. and Glenna N. Altizer* P. O. Box 125 Jewell Ridge, VA 24622	1/120	Same as above
John H. Altizer and Helen Altizer* HCR 63 Box 33 Jewell Ridge, VA 24622	1/120	Same as above
Virginia E. Smith and Raymond S. Smith P. O. Box 335 Doran, VA 24612	1/120	Same as above
Mollie Belle A. Meadows and Tivis Meadows* P. O. Box 321 Pounding Mill, VA 24637	1/120	Same as above

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Ruby A. Ward and Thomas D. Ward* General Delivery Pilgrims Knob, VA 24634	1/120	Same as above
Ollie Kate Honaker and Carlos A. Honaker* Rt. 4, Box 270 Ozard, AL 36360	1/120	Same as above
Sadie MacKey General Delivery Cedar Bluff, VA 25609	1/120	Same as above
<i>David</i> Janis A. Humphrey P. O. Box 9-A Richlands, VA 24641	1/350	.111998ac. .062228%
Edna Day** 15606 Carrollton Blvd. Carrollton, VA 23314	1/8	4.9ac. 2.7225%
Hazel D. Mathews** 4221 Twin Pine Road Portsmouth, VA 23703	1/56	6.99998ac. .388927%
Sybil D. Baldwin and James E. Baldwin** 15616 Carrollton Blvd. Carrollton, VA 23314	1/56	Same as above
Edith D. Ratliff and Ralph Ratliff** Box 1894 Abingdon, VA 24210	1/56	Same as above
Ola Gay D. Jordan and Melvin R. Jordan** 15281 Turner Drive Smithfield, VA 23430	1/56	Same as above
K. David Day and Sylvia S. Day** 15562 Carrollton Blvd. Carrollton, VA 23314	1/56	Same as above

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Thelma F. Day Lovelace and Glen Lovelace** 22801 Rein Street East Detroit, MI 48021	1/112	.349997ac. .194463%
Allie S. Gillespie and Troy Gillespie** Rt. 1, Box 150 Carrollton, VA 23314	1/112	Same as above
Debra D. Williamson and Jack Williamson** 15590 Carrollton Blvd. Carrollton, VA 23314	1/448	.0875 ac. .048615%
Glen A. Day** 6017 Jefferson Avenue Newport News, VA 23605	1/448	Same as above
Hobert W. Day and Rebekah Day** 526 Onancock Trail Newport News, VA 23602	1/448	Same as above
Pernell A. Day** Rt. 1, Box 152 Carrollton, VA 23314	1/448	Same as above
Windle A. Day and Caroline Day** P. O. Box 266 Carrollton, VA 23314	1/224	.174996ac. .09723%
Annette Day** P. O. Box 266 Carrollton, VA 23314	1/224	Same as above
Paul T. Chambers Rt. 1, Pea Patch Jewell Ridge, VA 24622	1/24	1.63331ac. .907498%
Ralph E. Chambers and Shirley B. Chambers Rt. 1, Box 530 Pounding Mill, VA 24637	1/192	.204165ac. .133437%

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Homer C. Chambers 1/192 Same as above
Rt. 1, Pea Patch
Jewell Ridge, VA 24622

Jerry T. Chambers 1/192 Same as above
86221 Waterworks Road
Hopedale, Ohio 43976

Maybell C. Cole and Donald L. Cole 1/192 Same as above
HCR 63, Box 58
Jewell Ridge, VA 24622

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Bernice C. Nelson and Ronnie Nelson 1/192 Same as above
HCR 63, Box 27
Jewell Ridge, VA 24622

Carol C. Nelson and Clyde A. Nelson 1/192 Same as above
HCR 63, Box 21
Jewell Ridge, VA 24622

2. Buchanan Production Company
C/O Consolidation Coal Company
29 College Avenue
P. O. Box 1289
Bluefield, WV 24605
(Lessee of owners identified by "**")

3. Oxy USA
C/O Consolidation Coal Company
29 College Avenue
P. O. Box 1289
Bluefield, WV 24605-0890
(Lessee of owners identified by "**")

