

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

Docket No. 91-1217-0174

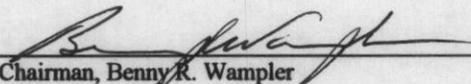
REPORT OF THE BOARD

NOTICE OF EXPIRATION/TERMINATION OF VIRGINIA GAS AND OIL BOARD (herein "Board") ORDER IN THE ABOVE STYLED CAUSE FOR THE POOLING OF INTERESTS IN OAKWOOD COALBED METHANE GAS FIELD DRILLING UNIT NO.U-30 LOCATED IN, KEEN MOUNTAIN QUADRANGLE, GARDEN MAGISTERIAL DISTRICT, BUCHANAN COUNTY, VIRGINIA (the "Subject Lands" are more particularly described on Exhibit 'A', attached hereto and made a part hereof.

1. **This Notice of Expiration/Termination** is entered by the Board after hearing upon its own motion for the purpose of providing notice that the Pooling Order in the above-styled cause which is more particularly set forth and described in Paragraph 2(a) hereof expired and became terminated by its own terms on June 9, 1993, except for any cash sums becoming payable thereunder.
2. **Findings:** The Board finds that:
 - (a) In the above styled cause, the Board entered its order on June 9, 1992 (herein "Pooling Order") for the pooling of an 80-acre coalbed methane gas drilling unit known as the Oakwood Coalbed Methane Gas Field Drilling Unit No. U-30 which Drilling Unit is set forth and described in the plat attached hereto as Exhibit A (herein "Drilling Unit") The Pooling Order was recorded with the Clerk of the Circuit Court of Buchanan County, Virginia on June 9, 1992 in Deed Book 392 at Page 213. Paragraph 14 of the Pooling Order provided that the Unit Operator was to commence operations for the drilling of the well in the pooled drilling unit within 365 days from the date of the entry of the Pooling Order, i.e., by June 9, 1993. The Pooling Order further provided that if the Unit Operator did not commence operations for the drilling of said well within 365 days from the entry of the Pooling Order, then the Pooling Order would terminate, except for any cash sums becoming payable thereunder.
 - (b) By Board Order entered February 10, 1994 and recorded February 24, 1994 with the Clerk of the Circuit Court of Buchanan County in Deed Book 418, Page 731, the Pooling Order was modified effective as of the end of the day September 30, 1993 to transfer operations of the Drilling Unit from Oxy USA, Inc. to CONSOL Inc. after which date CONSOL Inc. became the Unit Operator as referred to herein..
 - (c) The Unit Operator did not request nor did the Board order an extension of the Termination Date. The Unit Operator has not as of the date hereof commenced operations for the drilling the Well; therefore, on June 9, 1993 the Pooling Order terminated by its own terms, except for any cash sums which became due thereunder.
3. **Order:** By this Order which is to be recorded with the Clerk of the Circuit Court of Buchanan County, Virginia, the Board gives notice that the Pooling Order expired and terminated by its own terms on June 9, 1993, except for any sums becoming payable thereunder. Notwithstanding the fact that the Pooling Order heretofore expired and terminated on June 9, 1993, any funds heretofore paid by the Unit Operator into the escrow account created by the Pooling Order shall be held by the Escrow Agent for the exclusive use of, and sole benefit of the persons entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with Va. Code 45.1-361.21.D.
4. **Mailing of Order:** The Unit 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 a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim was pooled by the Pooling Order and whose interest or claim was subject to escrow whose address is known.

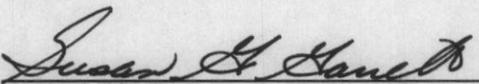
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Done and executed this 23rd day of October, 1997, by the Chairman of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

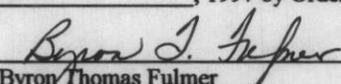
STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 23rd day of October, 1997, 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, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

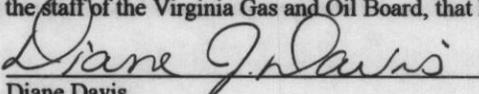
My Commission expires 7/31/98

Done and performed this 23rd day of October, 1997 by Order of this Board.


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

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 23rd day of October, 1997, personally appeared before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane Davis
Notary Public

My Commission expires 9/30/2001

WELL COORDINATES:

N 22813.63
E 62960.36
STATE PLANE
N 328517.48
E 998975.28

ICCCa-RICHARD DESKINS MIN.
COAL, OIL & GAS
COAL LESSEES:
ISLAND CRK. COAL CO.
PERMAC, INC.
OIL & GAS LESSEE:
QXY USA INC.
39.26%-31.41 ac.

BEARING BASIS
ISLAND CRK.
JEWELL SMOKELESS
STATE PLANE
COORDINATE SYSTEMS

YUKON POCAHONTAS COAL CO. ET ALS

BIG VEIN TR. 41
COAL OIL & GAS
COAL LESSEES:

ISLAND CRK. COAL CO.
PERMAC, INC.

JEWELL SMOKELESS COAL CORP.
OIL & GAS LESSEE:

CABOT OIL & GAS CORP.
3.44%-2.75 ac.

S 70°03'28" W
1003.30'

ACCESS
ROAD
COUNTY
ROAD 5335

TO
RTE
480

JEWELL SMOKELESS COAL CORP.
OIL & GAS LESSEE:
CABOT OIL & GAS CORP.
0.41%-0.33 ac.

ISLAND CRK. COAL CO.
PERMAC, INC.
COAL OIL & GAS
COAL LESSEES:

YUKON POCAHONTAS COAL CO. ET ALS

BIG VEIN TR. 120
COAL OIL & GAS
COAL LESSEES:

ISLAND CRK. COAL CO.
PERMAC, INC.

JEWELL SMOKELESS COAL CORP.
OIL & GAS LESSEE:

CABOT OIL & GAS CORP.
7.58%-6.06 ac.

WELL BORED ON
CARL SHORT (SURFACE)
35.90 ac.

THIS BLOCK
COMPOSED
OF 80 ac.

COAL BED METHANE LESSEE: QXY USA INC.

ELEV. FROM USGS BM
TRIGONOMETRIC LEVEL

LONGITUDE 81° 55' 00"

EXHIBIT "A"
VGOB-91-1217-174

WELL LOCATION PLAT

COMPANY	QXY USA, INC.	WELL NAME and No.	CBM 1-830 NELSON E. LIGHT
TRACT No.	ICCCa-R. DESKINS	ELEVATION	2097.03'
COUNTY	BUCHANAN	DISTRICT	GARDEN
		QUADRANGLE	KEENMOUNTAIN
		SCALE:	1"=400' DATE 2687-10-'91

THIS PLAT IS A NEW PLAT _____; AN UPDATED PLAT X; OR A FINAL LOCATION PLAT _____

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 acknowledgment annexed, admitted to record this 30th day of October, 19 97.
Deed Book No. 469 and Page No. 557
Returned this date to: James M. Boyins, Jr., Clerk
TESTE: Patricia L. Smel Deputy Clerk

