

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING
ELECTIONS, UNIT: VC-3899

DOCKET NO. VG0B-98/0915-0684

(hereinafter "Subject Drilling Unit")

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 its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on January 4, 1999, and recorded at Book 342, Page 161 in the Office of the Clerk of Circuit Court, Dickenson County, Virginia on January 12, 1999 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. 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 Board Order directed Equitable Resources Energy Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
 - (b) The designated operator filed its affidavit of mailing dated January 15, 1999, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board 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 dated March 2, 1999, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit

- (d) of Election”), wherein it has, for each Respondent whose interest, if any, were pooled by said Board 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, 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, interest, estates and claims in Subject Drilling Unit to the Designated Operator;
 - (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein “Statement of Interests”); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B.
 - (e) Current Board standards requiring the escrow of funds and the Board’s agreement with its Escrow Agent, First Virginia Bank- Mountain 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 subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. 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 Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Virginia Bank-Mountain Empire, Trust Department, P.O. Box 1038, Abingdon, Virginia 24212, 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 said affidavits to receive such funds and 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 true and correct copy 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 3rd day of May, 1999 by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 6th day of May, 1999, by Order of this Board.


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

STATE OF VIRGINIA)
COUNTY OF WISE)

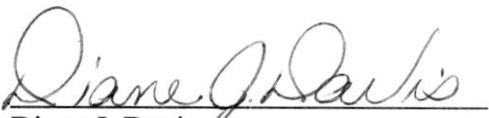
Acknowledged on this 3rd day of May, 1999, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires 7/31/19802

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 6th day of May, 1999, 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 Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires: 9/30/2001

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Equitable Production Company, f/k/a Equitable Resources Energy Company, Eastern Region for Forced Pooling of Interests in Unit Number VC-3899, VGOB Docket No. VGOB-98/0915-0684 in the Ervinton Magisterial District of Dickenson County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on January 4, 1999, by the Virginia Gas and Oil Board regarding the captioned coalbed methane 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, the Affiant was directed to cause 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 are added as Respondents at the hearing held in the captioned matter;
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 January 12, 1999.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest 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 periods:

NONE

6. That the interest 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; that opposite the name of each person named as a Respondent listed below is set forth:

The following revenue interests are subject to escrow provisions due to conflicting claims as between the gas owner and coal owner and/or unknown or unlocatable persons.

Avery Eugene Barton & Virginia Barton H/W 0.00014131 RI

Michael Wayne Barton & Brenda Barton H/W 0.00007066 RI

Jerry Chester Barton & Judy Barton H/W 0.00011563 RI

Kevin Dale Barton & Fay Barton H/W 0.00007066 RI

Lowell Barton Address Unknown 0.00014132 RI

OR

Pittston Company 0.00053958 RI

7. 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 interest and/or claims which are not subject to escrow:

NONE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

<u>Tract</u>	<u>Name</u>	<u>Cash Consideration</u>
Tract 3 Gas	Avery Eugene Barton & Virginia Barton, H/W	.0664 Acres x \$5.00= \$0.34
	Michael Wayne Barton & Brenda Barton, H/W	.0332 Acres x \$5.00= \$0.17

Kevin Dale Barton &
Fay Barton, H/W

.0332 Acres x \$5.00= \$0.17

Lowell Burton
Subject to Escrow

.0664 Acres x \$5.00= \$0.34

That pursuant to the provision of 4VAC 25-160.70C 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 that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this 2nd day of March 1999.

James E. Kaiser
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Production Company f/k/a Equitable Resources Energy Company, a corporation, on behalf of the corporation, this 2nd day of March 1999.

