

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	POCAHONTAS GAS PARTNERSHIP)	
)	
RELIEF SOUGHT:	FORMATION OF LONGWALL PANEL)	
	PRODUCTION UNITS KNOWN AS NELW1,)	
	NELW2, NELW3, NELW4, NELW5, NELW6,)	
	NELW7, NELW8, NELW9, and NELW10)	
	(hereafter sometimes collectively)	
	referred to as "Subject Drilling)	
	Units") FOR THE PRODUCTION)	
	OF COALBED METHANE GAS AND)	VIRGINIA
	COALBED METHANE GAS FROM ACTIVE)	GAS AND OIL
	AND UNSEALED GOB AREAS (herein)	BOARD
	collectively "Coalbed Methane)	
	Gas"))	DOCKET NO.
LEGAL DESCRIPTION:	IN THE CONSOLIDATION)	
	COAL COMPANY BUCHANAN NO. 1)	VGOB NO.
	MINE IN THE HURRICANE MAGISTER-)	91-1119-160
	IAL DISTRICT OF BUCHANAN)	
	COUNTY, VIRGINIA AS MORE)	
	PARTICULARLY DESCRIBED IN SUB-)	
	PARAGRAPH 7.d. BELOW AND)	
	DEPICTED ON EXHIBIT B ATTACHED)	
	HERETO AND MADE A PART HEREOF)	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This cause came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on November 19, 1991 at the Virginia 4-H Center, Abingdon, Virginia.

2. Appearances: James P. Jones and Elizabeth A. McClanahan of the firm of Penn, Stuart, Eskridge and Jones appeared for Applicant.

3. Notice and Jurisdiction: 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 meaningful search of reasonable available sources to determine the identity and whereabouts of persons of record having or claiming the rights to Coalbed Methane Gas in the coal seams below the Tiller Seam, including the Lower Castle, Upper Seaboard, Greasy Creek, Middle Seaboard, Lower Seaboard, Upper Horsepen, Middle Horsepen, C, War Creek, Pocahontas No. 10, 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 coal seams or pools, and all zones in communication therewith and all productive extension thereof underlying the Subject Drilling Units (hereafter collectively referred to as "Subject Formations"), and (2) has given notice to all parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Sections 45.1-361.19, Virginia Code, 1950 as amended, to notice of this application. Further, the Board has caused notice of this hearing to be published as required by Section 45.1-361.19.B, Virginia Code, 1950 as amended.

4. Amendments: None.

5. Dismissals: None.

6. Relief Requested: Applicant requests that the Board establish and create Subject Drilling Units for the Subject Formations underlying and comprised of the property more particularly described for each of said Subject Drilling Units in Subparagraph 7.d. for the production of Coalbed Methane Gas; and in order to conform to existing mine development plans, that the Board establish well spacing and well density authority for each of Subject Drilling Units.

7. Reasons Relief Should Be Granted: The Application and/or the uncontroverted testimony and evidence presented to the Board at the hearing reflect that:

a. The following named persons may be owners of Coalbed Methane interests in Subject Drilling Units in the Subject Formations underlying and comprised of the property more particularly described for each of said Subject Drilling Units in Subparagraph 7.d. below:

(1) **NELW1 UNIT:**

- (a) Hugh MacRae Land Trust, P.O. Box 29, Tazewell, VA 24651
- (b) Consolidation Coal Company, 1800 Washington Road, Pittsburgh, PA 15241
- (c) R. C. Mutter Heirs:
 - William S. Mutter, P.O.Box 191, Grundy, VA 24614
 - Carlos Mutter, 16713 Recreation Drive, Lake Milton, OH 44429
 - Mrs. Dallas Hess, 670 S. Canfield Niles Road, Youngstown, OH 44515
 - Olga Davis, 181 Sycamore Street, Mansfield, OH 44093
 - Fern Duecaster, 518 Clinton Street, Ravenna, OH 44266
 - Linda Coleman, 1230 Apt. D Harwood Drive, Mansfield, OH 44906
 - Wanda Padgette, 3515 Thompson Corner Road, Mechanicsville, MD 20659
 - Ferrell Mutter, Rt. 2, Box 36, Oakwood, VA 24631
- (d) L. Mutter Heirs, c/o Eric Mutter, Sr., Rt. 1, Box 65, Peterstown, WV 24963
- (e) William Tickle, P. O. Box 7022, Cross Lanes, WV 25356
- (f) Pocahontas Gas Partnership, P.O. Box 200, Mavisdale, VA 24627

