

into an escrow account established by the Pooling Order and held for the benefit of said Heirs ("Escrow Account").

- 4.4. The Board's Escrow Agent established the Escrow Account, and thereafter the Escrow Agent periodically received from the Unit Operator for deposit into the Escrow Account those sums set forth in the attached Amended Affidavit representing the Heirs lessor proceeds attributable to their Gas interests in Subject Drilling Unit.
- 4.5. The Unit Operator filed with the Board an Amended Affidavit Regarding Elections, Escrow and Supplemental Order dated January 26, 2000 ("Amended Affidavit), the original of which is attached hereto and made a part hereof, in which the Unit Operator provided an accounting of those lessor proceeds it had placed on deposit in the Escrow Account that are attributable to the interests of each of the Heirs, and the Unit Operator sought the Board's entry of this Order to: (1) amend the exhibits attached to the Pooling Order to reflect the names and addresses of the Heirs, and (2) to disburse to each Heir the funds on deposit in the Escrow Account which are attributable to their respective interest; and (3) authorize the Unit Operator to make future payments of lessor proceeds due each Heir, if any, directly to them as their interests appear.
- 4.6. On its own motion, the Board set the Amended Affidavit for hearing on March 21, 2000. The Board gave notice of said hearing to the Heirs, the Unit Operator and the Escrow Agent.
5. **Findings:** According to the Pooling Order, the Amended Affidavit, and testimony given by the Unit Operator at the hearing of this matter, the Board finds that: (1) the lessor proceeds deposited by Unit Operator into the Escrow Account for Subject Drilling Unit include those sums identified for each of the Heirs in the Amended Affidavit and set forth in Paragraph 6 below, and (2) each Heir is entitled to receive the lessor proceeds that are attributable to his Gas interest that are on deposit in the Escrow Account, together with interest that accrued while said funds were on deposit and less escrow fees allocable thereto.
6. **Relief Granted:** For the reasons set forth in Paragraph 5 above:
 - 6.1 The affidavit attached to the Supplemental Order is deleted in toto and replaced by the Amended Affidavit.
 - 6.2 As set forth in the Amended Affidavit, the Escrow Agent is ordered to disburse to each of the Heirs, via check, the following applicable lessor proceeds which are on deposit in the Escrow Account, together with any interests accruing thereon and less any escrow fees allocable thereto:

Ernest Looney, P. O. Box 70, Gary, WV 24836	\$1,361.68
Sharon L. Hutchinson, 23400 Ivy Road, Bristol, VA 24202	\$ 388.85
John D. Looney, Route 1, Box 50, Grundy, VA 24614	\$ 972.83
Edith C. Looney, P. O. Box 1529, Richlands, VA 24641	\$ 972.83
Edith L. Hunt, 8400 Vamo Rd, Apt #561, Sarasota, FL 34231	\$ 972.83
 - 6.3 Hereafter the Unit Operator is authorized to pay directly to each Heir their respective lessor proceeds as their interests appear.
 - 6.4 The Escrow Agent will maintain the Escrow Account and continue to receive for deposit lessor proceeds attributable to those Gas owners/lessors identified in Exhibit C to the Amended Affidavit.
7. **Conclusion:** Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and IT IS SO ORDERED.
8. **Appeals:** Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and

that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

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

DONE AND EXECUTED this 14th day of April, 2000, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

DONE AND PERFORMED this 19th day of April, 2000, by Order of this Board.


B. R. Wilson
Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 14th day of April, 2000, 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, 2002

COMMONWEALTH OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 19th day of April, 2000, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, 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

EXHIBIT A

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Virginia Gas Company for Forced Pooling of Interests in Unit Number EH-114, VGOB Docket No. VGOB-93/0119-0314 in the Rock Lick District of Buchanan County, Virginia

AFFIDAVIT OF Virginia Gas Company (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

James E. Talkington, III (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is employed by Virginia Gas Company (now **Virginia Gas Exploration Company**), the Designated Operator, at its office located at 200 South Main Street, Abingdon, Virginia 24210 that your Affiant is the Designated Operator's Vice President of Land, Legal and Administrative Affairs, and is authorized to give this Affidavit in its behalf.
2. That the Order entered on February 16, 1993, by the Virginia Gas and Oil Board regarding the captioned (CBM or 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, 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 annexed hereto and incorporated herein are copies of the letters of transmittal, receipts for certified mail, and return receipts pertaining to said mailing;
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 April 8, 1993.
5. That the Designated Operator, Virginia Gas Company (now **Virginia Gas Exploration Company**), has established procedures to review all mail received and all written documents received by means 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 Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

NONE

6. That the interests 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; that opposite the name of each person named as a Respondent listed below is set forth:

SEE ATTACHED EXHIBIT B

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 interests and or claims which are not subject to escrow and should, therefore, be dismissed as Respondents:

Harman Mining Corporation
Charlie Stiltner Heirs

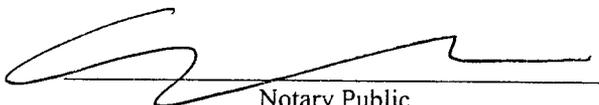
8. That pursuant to the provisions of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth and identifies the conflicting claims and/or interests which require escrow of funds pursuant to the terms of Sections 45.1-361.21.D. 45.1-361.22.A.3 and 4.;

Dated at Abingdon, Virginia, this 24th day of February, 2000.


