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INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-05/03/15-1420-03

ELECTIONS, UNIT: 825404

(hereinafter "Subject Drilling Unit")

TAX MAP IDENTIFICATION NUMBERS:

TAX MAP IDENTIFICATION NUMBERS FOR ALL PARCELS
AFFECTED BY THIS ORDER ARE SHOWN ON EXHIBITS (S) **B**
WHICH IS/ARE ATTACHED TO AND A PART OF THIS ORDER.

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 June 22, 2006 and recorded instrument # 060002239 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on July 6, 2006 (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 Chesapeake Appalachia LLC, (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 August 23, 2006, 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 19, 2007, 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 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, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, (888) 396-0853, Attn: Judy Barger, 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, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, (888) 396-0853, Attn: Judy Barger, 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 17th day of April, 2007 by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 12th day of April, 2007 by Order of this Board.


B. R. Wilson
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 17th day of April, 2007, 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, and B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that they individually executed the same and was authorized to do so.



Notary Public

My commission expires: September 30, 2009

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Chesapeake Appalachia LLC for Forced Pooling of Interests in Unit Number 825404, VGOB Docket No. VGOB-05/03/15-1420-03 in the North Grundy Magisterial District of Buchanan 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 June 22, 2006, by the Virginia Gas and Oil Board regarding the captioned 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, 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 July 6, 2006.
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:

<u>Tract</u>	<u>Lessor</u>	<u>Elected</u>
8, 9 & 10	Eloise Keene Rt. 1 Box 163 Grundy, VA 24614	Participate

<u>Tract</u>	<u>Lessor</u>	<u>Elected</u>
8, 9 & 10	Elswick Family Partnership Rt 1, Box 352 Grundy, VA 24614	Carried Interest
8, 9 & 10	Timothy McClanahan Rt 1, Box 161 Grundy, VA 24614	Participate
8, 9 & 10	Mabelene Clevinger Rt. 1 Box 366 Grundy, VA 24614	Carried Interest
8, 9 & 10	Lois and Donald R. Bentley Rt. 1 Box 364 Grundy, VA 24614	Carried Interest
8, 9 & 10	Brenda and Leonard Lee Charles Rt 1 Box 362 Grundy, VA 24614	Carried Interest
8, 9 & 10	Paul and Judy McClanahan Rt 1 Box 363 Grundy, VA 24614	Carried Interest

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 as unknown/unlocatable.

NONE

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:

<u>Tract</u>	<u>Lessor</u>
4	Edith Yuhaz Rt. 2, Box 493 Grundy, VA 24614
4	Fern M. Fields P. O. Box 212 Abingdon, VA 24212

<u>Tract</u>	<u>Lessor</u>
4	Elsie F. Cline 19602 Leesville Road Lynchburg, VA 24503
4	Faye F. Blankenship Rt. 2, Box 493 Grundy, VA 24614
8, 9 & 10	Margaret V. Compton 6500 S. Magnolia Ave. Ocala, FL 34474

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>Lessor</u>	<u>Cash Consideration</u>
2	Bank of America, Trust Department Trustee for Grace W., Thomas, Elise Thompson Clark Educational Trust Attn: Brad Kollins P. O. Box 830308 Dallas, TX 75283-0308	0.063333 X \$5.00 = \$0.32
8	Luther Burton Fletcher Testamentary Trust Testamentary Trust P.O. Box 820 Cornville, AZ 86325	2.113125 X \$5.00 = \$10.57
	Donny H. Stevenson 9441 High Gate Road Richmond, VA 23236	0.040250 X \$5.00 = \$0.20
	James E. Stevenson, Jr. 956 Daniels Run Road NE Check, VA 24072	0.006708 X \$5.00 = \$0.03
	Lois Jean Akers 12 Gordon Drive Stokesdale, NC 27357	0.040250 X \$5.00 = \$0.20
	David G. Robinette 123 Greenbrier Drive Radford, VA 24141	0.067083 X \$5.00 = \$0.34

