

1391
INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

090002583

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB-06/07/18-1682

ELECTIONS, UNIT: 825834

(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 November 15, 2006 and recorded instrument # 060003834 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on November 17, 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 January 25, 2007, 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 21, 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 20 day of July, 2009 by
a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert
Bradley Lambert, Chairman

DONE AND EXECUTED this 20 day of July, 2009 by
a majority of the Virginia Gas and Oil Board.

David E. Asbury, Jr.
David E. Asbury, Jr.
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF ~~WASHINGTON~~

Acknowledged this Russell 20th day of July, 2009,
personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley Lambert,
being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board and David E.
Asbury, Jr., being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia
Gas and Oil Board, that they executed same and were so authorized to do.

Diane J. Davis
Diane J. Davis, Notary, 174394

My Commission Expires September 30, 2009



EXHIBIT B
Well No. 825834 (HCS-100)
Revised 2/2/07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
<u>TRACT 1 41.60 Acres in Unit</u>			
Buchanan Gas Company, LLC c/o John Matney 2700 Lee Highway Bristol, VA 24202	Leased	36.915432%	41.600000
<u>TRACT 2 16.55 Acres in Unit</u>			
Jess E. Fleming and Gayle Fleming, his wife 119 Fawn Haven Lane Huddleston, VA 21404	Leased	0.611929%	0.689583
Max D. Fleming and Barbara R. Fleming, his wife 2020 Grayson Drive Navarre, FL 32566	Leased	0.611929%	0.689583
Betty Elswick Cook and Jack Cook, her husband 8731 Belle Meade Drive Ft. Myers, FL 33908	Leased	0.611929%	0.689583
Ross Roberson 254 Butt Hollow Road Salem, VA 24153	Leased	1.223859%	1.379167
Eula Elswick c/o Ida Jane Conner, POA 6012 Cove Road Roanoke, VA 24019	Leased	1.223859%	1.379167
Landon L. Elswick 1011C Charles Street Fredericksburg, VA 22401	Leased	1.223859%	1.379167
Jerry C. Daniels and Betty L. Daniels, his wife 23089 Green Spring Road Abingdon, VA 24211	Leased	0.244772%	0.275833
Barbara Elswick Hunt and Jerry Hunt, her husband Route 1, Box 391 Grundy, VA 24614	Leased	0.489544%	0.551667
Zolina D. Elswick, widow Rt. 1, Box 369 Grundy, VA 24614	Leased	0.489544%	0.551667

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<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
Robert L. Elswick and Patty Elswick, his wife Rt. 1, Box 368 Grundy, VA 24614	Leased	0.489544%	0.551667
Stewart Lee Rohrer and Rebecca Sparks Rohrer, his wife Route 1, Box 389 Grundy, VA 24614	Leased	1.468631%	1.655000
Billy Neal Salyer and Patty R. Salyer, his wife 96 Richmond Heights Road Bristol, TN 37620	Leased	0.135984%	0.153241
H. Hollis Salyer and Roberta Jane Salyer, his wife 130 Pine Grove Road Whiteville, NC 28472	Leased	0.135984%	0.153241
Thomas Wade Daniels, Jr. and Bonnie L. Daniels, his wife 1296 Flatwoods Road Corbin, KY 40701	Leased	0.054394%	0.061296
Phillip Daniels and Kennesha Daniels, his wife 350 Dewey Poynter Road Somerset, KY 42503-5308	Leased	0.054394%	0.061296
Loueglie Williams 350 Dewey Poynter Road Somerset, KY 42503	Leased	0.081591%	0.091944
Ronald L. Salyer and Margie H. Salyer, his wife 6550 Tallwood Drive Roanoke, VA 24018	Leased	0.135984%	0.153241
Chris Daniels and Olga Daniels, his wife 1667 Stilesville Road Science Hill, KY 42553	Leased	0.054394%	0.061296
Bernice Elswick Deel and Elbert Harold Deel, her husband 19333 Summerland Road, Lot #141 Fort Myers, FL 33908	Leased	0.611929%	0.689583

