

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: RATLIFF GAS COMPANY, INC.)

) VIRGINIA GAS
) AND OIL BOARD

RELIEF SOUGHT: POOLING OF INTERESTS IN)
 DRILLING UNIT NO. U-19/B)
 LOCATED IN THE OAKWOOD)
 COALBED METHANE GAS FIELD II)
 PURSUANT TO SECTION)
 45.1-361.22, CODE OF)
 VIRGINIA, 1950 AS AMENDED,)
 FOR THE PRODUCTION OF)
 OCCLUDED NATURAL GAS PRODUCED)
 FROM COALBEDS AND ROCK STRATA)
 ASSOCIATED THEREWITH)
 (herein collectively referred)
 to as "Coalbed Methane Gas")
 or "Gas"))

) DOCKET NO.
) 94-1024-0475

LEGAL DESCRIPTION:

DRILLING UNIT NUMBER U-19/B TO BE SERVED)
 BY RATLIFF WELL #1 (Hereafter "Subject)
 Drilling Unit") IN THE OAKWOOD COALBED)
 METHANE GAS FIELD II,)
 HURRICANE MAGISTERIAL DISTRICT,)
 VANSANT QUADRANGLE,)
 BUCHANAN COUNTY, VIRGINIA)
 (the "Subject Lands" are more)
 particularly described on Exhibit)
 "A", attached hereto and made a)
 part hereof))

REPORT OF THE BOARDFINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on January 17, 1995, Ratliff Hall, Southwest Virginia Education 4-H Center, Abingdon, Virginia.

2. Appearances: S. T. Mullins, Esquire, of Street, Street, Street, Scott & Bowman, appeared for the Applicant; Thomas Pruitt, Esquire, of Robinson, Cecil & Pruitt, appeared for Layman Wyatt, Trustee; Mark Swartz, Esquire, of Kay, Casto, Chaney, Love & Wise, appeared for Buchanan Production Company and for Island Creek Coal Company; and Sandra B. Riggs, Assistant Attorney General was present to advise the Board.

3. Jurisdiction and Notice: Pursuant to Sections 45.1-361.1 et seq., Virginia Code, 1950 as amended, the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a search of the reasonably available sources to determine the identity and whereabouts of gas and oil owners, coal owners, mineral owners and potential owners of interests in the Coalbed Methane Gas in all coal seams below the Tiller Seam, including the Upper Seaboard, Greasy Creek, Middle Seaboard, Lower Seaboard, Upper Horsepen, Middle Horsepen, War Creek, Lower Horsepen, Pocahontas No. 9, Pocahontas No. 8, Pocahontas No. 7, Pocahontas No. 6, Pocahontas No. 5, Pocahontas No. 4, Pocahontas No. 3, Pocahontas No. 2 and various unnamed coalbeds and rock strata

associated therewith (hereafter "Subject Formation") in Subject Drilling Unit underlying and comprised of Subject Lands; (2) has given notice to all such parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code §§ 45.1-361.19 and 45.1-361.22, to notice of this Application; and (3) that the persons set forth in Exhibit C hereto are persons identified by Applicant through its due diligence who may be potential owners of interests in the Coalbed Methane Gas in Subject Formation, in Subject Drilling Unit, underlying and comprised of Subject Lands (herein sometimes referred to as "Potential Gas Owners"), including those persons listed in Exhibit D who have not heretofore agreed to lease or sell to the Applicant or voluntarily pool their Gas interests. The coal, oil and gas tracts in which Applicant claim no interest are listed in Exhibit D. The known parties with conflicting ownership claims and the percentage of interests to be escrowed are shown in Exhibit B. Further, the Board has caused notice of this hearing to be published as required by § 45.1-361.19B, Virginia Code, 1950 as amended. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: Exhibit D to reflect net acreage along with net percentage of ownership within Subject Drilling Unit.

5. Dismissals: Luther and Molly Meadows and Buchanan Investment Company based upon Applicant's representations that these parties were listed for the purpose of giving notice to them as owners within an adjacent drilling unit, but that they do not own interests within Subject Drilling Unit.

6. Relief Requested: Applicant requests (1) that pursuant to §§ 45.1-361.22, including the applicable portions of § 45.1-361.21, Code of Virginia, 1950 as amended, the Board pool all the rights, interests and estates in and to the Gas in Subject Drilling Unit, including the pooling of the interests of the known and unknown persons named in Exhibit C hereto and that of their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, for the drilling and operation, including production, of Coalbed Methane Gas, produced from the Subject Drilling Unit established for the Subject Formation underlying and comprised of the Subject Lands, (hereafter sometimes collectively identified and referred to as "well development and/or operation in the Subject Drilling Unit"), and (2) that the Board designate Ratliff Gas Company, Inc. as Unit Operator.

7. Relief Granted: The requested relief in this cause be and hereby is granted: (1) Pursuant to Sections 45.1-361.21.C.3, Code of Virginia, 1950 as amended, Ratliff Gas Company, Inc. (hereafter "Unit Operator") is designated as the Unit Operator authorized to drill and operate one (1) well in the Subject Drilling Unit, subject to: the permit provisions contained in Section 45.1-361.27 et seq., Code of Virginia, 1950 as amended; to the Oakwood Coalbed Methane Gas Field II Board's Order 91-1119-0162 effective as of December 17, 1992, as amended by Board's Order in Docket Nos. 93-0216-0336 and 93-0316-0349; to § 480-05-22.1 et seq., Gas and Oil Regulations; and to § 480-05-22.2 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time, and (2) all the interests and estates in and to the Gas in Subject Drilling Unit, including that of the known and unknown persons listed on Exhibit "C", attached hereto and made a part hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, be and hereby are pooled in the Subject Formation in the Subject Drilling Unit underlying and comprised of the Subject Lands.

<u>Subject Formation</u>	<u>Unit Size</u>	<u>Permitted Well Location</u>	<u>Field and Well Classification</u>	<u>Order Number</u>
All coalbeds and coal seams below the Tiller seam and rock strata associated therewith	Approximately 80-acre square drilling unit	One well bore to be located in Unit U-19/B as contemplated by the Application as filed	Oakwood Coalbed Methane Gas Field II for unsealed gob gas	VGOB Nos. 91-1119-0162, 93-0216-0336 and 93-0316-0349

For the Subject Drilling Unit
underlying and comprised of the Subject
Land referred to as:

Unit Number U-19/B
Buchanan County, Virginia

Pursuant to the Board's Order No. VGOB 91-1119-162, as amended, the Board has adopted the following method for the calculation of production and revenue and allocation of allowable costs for unsealed gob production of Coalbed Methane Gas dependent upon the particular long wall mining plan applicable to each 80-acre drilling unit.