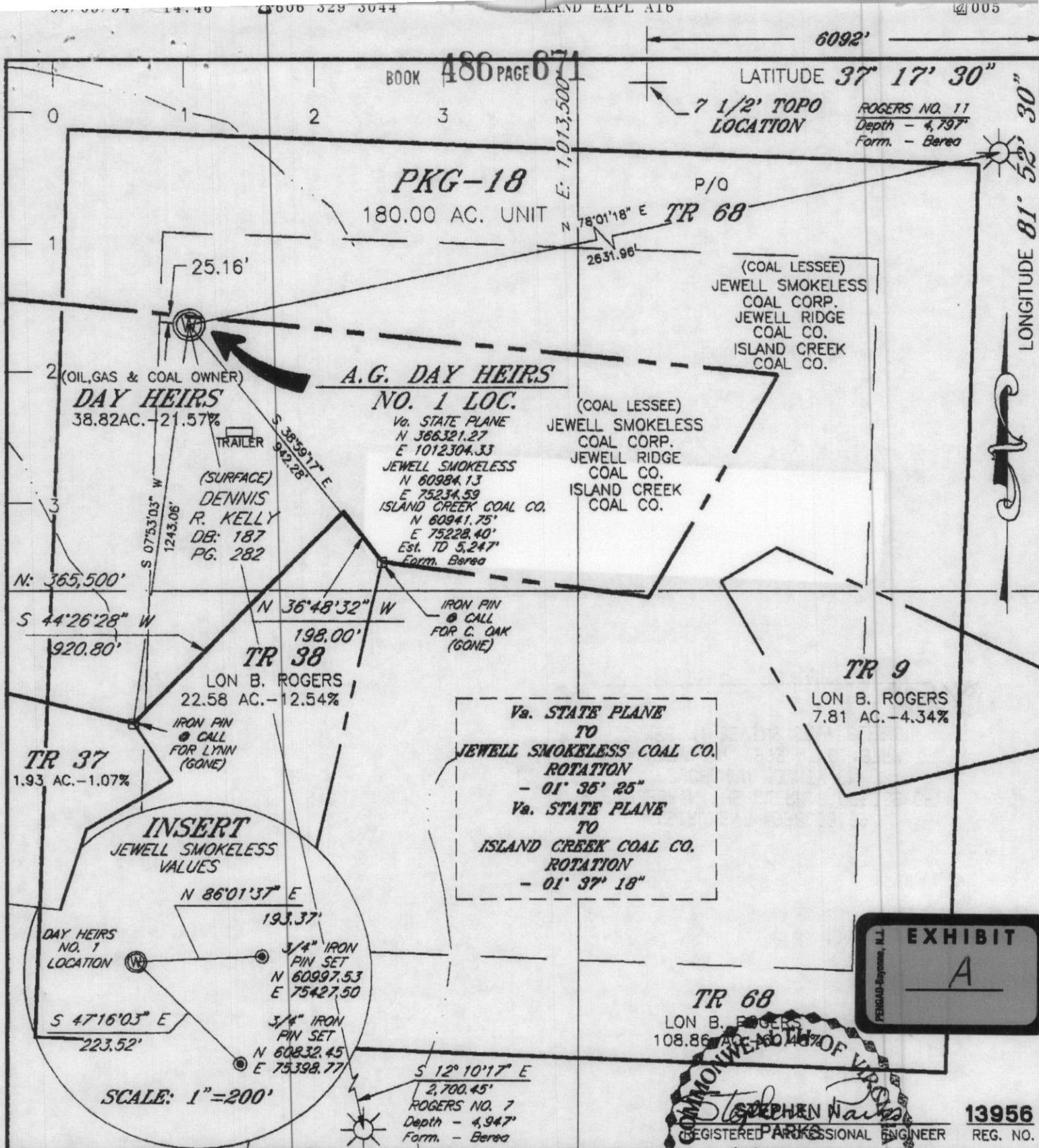
* = Leased by Buchanan Production Company
** = Interest Leased by Oxy, USA

VGOB-94/04/19-0438
PKG-18

EXHIBIT F

Unlocated Gas, Oil, Coal and Mineral Owners

None



COMPANY ASHLAND EXPLORATION, INC.

LEASE NAME A.G. DAY HEIRS

TRACT ACRES 46.0 LEASE NO. 70993

WELL NO. 1-PKG-18 SERIAL NO. 142771

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 6th day of January, 1999.

Deed Book No. and Page No. TESTE: James M. Bevins, Jr. Clerk

Returned this date to; TESTE: Glenn S. Siller Deputy Clerk

2933

#

CLERK'S OFFICE CIRCUIT COURT
BUCHANAN COUNTY, VIRGINIA

Filed and admitted to record,
this 17th day of OCT, 1994
at 1:25 o'clock P.M.

Recorded Deed Book	Page
039 State Tax	
213 County Tax	
212 Transfer	
301 Recording	<u>32.00</u>
038 State Tax	
220 Local Tax	
145 VSLF	<u>1.00</u>
Total	<u>33.00</u>

Teste James M. Bevins, Jr., Clerk
By _____ D.C.

Department of Mines,
Mineral & Energy