

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

1294

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

AMENDED SUPPLEMENTAL ORDER REGARDING:

DOCKET NO. VGOB-06/09/19-1724

ELECTIONS, UNIT: 825695

(hereinafter "Subject Drilling Unit")

TAX MAP IDENTIFICATION NUMBERS:

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

REPORT OF BOARD

FINDINGS AND ORDER

1. This Amended 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 September 19, 2006 and recorded instrument # 070000719 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on February 27, 2007 (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;

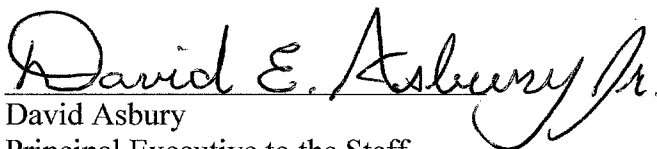
- (b) The designated operator filed its affidavit of mailing dated March 30, 2007, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interest, if any, were 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 amended affidavit dated October 20, 2008, 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 6th day of November, 2008 by a majority of the Virginia Gas and Oil Board.

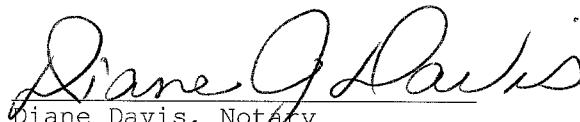

Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 6th day of November, 2008 by Order of this Board.


David Asbury
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 6th day of November, 2008, 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 David Asbury, 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 the same and was authorized to do so.


Diane Davis, Notary
174394

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 825695, VGOB Docket No. VGOB-06/09/19-1724 in the North Grundy Magisterial District of Buchanan County, Virginia.

AMENDED 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
2,4,& 5

Lessor
CNX Gas Company LLC
c/o Claude Morgan, VP
2481 John Nash Blvd.
Bluefield, WV 24701

Elected
Participate

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:

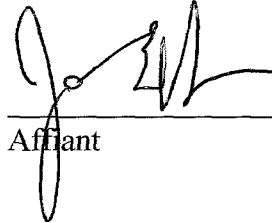
NONE

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>Lessor</u>	<u>Cash Consideration</u>
5	Michael James Kauble Trustee for May Sue Harris 920 Chapin Dr. P.O. Box 342 Julian, CA 92036	0.256000 X \$5.00 = \$1.28

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 20th day of October 2008.

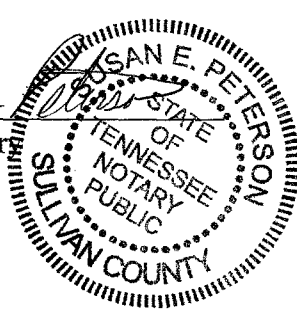


Affiant

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 22nd day of October, 2008.



Notary



My commission expires: November 12, 2008.

EXHIBIT B
Well No. 825695 (HCS-97)
(Revised 6/14/07)

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>PERCENT INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
TRACTS 1 and 3 - 86.12 + .02 = 86.14 Acres in Unit			
Green Charles Estate c/o John H. Baird, Attorney-in-Fact Box 351 Pikeville, KY 41502	Leased	76.439791%	86.140000
Donald R. Johnson Attorney at Law 1950 Electric Road Roanoke, VA 24018			
TRACT 2 3.22 Acres in Unit			
Robert S. Powers, single 2921 Dempster Street Knoxville, TN 37917-3215	Leased	0.357175%	0.402500
James S. Thompson, Trustee The Florence E. Walker Trust, and James S. Thompson 3620 Edgewood Circle Cleveland, TN 37311	Leased	0.357175%	0.402500
Bran Investments, LLC a Tennessee Limited Liability Company 516 Holston Avenue, Suite 100 Bristol, TN 37620	Leased	0.357175%	0.402500
Stephen E. Runals; Michael L. Runals; Roberta R. Moran; Andrew W. Runals, Trustees of The Runals Trust c/o Stephen E. Runals, Agent 11280 Magnolia Place Smithfield, VA 23430	Leased	0.357175%	0.402500
Buchanan Realty Company, LLC c/o John C. Irvin 4710 Hunterwood Circle Richmond, TX 77469	Leased	0.714349%	0.805000
Brian F. Belcher, Trustee for George Belcher Heirs 924 Maxfield Road Big Stone Gap, VA 24219	*Unleased (CNX Lease)	0.102050%	0.115000
Eileen Glover, Trustee for George Belcher Heirs Box 172 Grundy, VA 24614	*Unleased (CNX Lease)	0.102050%	0.115000
Robinson D. Belcher, Trustee for George Belcher Heirs 2607 Hephervas Store Road Bedford, VA 24523	*Unleased (CNX Lease)	0.102050%	0.115000
Gladys C. Clement, Trustee for George Belcher Heirs 3241 Somerset Street Roanoke, VA 24014	*Unleased (CNX Lease)	0.102050%	0.115000

Esther B. Crisman, Trustee for George Belcher Heirs 444 Hanover Road Sandston, VA 23150	*Unleased (CNX Lease)	0.102050%	0.115000
Roger W. McClanahan, Trustee for George Belcher Heirs Rt. 2, Box 228H Cedar Bluff, VA 24609	*Unleased (CNX Lease)	0.102050%	0.115000
Sylvia B. Woodard, Trustee for George Belcher Heirs 458 McNeary Ferry Road Leesville, SC 29070	*Unleased (CNX Lease)	0.102050%	0.115000
John H. Belcher, Agent for George Belcher Heirs and Trustees 924 Maxfield Road Big Stone Gap, VA 24219			
*CNX Gas Company LLC (Oil and Gas Lessee) P.O. Box 947 Bluefield, VA 24605	*Unleased Participating		