The designated operator of any 80-acre drilling unit or units within the boundaries of which any long wall panel which has been isolated by the driving of entries is located and from which Unsealed Gob Gas is produced, shall calculate production and revenue based upon the mine plan as implemented within each affected 80-acre drilling unit and in particular, based upon the mineral acreage, as platted upon the surface, in each 80-acre drilling unit actually contained within a long wall panel as depicted by said mine plan. Except as otherwise provided herein, a copy of the pertinent portion of the mine plan being utilized to calculate production, revenue and costs from any affected 80-acre drilling unit shall be filed of record with the Board prior to the payment of any revenue based upon such calculations. The formula or division of interest for production from any 80-acre drilling unit affected by a long wall panel and from any separately owned tract in any such 80-acre unit shall be calculated as follows:

- 7.1. For Unsealed Gob Gas - The amount of production produced from and attributed to each 80-acre drilling unit shall be the ratio (expressed as a percentage) that the amount of mineral acreage, when platted on the surface, which is both in the affected unit and the long wall panel, bears to the total mineral acreage, when platted on the surface, contained within the entire long wall panel affecting such 80-acre drilling unit.
- 7.2. i. For Gas from Any Well Located in a Long Wall Panel. - After actual commencement of coal mining operations by the driving of entries and completion of isolation of a long wall panel, the amount of Gas produced from such a well and attributed to each 80-acre drilling unit shall be the ratio (expressed as a percentage) that the amount of mineral acreage, when platted on the surface, which is both in the affected 80-acre drilling unit and the isolated long wall panel, bears to the total mineral acreage, when platted on the surface, contained within the entire long wall panel affecting such 80-acre drilling unit.

ii. Prior to the actual commencement of coal mining operations by the driving of entries and completion of isolation of a long wall panel, gas from any well located in a proposed long wall panel shall be produced from and allocated to only the 80-acre drilling unit in which the well is located.

8. Election and Election Period: In the event any Potential Gas Owner named in Exhibit D hereto does not reach a voluntary agreement to share in the operation of the wells to be located in the Subject Drilling Unit at a rate of payment mutually agreed to by said Potential Gas Owner and the Operator, then, subject to a final legal determination of ownership, such person named may elect one of the options set forth in Paragraph 9 below and must give written notice of his election of the option selected under Paragraph 9 to the designated Unit Operator at the address shown below within thirty (30) days from the date this Order is recorded in the county above named. A timely election shall be deemed to have been made if, on or before the last day of said 30-day period, such electing person has delivered his written election to the designated Unit Operator at the address shown below or has duly postmarked and placed its written election in first class United States mail, postage prepaid, addressed to the Unit Operator at the address shown below.

9. Election Options:

- 9.1 Option 1 - To Participate In The Development and Operation of the Drilling Unit: Any Potential Gas Owner named in Exhibit D who does not reach a voluntary agreement with the Applicant or Operator may elect to participate in the development and operation of the Subject Drilling Unit (hereafter "Participating Operator") by agreeing to pay the estimate of such Participating Operator's proportionate part of the actual and reasonable costs, including a reasonable supervision fee, of the well development and operation in the Subject Drilling Unit, as more particularly set forth in Virginia Gas and Oil Board Regulation VR 480-05-22.2, Section 10 (herein "Allocable, Completed for Production Costs"). Further, a Participating Operator agrees to pay the estimate of such Participating Operator's proportionate part of the Allocable, Completed-for-Production Costs as set forth below to the Unit Operator within forty-five (45) days from the later of the date of mailing or the date of recording of this Order. The estimated Allocable, Completed-for-Production Panel Costs for the Subject Drilling Unit are as follows:

Estimated, Completed-for-Production Panel Costs:

Panel VP8EM1EASTD	\$148,487.00
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A Participating Operator's proportionate cost hereunder shall be the result obtained by multiplying the Participating Operators' Percentage of Interest as set forth in Exhibit B, times the Estimated Completed-for-Production Cost set forth above. Provided, however, that in the event a Participating Operator elects to participate and fails or refuses to pay the estimate of his proportionate part of the Estimated, Completed-for-Production Cost as set forth above, all within the time set forth herein and in the manner prescribed in Paragraph 8 of this Order, then such Participating Operator shall be deemed to have elected not to participate and to have elected compensation in lieu of participation pursuant to Paragraph 9.2 herein.

- 9.2 Option 2 - To Receive A Cash Bonus Consideration: In lieu of participating in the development and operation of Subject Drilling

Unit under Paragraph 9.1 above, any Potential Gas Owner named in Exhibit D hereto who does not reach a voluntary agreement with the Applicant or Operator may elect to accept a cash bonus consideration of \$1.00 per net mineral acre owned by such person, commencing upon entry of this Order and continuing annually until commencement of production from Subject Drilling Unit, and thereafter a royalty of 1/8th of 8/8ths [twelve and one-half percent (12.5%)] of the net proceeds received by the Unit Operator for the sale of the Coalbed Methane Gas produced from any well development covered by this Order multiplied by that person's proportional share of said production [for purposes of this Order, net proceeds shall be actual proceeds received less all post-production costs incurred downstream of the wellhead, including, but not limited to, all gathering, compression, treating, transportation and marketing costs, whether performed by Unit Operator or a third person) as fair, reasonable and equitable compensation to be paid to said electing person. The initial cash bonus shall become due and owing when so elected and shall be tendered, paid or escrowed within sixty (60) days of recording of this Order. Thereafter, annual cash bonuses, if any, shall become due and owing on each anniversary of the date of recording of this order in the event production from Subject Drilling Unit has not theretofore commenced, and once due, shall be tendered, paid or escrowed within sixty (60) days of said anniversary date. Once the initial cash bonus and the annual cash bonuses, if any, are so paid or escrowed, subject to a final legal determination of ownership, said payment(s) shall be satisfaction in full for the right, interests, and claims of such electing person in and to the Gas produced from Subject Formation in the Subject Lands, except, however, for the 1/8th royalties due hereunder.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.2, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any well development and operation covered hereby and such electing person shall be deemed to and hereby does lease and assign, its right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant.