(2) **NELW2 UNIT:**

- (a) Hugh MacRae Land Trust, P.O.Box 29, Tazewell, VA 24651
- (b) Consolidation Coal Company, 1800 Washington Road, Pittsburgh, PA 15241

- (c) L. Mutter Heirs, c/o Eric Mutter, Sr., Rt. 1, Box 65, Peterstown, WV 24963
- (d) William Tickle, P. O. Box 7022, Cross Lanes, WV 25356
- (e) Pocahontas Gas Partnership, P.O. Box 200, Mavisdale, VA 24627

(3) **NELW3 UNIT:**

- (a) Hugh MacRae Land Trust, P.O.Box 29, Tazewell, VA 24651
- (b) Consolidation Coal Company, 1800 Washington Road, Pittsburgh, PA 15241
- (c) Pocahontas Gas Partnership, P.O.Box 200, Mavisdale, VA 24627
- (d) S.J. Mullins Heirs, Drawer K, Oakwood, VA 24631
- (e) Garden Realty Corporation, c/o Mrs. Betty Boyd King, 3610 Winding Creek Way, Winston-Salem, NC 27106
- (f) William Tickle, P. O. Box 7022, Cross Lanes, WV 25356

(4) **NELW4 UNIT:**

- (a) Hugh MacRae Land Trust, P.O.Box 29, Tazewell, VA 24651
- (b) Consolidation Coal Company, 1800 Washington Road, Pittsburgh, PA 15241
- (c) Pocahontas Gas Partnership, P.O.Box 200, Mavisdale, VA 24627
- (d) S.J.Mullins Heirs, Drawer K, Oakwood, VA 24631
- (e) Garden Realty Corporation, c/o Mrs. Betty Boyd King, 3610 Winding Creek Way, Winston Salem, NC 27106

(5) **NELW5 UNIT:**

- (a) Hugh MacRae Land Trust, P.O. Box 29, Tazewell, VA 24651
- (b) Consolidation Coal Company, 1800 Washington Road, Pittsburgh, PA 15241
- (c) S. J. Mullins Heirs, Drawer K, Oakwood, VA 24631
- (d) Garden Realty Corporation, c/o Mrs. Betty Boyd King, 3610 Winding Creek Way, Winston Salem, NC 27106
- (e) Pocahontas Gas Partnership, P.O. Box 200, Mavisdale, VA 24627

(6) **NELW6 UNIT:**

- (a) Hugh MacRae Land Trust, P.O. Box 29, Tazewell, VA 24651
- (b) Consolidation Coal Company, 1800 Washington Road, Pittsburgh, PA 15241

- (c) S. J. Mullins Heirs, Drawer K, Oakwood, VA 24631
- (d) Garden Realty Corporation, c/o Mrs. Betty Boyd King, 3610 Winding Creek Way, Winston Salem, NC 27106
- (e) Pocahontas Gas Partnership, P.O. Box 200, Mavisdale, VA 24627

(7) **NELW7 UNIT:**

- (a) Hugh MacRae Land Trust, P.O. Box 29, Tazewell, VA 24651
- (b) Consolidation Coal Company, 1800 Washington, Road, Pittsburgh, PA 15241
- (c) Garden Realty Corporation, c/o Mrs. Betty Bboyd King, 3610 Winding Creek Way, Winston Salem, NC 27106
- (d) Pocahontas Gas Partnership, P. O. Box 200, Mavisdale, VA 24627