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<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
Walter F. Ramey 531 Birch Street Church Hill, TN 37642	Leased	0.407953%	0.459722
Eleanor Elswick Altizer and Billy W. Altizer, her husband 1013 Harpersville Road Newport News, VA 23601	Leased	1.468631%	1.655000
Patsy Hughes and Gary Hughes, her husband Route 1, Box 263 Grundy, VA 24614	Leased	1.468631%	1.655000
Harold Dean Daniels and Linda Sue Daniels, his wife 19390 Lake Road Abingdon, VA 24211	Leased	0.244772%	0.275833
Wanda Sue McCall and George F. McCall, her husband 12256 Silent Wolf Drive Manassas, VA 20112	Leased	0.244772%	0.275833
Sandra K. Timberlake and Richard E. Timberlake, her husband 17771 Rogers Clark Boulevard Milford, VA 25514-2056	Leased	0.244772%	0.275833
Connie Daniels Lester Route 2, Box 195-D Grundy, VA 24614	Leased	0.244772%	0.275833
Margo Ramey Yates P.O. Box 2742 Pikeville, KY 41502	Leased	0.101988%	0.114931
Jennifer Karen Ramey P.O. Box 2742 Pikeville, KY 41502	Leased	0.101988%	0.114931
Robert Allen Ramey and Tina Ramey, his wife 1661 Shady Oak Lane Florence, SC 29506	Leased	0.101988%	0.114931
Pamela R. Charles and Rick Charles, her husband 24913 South Levisa Road Mouthcard, KY 41548-8303	Leased	0.101988%	0.114931

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<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
<u>TRACT 3 23.68 Acres in Unit</u>			
John H. Baird, Agent Green Charles Estate P.O. Box 351 Pikeville, KY 41502	Leased	21.013400%	23.680000
Donald R. Johnson Attorney at Law 1950 Electric Road Roanoke, VA 24018			
<u>TRACT 4 17.38 Acres in Unit</u>			
John H. Baird, Agent Zack Justice Estate P.O. Box 351 Pikeville, KY 41502	Leased	15.422841%	17.380000
Donald R. Johnson Attorney at Law 1950 Electric Road Roanoke, VA 24018			
<u>TRACT 5 8.79 Acres in Unit</u>			
Terra Services P. O. Box 188 Meadowview, VA 24361-0188	Unleased Carried	1.950040%	2.197500
Helen McClanahan Witt and spouse or heirs 19399 McCray Drive Abingdon, VA 24211	Unleased Force Pooled	1.950040%	2.197500
Elswick Land and Mineral LLC Paul D. Elswick, Manager P.O. Box 61 Big Rock, VA 24603	Leased	0.780016%	0.879000
Edith Mullins Elswick, widow P.O. Box 35 Big Rock, VA 24603	Leased	0.780016%	0.879000
Clayton Williams, widow Route 2, Box 173-B Honaker, VA 24260	Leased	0.390008%	0.439500

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<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
Gordon Scott Williams and Tara C. Williams, his wife Route 1, Box 403 Grundy, VA 24614	Leased	0.130003%	0.146500
Alicia Leigh Deel and Danny Deel, her husband P.O. Box 188 Big Rock, VA 24603	Leased	0.130003%	0.146500
Donald Steven Williams and Cynthia H. Williams, his wife 851 Richards Way Wayne, PA 19087	Leased	0.130003%	0.146500
Greg Thomas Belcher and spouse or heirs P.O. Box 91 Grundy, VA 24614	Leased	0.260005%	0.293000
James Arthur Fowler and spouse or heirs 6736 Jade Post Lane Centerville, VA 20121-2194	Leased	0.130003%	0.146500
Margaret Sulane Blansett and spouse or heirs 9209 N. Cottage Park Drive Mobile, AL 36695	Leased	0.130003%	0.146500
Karen Cecil and William R. Cecil, her husband 152 Gartin Place Madison Heights, VA 24572	Leased	0.078002%	0.087900
Kris Cecil, single 152 Gartin Place Madison Heights, VA 24572	Leased	0.006500%	0.007325
Linda Cheryl Belcher Wright and spouse or heirs 2725 Southway Drive, SW #51 Roanoke, VA 24014	Leased	0.078002%	0.087900
Wesley Wright, single HC-67, Box 18-A Oakwood, VA 24631	Leased	0.006500%	0.007325

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<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
Brian Belcher and Cheryl Belcher, his wife Route 1, Box 512A Vansant, VA 24656	Leased	0.078002%	0.087900
Matthew Belcher, single Route 1, Box 512A Vansant, VA 24656	Leased	0.006500%	0.007325
Michael Belcher, single minor Route 1, Box 512A Vansant, VA 24656	Leased	0.006500%	0.007325
Charles William Hale III and Glenna M. Hale, his wife 3178 Lee Highway Weyers Cave, VA 24486	Leased	0.055715%	0.062786
Jack L. Hale and Carol Hale, his wife 1138 Bluebird Court Harrisonburg, VA 22802	Leased	0.055715%	0.062786
Jean A. Bolin and spouse or heirs 405 Cornwall Drive Brentwood, TN 37027	Leased	0.111431%	0.125571
Margie E. Sigmon 10142 Bird River Road Baltimore, MD 21220	Leased	0.111431%	0.125571
Evelyn E. McGlothlin 4335 Wardell Road Pounding Mill, VA 24637	Leased	0.111431%	0.125571
Franklin D. Elswick and Kathalee Elswick, his wife 8006 Well Street Manassas, VA 22110	Leased	0.111431%	0.125571
Charldeen Bagwell 170 Fairview Street Grundy, VA 24614	Leased	0.055715%	0.062786
Janice Landon and spouse or heirs 1537 Myrtle Avenue Madison Heights, MI 48071	Leased	0.055715%	0.062786