- 9.3. Option 3 - To Share In The Development And Operation As A Non-Participating Person On A Carried Basis And To Receive Consideration In Lieu Of Cash: In lieu of participating in the development and operation of Subject Drilling Unit under Paragraph 9.1 above and in lieu of receiving a cash bonus consideration under Paragraph 9.2 above, any Potential Gas Owner named in Exhibit D hereto who does not reach a voluntary agreement with the Applicant or Operator may elect to share in the development and operation of Subject Drilling Unit on a carried basis (as a "Carried Well Operator") so that the proportionate part of the Completed-for-Production Costs hereby allocable to such Carried Well Operator's interest is charged against such Carried Well Operator's share of production from Subject Drilling Unit. Such Carried Well Operator's rights, interests, and claims in and to the Gas in Subject Drilling Unit shall be deemed and hereby are assigned to the Applicant until the proceeds from the sale of such Carried Well Operator's share of production from Subject Drilling Unit (exclusive of any royalty, excess or overriding royalty, or other non-operating or non cost-bearing burden reserved in any lease, assignment thereof or agreement relating thereto covering such interest) equals three hundred percent (300%) for a leased interest or two hundred percent (200%) for an unleased interest (whichever is applicable) of such Carried Well Operator's share of the Completed-for-Production Costs allocable to the interest of such Carried Well Operator. When the

Applicant recoups and recovers from such Carried Well Operator's assigned interest the amounts provided for above, then, the assigned interest of such Carried Well Operator shall automatically revert back to such Carried Well Operator, and from and after such reversion, such Carried Well Operator shall be treated as if it had participated initially under Paragraph 9.1 above; and thereafter, such participating person shall be charged with and shall pay his proportionate part of all further costs of such well development.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.3, when so made, shall be satisfaction in full for the rights, interests, and claims of such electing person in any well development and operation covered hereby and such electing person shall be deemed to have and hereby does assign its rights, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant for the period of time during which its interest is carried as above provided prior to its reversion back to such electing person.

10. Failure to Properly Elect: In the event a person named in Exhibit D hereto does not reach a voluntary agreement with the Applicant or Operator and fails to elect within the time, in the manner and in accordance with the terms of this Order, one of the alternatives set forth in Paragraph 9 above for which his interest qualifies, then such person shall be deemed to have elected not to participate in the proposed development and operation of Subject Drilling Unit and shall be deemed, subject to a final legal determination or ownership, to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which its interest qualifies and shall be deemed to have leased and/or assigned his right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant. Persons who fail to properly elect shall be deemed, subject to a final legal determination of ownership, to have accepted the compensation and terms set forth herein at Paragraph 9.2 in satisfaction in full for the right, interests, and claims of such person in and to the Gas produced from the Subject Formation underlying Subject Lands.

11. Default By Participating Person: In the event a person named in Exhibit D elects to participate under Paragraph 9.1, but fails or refuses to pay, to secure the payment or to make an arrangement with the Unit Operator for the payment of such person's proportionate part of the Allocable, Completed-for-Production Cost as set forth herein, all within the time and in the manner as prescribed in this Order, then such person shall be deemed to have withdrawn his election to participate and shall be deemed to have elected to accept as satisfaction in full for such person's right, interest, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which his interest qualifies depending on the excess burdens attached to such interest. Whereupon, any cash bonus consideration due as a result of such deemed election shall be tendered, paid or escrowed by Unit Operator within sixty (60) days after the last day on which such defaulting person under this Order should have paid his proportionate part of such cost or should have made satisfactory arrangements for the payment thereof. When such cash bonus consideration is paid or escrowed, it shall be satisfaction in full for the right, interests, and claims of such person in and to the Gas underlying Subject Drilling Unit in the Subject Lands covered hereby, except, however, for any royalties which would become due pursuant to Paragraph 9.2 hereof.

12. Assignment of Interest: In the event a person named in Exhibit D is unable to reach a voluntary agreement to share in the operation of the well contemplated by this Order at a rate of payment agreed to mutually by said Potential Gas Owner and the Applicant or Operator, and such person elects or fails to elect to do other than participate under Paragraph 9.1 above in the

development and operation of the well in Subject Formations in Subject Drilling Unit, then subject to a final legal determination of ownership, such person shall be deemed to have and shall have assigned unto Applicant such person's right, interests, and claims in and to said well, in Subject Formation in Subject Drilling Unit, and other share in production to which such person may be entitled by reason of any election or deemed election hereunder in accordance with the provisions of this Order governing said election.

13. Unit Operator (or Operator): Ratliff Gas Company, Inc., be and hereby is designated as Unit Operator authorized to drill and operate the well in Subject Formation in Subject Drilling Unit, all subject to the permit provisions contained in Section 45.1-361.27 et seq., Code of Virginia, 1950 as amended; §§ 480-05-22.1 et seq., Gas and Oil Regulations; §§ 480-05-22.2 et seq., Virginia Gas and Oil Board Regulations; and the Oakwood Coalbed Methane Gas Field II Order VGOB 91-1119-0162, all as amended from time to time, and all elections required by this Order shall be communicated to Unit Operator in writing at the address shown below:

Ratliff Gas Company, Inc.
Route 2, Box 49
Oakwood, VA 24631
Phone: (703) 498-3366

14. Commencement of Operations: Unit Operator shall commence or cause to commence operations for the drilling of the well and marketing of the Gas within the Subject Drilling Unit within three hundred and sixty-five (365) days from the date of this Order and shall prosecute the same with due diligence. If Unit Operator shall not have so commenced and/or prosecuted, then this Order shall terminate, except for any cash sums then payable hereunder; otherwise, unless sooner terminated by Order of the Board, this Order shall expire at 12:00 P.M. on the date on which all wells covered by this Order and/or all wells from which production is allocated to the Subject Drilling Unit are permanently abandoned and plugged. However, in the event an appeal is taken from this Order, then the time between the filing of the petition for appeal and the final Order of the Circuit Court shall be excluded in calculating the one year period referred herein.

Upon completion of any well whose costs comprise part of the Estimated Completed-for-Production Costs set forth in Paragraph 9.1 above, and within ninety (90) days after production into the pipeline is obtained and restoration of the location is completed, the Operator shall file with the Board a revised exhibit reflecting the actual, Completed-for-Production Costs for the subject Drilling Unit.

15. Operator's Lien: Unit Operator, in addition to the other rights afforded hereunder, shall have a lien and a right of set off on the Gas estates, rights, and interests owned by any person subject hereto who elects to participate under Paragraph 9.1 in the Subject Drilling Unit to the extent that costs incurred in the drilling or operation on the Subject Drilling Unit are chargeable against such person's interest. Such liens and right of set off shall be separable as to each separate person and shall remain liens until the Unit Operator drilling or operating any well covered hereby has been paid the full amounts due under the terms of this Order.