(8) **NELW8 UNIT:**

- (a) Hugh MacRae Land Trust, P.O. Box 29, Tazewell, VA 24651
- (b) Consolidation Coal Company, 1800 Washington Road, Pittsburgh, PA 15241
- (c) Garden Realty Corporation, c/o Mrs. Betty Boyd King, 3610 Winding Creek Way, Winston Salem, NC 27106
- (d) Pocahontas Gas Partnership, P.O. Box 200, Mavisdale, VA 24627

(9) **NELW9 UNIT:**

- (a) Hugh MacRae Land Trust, P.O. Box 29, Tazewell, VA 24651
- (b) Yukon Pocahontas Coal Company, Sayers Pocahontas Coal Company, Buchanan Coal Company and Georgia-Pacific Corporation, c/o Henry Harman, Jr., Managing Partner Big Vein Company, P.O. Box 187, Tazewell, VA 24651
- (c) C. L. Ritter Lumber Company, Incorporated, P.O.Box 700, Huntington, WV 25711
- (d) Consolidation Coal Company, 1800 Washington Road, Pittsburgh, PA 15241
- (e) Island Creek Coal Company, Virginia Division, Drawer L, Oakwood, VA 24631
- (f) Garden Realty Corporation, c/o Mrs. Betty Boyd King, 3610 Winding Creek Way, Winston Salem, NC 27106
- (g) Cabot Oil & Gas Corporation, P.O. Box 1473, Charleston, WV 25325-1473
- (h) OXY USA, Inc., Mullins Building, 1600 Front Street, Drawer Q, Richlands, VA 24641

(i) Pocahontas Gas Partnership, P.O. Box 200, Mavisdale, VA 24627

(10) **NELW10 UNIT:**

(a) Hugh MacRae Land Trust, P.O. Box 29, Tazewell, VA 24651

(b) Yukon Pocahontas Coal Company, Sayers Pocahontas Coal Company, Buchanan Coal Company and Georgia-Pacific Corporation, c/o Henry Harman, Jr., Managing Partner Big Vein Company, P. O. Box 187, Tazewell, VA 24651

(c) C.L. Ritter Lumber Company, Incorporated, P.O. Box 700, Huntington, WV 25711

(d) William Clifford Cochran, Box 337, Oakwood, VA 24631

(e) Commonwealth of Virginia, Virginia Department of Transportation, 870 Bonham Road, Bristol, VA 24201

(f) Consolidation Coal Company, 1800 Washington Road, Pittsburgh, PA 15241

(g) Island Creek Coal Company, Virginia Division, Drawer L, Oakwood, VA 24631

(h) Garden Realty Corporation, c/o Mrs. Betty Boyd King, 3610 Winding Creek Way, Winston Salem, NC 27106

(i) Modern Homes, c/o George Hagy, Rt. 4, Box 6, Grundy, VA 24614

(j) Walter Wade Heirs:

Carl Wade, Box 23, Shortt Gap, VA 24647

Eunice Wade Bladwin, Box 111, Doran, VA 24612

Stella Wade Gillespie, 437 1/2 Brown, Richlands, VA 24641

Gladys Wade Boyd, Box 374, Cedar Bluff, VA 24609

Vinnie Wade Newberry, 17339 Days Point Road, Smithfield, VA 233430

(k) Eady Wade Smith Heirs:

Lula Smith Robins, Rt. 3, Box 277-M, Cedar Bluff, VA 24609

Tom C. Smith, Box 335, Doran, VA 24612

Dolphus Smith, 905 Big Creek Road, Richlands, VA 24641

Raymond S. Smith, Box 335, Doran, VA 24612

Luther Smith, General Delivery, Doran, VA 24612

- (l) Lida VanDyke, c/o Linda J. Holzgrefe, 8972 West F Avenue, Kalamazoo, MI 49009
- (m) Pepsico of Norton, Inc., 12th Street & Park Ave., Norton, VA 24273
- (n) Cabot Oil & Gas Corporation, P.O. Box 1473, Charleston, WV 25325-1473
- (o) Pocahontas Gas Partnership, P.O. Box 200, Mavisdale, VA 24651
- (p) OXY, USA, INC., Mullins Building, 1600 Front Street, Drawer Q, Richlands, VA 24641

b. Pocahontas Gas Partnership claims control of:

(1) **AS TO NELW1:** 100% of all coal below drainage, 90.3211% of the oil and gas and 100% of the coalbed methane leasehold estate. Pocahontas Gas Partnership claims ownership of the right to explore for, develop and produce the coalbed methane underlying 100% of the NELW1.

