

VIRGINIA:

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

AMENDED SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER VGOB 92/02/18-0190 (herein "Amended Supplemental Order")

ELECTIONS: UNIT NELW10  
(herein "Subject Drilling Unit")

REPORT OF BOARDFINDINGS AND ORDER

This Amended Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on June 16, 1992 and October 20, 1992; and this Amended Supplemental Order is being recorded for the purposes of (1) amending the Supplemental Order Regarding Elections Unit: NELW10 entered by the Board in the captioned matter on December 20, 1994, which was recorded on December 28, 1994 at Deed Book 431, Page 41 as previously amended by Amended Supplemental Order Regarding Elections entered May 8, 1997 and recorded May 13, 1997, in Deed Book 462, Page 412 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia (herein collectively "Original Supplemental Order"); and (2) complying with the Board Order entered in VGOB Docket No. 97/04/15-0579-01 on April 15, 1998, which was recorded on April 29, 1997 in Deed Book 475, Page 358, in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia.

Findings: The Board finds that:

The Board order entered in the captioned matter on April 29, 1992, which was recorded on May 1, 1992 at Deed Book 390, Page 656 as amended by Board Order entered June 9, 1992, and recorded July 1, 1992 in Deed Book 393, Page 831 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia on May 1, 1992 (herein collectively "Pooling Order") required each Respondent whose interests, if any, were pooled by the terms of said Pooling Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Pooling Order.

That the Unit Operator's affidavit and exhibits attached and made a part of the Original Supplemental Order are deleted in toto and replaced by the Unit Operator's amended affidavit and exhibits attached hereto (herein collectively "Amended Affidavit of Election") which identify the Respondent(s) making a timely election, if any; identify the Respondent(s), if any, who are deemed to have leased; identify the interests and claims identified by the Operator as requiring escrow under Virginia Code Sections 45.1-

361.21.D., 45.1-361.22.A.2., 45.-1361.22.A.3., and/or 45.1-361.22.A.4; and identify the Respondent(s), if any, whom the Operator requests the Board dismiss by reason of their having leased or entered into a voluntary agreement with the Applicant.

The Amended Affidavit of Elections indicates that the escrow of funds is required with regard to Unit NELW10.

Order: By this Amended Supplemental Order, the Board orders the Designated Operator, if and to the extent it has not already done so, to tender, consistent with and in accordance with the findings set forth at Paragraph 2. above and the annexed Amended Affidavit of Elections, all funds subject to escrow and instructs the Escrow Agent, First Virginia Bank-Mountain Empire, c/o Trust Department, P. O. Box 1038, Abingdon, VA 24210, or any successor named by the Board, if it has not already done so, to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the attached Amended Affidavit of Elections to receive funds and account to the Board therefor.

Mailing of Order and Filing of Affidavit: The Designated Operator under the Pooling Order 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 Amended Supplemental Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Amended Supplemental Order.

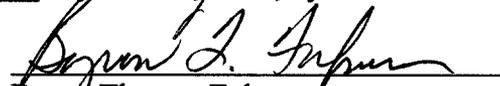
Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 26<sup>th</sup> day of June, 1998, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

DONE AND PERFORMED this 13<sup>th</sup> day of June, 1998, by Order of the Board.

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

STATE OF VIRGINIA )  
COUNTY OF WISE )

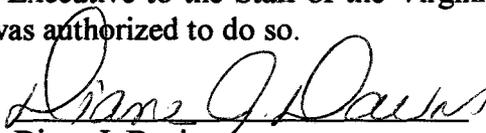
Acknowledged on this 26<sup>th</sup> day of June, 1998, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

  
Susan G. Garrett  
Notary Public

My commission expires: July 31, 1998

STATE OF VIRGINIA )  
COUNTY OF WASHINGTON )

Acknowledged on this 13<sup>th</sup> day of ~~June~~ July, 1998, personally 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 J. Davis  
Notary Public

My commission expires: September 30, 2001

VIRGINIA:

Exhibit A

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Pocahontas Gas Partnership for Forced Pooling of Interests in CBM Unit NELW-9 VGOB-91-12/17-0169-01 in the Garden District of Buchanan County, Virginia

AFFIDAVIT OF POCAHONTAS GAS PARTNERSHIP (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington, being first duly sworn on oath, deposes and says:

That your affiant is employed by CONSOL Inc., as a Permit Specialist and is duly authorized to make this affidavit on behalf of POCAHONTAS GAS PARTNERSHIP, the designated operator,

That the Order entered on July 11, 1996, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused 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 were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the 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 the Order was recorded in the county identified above; that said Order was recorded on July 18, 1996;

That the designated operator POCAHONTAS GAS PARTNERSHIP has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests 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 the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None.

