

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

(AMENDED)

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-92-0421-0216 & 93-0817-0392
ELECTIONS, UNIT: SLW-8
(herein "Subject Drilling Unit")

REPORT OF BOARDFINDINGS AND ORDER

1. This 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 August 17, 1993, Breaks Interstate Park, Breaks, 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 requirements of § 7.C of the Virginia Gas and Oil Board Regulations, VR 480-05-22.2 by supplementing the Order previously issued by the Board for subject Docket on October 25, 1993 and recorded at Deed Book 415, Page 195 in the office of the Clerk of Garden District, Buchanan, County, Virginia on October 29, 1993 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests 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 Pocahontas Gas Partnership, (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

(b). The Designated Operator filed its affidavit of mailing disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

(c). The Board Order required each Respondent whose interests, 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 affidavit in accordance with § 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, 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, interests, 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 A.

(e). Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, Trust Department, c/o Premier Bankshares Corporation, 29 College Drive, P.O. Box 1199, Bluefield, VA 24605, 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.

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, Tazewell National Bank, Trust Department, c/o Premier Bankshares Corporation, 29 College Drive, P.O. Box 1199, Bluefield, VA 24605, 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 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 is subject to escrow and whose address is known.

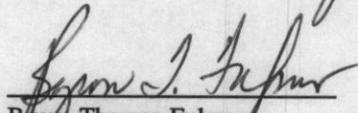
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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

DONE AND EXECUTED this 25th day of August, 1997 by a majority of the Virginia Gas and Oil Board.

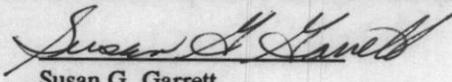

Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 28th day of August, 1997, by Order of this Board.


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

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 25th day of August, 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

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 25th day of August, 1997, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bryon 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. Paves
~~Susan C. Garrett~~
Notary Public

My commission expires 9/30/97

VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Pocahontas Gas Partnership, Inc. for Forced Pooling of Interests in Unit Number SLW-8, VGOB Docket No. 92-0421-0216 & 93-0817-0392 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 (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is employed by Consol, Inc. and assigned to Pocahontas Gas Partnership, the Designated Operator, at its office located at P.O. Box 947 Bluefield, VA 24605, that your Affiant is the Designated Operator's Permit Specialist, and is authorized to give this Affidavit in its behalf;

2. That the Order entered on October 25, 1993, by the Virginia Gas and Oil Board regarding the captioned CBM 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 October 29, 1993.

5. That the Designated Operator, Consol, Inc., 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;

See attachments.

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:

See attachments.

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; (See Exhibit "B-3"), 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 §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.; (See Exhibit "E").

Dated at Bluefield, Virginia, this 5th day of AUGUST, 1997.

Leslie K. Arrington
Affiant

Taken, subscribed and sworn to before me by Leslie K. Arrington, the Permit Specialist, of Consol, Inc., a corporation, on behalf of the corporation, this 5th day of AUGUST, 1997.

My commission expires: 1-31-2001

Bobby J. Poney
Notary

UNIT SLW8
 Docket # VGOB-92-0421-0216 & 93-0817-0392
 Exhibit B-2
 List of Respondents to be Dismissed
 Amended 9/11/1996