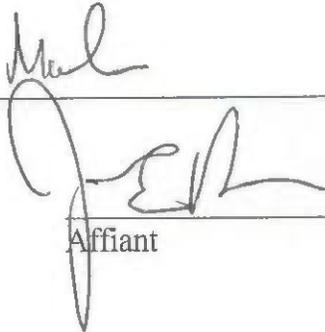
<u>Tract</u>	<u>Lessor</u>	<u>Cash Consideration</u>
8	Samuel P. Robinette 4927 W. Brookfield Farm Ashland, KY 41102	0.067083 X \$5.00 = \$0.34
	Teresa Justus 1864 Haverwood Park Lexington, KY 40514	0.067083 X \$5.00 = \$0.34
	Edison C. McClanahan 3015 Electric Street Lincoln Park, MI 48146	0.150938 X \$5.00 = \$0.75
	Roger W. McClanahan RR 2 Box 228H Cedar Bluff, VA 24609	0.150938 X \$5.00 = \$0.75
	Estin Rudolph McClanahan 4123 Zulla Road Plains, VA 20198	0.150938 X \$5.00 = \$0.75
	Denny Allen Dotson Box 641 Grundy, VA 24614	0.402500 X \$5.00 = \$2.01
	Alisa Dotson Summerlin 1073 Sheehan Blvd. Port Charlotte, FL 33952	0.402500 X \$5.00 = \$2.01
	Ronald Lyle Cox Rt 1. Box 361 Grundy, VA 24614	0.067083 X \$5.00 = \$0.34
	Steven Lyle Cox 1700 Pratt Street Blacksburg, VA 24060	0.044722 X \$5.00 = \$0.22
	Ronald James Looney PO Box 2411 Grundy, VA 24614	0.044722 X \$5.00 = \$0.22
	Terry Looney Rt 5 Box 158 Grundy, VA 24614	0.044722 X \$5.00 = \$0.22
9 & 10	Luther Burton Fletcher Testamentary Trust Testamentary Trust P.O. Box 820 Cornville, AZ 86325	1.955139 X \$5.00 = \$9.78

<u>Tract</u>	<u>Lessor</u>	<u>Cash Consideration</u>
9 & 10	Donny H. Stevenson 9441 High Gate Road Richmond, VA 23236	0.037241 X \$5.00 = \$0.19
	James E. Stevenson, Jr. 956 Daniels Run Road NE Check, VA 24072	0.006207 X \$5.00 = \$0.03
	Lois Jean Akers 12 Gordon Drive Stokesdale, NC 27357	0.037241 X \$5.00 = \$0.19
	David G. Robinette 123 Greenbrier Drive Radford, VA 24141	0.062068 X \$5.00 = \$0.31
	Samuel P. Robinette 4927 W. Brookfield Farm Ashland, KY 41102	0.062068 X \$5.00 = \$0.31
	Teresa Justus 1864 Haverwood Park Lexington, KY 40514	0.062068 X \$5.00 = \$0.31
	Edison C. McClanahan 3015 Electric Street Lincoln Park, MI 48146	0.139653 X \$5.00 = \$0.70
	Roger W. McClanahan RR 2 Box 228H Cedar Bluff, VA 24609	0.139653 X \$5.00 = \$0.70
	Estin Rudolph McClanahan 4123 Zulla Road Plains, VA 20198	0.139653 X \$5.00 = \$0.70
	Denny Allen Dotson Box 641 Grundy, VA 24614	0.372407 X \$5.00 = \$1.86
	Alisa Dotson Summerlin 1073 Sheehan Blvd. Port Charlotte, FL 33952	0.372407 X \$5.00 = \$1.86
	Ronald Lyle Cox Rt 1. Box 361 Grundy, VA 24614	0.062068 X \$5.00 = \$0.31

<u>Tract</u>	<u>Lessor</u>	<u>Cash Consideration</u>
9 & 10	Steven Lyle Cox 1700 Pratt Street Blacksburg, VA 24060	0.041379 X \$5.00 = \$0.21
	Ronald James Looney PO Box 2411 Grundy, VA 24614	0.041379 X \$5.00 = \$0.21
	Terry Looney Rt 5 Box 158 Grundy, VA 24614	0.041379 X \$5.00 = \$0.21

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 not required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this 20th day of March 2007.


 Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Chesapeake Appalachia LLC, a corporation, on behalf of the corporation, this 21st day of March, 2007.

My commission expires: 11-12-08


 Notary 

EXHIBIT B
Well No. 825404 (HCS-10)
(Revised 2/8/07)