16. Escrow Provisions:

By this Order, the Board instructs the Escrow Agent named herein or any successor named by the Board to establish an interest-bearing escrow account, (herein "the Escrow Account") to receive and account to the Board pursuant to its agreement for the escrowed funds hereafter described:

Tazewell National Bank

Tazewell National Bank
 Trust Department
 c/o Premier Bankshares Corporation
 29 College Drive, P. O. Box 1199
 Bluefield, VA 24605-1199
 Telephone: (703) 322-2242
 Fax: (703) 322-2766

- 16.1. Escrow Provisions For Unknown or Unlocatable Persons: If any payment of bonus, royalty payment or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be located or is unknown, then such cash bonus, royalty payment, or other payment shall not be commingled with any funds of the Unit Operator and shall, pursuant to Section 45.1-361.21.D, Code of Virginia, 1950 as amended, and said sums shall be deposited by the Operator into the Escrow Account, commencing within sixty (60) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are being deposited. Such funds shall be held for the exclusive use of, and sole benefit of the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with § 45.1-361.21.D., Code of Virginia, 1950 as amended.
- 16.2. Escrow Provisions For Conflicting Claimants: If any payment of bonus, royalty payment or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be made certain due to conflicting claims of ownership and/or a defect or cloud on the title, then such cash bonus, royalty payment or other payment, together with Participating Operator's Proportionate Costs paid to Operator pursuant to Paragraph 9.1 hereof, if any, (1) shall not be commingled with any funds of the Unit Operator; and (2) shall, pursuant to Virginia Code Sections 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4, be deposited by the Operator into the Escrow Account within sixty (60) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of, the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board.
17. Special Findings: The Board specifically and specially finds:
- 17.1. Applicant is a Virginia corporation, and is duly authorized and qualified to transact business in the Commonwealth of Virginia, and has satisfied the Board's requirements for operations in Virginia;
- 17.2. There are two or more separately owned tracts embraced within Subject Drilling Unit;
- 17.3. Applicant claims ownership of 9.75243 percent of the land in Subject Drilling Unit, 100 percent of the oil and gas interest, 100 percent of the coalbed methane gas interest, and 0 percent of the coal interest in Subject Drilling Unit, and applicant claims the right to

explore for, develop and produce Coalbed Methane Gas from coal seams below the Tiller seam in Unit Number U-19/B in Buchanan County, Virginia, which Subject Lands are more particularly described in Exhibit "A". The coal, oil and gas tracts in which Applicant claims no interest are listed in Exhibit D hereto. The known owners whose interests are to be pooled are listed in Exhibit C. The known parties with conflicting ownership claims and the percentage of interests to be escrowed are shown on Exhibit E. According to Applicant's application, there were no owners whose names and/or locations are unknown at the time of filing of said application;

- 17.4 Applicant has converted one (1) VVH which served Island Creek Coal Company's Beatrice Mine to a CBM well known as Ratliff Well No. 1 on the Subject Drilling Unit which is currently producing unsealed gob gas from said mine. Island Creek Coal Company's Exhibit No. 1, (marked Consol Ex. 1), a copy of which is attached hereto and made a part hereof, depicts Island Creek Coal Company's Beatrice Mine works underlying Subject Drilling Unit which is part of an area of said mine which his in the process of being sealed by Island Creek Coal Company. The Board has not, pursuant to its own motion, heretofore created Field Rules pursuant to Va. Code § 45.1-361.20 for the production of sealed gob gas from any area which would include Subject Drilling Unit, nor has the Board received an application requesting such relief.
- 17.5 Applicant represented to the Board that notwithstanding the fact that gas being produced from the well is currently only being used by Wyatt Ratliff for home gas, as President of Ratliff Gas Company, he intends to market the gas and estimates that it will take approximately six (6) months to complete the facilities necessary to do so.
- 17.6 The estimated production from Subject Drilling Unit over its life is from 125 to 500 mmcf. The estimated amount of reserves from the Subject Drilling Unit is 550 mmcf.
- 17.7 Respondents are listed on Exhibit "C". Set forth in Exhibit "C" is the name and last known address of each person identified by the Applicant as having or claiming a potential interest in the Coalbed Methane Gas in Subject Formation in Subject Drilling Unit underlying and comprised of Subject Lands, including those persons listed in Exhibit D who have not, in writing, leased to the Unit Operator or agreed to voluntarily pool their interests in Subject Drilling Unit for its development. The interests of the Respondents listed in Exhibit D comprise 100 percent of the oil and gas interests, and 100 percent of the coal interests in Subject Drilling Unit;
- 17.8 Sworn consents and joinders in the request for pooling filed by Applicant were received by the Board from the following potential claimants: Brooks R. Crumpton and Patricia R. Crumpton; Terry Ratliff and Sandra Ratliff; Ruby Ratliff Hale; Jerry Ward; Don Ratliff and Anna Pearl Ratliff; Earl Ratliff and Dorothy Ratliff; Luther Meadows and Dolly Meadows by Dorothy Ratliff; Lee Vennie Beckett; Anthony A. Ratliff; Gladys Ratliff; Delmar Smith and Judy Smith; Ira E. Stiltner and Rose M. Stiltner; Pauline Ratliff Brown; Blanche Rasnake; Philip Keen and Patricia R. Keen; Pauline Childress; Elzena McMurry; Carlus Ratliff and Elizabeth Ratliff;
- 17.9 By resolution adopted on the 2nd day of August, 1993, the Buchanan Board of Supervisors supported Applicant's permit application for the Ratliff No. 1 gas well and attested to Applicant's outstanding safety record;

17.10 Applicant's evidence established that the fair, reasonable and equitable compensation to be paid to any person in lieu of the right to participate in any well covered hereby are those options provided in Paragraph 9 above;

17.11 The Board has not heretofore entered an Order pooling interests for Subject Drilling Unit pursuant to its Oakwood Coalbed Gas Field I Order, OGCB No. 3-90.

17.12 The relief requested and granted is just and reasonable, is supported by substantial evidence and will afford each person listed and named in Exhibit B hereto the opportunity to recover or receive, without unnecessary expense, such person's just and fair share of the production from Subject Drilling Unit. The granting of the Application and relief requested therein will ensure to the extent possible the greatest ultimate recovery of coalbed methane gas, prevent or assist in preventing the various types of waste prohibited by statute and protect or assist in protecting the correlative rights of all persons in the subject common sources of supply in the Subject Lands. Therefore, the Board is entering an Order granting the relief herein set forth;

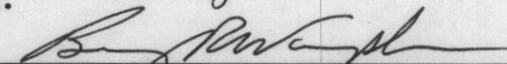
18. Mailing Of Order And Filing Of Affidavit: Applicant or its Attorney shall file an affidavit with the Secretary of the Board within sixty (60) days after the date of recording of this Supplemental Order stating that a true and correct copy of said Order was mailed within seven (7) days from the date of receipt of this Order to each Respondent named in Exhibit B pooled by this Order whose address is known.