	Reason for Dismissal	Net Acres in Unit	Interest in Unit
OIL & GAS FEE OWNERSHIP			
33.336 Acre Tract			
Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	Leased	33.34 acres	18.33381%
0.105 Acre Tract			
Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	Leased	0.11 acres	0.05775%
1.178 Acre Tract			
Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	Leased	1.18 acres	0.64787%
31.064 Acre Tract			
Ernest Keen Heirs		31.06 acres	17.08428%
Paul Keen Rt. 1, Box 52 Raven, VA 24639	Leased	5.18 acres 1/6 of 31.064 acres	2.84738%
Ralph Keen Rt. 1, Box 52 Raven, VA 24639	Leased	5.18 acres 1/6 of 31.064 acres	2.84738%
Arnold Keen P. O. Box 386 Oakwood, VA 24631	Leased	5.18 acres 1/6 of 31.064 acres	2.84738%
Ruby Hale Cedar Bluff, VA 24609	Leased	5.18 acres 1/6 of 31.064 acres	2.84738%
Anna R. Lambert Rt. 1, Box 52 Raven, VA 24639	Leased	5.18 acres 1/6 of 31.064 acres	2.84738%
Ann McGowan Rt. 1, Box 52 Raven, VA 24639	Leased	5.18 acres 1/6 of 31.064 acres	2.84738%
31.650 Acre Tract			
Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	Leased	4.32 acres	2.37587%
John Vernon Hale P. O. Box 83 Oakwood, VA 24631	Purchased	4.10 acres	2.25598%
Deborah Ann & Scott Whitt P. O. Box 70 Mavisdale, VA 24627	Purchased	1.61 acres	0.88325%

UNIT SLW8
Docket # VGOB-92-0421-0216 & 93-0817-0392
Exhibit B-2
List of Respondents to be Dismissed
Amended 9/11/1996

	Reason for Dismissal	Net Acres in Unit	Interest in Unit
Winfred Wade Rt. 1, Box 57 Raven, VA 24631	Leased	0.54 acres	0.29918%
Jack D. Keen P. O. Box 110 Mavisdale, VA 24627	Purchased	5.06 acres	2.78120%
12.845 Acre Tract			
Ernest Keen Heirs		12.85 acres	7.06437%
Paul Keen Rt. 1, Box 52 Raven, VA 24639	Leased	2.14 acres 1/6 of 12.845 acres	1.17739%
Ralph Keen Rt. 1, Box 52 Raven, VA 24639	Leased	2.14 acres 1/6 of 12.845 acres	1.17739%
Arnold Keen P. O. Box 386 Oakwood, VA 24631	Leased	2.14 acres 1/6 of 12.845 acres	1.17739%
Ruby Hale Cedar Bluff, VA 24609	Leased	2.14 acres 1/6 of 12.845 acres	1.17739%
Anna R. Lambert Rt. 1, Box 52 Raven, VA 24639	Leased	2.14 acres 1/6 of 12.845 acres	1.17739%
Ann McGowan Rt. 1, Box 52 Raven, VA 24639	Leased	2.14 acres 1/6 of 12.845 acres	1.17739%
64.279 Acre Tract			
Bobby Steele Rt. 1, Box 66 Raven, VA 24639	Leased	7.74 acres	4.25622%
Dailey Wade Rt. 1, Box 68 Raven, VA 24639	Purchased	0.82 acres	0.45098%
0.305 Acre Tract			
Yukon Pocahontas Coal Co. P. O. Box 187 Tazewell, VA 24651	Leased	0.31 acres	0.16774%
Island Creek Coal Company Drawer L Oakwood, VA 24631 (Potential Claimant as Coal Lessee)	Purchased		
OXY USA Inc. Mullins Building 1600 Front Street Richlands, VA 24641 (Potential Claimant as CBM Lessee)	Purchased		

UNIT SLW8
 Docket # VGOB-92-0421-0216 & 93-0817-0392
 Exhibit B-2
 List of Respondents to be Dismissed
 Amended 9/11/1996

	Reason for Dismissal	Net Acres in Unit	Interest in Unit
Cabot Oil & Gas Corporation P. O. Box 1473 Charleston, WV 25325 (Potential Claimant as Oil & Gas Lessee)	Lease Expired		
1.27 Acre Tract			
Garden Realty Corporation c/o Betty Boyd King 3610 Winding Way Winston-Salem, NC 27105	Royalty Split Agreement	1.27 acres	0.69846%
COAL FEE OWNERSHIP			
1.27 Acre Tract			
Hugh MacRae Land Trust P. O. Box 29 Tazewell, VA 24651	Royalty Split Agreement	1.27 acres	0.69846%

UNIT SLW8
Docket # VGOB-92-0421-0216 & 93-0817-0392
Exhibit B-3
List of Unleased Owners/Claimants
Amended 9/11/1996