<u>LESSOR</u>	LEASE	INTEREST WITHIN	GROSS ACREAGE
TRACT 1 13.50 acres Acres in Unit			
Jack Aliff P.O. Box 1150 Oceana, WV 24870	Leased	1.081507%	1.218750
John Michael Goff 1928 Parhan Road Richmond, VA 23229	Leased	0.463503%	0.522321
Leigh Ann G. Foley 8314 Yolanda Dr. Richmond, VA 23229	Leased	0.463503%	0.522321
Mark Steven Goff 239 Arrowhead Lane Stuarts Draft, VA 24477	Leased	0.463503%	0.522321
Gerry Mullins Ersek 630 W. 34th St, Suite 201 Austin, TX 78705	Leased	0.695254%	0.783482
Janie Mullins Workman 19306 Oakwood Dr., Westwood Estates Abingdon, VA 24210	Leased	0.695254%	0.783482
Deborah S. Hulse 7638 Lodge Pole Trail Winter Park, FL 32792	Leased	0.154501%	0.174107
Danny Charles Shortridge Rt. 2 Box 659 Grundy, VA 24614	Leased	0.154501%	0.174107
Marie Shortridge Rt. 2 Box 659 Grundy, VA 24614	Leased	1.081507%	1.218750
Nell Elswick Shortridge C/O Laura Landrum 4300 Tullamore Estates Rd. Gainesville, VA 20155	Leased	1.081507%	1.218750
Charlotte Kelly Lovelace Rt. 3, Box 21-AB Pennington Gap, VA 24277	Leased	1.390509%	1.566964
John Charles Moore 4908 Stockdon Pocomoke City, MD 21851	Leased	1.390509%	1.566964
Myrtle G. Benton 9000 Hines Road Baltimore, MD 21234	Leased	1.390509%	1.566964
Anita Shortridge Bennett 10402 Civic Club Drive Jacksonville, FL 32219	Leased	0.041596%	0.046875
Fred Allen Shortridge 7827 Lazy Lane Spring, TX 77801	Leased	0.041596%	0.046875

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<u>LESSOR</u>	LEASE	INTEREST WITHIN	GROSS ACREAGE
Sue Ann S. Deel P.O. Box 281 Grundy, VA 24614	Leased	0.515003%	0.580357
Rebecca S. Rosen 134 N. Skyflower Point Lecanto, FL 34461	Leased	0.515003%	0.580357
Phyllis S. Matney (f/k/a Phyllis R. Shortridge) P.O. Box 182 Oakwood, VA 24631	Leased	0.360502%	0.406250
TRACT 2 3.04 acres Acres in Unit			
Jack Aliff P.O. Box 1150 Oceana, WV 24870	Leased	0.162360%	0.182963
John Michael Goff 1928 Parhan Road Richmond, VA 23229	Leased	0.069583%	0.078413
Leigh Ann G. Foley 8314 Yolanda Dr. Richmond, VA 23229	Leased	0.069583%	0.078413
Mark Steven Goff 239 Arrowhead Lane Stuarts Draft, VA 24477	Leased	0.069583%	0.078413
Gerry Mullins Ersek 630 W. 34th St, Suite 201 Austin, TX 78705	Leased	0.104374%	0.117619
Janie Mullins Workman 19306 Oakwood Dr., Westwood Estates Abingdon, VA 24210	Leased	0.104374%	0.117619
Deborah S. Hulse 7638 Lodge Pole Trail Winter Park, FL 32792	Leased	0.023194%	0.026138
Danny Charles Shortridge Rt. 2 Box 659 Grundy, VA 24614	Leased	0.023194%	0.026138
Marie Shortridge Rt. 2 Box 659 Grundy, VA 24614	Leased	0.162360%	0.182963
Nell Elswick Shortridge C/O Laura Landrum 4300 Tullamore Estates Rd. Gainesville, VA 20155	Leased	0.162360%	0.182963
Charlotte Kelly Lovelace Rt. 3, Box 21-AB Pennington Gap, VA 24277	Leased	0.208748%	0.235238
John Charles Moore 4908 Stockdon Pocomoke City, MD 21851	Leased	0.208748%	0.235238

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<u>LESSOR</u>	LEASE	INTEREST WITHIN	GROSS ACREAGE
Myrtle G. Benton 9000 Hines Road Baltimore, MD 21234	Leased	0.208748%	0.235238
Anita Shortridge Bennett 10402 Civic Club Drive Jacksonville, FL 32219	Leased	0.006245%	0.007037
Fred Allen Shortridge 7827 Lazy Lane Spring, TX 77801	Leased	0.006245%	0.007037
Sue Ann S. Deel P.O. Box 281 Grundy, VA 24614	Leased	0.077314%	0.087125
Rebecca S. Rosen 134 N. Skyflower Point Lecanto, FL 34461	Leased	0.077314%	0.087125
Phyllis S. Matney (f/k/a Phyllis R. Shortridge) P.O. Box 182 Oakwood, VA 24631	Leased	0.054120%	0.060988
Wachovia Bank, N.A. Trustee for the Francis Bell Blakemore Trust P. O. Box 40062 (FL0027) Jacksonville, FL 32203-0062	Leased	0.074935%	0.084444
Bank of America, Trust Department Trustee for Grace W., Thomas, Elise Thompson Clark Educational Trust Attn: David Yarter P. O. Box 14111 Roanoke, VA 24038-4111	Unleased Force Pooled	0.056201%	0.063333
William A. Blakemore, Trustee 8499 Anderson Court Mechanicsville, VA 23116-3102	Leased	0.074935%	0.084444
John A. Blakemore, Jr. Trustee 9911 Kingsbridge Road Richmond, VA 23233	Leased	0.074935%	0.084444
Sarah B. Drummond, Trustee 111 South Lakemont Winter Park, FL 32782	Leased	0.074935%	0.084444
Mary B. Johnston, Trustee 300 Westminster Canterbury, Apt. 317 Winchester, VA 22124	Leased	0.074935%	0.084444
BB&T Bank, Roanoke Virginia, Trustee Martha B. McCrary Trust 310 First Street, 2nd. Floor Roanoke, VA 24011	Leased	0.074935%	0.084444
W. R. White III, Trustee 1469 Summer Ridge Road Maidens, VA 23102	Leased	0.131137%	0.147778