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of July 11, 1996;

See Attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E.

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:

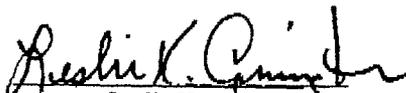
See attached Exhibit B-2;

that to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are not subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

Island Creek Coal Co., OXY USA Inc., Cabot Oil & Gas Corporation.

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Tazewell, Virginia, this 27<sup>th</sup> day of May, 1998.

  
Leslie K. Arrington

Taken, subscribed and sworn to before me by Leslie K. Arrington as Permit Specialist of CONSOL Inc., on behalf of the corporate Designated Operator, this 27<sup>th</sup> day of May, 1998.

  
Notary

My commission expires: 1-31-2001.

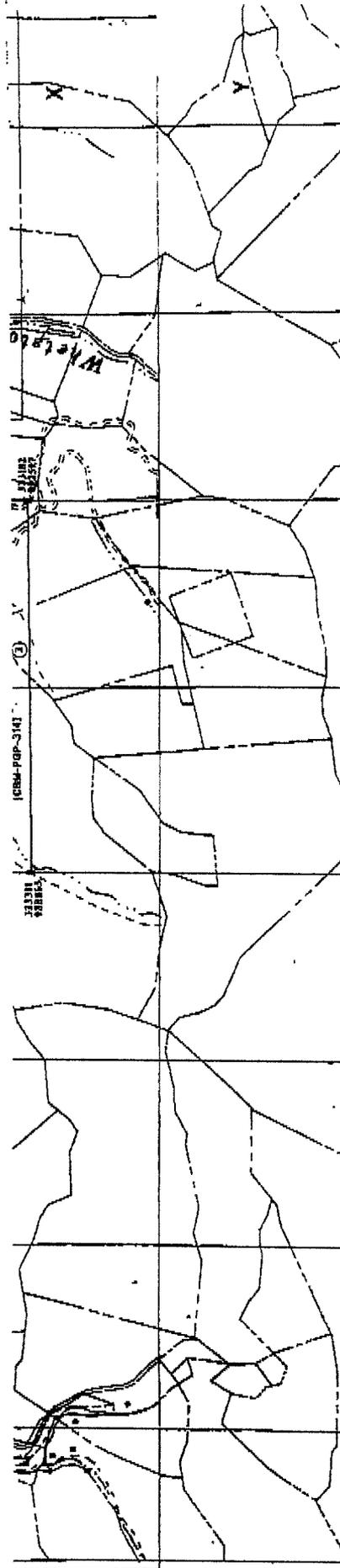
Pocahontas Gas Partnership  
Docket No. VGOB-91-1217-169  
Panel by Panel Active Coalbed Methane Units

NELW-9

Total Acres - 161.1

(Note: See attached map Exhibit B and B-1 for tract location.)

36. Yukon Pocahontas Coal - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company  
Consolidation Coal Company - P3  
Oxy USA - CBM Lessee  
Cabot - Oil & Gas Lessee  
11 acres - 6.8281%
37. C. L. Ritter  
Coal Lessees  
Island Creek Coal Company  
Oxy USA - CBM Lessee  
Cabot - Oil & Gas Lessee  
0.6 acres - 0.3724%
38. Hugh MacRae Land Trust - Coal  
Coal Lessees  
Permac Inc.  
Consolidation Coal Company  
Pocahontas Gas Partnership - CBM Lessee  
Consolidation Coal Company - Oil & Gas  
53 acres - 32.8988%
39. Yukon Pocahontas Coal - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company  
Consolidation Coal Company - P3  
Oxy USA - CBM Lessee  
Cabot - Oil & Gas Lessee  
9 acres - 5.5866%
40. Hugh MacRae Land Trust - Coal  
Coal Lessees  
Permac Inc.  
Consolidation Coal Company  
Pocahontas Gas Partnership - CBM Lessee  
Garden Realty - Oil & Gas  
Consolidation Coal Company - Oil & Gas Lessee  
87.5 acres - 54.3141%