(2) **AS TO NELW2:** 100% of all coal below drainage, 86.16875% of the oil and gas and 100% of the coalbed methane leasehold estate. Pocahontas Gas Partnership claims ownership of the right to explore for, develop and produce the coalbed methane underlying 100% of the NELW2.

(3) **AS TO NELW3:** 100% of all coal below drainage, 95.11545% of the oil and gas and 100% of the coalbed methane leasehold estate. Pocahontas Gas Partnership claims ownership of the right to explore for, develop and produce the coalbed methane underlying 100% of the NELW3.

(4) **AS TO NELW4, NELW5, NELW6, NELW7, and NELW8, :** 100% of all coal below drainage, 100% of the oil and gas and 100% of the coalbed methane leasehold estate. Pocahontas Gas Partnership claims ownership of the right to explore for, develop and produce the coalbed methane underlying 100% of NELW4, NELW5, NELW6, NELW7 AND NELW8.

(5) **AS TO NELW9:** 99.6276% of the Pocahontas No. 3 seam of coal, 87.2129% of all coal below drainage, less the Pocahontas No. 3 seam, 87.2129% of the oil and gas and 87.2129% of the coalbed methane leasehold estate. Pocahontas Gas Partnership claims ownership of the right to explore for, develop and produce the coalbed methane underlying 99.6276% of the NELW9.

(6) **AS TO NELW10:** 49.6049% of the Pocahontas No. 3 seam of coal, 49.5768% of all coal below drainage, less the Pocahontas No. 3 seam, 44.6933% of the oil and gas and 49.5768% of the coalbed methane leasehold estate. Pocahontas Gas Partnership claims ownership of the right to explore for, develop and produce the coalbed methane underlying 49.6049% of the NELW10.

c. It appears that Coalbed Methane Gas shall be produced from the pool defined as those strata correlative to Subject Formations underlying Subject Drilling Units. The Board concludes, based upon the evidence presented, that the gob area will be comprised of Subject Formations, i.e., it will extend from the base of the Pocahontas No. 2 seam of coal upward to and result in common communication of all seams and areas below the Tiller seam of coal.

d. In order to avoid drilling of unnecessary wells, prevent the various types of waste and protect the correlative rights of all owners and potential owners of coalbed methane below the Tiller seam of coal with respect to the Subject Drilling Units, the most effective and economical method to recover and

produce Coalbed Methane Gas is to conform to existing mine plans by the creation of Subject Drilling Units in Subject Formations comprised and underlying Subject Lands which are in the Consolidation Coal Company Buchanan No. 1 mine as shown on Exhibit "B", bounded and described as follows:

- (1) **NELW1**
Beginning at Virginia (South Rectangular) State Plane Coordinate N 324,334 E 988,911, thence S 87° 58' 12" E 3,726.34 feet to a point (N 324,202 E 992,635), thence S 02° 08' 01" W 1,020.71 feet to a point (N 323,182 E 992,597), thence N 88° 01' 13" W 3,734.23 to a point (N 323,311 E 988,865), thence N 02° 34' 39" E 1,034.03 feet to the point of beginning, containing a total of 87.82 acres.
- (2) **NELW2**
Beginning at Virginia (South Rectangular) State Plane Coordinate N 325,157 E 988,948, thence S 88° 34' 58" E 3,720.14 feet to a point (N 325,065 E 992,667), thence S 02° 07' 25" W 863.59 feet to a point (N 324,202 E 992,635), thence N 87° 58' 12" W 3,726.34 feet to a point (N 324,334 E 988,911), thence N 02° 34' 27" E 823.03 feet to the point of Beginning, containing 72.30 acres.
- (3) **NELW3**
Beginning at Virginia (South Rectangular) State Plane Coordinate N 326,077 E 987,130, thence S 88° 40' 28" E 5,576.49 feet to a point (N 325,948 E 992,705), thence to S 02° 27' 51" W 883.82 feet to a point (N 325,065 E 992,667), thence N 88° 38' 35" W 5,574.56 feet to a point (N 325,197 E 987,094), thence N 02° 20' 33" E 880.74 feet to the point of Beginning, containing 112.60 acres.
- (4) **NELW4**
Beginning at Virginia (South Rectangular) State Plane Coordinate N 326,921 E 987,167, thence S 88° 44' 05" E 5,570.36 feet to a point (N 326,798 E 992,736), thence S 02° 05' 19" W 850.57 feet to a point (N 325,948 E 992,705), thence N 88° 40' 28" W 5,576.49 feet to a point (N 326,077 E 987,130), thence N 02° 30' 37" E 844.81 feet to the point of Beginning, containing 109.30 acres.
- (5) **NELW5**
Beginning at Virginia (South Rectangular) State Plane Coordinate N 327,764 E 987,190, thence S 88° 43' 36" E 5,580.38 feet to a point (N 327,640 E 992,769), thence S 02° 14' 40" W 842.65 feet to a point (N 326,798 E 992,736), thence N 88° 44' 05" W 5,570.36 feet to a point (N 326,921 E 987,167), thence N 01° 33' 46" E 843.31 feet to the point of Beginning, containing 109.00 acres.
- (6) **NELW6**
Beginning at Virginia (South Rectangular) State Plane Coordinate N 328,603 E 987,228, thence S 88° 41' 40" E 5,574.45 feet to a point (N 328,476 E 992,801), thence S 02° 11' 31" W 836.61 feet to a point (N 327,640 E 992,769), thence N 88° 43' 36" W 5,580.38 feet to a

point (N 327,764 E 987,190), thence N 02° 35' 36" E 839.86 feet to the point of Beginning, containing 106.00 acres.

(7) **NELW7**

Beginning at Virginia (South Rectangular) State Plane Coordinate N 329,486 E 985,402, thence S 88° 47' 52" E 7,434.64 feet to a point (N 329,330 E 992,835), thence S 02° 16' 48" W 854.68 feet to a point (N 328,476 E 992,801), thence N 88° 41' 14" W 5,574.45 feet to a point (N 328,603 E 987,228), thence N 00° 42' 26" E 162.01 feet to a point (N 328,765 E 987,230), thence N 89° 06' 21" W 1,858.23 feet to a point (N 328,794 E 985,372), thence N 02° 28' 56" E 692.65 feet to the point of Beginning, containing 138.20 acres.

(8) **NELW8**

Beginning at Virginia (South Rectangular) State Plane Coordinate N 329,486 E 985,402, thence N 02° 03' 19" E 836.54 feet to a point (N 330,322 E 985,432), thence S 88° 47' 54" E 7,438.64 feet to a point (N 330,166 E 992,869), thence S 02° 19' 44" W 836.69 feet to a point (N 329,330 E 992,835), thence N 88° 47' 52" W 7,434.64 feet to the point of Beginning, containing 141.70 acres.

(9) **NELW9**

Beginning at Virginia (South Rectangular) State Plane Coordinate N 331,210 E 984,504, thence S 88° 37' 45" E 8,401.40 feet to a point (N 331,009 E 992,903), thence S 02° 18' 35" W 843.69 feet to a point (N 330,166 E 992,869), thence N 88° 47' 02" W 8,386.89 feet to a point (N 330,344 E 984,484), thence N 01° 19' 23" E 866.23 feet to the point of Beginning, containing 161.10 acres.