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<u>LESSOR</u>	<u>LEASE</u>	<u>INTEREST WITHIN</u>	<u>GROSS ACREAGE</u>
W.Y.C. White III, Trustee 14210 Heimsley Road Midlothian, VA 23113	Leased	0.131137%	0.147778
James L. White Trustee P. O. Box 46 Abingdon, VA 24210	Leased	0.131137%	0.147778
TRACT 3 & 5 (6.26+35.23)=41.49 Acres in Unit			
Big Sandy Coal Corporation c/o Hess, Stewart & Campbell Box 1060 Huntington, WV 24713	Leased	24.545213%	27.660000
Eagle Coal Corporation c/o Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 24713	Leased	12.272606%	13.830000
TRACT 4 11.56 Acres in Unit			
Edith Yuhaz Rt. 2, Box 493 Grundy, VA 24614	Unleased Voluntary Lease	1.709705%	1.926667
Fern M. Fields P. O. Box 212 Abingdon, VA 24212	Unleased Voluntary Lease	1.709705%	1.926667
Elsie F. Cline 19602 Leesville Road Lynchburg, VA 24503	Unleased Voluntary Lease	1.709705%	1.926667
Faye F. Blankenship Rt. 2, Box 493 Grundy, VA 24614	Unleased Voluntary Lease	1.709705%	1.926667
Ruby F. Cline 67 Deerwoode Lane Brevard, NC 28712	Leased	1.709705%	1.926667
Opal F. Belcher 8355 S.W. Second St. Miami, FL 33144	Leased	1.709705%	1.926667
TRACT 6 & 7 (4.70+3.80)=8.50 Acres in Unit			
Big Sandy Coal Corporation c/o Hess, Stewart & Campbell Box 1060 Huntington, WV 24713	Leased	7.542817%	8.500000
TRACT 8 14.49 Acres in Unit			
Elswick Family Partnership Rt 1, Box 352 Grundy, VA 24614	Unleased Participate on a Carried Basis	1.071524%	1.207500

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<u>LESSOR</u>	LEASE	INTEREST WITHIN	GROSS ACREAGE
The Alta Farmer Trust Charles N. Farmer, Trustee 22465 Breezy Point Road Abingdon, VA 24211	Leased	0.535762%	0.603750
Clarence Ramey Rt 2, Box 274B Grundy, VA 24614	Leased	0.535762%	0.603750
Agnes C. Mullins P.O. Box 1016 Grundy, VA 24614	Leased	0.535762%	0.603750
Daisy McClanahan P.O. Box 734 Grundy, VA 24614	Leased	0.178587%	0.201250
James Reges McClanahan, Jr. P.O. Box 865 Grundy, VA 24614	Leased	0.178587%	0.201250
Frances M. May P.O. Box 734 Grundy, VA 24614	Leased	0.178587%	0.201250
Ethel Ann Breeding P.O. Box 733 Grundy, VA 24614	Leased	0.178587%	0.201250
Myrtle S. Keen Rt. 2, Box 54 Grundy, VA 24614	Leased	1.071524%	1.207500
Luther Burton Fletcher Testamentary Trust P.O. Box 820 Cornville, AZ 86325	Unleased Force Pooled	1.875166%	2.113125
Buchanan Gas Company, LLC C/O John Matney 2700 Lee Highway Bristol, VA 24202	Leased	1.607285%	1.811250
Donny H. Stevenson 9441 High Gate Road Richmond, VA 23236	Unleased Force Pooled	0.035717%	0.040250
George P. Stevenson 1594 Old Hunting Trail Drive Danville, VA 24540	Leased	0.035717%	0.040250
Phyllis M. Stevenson 956 Daniels Run Road NE Check, VA 24072	Leased	0.029765%	0.033542
James E. Stevenson, Jr. 956 Daniels Run Road NE Check, VA 24072	Unleased Force Pooled	0.005953%	0.006708
Lois Jean Akers 12 Gordon Drive Stokesdale, NC 27357	Unleased Force Pooled	0.035717%	0.040250