**EXHIBIT B-1**

**POCAHONTAS GAS PARTNERSHIP  
FORCE POOLING  
UNIT NELW 9  
WELL LOCATIONS  
VGOB-91-1217-169**

KEEN MTN. QUADRANGLE  
BUCHANAN COUNTY, VA

SCALE: 1 in. = 1000 ft.  
0 500 1000  
F T

REVISIONS  
NO. DATE  
1 MAY 17, 1991

**EXPLANATION**

- PANEL UNIT
- PROPERTY LINE
- 300 FOOT SETBACK

U-25 OAKWOOD FIELD 80ACRE I.D.  
 \* TRACT LAND HOOK  
 [REVI] LONGWALL PANEL UNIT I.D.  
 \* 325085 VIRGINIA SOUTH STATE PLANE  
 \* 992667 COORDINATES NORTH 325085  
 SOUTH 992667

- BCH-90-52 VERTICAL VENTILATION HOLE NO. (VVH)
- ICBM-POP-311 COALBED METHANE GAS WELL NO. (CBM)

NOTE BOUNDARY EXTENDED TO  
 OAKWOOD FIELD LINE [REVI]  
 ● TRACT I.D. SEE PROPERTY  
 INFORMATION SHEETS

**UNIT NELWS**  
**Docket # VGOB-91-1217-169-01**  
**Exhibit B-2**  
**List of Respondents to be Dismissed**

	Reason for Dismissal	Net Acres in Unit	Interest in Unit
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>			
<b><u>Tract #36 - 11.00 Acre Tract</u></b>			
Yukon Pocahontas Coal Co. P. O. Box 187 Tazewell, VA 24651	Leased	11.00 acres	6.82806%
Island Creek Coal Company Drawer L Oakwood, VA 24631 (Potential Claimant as Coal Lessee)	Purchased		
Cabot Oil & Gas Corporation P. O. Box 1473 Charleston, WV 25325 (Potential Claimant as Oil & Gas Lessee)	Lease expired		
OXY USA, Inc. 1600 Front St. Mullins Building Drawer Q Richlands, VA 24641 (Potential Claimant as CBM Lessee)	Purchased		
<b><u>Tract #39 - 9.00 Acre Tract</u></b>			
Yukon Pocahontas Coal Co. P. O. Box 187 Tazewell, VA 24651	Leased	9.00 acres	5.68659%
Island Creek Coal Company Drawer L Oakwood, VA 24631 (Potential Claimant as Coal Lessee)	Purchased		
Cabot Oil & Gas Corporation P. O. Box 1473 Charleston, WV 25325 (Potential Claimant as Oil & Gas Lessee)	Lease expired		
OXY USA, Inc. 1600 Front St. Mullins Building Drawer Q Richlands, VA 24641 (Potential Claimant as CBM Lessee)	Purchased		

UNIT NELW9  
Docket # VGOB-91-1217-169-01  
Exhibit B-3  
List of Unleased Owners/Claimants

	Net Acres In Unit	Interest In Unit	Election
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>			
<b><u>Tract #37 - 0.60 Acre Tract</u></b>			
(1) C. L. Ritter Lumber Co. P. O. Box 700 Huntington, WV 25711	0.60 acres	0.37244%	Deemed Leased

**UNIT NELW9**  
**Docket # VGOB-91-1217-169-01**  
**Exhibit E**  
**List of Conflicting Owners/Claimants that require escrow**

	Net Acres In Unit	Interest In Unit
<b><u>Tract #38 - 53.00 Acre Tract</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Hugh MacRae Land Trust P. O. Box 29 Tazewell, VA 24651	53.00 acres	32.89882%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	49.79 acres	30.90834%
(1) Janet Weatherford (1/8 Royalty Interest) P. O. Box 22483 Alexandria, VA 22304	3.2067 acres 1/3 of 9.62 acres	1.99048%
<b><u>Tract #40 - 87.50 Acre Tract</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Hugh MacRae Land Trust P. O. Box 29 Tazewell, VA 24651	87.50 acres	54.31409%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Garden Realty Corporation c/o Betty Boyd King 2370 Lyndhurst Avenue Winston-Salem NC 27103	87.50 acres	54.31409%