(10) **NELW10**

Beginning at Virginia (South Rectangular) State Plane Coordinate N 333,271 E 984,554, thence S 87° 53' 09" E 8,430.74 feet to a point (N 332,960 E 992,979), thence S 02° 13' 51" W 1,952.48 feet to a point (N 331,009 E 992,903), thence N 88° 37' 45" W 8,401.40 feet to a point (N 331,210 E 984,504), thence N 01° 23' 23" E 2,061.61 feet to the point of Beginning, containing 391.11 acres.

e. Based upon the Applicant's application, and in order to conform to existing mine plans, multiple coalbed methane gas wells should be authorized on each of Subject Drilling Units and the following minimum number of wells should be approved to be produced from the Subject Drilling Units:

- (1) NELW1: one (1) well
- (2) NELW2: one (1) well
- (3) NELW3: three (3) wells
- (4) NELW4: three (3) wells
- (5) NELW5: three (3) wells

- (6) NELW6: three (3) wells
- (7) NELW7: three (3) wells
- (8) NELW8: three (3) wells
- (9) NELW9: four (4) wells
- (10) NELW10: four (4) wells

f. An exception to the Oakwood Coal Bed Gas Field Order No. OGCB 3-90 dated May 18, 1990 (the "Oakwood Order") is necessary to conform to existing mine plans and provide mine safety which will also prevent the waste of Coalbed Methane Gas, avoid the drilling of unnecessary wells and protect correlative rights. The Oakwood Coal Bed Gas Field units affected by this order are:

- (1) AS TO NELW1: Oakwood Field Units 25W, 25X, 26W and 26X.
- (2) AS TO NELW2: Oakwood Field Units 25W and 26W.
- (3) AS TO NELW3: Oakwood Field Units 24V, 24W, 25V, 25W, 26V and 26W.
- (4) AS TO NELW4: Oakwood Field Units 24V, 25V and 26V.
- (5) AS TO NELW5: Oakwood Field Units 24U, 25U, 26U, 24V, 25V and 26V.
- (6) AS TO NELW6: Oakwood Field Units 24U, 25U, and 26U.
- (7) AS TO NELW7: Oakwood Field Units 26T, 23U, 24U, 25U, and 26U.
- (8) AS TO NELW8: Oakwood Field Units 23T, 24T, 25T, 26T, 23U and 24U.
- (9) AS TO NELW9: Oakwood Field Units 22T, 23T, 24T, 25T and 26T.
- (10) AS TO NELW10: Oakwood Field Units 22S, 23S, 24S, 25S, 26S, 22T, 23T, 24T, 25T AND 26T.

8. Relief Granted: Pursuant to Va. Code Ann. §§ 45.1-361.1, *et seq.* (Supp. 1991), VR 480-05-22.1, *et seq.*, Gas and Oil Regulations (1991) and VR 480-05-22.2 (1991), *et seq.*, Virginia Gas and Oil Board Regulations, the Virginia Gas and Oil Board ORDERS as follows:

a. The Board grants the application of Pocahontas Gas Partnership to establish and create Subject Drilling Units known and identified as NELW1, NELW2, NELW3, NELW4, NELW5, NELW6, NELW7, NELW8, NELW9, and NELW10 for the production of Coalbed Methane Gas in Subject Formations underlying and comprised of the property more particularly described for each such drilling unit in Subparagraph 7.d. above and as depicted on Exhibit B hereto.

b. As required by existing mine plans and pursuant to §45.1-361.20, Code of Virginia, 1950 as amended, the Board hereby authorizes the Applicant to permit and convert vertical ventilation holes in Subject Drilling Units to coalbed methane wells and/or to permit and drill coalbed methane wells in Subject Drilling Units in the number to the extent permissible within the well spacing and well density requirements hereafter set forth:

(1) Well Spacing Within Each of Subject Drilling Units: No coalbed methane well shall be located closer than 300 feet from any boundary of any of Subject Drilling Units; and no coalbed methane well authorized by this Order

shall be located closer than 300 feet from any other coalbed methane well.