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<u>LESSOR</u>	<u>LEASE</u>	<u>INTEREST WITHIN</u>	<u>GROSS ACREAGE</u>
Shirley Fain 143 Tamworth Drive Danville, VA 24540	Leased	0.035717%	0.040250
David G. Robinette P.O. Box 143 Pikeville, KY 41502	Unleased Force Pooled	0.059529%	0.067083
Samuel P. Robinette 4927 W. Brookfield Farm Ashland, KY 41102	Unleased Force Pooled	0.059529%	0.067083
Teresa Justus 1864 Haverwood Park Lexington, KY 40514	Unleased Force Pooled	0.059529%	0.067083
Edgar Clevinger 141 Orchard Street Shreve, OH 44676	Leased	0.178587%	0.201250
Timothy McClanahan Rt 1, Box 161 Grundy, VA 24614	Unleased Participating	0.066970%	0.075469
Edison C. McClanahan 3015 Electric Street Lincoln Park, MI 48146	Unleased Force Pooled	0.133940%	0.150938
Roger W. McClanahan RR 2 Box 228H Cedar Bluff, VA 24609	Unleased Force Pooled	0.133940%	0.150938
Margaret V. Compton 6500 S. Magnolia Ave. Ocala, FL 34474	Unleased Voluntary Lease	0.133940%	0.150938
Dortha Lois McClanahan Box 116 Grundy, VA 24614	Leased	0.133940%	0.150938
Virginia Faye Home Rt 2, Box 106 Grundy, VA 24614	Leased	0.267881%	0.301875
Bonnie Cleo McClanahan 3714 Memorial Blvd. Kingsport, TN 37664	Leased	0.133940%	0.150938
Estin Rudolph McClanahan 4123 Zulla Road Plains, VA 20198	Unleased Force Pooled	0.133940%	0.150938
Edith Yuhaz Rt 2, Box 493 Grundy, VA 24614	Leased	0.178587%	0.201250
Fern M. Fields P. O. Box 212 Abingdon, VA 24212	Leased	0.178587%	0.201250

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<u>LESSOR</u>	<u>LEASE</u>	<u>INTEREST WITHIN</u>	<u>GROSS ACREAGE</u>
Elsie F. Cline 19602 Leesville Road Lynchburg, VA 24503	Leased	0.178587%	0.201250
Faye F. Blankenship Rt 2, Box 493 Grundy, VA 24614	Leased	0.178587%	0.201250
Ruby F. Cline 67 Deerwoode Lane Brevard, NC 28712	Leased	0.178587%	0.201250
Opal F. Belcher 8355 S.W. Second Street Miami, FL 33144	Leased	0.178587%	0.201250
Mildred Sue Dotson P. O.Box 733 Grundy, VA 24614	Leased	0.178587%	0.201250
Denny Allen Dotson Box 641 Grundy, VA 24614	Unleased Force Pooled	0.357175%	0.402500
Alisa Dotson Summerlin 1073 Sheehan Blvd. Port Charlotte, FL 33952	Unleased Force Pooled	0.357175%	0.402500
Eloise Keene Rt. 1 Box 163 Grundy, VA 24614	Unleased Participating	0.200911%	0.226406
Ralph McClannahan Rt.1 Box 363A Grundy, VA 24614	Leased	0.178587%	0.201250
Mabelene Clevinger Rt. 1 Box 366 Grundy, VA 24614	Unleased Participate on a Carried Basis	0.178587%	0.201250
Lois and Donald R. Bentley Rt. 1 Box 364 Grundy, VA 24614	Unleased Participate on a Carried Basis	0.178587%	0.201250
Brenda and Leonard Lee Charles Rt 1 Box 362 Grundy, VA 24614	Unleased Participate on a Carried Basis	0.178587%	0.201250
Paul and Judy McClanahan Rt 1 Box 363 Grundy, VA 24614	Unleased Participate on a Carried Basis	0.178587%	0.201250
Ronald Lyle Cox Rt 1. Box 361 Grundy, VA 24614	Unleased Force Pooled	0.059529%	0.067083
Steven Lyle Cox 1700 Pratt Street Blacksburg, VA 24060	Unleased Force Pooled	0.039686%	0.044722

EXHIBIT B
Well No. 825404 (HCS-10)
(Revised 2/8/07)