19. Availability of Unit Records: The Director shall provide all persons not subject to a lease with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).

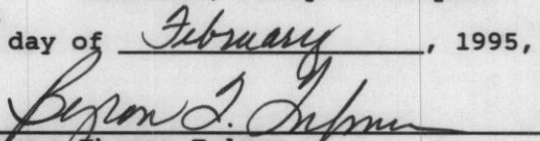
20. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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

DONE AND EXECUTED this 13th day of February, 1995, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

DONE AND PERFORMED this 13th day of February, 1995, by Order of this Board.


Byron Thomas Fulmer
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 13th day of February, 1995,
personally before me a notary public in and for the Commonwealth of Virginia,
appeared Benny 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
Susan G. Garrett
Notary Public

My commission expires 7/31/98

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 13th day of February, 1995,
personally before me a notary public in and for the Commonwealth of Virginia,
appeared Byron Thomas 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
Diane J. Davis
Notary Public

My commission expires 7/31/97

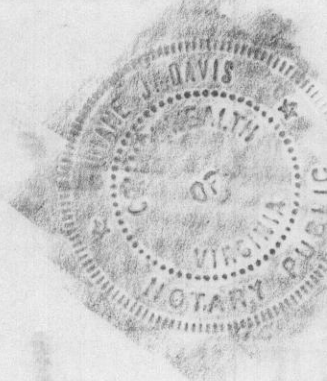


EXHIBIT A"SUBJECT LANDS"

Beginning at a point Virginia (South Rectangular) State Plane Coordinate N 328,089.26, E 980,027.84, thence N 01°45'08" E 1866.54 feet to a point (N 329,954.93, E 980,084.91), thence N 88°14'52" W 1866.54 feet to a point (N 330,012.00, E 978,219.24); thence S 01°45'08" W 1866.54 feet to a point (N 328,146.33 E 978,162.17); thence S 88°14'52" E 1866.54 feet to the point of Beginning, containing 79.98 acres.

2300

Unit U-19

BEARING BASIS
ISLAND CRK.
VP 6 MINE
STATE PLANE
COORDINATE SYSTEMS
SURVEY PRECISION
1" - 30,000'



EXHIBIT B

VGOB-94/10/24-0475

THIS BLOCK
COMPOSED
OF 80 acs.

LATITUDE 37°12'30"

BIG VEIN TR. 116

BIG VEIN TR. 116

BIG AXE TR. 56

LONGITUDE 82°00'00"

BIG AXE TR. 32

WELL BORED ON
WYATT RATLIFF
SURFACE

TOTAL DEPTH 1076'

ELEV. FROM USGS BM
TRIGONOMETRIC LEVELS

WELL COORDINATES

N 21856.40
E 42231.98
STATE PLANE
N 329194.39
E 978263.21

DISCLAIMER: PROPERTY INFO. PROVIDED
BY RATLIFF GAS Co.

WELL LOCATION PLAT

UNIT U-19

COMPANY RATLIFF GAS Co. WELL NAME and No. Ratliff No. 1
TRACT No. Wyatt Ratliff Property ELEV. 1418.98 QUADRANGLE Vansant
COUNTY Buchanan DISTRICT Health of Hurricane SCALE: 1"=400' DATE 12-27-94

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

+ 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.

HORACE C. VAN METER
7219
H.C. Van Meter

(Affix Seal)

Property and Lease Information
Well Unit U-19
Ratliff No. 1

Information Provided By Ratliff Gas Company

1. Coal Big Axe Tract 32
Coal Lessee. Permac, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . Wyatt Ratliff
- 1A. Coal Big Axe Tract 32
Coal Lessee. Permac, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . Wyatt Ratliff
- 1B. Coal Big Axe Tract 32
Coal Lessee. Permac, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . Wyatt Ratliff
- 1C. Coal Big Axe Tract 32
Coal Lessee. Permac, Inc.
. Island Creek Coal Company
Surface. N & W Railroad
Oil, Gas, & Coalbed Methane Owner. . Wyatt Ratliff
- 1D. Coal Big Axe Tract 32
Coal Lessee. Permac, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . Wyatt Ratliff
- 1E. Coal Big Axe Tract 32
Coal Lessee. Permac, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . Wyatt Ratliff
- 1F. Coal Big Axe Tract 32
Coal Lessee. Permac, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . Wyatt Ratliff

1G. Coal Big Axe Tract 32
Coal Lessee. Permact, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . . Wyatt Ratliff

1H. Coal Big Axe Tract 32
Coal Lessee. Permact, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . . Wyatt Ratliff

1I. Coal Big Axe Tract 32
Coal Lessee. Permact, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . . Wyatt Ratliff

2. Coal Big Axe Tract 56
Coal Lessee. Permact, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . . Wyatt Ratliff

2A. Coal Big Axe Tract 56
Coal Lessee. Permact, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . . Wyatt Ratliff

2B. Coal Big Axe Tract 56
Coal Lessee. Permact, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . . Wyatt Ratliff

2C. Coal Big Axe Tract 56
Coal Lessee. Permact, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . . Wyatt Ratliff

Page 3 of 3

- 2D. Coal Big Axe Tract 56
Coal Lessee. Permac, Inc.
. Island Creek Coal Company
Oil, Gas, & Coalbed Methane Owner. . . Wyatt Ratliff
3. Coal Big Vein Tract 116
Coal Lessee. Permac, Inc.
. Consolidation Coal Company
Oil, Gas, & Coalbed Methane Owner. . . Wyatt Ratliff

EXHIBIT C

VGOB-94/10/24-0475

Owners and Potential Owners of Methane Gas

Unit U-19

I. Coal Fee Ownership

- | | | |
|----|---|--------------------|
| a. | Yukon Pocahontas Company
133 Peachtree St. NE
P. O. Box 105605
Atlanta, GA 30348 | 21.42 acres-26.78% |
| b. | Claimant:
Landon R. Wyatt, Jr.
Trustee Big Axe Coal Co.
Wayles R. Harrison, Jr. Treas.
2521 Riverside Drive
Danville, VA 24540 | 58.56 acres-73.22% |