	Net Acres in Unit	Interest in Unit	Election
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OIL & GAS FEE OWNERSHIP

55.975 Acre Tract

Glenn Rose
114 First Avenue
Richlands, VA 24641

6.01 acres 3.30367% Deemed Leased

UNIT SLW8
 Docket # VGOB-92-0421-0216 & 93-0817-0392
 Exhibit E
 Conflicting Owners/Claimants that Require Escrow
 Amended 9/11/1996

	Net Acres in Unit	Interest in Unit
15.370 Acre Tract		
<u>COAL FEE OWNERSHIP</u>		
Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	15.37 acres	8.45304%
<u>OIL & GAS FEE OWNERSHIP</u>		
Garden Realty Corporation c/o Betty Boyd King 3610 Winding Way Winston-Salem, NC 27105	15.37 acres	8.45304%
31.064 Acre Tract		
<u>COAL FEE OWNERSHIP</u>		
Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	31.06 acres	17.08428%
<u>OIL & GAS FEE OWNERSHIP</u>		
Ernest Keen Heirs	31.06 acres	17.08428%
Paul Keen Rt. 1, Box 52 Raven, VA 24639	5.18 acres 1/6 of 31.064 acres	2.84738%
Ralph Keen Rt. 1, Box 52 Raven, VA 24639	5.18 acres 1/6 of 31.064 acres	2.84738%
Arnold Keen P. O. Box 386 Oakwood, VA 24631	5.18 acres 1/6 of 31.064 acres	2.84738%
Ruby Hale Cedar Bluff, VA 24609	5.18 acres 1/6 of 31.064 acres	2.84738%
Anna R. Lambert Rt. 1, Box 52 Raven, VA 24639	5.18 acres 1/6 of 31.064 acres	2.84738%
Ann McGowan Rt. 1, Box 52 Raven, VA 24639	5.18 acres 1/6 of 31.064 acres	2.84738%
31.650 Acre Tract		
<u>COAL FEE OWNERSHIP</u>		
Hugh Macrae Land Trust P. O. Box 29 Tazewell, VA 24651	31.65 acres	17.40656%

UNIT SLW8
 Docket # VGOB-92-0421-0216 & 93-0817-0392
 Exhibit E
 Conflicting Owners/Claimants that Require Escrow
 Amended 9/11/1996

	Net Acres in Unit	Interest in Unit
<u>OIL & GAS FEE OWNERSHIP</u>		
Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	4.32 acres	2.37587%
Thurman Wade P. O. Box 225 Oakwood, Va 24631	15.14 acres	8.32655%
Pocahontas Gas Partnership P. O. Box 200 Mavisdale, VA 24627	4.10 acres	2.25488%
Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	7.54 acres	4.14678%
Winfred L. Wade Rt. 1, Box 57 Raven, VA 24639	0.54 acres	0.29698%
12.845 Acre Tract		
<u>COAL FEE OWNERSHIP</u>		
Hugh Macrae Land Trust P. O. Box 29 Tazewell, VA 24651	12.85 acres 58 of 11.748 acres	7.06437%
<u>OIL & GAS FEE OWNERSHIP</u>		
Ernest Keen Heirs	12.85 acres 100 of 11.748 acres	7.06437%
Paul Keen Rt. 1, Box 52 Raven, VA 24639	2.14 acres 1/6 of 12.845 acres 1.47 acres 1/8 of 11.748 acres	1.17739%
Ralph Keen Rt. 1, Box 52 Raven, VA 24639	2.14 acres 1/6 of 12.845 acres	1.17739%
Arnold Keen P. O. Box 386 Oakwood, VA 24631	2.14 acres 1/6 of 12.845 acres	1.17739%
Ruby Hale Cedar Bluff, VA 24609	2.14 acres 1/6 of 12.845 acres	1.17739%
Anna R. Lambert Rt. 1, Box 52 Raven, VA 24639	2.14 acres 1/6 of 12.845 acres	1.17739%
Ann McGowan Rt. 1, Box 52 Raven, VA 24639	2.14 acres 1/6 of 12.845 acres	1.17739%