<u>LESSOR</u>	<u>LEASE</u>	<u>INTEREST WITHIN</u>	<u>GROSS ACREAGE</u>
Ronald James Looney PO Box 2411 Grundy, VA 24614	Unleased Force Pooled	0.039686%	0.044722
Terry Looney Rt 5 Box 158 Grundy, VA 24614	Unleased Force Pooled	0.039686%	0.044722
TRACT 9 & 10 (16.68+3.43)=20.11 Acres in Unit			
Eagle Coal Corporation C/O Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 24713	Leased	5.948472%	6.703333
Elswick Family Partnership Rt 1, Box 352 Grundy, VA 24614	Unleased Participate on a Carried Basis	0.991412%	1.117222
The Alta Farmer Trust Charles N. Farmer, Trustee 22465 Breezy Point Road Abingdon, VA 24211	Leased	0.495706%	0.558611
Clarence Ramey Rt 2, Box 274B Grundy, VA 24614	Leased	0.495706%	0.558611
Agnes C. Mullins P.O. Box 1016 Grundy, VA 24614	Leased	0.495706%	0.558611
Daisy McClanahan P.O. Box 734 Grundy, VA 24614	Leased	0.165235%	0.186204
James Reges McClanahan, Jr. P.O. Box 865 Grundy, VA 24614	Leased	0.165235%	0.186204
Frances M. May P.O. Box 734 Grundy, VA 24614	Leased	0.165235%	0.186204
Ethel Ann Breeding P.O. Box 733 Grundy, VA 24614	Leased	0.165235%	0.186204
Myrtle S. Keen Rt. 2, Box 54 Grundy, VA 24614	Leased	0.991412%	1.117222
Luther Burton Fletcher Testamentary Trust P.O. Box 820 Cornville, AZ 86325	Unleased Force Pooled	1.734971%	1.955139
Buchanan Gas Company, LLC 2700 Lee Highway Bristol, VA 24202	Leased	1.487118%	1.675833

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<u>LESSOR</u>	<u>LEASE</u>	<u>INTEREST WITHIN</u>	<u>GROSS ACREAGE</u>
Donny H. Stevenson 9441 High Gate Road Richmond, VA 23236	Unleased Force Pooled	0.033047%	0.037241
George P. Stevenson 1594 Old Hunting Trail Drive Danville, VA 24540	Leased	0.033047%	0.037241
Phyllis M. Stevenson 956 Daniels Run Road NE Check, VA 24072	Leased	0.027539%	0.031034
James E. Stevenson, Jr. 956 Daniels Run Road NE Check, VA 24072	Unleased Force Pooled	0.005508%	0.006207
Lois Jean Akers 12 Gordon Drive Stokesdale, NC 27357	Unleased Force Pooled	0.033047%	0.037241
Shirley Fain 143 Tamworth Drive Danville, VA 24540	Leased	0.033047%	0.037241
David G. Robinette P.O. Box 143 Pikeville, KY 41502	Unleased Force Pooled	0.055078%	0.062068
Samuel P. Robinette 4927 W. Brookfield Farm Ashland, KY 41102	Unleased Force Pooled	0.055078%	0.062068
Teresa Justus 1864 Haverwood Park Lexington, KY 40514	Unleased Force Pooled	0.055078%	0.062068
Edgar Clevinger 141 Orchard Street Shreve, OH 44676	Leased	0.165235%	0.186204
Timothy McClanahan Rt 1, Box 161 Grundy, VA 24614	Unleased Participating	0.061963%	0.069826
Edison C. McClanahan 3015 Electric Street Lincoln Park, MI 48146	Unleased Force Pooled	0.123927%	0.139653
Roger W. McClanahan RR 2 Box 228H Cedar Bluff, VA 24609	Unleased Force Pooled	0.123927%	0.139653
Margaret V. Compton 6500 S. Magnolia Ave. Ocala, FL 34474	Unleased Voluntary Lease	0.123927%	0.139653
Dortha Lois McClanahan Box 116 Grundy, VA 24614	Leased	0.123927%	0.139653