II. Coal Leasehold Ownership

- | | | |
|----|--|------------------|
| a. | Island Creek Coal Company
Drawer L
Oakwood, VA 24631 | 79.98 acres-100% |
| b. | Permac Inc.
P. O. Box 1349
Bluefield, VA 24605-4309 | |

III. Oil and Gas Fee Ownership

- | | | |
|----|---|------------------|
| a. | Wyatt and Grace Ratliff
Rt. 2, Box 49
Oakwood, VA 24631 | 79.98 acres-100% |
|----|---|------------------|

Exhibit C

VGOB-94/10/24-0475

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Other Claimants:

- b. Ruby Ratliff Hale
Box 125
Oakwood, VA 24631
- c. Earl and Dorothy Ratliff
Rt. 2, Box 44
Oakwood, VA 24631
- d. Pauline Childress
Box 84
Oakwood, VA 24631
- e. Alonzo and Alma Mullins
Box 1176
Honaker, VA 24260
- f. Guy Shortridge
76 Shannon Heights
Richlands, VA 24641
- g. Neal and Gay Blankenship
Box 475
Oakwood, VA 24631
- h. Ira E. and Rose M. Stiltner
Rt. 2, Box 49-A
Oakwood, VA 24631
- i. Carlus and Elizabeth Ratliff
Rt. 2, Box 59
Oakwood, VA 24631
- j. Eugene Altizer
Rt. 2, Box 168-A
Cedar Bluff, VA 24609
- k. Delmar and Judy Smith
P. O. Box 173
Mavisdale, VA 24627

Exhibit C

VGOB-94/10/24-0475

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- l. Anthony A. Ratliff
Box 24
Mavisdale, VA 24627
- m. Hubert J. and Della V. Ratliff
Rt. 2, Box 45
Oakwood, VA 24631
- n. James Marshall and Vickie Lynn Ratliff
Rt. 2, Box 45
Oakwood, VA 24631
- o. Pauline Ratliff Brown
Rt. 2, Box 45
Oakwood, VA 24631
- p. Jerry Ward
Box 473
Keen Mt., VA 24624
- q. Gladys Ratliff
Rt. 2, Box 44-A
Oakwood, VA 24631
- r. Brooks R. and Patricia R. Crumpton
P. O. Box 184
Mavisdale, VA 24627
- s. Blanche Rasnake
Box 19
Oakwood, VA 24631
- t. Paris M. Shelton
Box 311
Cedar Bluff, VA 24609-0311
- u. Johnny Keith Ratliff
P. O. Box 208
Mavisdale, VA 24627

Exhibit C

VGOB-94/10/24-0475

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- v. Lee Vennie Beckett, Etals
Box 158
Oakwood, VA 24631
- w. Mrs. Elzena McMurry
Box 84
Oakwood, VA 24631
- x. Luther and Dolly Meadows
c/o Dorothy Ratliff
Rt. 2, Box 44
Oakwood, VA 24631
- y. Phillip and Patricia R. Keen
Box 448
Oakwood, VA 24631
- z. Buchanan Investment Co.
Box 369
Vansant, VA 24656
- aa. Terry and Sandora Ratliff
Box 6
Oakwood, VA 24631
- bb. Don and Anna Pearl Ratliff
Box 70
Oakwood, VA 24631
- cc. Carson and Betty Ratliff Brown
Box 105
Rosedale, VA 24280
- dd. Norfolk and Southern Corp.
Real Estate Dept.
185 Spring Street, S.W.
Atlanta, GA 30303
- ee. Yukon Pocahontas Company
133 Peachtree St. NE
P. O. Box 105605
Atlanta, GA 30348

Exhibit C

VGOB-94/10/24-0475

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IV. Oil and Gas and Coalbed Methane Leasehold Ownership

- a. Ratliff Gas Company 79.98 acres 100%
Rt. 2, Box 49
Oakwood, VA 24631
- b. Claimant:
Buchanan Production Company
c/o Pocahontas Gas Partnership
Box 200
Mavisdale, VA 24627

EXHIBIT D

VGOB-94/10/24-0475

Unleased Owners and Potential Owners of Methane GasUnit U-19I. Coal Ownership1. Claimants:

- a. Yukon Pocahontas Coal Co. et al 21.42 acres-26.78%
133 Peachtree St. NE
P. O. Box 105605
Atlanta, GA 30348
- b. Claimant: 58.56 acres-73.22%
Landon R. Wyatt, Jr.
Trustee Big Axe Coal Co.
Wayles R. Harrison, Jr. Treas.
2521 Riverside Drive
Danville, VA 24540

II. Coal Leasehold Ownership

- a. Island Creek Coal Company 79.98 acres-100%
Drawer L
Oakwood, VA 24631
- b. Permac Inc.
P. O. Box 1349
Bluefield, VA 24605-4309

III. Alleged Oil and Gas Ownership1. Claimants:

- ✓ a. Yukon Pocahontas Coal Co. et al 21.42 acres-26.78%
133 Peachtree St. NE
P. O. Box 105605
Atlanta, GA 30348
- ✓ b. Claimant: 58.56 acres-73.22%
Landon R. Wyatt, Jr.
Trustee Big Axe Coal Co.
Wayles R. Harrison, Jr. Treas.
2521 Riverside Drive
Danville, VA 24540
- c. Wyatt and Grace Ratliff 79.98 acres-100%
Route 2, Box 49
Oakwood, VA 24631

✓ IV. Oil and Gas Leasehold Ownership*a. not used*

Exhibit D

VGOB-94/10/24-0475

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b.	Wyatt and Grace Ratliff (Leased to Ratliff Gas Co.)	7.80 acres	9.75243% of land in Unit U-19
	<u>Other Claimants:</u>	<u>Net Acreage Within Unit</u>	<u>Undivided Net Interest Within Unit</u>
c.	Ruby Ratliff Hale Box 125 Oakwood, VA 24631	4.34	5.42635%
d.	Earl and Dorothy Ratliff Rt. 2 Box 44 Oakwood, VA 24631	5.0	6.25156%
e.	Pauline Childress Box 84 Oakwood, VA 24631	0.23	0.28757%
f.	Alonzo and Alma Mullins Box 1176 Honaker, VA 24260	7.10	8.87730%
g.	Guy Shortridge 76 Shannon Heights Richlands, Va 24641	1.13	1.41285%
h.	Neal and Gay Blankenship Box 475 Oakwood, VA 24631	0.0	0.0%
i.	Ira E. and Rose M. Stiltner Rt. 2 Box 49-A Oakwood, VA 24631	0.40	0.50013%
j.	Carlus and Elizabeth Ratliff Rt. 2 Box 59 Oakwood, VA 24631	0.47	0.58765%
k.	Eugene Altizer Rt. 2 Box 168-A Cedar Bluff, VA 24609	0.31	0.38759%
l.	Delmar and Judy Smith PO Box 173 Mavisdale, VA 24627	0.30	0.37510%