UNIT SLW8
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 Exhibit E
 Conflicting Owners/Claimants that Require Escrow
 Amended 9/11/1996

	Net Acres in Unit	Interest in Unit
55.975 Acre Tract		
<u>COAL FEE OWNERSHIP</u>		
Hugh Macrae Land Trust P. O. Box 29 Tazewell, VA 24651	54.71 acres	30.08888%
<u>OIL & GAS FEE OWNERSHIP</u>		
Earl Marshall Heirs	11.75 acres	6.46160%
Charles L. Ritchie Rt. 1, Box 258-A St. Paul, VA 24283	7.34 acres 5/8 of 11.749 acres	4.03850%
Lowery L. Jackson 5001 Parker Avenue West Palm Beach, FL 33405	1.47 acres 1/8 of 11.749 acres	0.80770%
Corbit Jackson Rt. 1, Box 80 Raven, VA 24639	1.47 acres 1/8 of 11.749 acres	0.80770%
Herbert L. Jackson P. O. Box 426 Grundy, VA 24614	1.47 acres 1/8 of 11.749 acres	0.80770%
Glenn Rose 114 First Avenue Richlands, VA 24641	6.01 acres	3.30367%
Bobby Steele Rt. 1, Box 66 Raven, VA 24641	7.74 acres	4.25622%
Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	13.24 acres	7.28326%
Ernest Keen Heirs	15.71 acres	8.64003%
Paul Keen Rt. 1, Box 52 Raven, VA 24639	2.62 acres 1/6 of 15.710 acres	1.44001%
Ralph Keen Rt. 1, Box 52 Raven, VA 24639	2.62 acres 1/6 of 15.710 acres	1.44001%
Arnold Keen P. O. Box 386 Oakwood, VA 24631	2.62 acres 1/6 of 15.710 acres	1.44001%
Ruby Hale Cedar Bluff, VA 24609	2.62 acres 1/6 of 15.710 acres	1.44001%
Anna R. Lambert Rt. 1, Box 52 Raven, VA 24639	2.62 acres 1/6 of 15.710 acres	1.44001%
Ann McGowan	2.62 acres	1.44001%

UNIT SLW8
 Docket # VGOB-92-0421-0216 & 93-0817-0392
 Exhibit E
 Conflicting Owners/Claimants that Require Escrow
 Amended 9/11/1996

	Net Acres in Unit	Interest in Unit
Rt. 1, Box 52 Raven, VA 24639	1/6 of 15.710 acres	
Julius Rowe P. O. Box 454 Grundy, VA 24614	0.17 acres	0.09404%
W. J. Sisk Heirs	0.09 acres	0.04950%
Dale Hodge Chambers Rt. 1, Box 82 Raven, VA 24639	0.030 acres 7/21 of 0.090 acres	0.01650%
Larry Douglas Chambers Rt. 1, Box 81 Raven, VA 24639	0.047 acres 11/21 of 0.090 acres	0.02593%
Jimmy Donald Sisk 3153 Creekside Drive Norton, OH 44203	0.003 acres 1/28 of 0.090 acres	0.00177%
Walter Jackson "Bud" Sisk 229 Hesque Street Kingsport, TN 37665	0.003 acres 1/28 of 0.090 acres	0.00177%
Nancy Sisk c/o Walter Jackson Sisk 229 Hesque Street Kingsport, TN 37665	0.003 acres 1/28 of 0.090 acres	0.00177%
Maudie Ellen Sanders 600 North 583 Street Kokomo, IN 46901	0.003 acres 1/28 of 0.090 acres	0.00177%

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 3rd day of September, 1997 12:54 P. M.
 Deed Book No. 44 and Page No. 321 TESTE: James M. Bevins, Jr., Clerk
 Returned this date to; Dept 5 Miss TESTE: Janely S. Jiles Deputy Clerk
Abington, VA