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<u>LESSOR</u>	<u>LEASE</u>	<u>INTEREST WITHIN</u>	<u>GROSS ACREAGE</u>
Virginia Faye Horne Rt 2, Box 106 Grundy, VA 24614	Leased	0.247853%	0.279306
Bonnie Cleo McClanahan 3714 Memorial Blvd. Kingsport, TN 37664	Leased	0.123927%	0.139653
Estin Rudolph McClanahan 4123 Zulla Road Plains, VA 20198	Unleased Force Pooled	0.123927%	0.139653
Edith Yuhaz Rt 2, Box 493 Grundy, VA 24614	Leased	0.165235%	0.186204
Fern M. Fields P. O. Box 212 Abingdon, VA 24212	Leased	0.165235%	0.186204
Elsie F. Cline 19602 Leesville Road Lynchburg, VA 24503	Leased	0.165235%	0.186204
Faye F. Blankenship Rt 2, Box 493 Grundy, VA 24614	Leased	0.165235%	0.186204
Ruby F. Cline 67 Deerwoode Lane Brevard, NC 28712	Leased	0.165235%	0.186204
Opal F. Belcher 8355 S.W. Second Street Miami, FL 33144	Leased	0.165235%	0.186204
Mildred Sue Dotson P. O. Box 733 Grundy, VA 24614	Leased	0.165235%	0.186204
Denny Allen Dotson Box 641 Grundy, VA 24614	Unleased Force Pooled	0.330471%	0.372407
Alisa Dotson Summerlin 1073 Sheehan Blvd. Port Charlotte, FL 33952	Unleased Force Pooled	0.330471%	0.372407
Eloise Keene Rt. 1 Box 163 Grundy, VA 24614	Unleased Participating	0.185890%	0.209479
Ralph McClanahan Rt.1 Box 363A Grundy, VA 24614	Leased	0.165235%	0.186204
Mabelene Clevinger Rt. 1 Box 366 Grundy, VA 24614	Unleased Participate on a Carried Basis	0.165235%	0.186204

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Well No. 825404 (HCS-10)
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<u>LESSOR</u>	<u>LEASE</u>	<u>INTEREST WITHIN</u>	<u>GROSS ACREAGE</u>
Lois and Donald R. Bentley Rt. 1 Box 364 Grundy, VA 24614	Unleased Participate on a Carried Basis	0.165235%	0.186204
Brenda and Leonard Lee Charles Rt 1 Box 362 Grundy, VA 24614	Unleased Participate on a Carried Basis	0.165235%	0.186204
Paul and Judy McClanahan Rt 1 Box 383 Grundy, VA 24614	Unleased Participate on a Carried Basis	0.165235%	0.186204
Ronald Lyle Cox Rt 1. Box 361 Grundy, VA 24614	Unleased Force Pooled	0.055078%	0.062068
Steven Lyle Cox 1700 Pratt Street Blacksburg, VA 24060	Unleased Force Pooled	0.036719%	0.041379
Ronald James Looney PO Box 2411 Grundy, VA 24614	Unleased Force Pooled	0.036719%	0.041379
Terry Looney Rt 5 Box 158 Grundy, VA 24614	Unleased Force Pooled	0.036719%	0.041379
TOTAL GAS ESTATE		100.000000%	112.690000
Total Percentage Leased		95.234696%	
Total Percentage Unleased		4.765304%	
Total Acreage Leased			107.319979
Total Acreage Unleased			5.370021

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 acknowledgement annexed, admitted to record this 30th day of April

20 07. Instrument No. 07 000 1687

TESTE: Beverly S. Tiller, Clerk

Returned to: Stone

TESTE: Beverly S. Tiller

Deputy Clerk



May 18, 2006

Department of Mines Minerals and Energy
Division of Gas and Oil
Attn: Bob Wilson, Director
P.O. Box 1416
Abingdon, Virginia 24212

Re: May Hearing, documents request

Dear Mr. Wilson:

As a follow up to our May 16, 2006 meeting with the Oil and Gas Board, enclosed you will find the following plats and/or documents:

1. A signed well plat for well number 825404 (HCS-10) 1420
2. A DGO-7 Supplement for well number 825524 (HY-108)
3. A revised EXHIBIT "B-3" for well number 825524 (HY-108)

Should you have any questions regarding the above, please do not hesitate to call me at 606-874-0218 extension 227.