James E. Talkington, III
Affiant

Taken, subscribed and sworn to before me by James E. Talkington, III, the Vice President of Virginia Gas Exploration Company, a corporation, on behalf of the corporation, this 24th day of February, 2000.

My commission expires: Feb. 28, 2000


Notary Public

EH-114

VGOB 93/0119-0314

(for Heirs of John T. Looney, Estate)

<u>Lessor Name & Address</u>	<u>Lease Status</u>	<u>Interest</u>	<u>Interest Within Unit</u>	<u>Net Acreage In Unit</u>	<u>Net Revenue Interest</u>	<u>Escrow Amount Due</u>
Ernest Looney P.O. Box 70 Gary, WV 24836	unleased	0.2917	0.0341	4.2850	0.0042625	\$1,361.68
Sharon L. Hutchinson 23400 Ivy Road Bristol, VA 24202	unleased	0.0833	0.0097	1.2236	0.0012172	\$388.85
John D. Looney Route 1, Box 50 Grundy, VA 24614	unleased	0.2084	0.0244	3.0613	0.0030452	\$972.83
Edith C. Looney P.O. Box 1529 Richlands, VA 24641	unleased	0.2083	0.0244	3.0599	0.0030438	\$972.37
Edith L. Hunt 8400 Vamo Road, Apt. #561 Sarasota, FL 34231	unleased	0.2083	0.0244	3.0599	0.0030438	\$972.37
Totals:		1.0000	0.1169	14.6897	0.0146125	\$4,668.10

EXHIBIT "C"
EH-114

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VGOB 93/0119-0314

(Remaining Interests in Escrow)

<u>Lessor Name & Address</u>	<u>Lease Status</u>	<u>Interest Within Unit</u>	<u>Net Acreage In Unit</u>	<u>Net Revenue Interest</u>	<u>Amount in Escrow</u>
Burl Lee Ratliffe (Address Unknown)	unleased	0.00111	0.13948	0.00013875	\$43.94
Elsie Deal (Address Unknown)	unleased	0.03000	3.76980	0.00375000	\$1,197.97
Lewis Elswick Heirs (Unknown & Unlocatable)	unleased	0.01150	1.44509	0.00143750	\$459.22
<u>Heirs of Charlie Stiltner</u>					
Billy Ray Stiltner (Address Unknown)	unleased	0.00185	0.23247	0.00023125	\$73.89
Estil Elswick (Address Unknown)	unleased	0.00111	0.13948	0.00013875	\$44.33
Lucille Stiltner (Address Unknown)	unleased	0.00079	0.09927	0.00009875	\$31.67
Totals:		0.04261	5.35437	0.00532625	\$1,851.02

First Union National Bank
Employee Shareholder Services
PA 1328
123 South Broad Street
Philadelphia, Pennsylvania 19109

BOOK 506 PAGE 202

**FIRST
UNION**

March 20, 2000

Mr. Jim Tarkenton
Virginia Gas
PO Box 2407
Abingdon, VA 24214

Re: VGOB# 93-0119-0314

Dear Mr. Tarkenton:

Pursuant to our conversation today, the balance for the above referenced Escrow is \$6,637.62.

If you have any questions, please feel free to contact me at (215) 985-3485.

Sincerely,


Don Battlinghoff
Corporate Trust
Relationship Manager

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 21st day of April, 2000 at 3:10 P. M.
Deed Book No. 506 and Page No. 175 TESTE: James M. Bevins, Jr., Clerk
Returned this date to; Don TESTE: Deputy Clerk Deputy Clerk

INSTRUMENT NUMBER 202
RECORDED IN THE CLERK'S OFFICE OF
BOYD COUNTY ON
APRIL 21 2000 AT 09:17PM
JAMES M. BEVINS JR., CLERK.

BY:

[Handwritten Signature]

COMMONWEALTH OF VIRGINIA



OFFICIAL RECEIPT
BUCHANAN COUNTY CIRCUIT COURT
DEED RECEIPT

DATE: 04/21/00 TIME: 15:10:56 ACCOUNT: 0202LR000001219 RECEIPT: 00000002009
CASHIER: LD REG: 8001 TYPE: POOLING PAYMENT: FULL PAYMENT
INSTRUMENT : 000001217 BOOK: PAGE: RECORDED: 04/21/00 AT 15:10
GRANTOR: VIRGINIA GAS & OIL BOARD EX: N LOC: 00
GRANTEE: VIRGINIA GAS EXPLORATION CO. E: N PCT: 100%

AND ADDRESS :
RECEIVED OF : DEPT OF MINES MINERAL ENERGY
CHECK : \$18.00

DESCRIPTION 1: POOLING
2:

CONSIDERATION:	.00	ASSUMED VAL:	.00	MAP:	
CODE DESCRIPTION		PAID	CODE DESCRIPTION		PAID
001 SEEDS		17.00	145 VBLF		1.00
		TENDERED :			18.00
		AMOUNT PAID:			18.00
		CHANGE AMT :			.00

CLERK OF COURT: JAMES W. BEVINS JR.