(2) Well Density Within Each of Subject Drilling Units: The maximum number of coalbed methane wells which may be located in any one of the Subject Drilling Units shall be the number which can physically be so located while maintaining compliance with the well spacing requirements set forth in subparagraph 8.b.(1) above. The Board acknowledges that the Applicant intends to seek approval from the Virginia Gas and Oil Inspector to permit and convert and/or drill the following minimum number of coalbed methane wells for each of Subject Drilling Units:

- (1) IN NELW1: One (1) Well
- (2) IN NELW2: One (1) Well
- (3) IN NELW3: Three (3) Wells
- (4) IN NELW4: Three (3) Wells
- (5) IN NELW5: Three (3) Wells
- (6) IN NELW6: Three (3) Wells
- (7) IN NELW7: Three (3) Wells
- (8) IN NELW8: Three (3) Wells
- (9) IN NELW9: Four (4) Wells
- (10) IN NELW10: Four (4) Wells

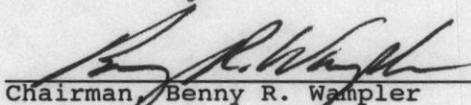
Applicant may apply for and the Gas and Oil Inspector may grant permits to convert and/or drill additional wells so long as Applicant remains in compliance with the provisions of this paragraph.

c. The Board grants the exceptions to the Oakwood Order set forth in subparagraphs 8.a and 8.b. above for the properties more particularly described in subparagraph 7.d. above for the Oakwood Coal Bed Gas Field Units more particularly described and set forth in Subparagraph 7.f. above, in order to conform to existing mine plans and provide mine safety which will also prevent the waste of coalbed methane, avoid the drilling of unnecessary wells and protect correlative rights and to conform to existing mine plans and provide mine safety.

d. The exceptions to the Oakwood Order set forth in Paragraph 8 above are deemed to and apply, as more particularly set forth herein, only to the Subject Drilling Units for the production of Coalbed Methane Gas in Subject Formations underlying and comprised of the property more particularly described for each of said Subject Drilling Units in Subparagraph 7.d. above. The Oakwood Order remains applicable to Subject Drilling Units, subject only to the exceptions granted herein.

9. Effective Date: This Order shall be effective as of November 19, 1991.

DONE AND EXECUTED this 29th day of April, 1992, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 29th day of April, 1992, by Order of the Board.

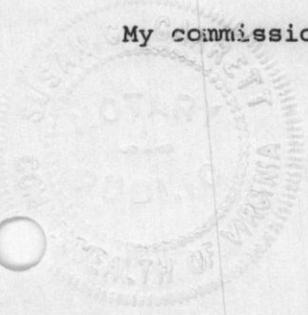
f/ *Byron Thomas Fulmer*
Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