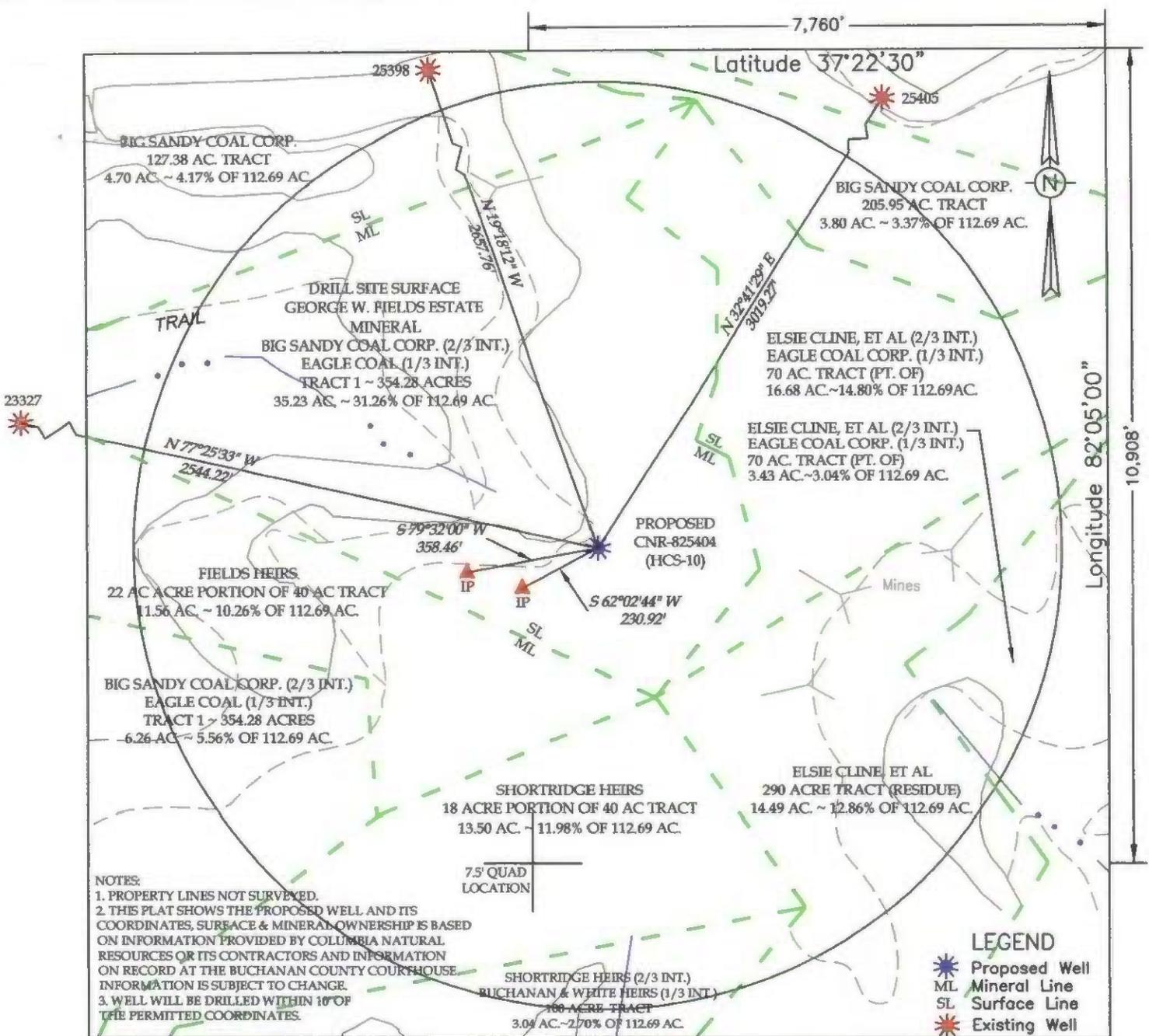
Sincerely,

Dennis R. Baker, CPL/ESA
Senior Land Representative

Enclosures

cc: James E. Kaiser





Area of Unit-112.69 Acres
WELL LOCATION PLAT

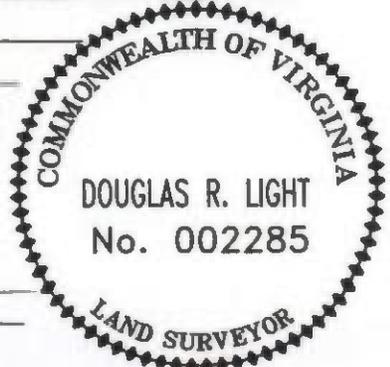
Company Columbia Natural Resources, LLC Well Name or Number CNR-825404 (HCS-10)
 Tract No. BIG SANDY COAL CORP. 2/3 INT. / EAGLE COAL 1/3 INT. (TR. 1 ~ 354.28 AC.) Quadrangle GRUNDY
 District NORTH GRUNDY
 Well Coordinates (Virginia State Plane) N: 388,423.71 E: 950,751.74
 Elevation: 1905.96 Method Used to Determine Elevation: Trig. Levels from GPS derived elevation.

County BUCHANAN Scale: 1" = 400' Date 5-06-05
 REV: 08-18-05

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.

Douglas R. Light
 Licensed Professional Engineer or Licensed Land Surveyor



NOTES:
 1. PROPERTY LINES NOT SURVEYED.
 2. THIS PLAT SHOWS THE PROPOSED WELL AND ITS COORDINATES, SURFACE & MINERAL OWNERSHIP IS BASED ON INFORMATION PROVIDED BY COLUMBIA NATURAL RESOURCES OR ITS CONTRACTORS AND INFORMATION ON RECORD AT THE BUCHANAN COUNTY COURTHOUSE. INFORMATION IS SUBJECT TO CHANGE.
 3. WELL WILL BE DRILLED WITHIN 10' OF THE PERMITTED COORDINATES.

LEGEND
 * Proposed Well
 ML Mineral Line
 SL Surface Line
 * Existing Well