TRACT 4 22.37 Acres in Unit

Robert S. Powers, single 2921 Dempster Street Knoxville, TN 37917-3215	Leased	1.654243%	1.864167
James S. Thompson, Trustee The Walker Trust 3620 Edgewood Circle Cleveland, TN 37311	Leased	1.654243%	1.864167
Bran Investments, LLC a Tennessee Limited Liability Company 516 Holston Avenue, Suite 100 Bristol, TN 37620	Leased	1.654243%	1.864167
Stephen E. Runals; Michael L. Runals; Roberta R. Moran; Andrew W. Runals, Trustees of The Runals Trust c/o Stephen E. Runals, Agent 11280 Magnolia Place Smithfield, VA 23430	Leased	1.654243%	1.864167
Buchanan Realty Company, LLC c/o John C. Irvin 4710 Hunterwood Circle Richmond, TX 77469	Leased	3.308486%	3.728333
Brian F. Belcher, Trustee for George Belcher Heirs 924 Maxfield Road Big Stone Gap, VA 24219	*Unleased (CNX Lease)	0.472641%	0.532619
Eileen Glover, Trustee for George Belcher Heirs Box 172 Grundy, VA 24614	*Unleased (CNX Lease)	0.472641%	0.532619
Robinson D. Belcher, Trustee for George Belcher Heirs 2607 Hephervas Store Road Bedford, VA 24523	*Unleased (CNX Lease)	0.472641%	0.532619

Gladys-C. Clement, Trustee for George Belcher Heirs 3241 Somerset Street Roanoke, VA 24014	*Unleased (CNX Lease)	0.472641%	0.532619
Esther B. Crisman, Trustee for George Belcher Heirs 444 Hanover Road Sandston, VA 23150	*Unleased (CNX Lease)	0.472641%	0.532619
Roger W. McClanahan, Trustee for George Belcher Heirs Rt. 2, Box 228H Cedar Bluff, VA 24609	*Unleased (CNX Lease)	0.472641%	0.532619
Sylvia B. Woodard, Trustee for George Belcher Heirs 458 McNeary Ferry Road Leesville, SC 29070	*Unleased (CNX Lease)	0.472641%	0.532619
John H. Belcher, Agent for George Belcher Heirs and Trustees 924 Maxfield Road Big Stone Gap, VA 24219			
*CNX Gas Company LLC (Oil and Gas Lessee) P.O. Box 947 Bluefield, VA 24605	*Unleased Participating		
Beverly Tiller, Trustee The Lamar Cox Marital Trust The Lamar Cox Family Trust Box 154 Vansant, VA 24656	Leased	6.616973%	7.456667
TRACT 5 .96 Acre in Unit			
Robert S. Powers, single 2921 Dempster Street Knoxville, TN 37917-3215	Leased	0.042595%	0.048000
James S. Thompson, Trustee The Florence E. Walker Trust, and James S. Thompson 3620 Edgewood Circle Cleveland, TN 37311	Leased	0.042595%	0.048000
Bran Investments, LLC a Tennessee Limited Liability Company 516 Holston Avenue, Suite 100 Bristol, TN 37620	Leased	0.042595%	0.048000
Stephen E. Runals; Michael L. Runals; Roberta R. Moran; Andrew W. Runals, Trustees of The Runals Trust c/o Stephen E. Runals, Agent 11280 Magnolia Place Smithfield, VA 23430	Leased	0.042595%	0.048000
Carol C. Welch and spouse or heirs 134 Little John Road Williamsburg, VA 23185-1291	*Unleased (CNX Lease)	0.113586%	0.128000
Mark Douglas Welch and spouse or heirs 113 Holdsworth Road Williamsburg, VA 23185-5551	*Unleased (CNX Lease)	0.113586%	0.128000

May Sue Harris unknown and unlocatable	Unleased	0.227172%	0.256000
Irene M. Harris heirs:			
Marguerite Whyte and spouse or heirs 1837 Avenida Segovia Oceanside, CA 92056	*Unleased (CNX Lease)	0.037862%	0.042667
Patricia Ruenke and spouse or heirs 5627 South 4th Street Arlington, VA 22204	*Unleased (CNX Lease)	0.037862%	0.042667
George B. Harris, Jr. and spouse or heirs 188 The Embarcadero Ste. 500 San Francisco, CA 94105	*Unleased (CNX Lease)	0.037862%	0.042667
Edward W. Lindsay, Trustee 1125 Brentwood Drive Ponca City, OK 74601-1712	*Unleased (CNX Lease)	0.113586%	0.128000
*CNX Gas Company LLC (Oil and Gas Lessee) P.O. Box 947 Bluefield, VA 24605	*Unleased Participating		
TOTAL GAS ESTATE		100.000000%	112.690000
Total Percentage Leased		95.295649%	
Total Percentage Unleased		4.704351%	
Total Acreage Leased			107.388667
Total Acreage Unleased			5.301333

INSTRUMENT #0800004219
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
NOVEMBER 12, 2008 AT 02:33PM
BEVERLY S. TILLER, CLERK
RECORDED BY: AKT

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