Exhibit D

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	<u>Net Acreage Within Unit</u>	<u>Undivided Net Interest Within Unit</u>
m. Anthony A. Ratliff Box 24 Mavisdale, VA 24627	0.21	0.26257%
n. Hubert J. & Della V. Ratliff Rt. 2 Box 45 Oakwood, VA 24631	0.24	0.30008%
o. James Marshall and Vickie Lynn Ratliff Rt. 2 Box 45 Oakwood, VA 24631	0.22	0.27507%
p. Pauline Ratliff Brown Rt. 2 Box 45 Oakwood, VA 24631	0.50	0.62515%
q. Jerry Ward Box 473 Keen Mt., VA 24624	0.34	0.42511%
r. Gladys Ratliff Rt. 2 Box 44-A Oakwood, VA 24631	0.52	0.65017%
s. Brooks R. and Patricia R. Crumpton PO Box 184 Mavisdale, VA 24627	0.29	0.36259%
t. Blanche Rasnake Box 19 Oakwood, VA 24631	0.33	0.41261%
u. Paris M. Shelton Box 311 Cedar Bluff, VA 24609-0311	0.29	0.36259%
v. Johnny Keith Ratliff PO Box 208 Mavisdale, VA 24627	0.16	0.20006%

Exhibit D
 VGOB-94/10/24-0475
 Page 4

	<u>Net Acreage Within Unit</u>	<u>Undivided Net Interest Within Unit</u>
w. Lee Vennie Beckett, Etals Box 158 Oakwood, VA 24631	0.53	0.66267%
x. Mrs. Elzena McMurry Box 84 Oakwood, VA 24631	0.42	0.52514%
y. Luther and Molly Meadows % Dorothy Ratliff Rt. 2 Box 44 Oakwood, VA 24631	Not in Unit 0.0	0.0%
z. Phillip and Patricia R. Keen Box 448 Oakwood, VA 24631	0.01	0.0125%
aa. Buchanan Investment Co. Box 369 Vansant, VA 24656	Not in Unit 0.0	0.0%
bb. Terry and Sandora Ratliff Box 6 Oakwood, VA 24631	2.0	2.50062%
cc. Don and Anna Pearl Ratliff Box 70 Oakwood, VA 24631	16.76	20.95523%
dd. Carson and Betty Ratliff Brown Box 105 Rosedale, Va 24280 (Leased to Ratliff Gas Co.)	0.10	0.12503%
ee. Norfolk and Southern Corp. Real Estate Dept. 185 Spring Street, S.W. Atlanta, GA. 30303	7.92	9.90247%

Exhibit D

VGOB-94/10/24-0475

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	<u>Net Acreage Within Unit</u>	<u>Undivided Net Interest Within Unit</u>
ff. Yukon Pocahontas Coal Co. et al 133 Peachtree St. NE P. O. Box 105605 Atlanta, GA 30348	21.42	26.78169%
gg. C & C Line Company, Inc. P. O. Box 1100 Beaver, West Virginia 25813	0.26	0.32509
hh. John W. and Ruth Street Box 158 Rowe, VA 24646	0.38	0.47503
TOTAL	79.98	100%
IV. <u>Oil and Gas Leasehold Ownership</u>		
1. None		
V. <u>Alleged Coalbed Methane Leasehold Ownership</u>		
1. Claimant: Buchanan Production Company %Pocahontas Gas Partnership Box 200 Mavisdale, VA 24627	79.98	100%

EXHIBIT E

VGOB-94/10/24-0475

Conflicting Ownership Claimants

Unit U-19

Coal Leasehold Owner

Island Creek Coal Company
Drawer L
Oakwood, VA 24631

Coal Owners

- a. Yukon Pocahontas Coal Co.
133 Peachtree St. NE
P. O. Box 105605
Atlanta, GA 30348
- b. Claimant:
Landon R. Wyatt, Jr.
Trustee Big Axe Coal Co.
Wayles R. Harrison, Jr. Treas.
Danville, VA 24540

Oil and Gas Coalbed Methane Leasehold Owners

- 1. a. Ratliff Gas Company, Inc.
Rt. 2, Box 49
Oakwood, VA 24631
- b. Claimant:
Buchanan Production Company
c/o Pocahontas Gas Partnership
P. O. Box 200
Mavisdale, VA 24627

Exhibit E

VGOB-94/10/24-0475

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Oil and Gas Owners

1. Wyatt and Grace Ratliff
Rt. 2, Box 49
Oakwood, VA 24631

Other Claimants:

2. a. Yukon Pocahontas Company
133 Peachtree St. NE
P. O. Box 105605
Atlanta, GA 30348
- b. Ruby Ratliff Hale
Box 125
Oakwood, VA 24631
- c. Earl and Dorothy Ratliff
Rt. 2, Box 44
Oakwood, VA 24631
- d. Pauline Childress
Box 84
Oakwood, VA 24631
- e. Alonzo and Alma Mullins
Box 1176
Honaker, VA 24260
- f. Guy Shortridge
76 Shannon Heights
Richlands, VA 24641
- g. Neal and Gay Blankenship
Box 475
Oakwood, VA 24631
- h. Ira E. and Rose M. Stiltner
Rt. 2, Box 49-A
Oakwood, VA 24631

Exhibit E

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Page 3

- i. Carlus and Elizabeth Ratliff
Rt. 2, Box 59
Oakwood, VA 24631
- j. Eugene Altizer
Rt. 2, Box 168-A
Cedar Bluff, VA 24609
- k. Delmar and Judy Smith
P. O. Box 173
Mavisdale, VA 24627
- l. Anthony A. Ratliff
Box 24
Mavisdale, VA 24627
- m. Hubert J. and Della V. Ratliff
Rt. 2, Box 45
Oakwood, VA 24631
- n. James Marshall and Vickie Lynn Ratliff
Rt. 2, Box 45
Oakwood, VA 24631
- o. Pauline Ratliff Brown
Rt. 2, Box 45
Oakwood, VA 24631
- p. Jerry Ward
Box 473
Keen Mt., VA 24624
- q. Gladys Ratliff
Rt. 2, Box 44-A
Oakwood, VA 24631
- r. Brooks R. and Patricia R. Crumpton
P. O. Box 184
Mavisdale, VA 24627