My commission expires: July 31, 2001

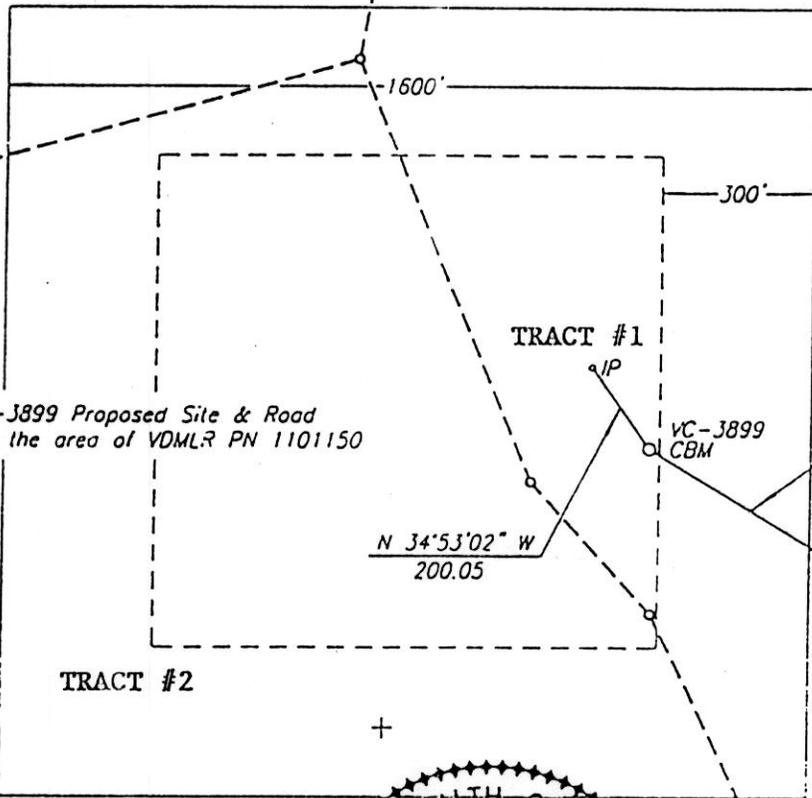
Jamie E. Fuller
Notary



Lease No. 241640L / T2-174
 S.J. Tiller
 63.0 Acres
 Clinchfield Coal Company /
 Pyxis Resources Company - coal
 Lease No. 243087L / Part. Leased
 Avery Eugene Barton, et al - oil & gas (7.78%)
 Pine Mountain Oil & Gas, Inc. - oil & gas (92.22%)
 Gas 3.26 Ac. 5.55%

Lease No. 241490L / T-349
 James Rasnake
 388.52 Acres
 Clinchfield Coal Company /
 Pyxis Resources Company - surface & coal
 Pine Mountain Oil & Gas, Inc. - oil & gas
 Gas 21.12 Ac. 35.94%

TRACT #3

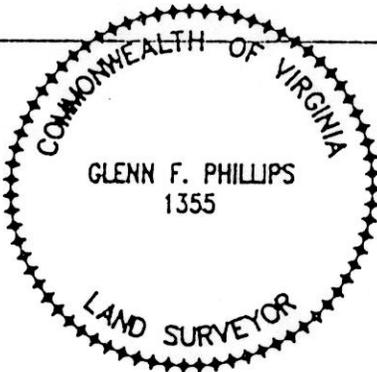


NOTE: VC-3899 Proposed Site & Road
 are within the area of VDMLR PN 1101150

N 34°53'02" W
 200.05

S 58°02'01" E
 468.72'

Lease No. 241490L / T-349
 James Rasnake
 215.0 Acres
 Clinchfield Coal Company /
 Pyxis Resources Company - coal
 Pine Mountain Oil & Gas, Inc. - oil & gas
 Gas 34.39 Ac. 58.51%



Well Coordinates: (VA St. Plane S. Zone,
 Calculated from CCC coordinates)
 N 282,528 E 934,593

Well Coordinates: (Clinchfield Coal Co.)
 S 17,190.81 E 67,579.18

Well elevation determined by GPS
 survey from BM MCD 235

Area of Unit = 58.77 Ac.

Longitude 82° 07' 30"

11,100'

WELL LOCATION PLAT

COMPANY Equitable Resources Energy Company WELL NAME AND NUMBER VC-3899
 TRACT NO. T-349 ELEVATION 1975.66 QUADRANGLE Duly
 COUNTY Dickenson DISTRICT Ervinton SCALE 1" = 400' DATE 7-30-1998

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 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

Glenn F. Phillips

Licensed Professional Engineer or Licensed Land Surveyor

EXHIBIT "B"
VC-3899

VGOB 98-0915-0684

<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	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart P. O. Box 5100 Lebanon, VA 24226	Leased-EREC 241490L T-349	35.940000%	21.1200	0.04492500	RI
	Equitable Resources Energy Company				0.31447500	WI
	Tract 1 Totals		35.940000%	21.1200	0.35940000	
2	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart P. O. Box 5100 Lebanon, VA 24226	Leased-EREC 241490L T-348	58.510000%	34.3900	0.07313750	RI
	Equitable Resources Energy Company				0.51196250	WI
	Tract 2 Totals		58.510000%	34.3900	0.58510000	
3	Pittston Company* c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart P. O. Box 5100 Lebanon, VA 24226	Leased-EREC 241640L T2-174	5.118333%	3.0064	0.00639792	RI
	*Subject to 1/3 of 1/6 Life Estate Interest of Faye Rose Breeding					
	Faye Rose Breeding, Single 2915 D Ave. New Castle, IN 47362	Leased-EREC 243087L01	[0.000000] Life Estate	[0.000000]	[0.0000]	RI