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<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
Nancy Catherine Talbert and spouse or heirs P.O. Box 118 Seaford, VA 23696	Leased	0.027858%	0.031393
Ann D. Simpson and spouse or heirs 6791 SW 114th Street RD Ocala, FL 34476	Leased	0.027858%	0.031393
H. M. Kidd and Frances E. Kidd, his wife P.O. Box 1411 Pulaski, VA 24301	Leased	0.027858%	0.031393
James Ervin Kidd and spouse or heirs 6480 SW 5 Place Margate, FL 33068	Leased	0.027858%	0.031393
<u>TRACT 6 4.69 Acres in Unit</u>			
Buchanan Gas Company, LLC c/o John Matney 2700 Lee Highway Bristol, VA 24202	Unleased Voluntary Lease	3.329488%	3.752000
Elizzie Williamson heirs (all heirs known and unknown) Irene Shortridge (unknown) Annie Williamson (unknown)	Unleased Force Pooled	0.832372%	0.938000
TOTAL GAS ESTATE		100.000000%	112.690000
Total Percentage Leased		95.267548%	
Total Percentage Unleased		4.732452%	
Total Acreage Leased			107.357000
Total Acreage Unleased			5.333000

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VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Chesapeake Appalachia LLC for Forced Pooling of Interests in Unit Number 825834, VGOB Docket No. VGOB-06/07/18-1682 in the Rocklick 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 November 15, 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 November 17, 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:

Tract

Lessor

Elected

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Terra Services
P. O. Box 188
Meadowview, VA 24361-0188

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.

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>NET REVENUE INTEREST</u>
6	Elizzie Williamson heirs (all heirs known and unknown) Irene Shortridge (unknown) Annie Williamson (unknown)	Unleased	0.832372

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>
5	Elswick Land and Mineral LLC Paul D. Elswick, Manager P.O. Box 61 Big Rock, VA 24603 Gordon Scott Williams and Tara C. Williams, his wife Route 1, Box 403 Grundy, VA 24614 Donald Steven Williams and Cynthia H. Williams, his wife 851 Richards Way Wayne, PA 19087 Linda Cheryl Belcher Wright and spouse or heirs 2725 Southway Drive, SW #51 Roanoke, VA 24014 Wesley Wright, single HC-67, Box 18-A Oakwood, VA 24631

Tract

Lessor

5

Brian Belcher and
Cheryl Belcher, his wife
Route 1, Box 512A
Vansant, VA 24656

Matthew Belcher, single
Route 1, Box 512A
Vansant, VA 24656

Michael Belcher, single minor
Route 1, Box 512A
Vansant, VA 24656

Charles William Hale III and
Glenna M. Hale, his wife
3178 Lee Highway
Weyers Cave, VA 24486

Jean A. Bolin
and spouse or heirs
405 Cornwall Drive
Brentwood, TN 37027

Franklin D. Elswick and
Kathalee Elswick, his wife
8006 Well Street
Manassas, VA 22110

Janice Landon
and spouse or heirs
1537 Myrtle Avenue
Madison Heights, MI 48071

Ann D. Simpson
and spouse or heirs
6791 SW 114th Street RD
Ocala, FL 34476

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Buchanan Gas Company, LLC
c/o John Matney
2700 Lee Highway
Bristol, VA 24202

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>
5	Helen McClanahan Witt and spouse or heirs 19399 McCray Drive Abingdon, VA 24211	2.1975 x \$5.00 = \$10.987

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.

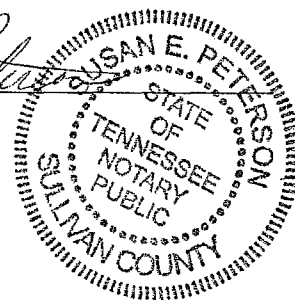
Dated at Kingsport, Tennessee, this 21st day of March 2007.

[Signature]
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

[Signature]
Notary



BV
\$24

1470009

INSTRUMENT #0900002583
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 27, 2009 AT 11:13AM

BEVERLY S. TILLER, CLERK
RECORDED BY: NKE

BV
\$24

1470909

INSTRUMENT #090002583
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 27, 2009 AT 11:13AM

BEVERLY S. TILLER, CLERK
RECORDED BY: NKE