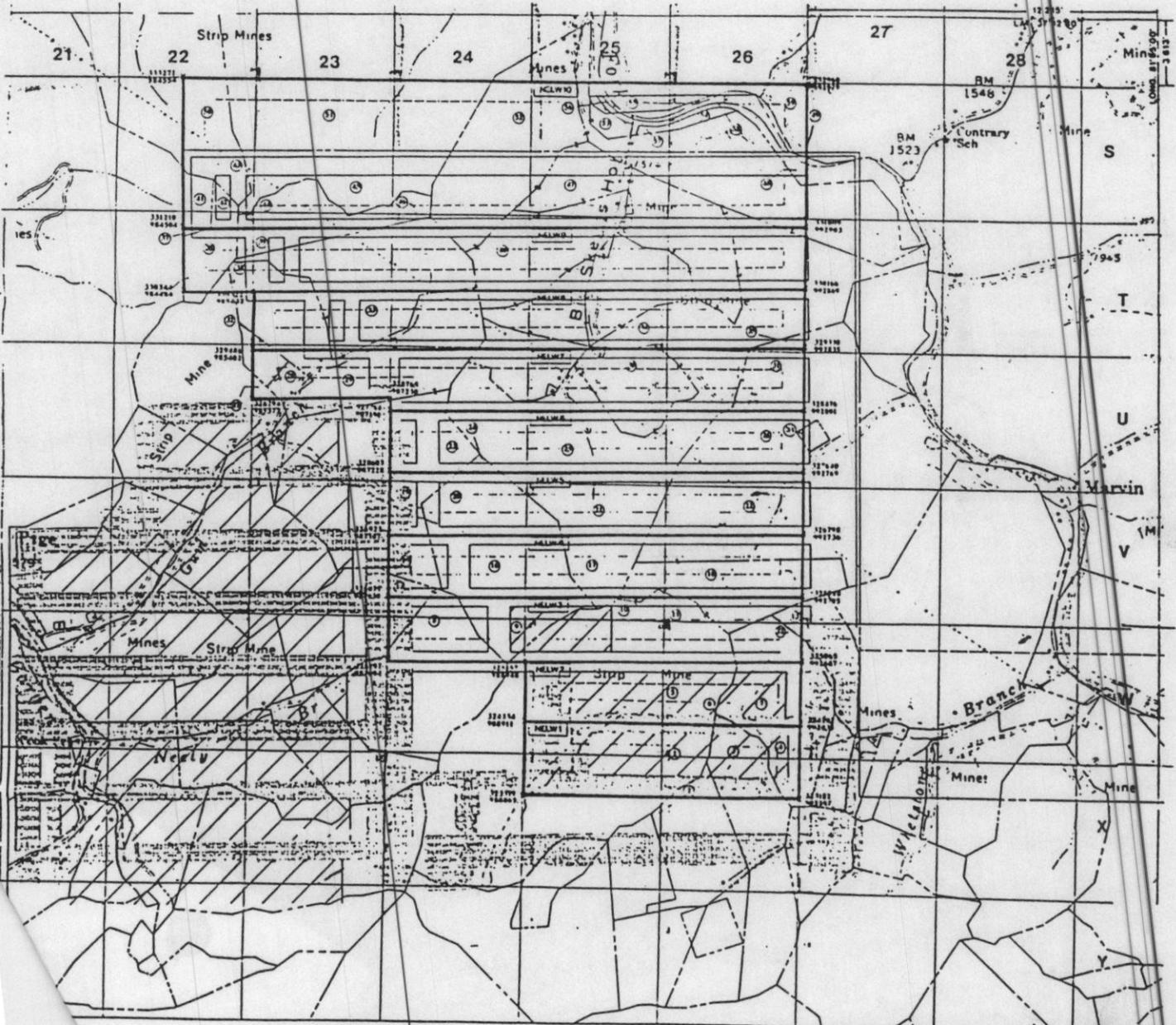
Commonwealth of Virginia
County of Washington

Acknowledged on this 29th day of April, 1992, 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 as Chairman of the Virginia Gas and Oil Board as well as in behalf of the Principal Executive to the Staff of the Virginia Gas and Oil Board and was authorized to do so.

Susan G. Garrett
Susan G. Garrett
Notary Public

My commission expires July 31, 1994.





EXPLANATION

- PANEL UNIT
- PROPERTY LINE
- LONGWALL MINED AREA
- 300 FOOT SETBACK
- CONSOLIDATION COAL COMPANY BUCHANAN NO. 1 MINE WORKS

- U-25 OAKWOOD FIELD 80ACRE I.D.
- TRACT LAND HOOK
- LONGWALL PANEL UNIT I.D.
- 325065 VIRGINIA SOUTH STATE PLANE
- 992667 COORDINATES NORTH 325065
- SOUTH 992667
- BOUNDARY EXTENDED TO OAKWOOD FIELD LINE MELW10
- TRACT I.D. SEE PROPERTY INFORMATION SHEETS

EXHIBIT B

POCAHONTAS GAS PARTNERSHIP
DOCKET NO. VGOB-9-1119-160

LONGWALL PANEL UNITS

KEES MIN. QUADRANGLE
BUCHANAN COUNTY, VA

SCALE 1 in. = 1600 ft.