EXHIBIT "B"
VC-3899

VGOB 98-0915-0684

<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>	
	Avery Eugene Barton & Virginia Barton, H/W Rt. 1, Box 333 New Boston, TX 75570	Deemed Leased	0.113055%	0.0664	0.00014131	RI
	Jerry Chester Barton & Judy Barton, H/W 415 Woodland Dr. Nitro, WV 25143	Leased-EREC 243087L03	0.092500%	0.0543	0.00011563	RI
	Michael Wayne Barton & Brenda Barton, H/W Rt. 2, Box 6460 Dillwyn, VA 23936	Deemed Leased	0.056528%	0.0332	0.00007066	RI
	Kevin Dale Barton & Fay Barton H/W c/o Michael Wayne Barton Rt. 2 Box 6460 Dillwyn, VA 23936	Deemed Leased	0.056528%	0.0332	0.00007066	RI
	Lowell Barton Address Unknown	Deemed Leased	0.113056%	0.0664	0.00014132	RI
	Equitable Resources Energy Company				0.04856250	WI
Tract 3 Totals			5.550000%	3.2600	0.05550000	
TOTAL GAS ESTATE			100.000000%	58.7700	1.00000000	

EXHIBIT "B"
VC-3899

VGOB 98-0915-0684

<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>Coal Estate Only</u>						
1	Pittston Company c/o Clinchfield Coal Company Attn: Steve Smith P. O. Box 7 Dante, VA 24237	Leased-EREC 241490L T-349	35.940000%	21.1200	0.04492500	RI
	Equitable Resources Energy Company				0.31447500	WI
Tract 1 Totals			35.940000%	21.1200	0.35940000	
2	Pittston Company c/o Clinchfield Coal Company Attn: Steve Smith P. O. Box 7 Dante, VA 24237	Leased-EREC 241490L T-348	58.510000%	34.3900	0.07313750	RI
	Equitable Resources Energy Company				0.51196250	WI
Tract 2 Totals			58.510000%	34.3900	0.58510000	
3	Pittston Company c/o Clinchfield Coal Company Attn: Steve Smith P. O. Box 7 Dante, VA 24237	Leased -EREC 241640L T2-174	5.550000%	3.2600	0.00693750	RI
	Equitable Resources Energy Company				0.04856250	WI
Tract 3 Totals			5.550000%	3.2600	0.05550000	
TOTAL COAL ESTATE			100.000000%	58.7700	1.0000	

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, 5-11- 1999. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 2:13 o'clock PM, after payment of \$ — tax imposed by Sec. 58.1-802.

Original returned this date to: Diane Davis

TESTE: JOE TATE, CLERK
BY: [Signature] D. CLERK

COMMONWEALTH OF VIRGINIA



OFFICIAL RECEIPT
DICKENSON CIRCUIT COURT
DEED RECEIPT

DATE: 05/11/99 TIME: 14:13:28 ACCOUNT: 051CLR990000885 RECEIPT: 99000002575
CASHIER: JDC RES: BK06 TYPE: 0 PAYMENT: FULL PAYMENT
INSTRUMENT : 990000885 BOOK: PAGE: RECORDED: 05/11/99 AT 14:13
GRANTOR NAME : VIRGINIA GAS AND OIL BOARD EX: N LOCALITY: CD
GRANTEE NAME : EQUITABLE RESOURCES ENERGY EX: N PERCENT: 100%
AND ADDRESS :
RECEIVED OF : DMME DATE OF DEED: 05/03/99

CHECK : \$20.00
DESCRIPTION 1: REPORT OF BOARD FINDINGS AND ORDER

CONSIDERATION:	.00	ASSUME/VAL:	.00	MAP:	
CODE DESCRIPTION		PAID	CODE DESCRIPTION		PAID
301 DEEDS		19.00	145 VSLF		1.00

TENDERED : 20.00
AMOUNT PAID: 20.00
CHANGE AMT : .00

CLERK OF COURT: JCE TATE