Exhibit E

VGOB-94/10/24-0475

Page 4

- s. Blanche Rasnake
Box 19
Oakwood, VA 24631
- t. Paris M. Shelton
Box 311
Cedar Bluff, VA 24609-0311
- u. Johnny Keith Ratliff
P. O. Box 208
Mavisdale, VA 24627
- v. Lee Vennie Beckett, Etals
Box 158
Oakwood, VA 24631
- w. Mrs. Elzena McMurry
Box 84
Oakwood, VA 24631
- x. Luther and Dolly Meadows
c/o Dorothy Ratliff
Rt. 2, Box 44
Oakwood, VA 24631
- y. Phillip and Patricia R. Keen
Box 448
Oakwood, VA 24631
- z. Buchanan Investment Co.
Box 369
Vansant, VA 24656
- aa. Terry and Sandora Ratliff
Box 6
Oakwood, VA 24631
- bb. Don and Anna Pearl Ratliff
Box 70
Oakwood, VA 24631

Exhibit E

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- cc. Carson and Betty Ratliff Brown
Box 105
Rosedale, VA 24280
- dd. Norfolk and Southern Corp.
Real Estate Dept.
185 Spring Street, S.W.
Atlanta, GA 30303

**BEATRICE POCAHONTAS CO.
BEATRICE MINE**

ISLAND CREEK COAL COMPANY

POCAHONTAS NO. 3 SEAM

SCALE: 1" = 1000'

DATE: OCTOBER 13, 1976

FEDERAL: 44-00238-0

VA. M. I. 00580

FACES EXTENDED:



GAS WELL



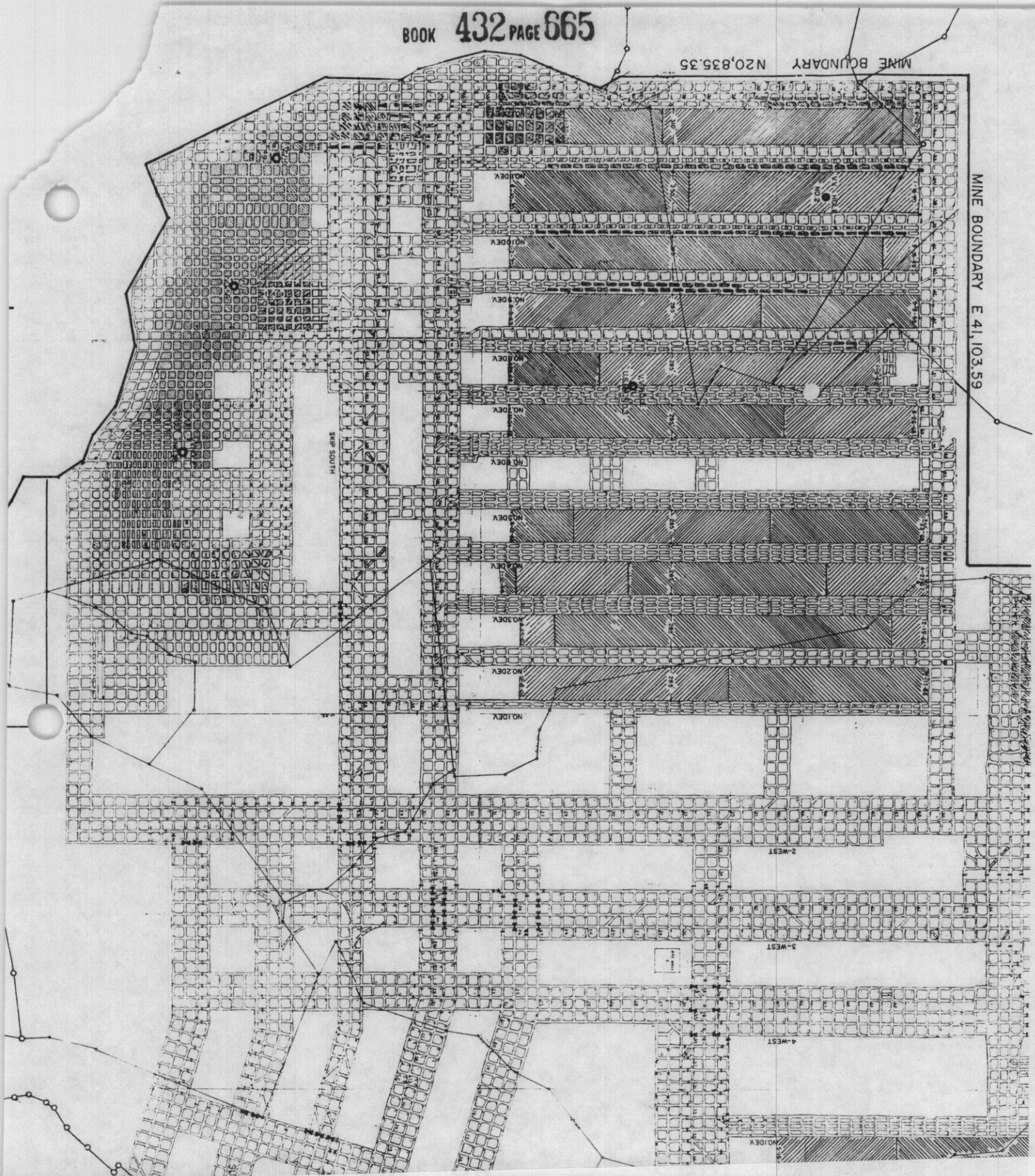
VERT. VENTILATION HOLE



DIAMOND DRILL HOLE



VIRGINIA POCAHONTAS DIVISION
KEEN MOUNTAIN, VIRGINIA 24624



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 21st day of February, 1995. 15:19 P. M.

Deed Book No. 432 and Page No. 633 TESTE: James M. Bevins, Jr., Clerk

Returned this date to: Alan Davis TESTE: Genevieve S. Jiles Deputy Clerk

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CLERK'S OFFICE CIRCUIT COURT
BUCHANAN COUNTY, VIRGINIA
Filed and admitted to record,
this 21st day of Aug, 1975
at 12:10 o'clock P M.
Recorded Deed Book _____ Page _____
039 State Tax _____
213 County Tax _____
212 Transfer _____
301 Recording 43.00
038 State Tax _____
220 Local Tax _____
145 VSLF _____
Total 43.00
Teste James M. Bevins, Jr., Clerk
By _____ D.C.