

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

ELECTIONS, UNIT: XXX-34

(herein "Subject Drilling Unit")

DOCKET NUMBER VGOB-93/09/21-0405

REPORT OF BOARD

FINDINGS 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 October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, 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 the subject Docket on December 30, 1993 and recorded at Deed Book 417, Page 364 in the Office of the Clerk of the Circuit Court, Buchanan County, Virginia on January 7, 1944, (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 Ashland Exploration, Inc. (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 dated January 19, 1994 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, a copy of which is attached, 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 Interest as part of its Affidavit of Election. A copy of which is attached hereto.

(e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 24651, 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, P. O. Box 909, Tazewell, Virginia 24651, 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 3rd day of August 1994, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 3rd day of August, 1994, 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
Susan G. Garrett
Notary Public

My commission expires 7/31/98

DONE AND PERFORMED this 3rd day of August 1994 by Order of this Board.

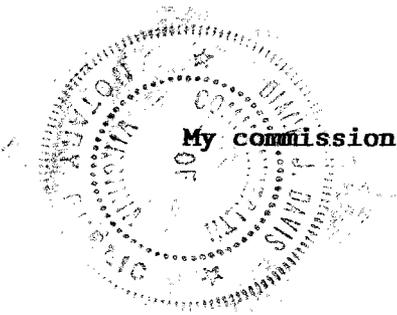
Byron T. Fulmer
Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF WASHINGTON

Acknowledged on this 3rd day of August, 1994, 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
Diane J. Davis
Notary Public

My commission expires 9/30/97



VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Ashland Exploration, Inc. for Forced Pooling of Interests in CBM Unit Number XXX-34 VGOB Docket No. 93-0921-0405 in the North Grundy District of Buchanan County, Virginia

AFFIDAVIT OF Ashland Exploration, Inc. (hereinafter "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

J. Grant McGuire (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is the Designated Operator's counsel, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on December 30, 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 January 7, 1994.
5. That the Designated Operator, Ashland Exploration, 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 no election was made by the following persons: Georgia Pacific.
7. 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;

Georgia Pacific (Royalty) - 1/8 X 20.837%
Georgia Pacific (One-Time Cash Bonus) -
\$5 X 80 acres X 20.837% = \$83.75

- 8. 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: None.
- 9. 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 §§45.1-361.21.D, 45.1-361.22.A.3 and 4;

Dated at Huntington, WV, this 6 day of April, 1994.

J. Grant McCar

Affiant

STATE OF WEST VIRGINIA,
COUNTY OF CABELL, TO-WIT:

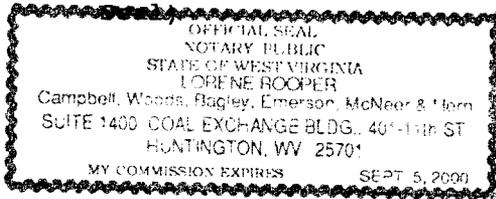
Taken, subscribed and sworn to before me, the undersigned authority, this 6th day of April, 1994.

My commission expires Sept. 5, 2000.

(Notarial

Lorene Rooper

Notary Public



CAMPBELL, WOODS, BAGLEY, EMERSON, McNEER & HERNDON

ATTORNEYS AND COUNSELORS AT LAW

ROLLA D. CAMPBELL (1895-1987)
SELDEN S. McNEER (1894-1963)
LUTHER E. WOODS (RETIRED)
CHARLES F. BAGLEY
ROBERT K. EMERSON (1922-1991)
SELDEN S. McNEER, JR.
MILTON T. HERNDON
RICHARD GREGORY McNEER
JAMES R. BAILES
HOWARD R. CREWS, JR.
CHARLES F. BAGLEY, III
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CHERYL L. CONNELLY

SUITE 1400, COAL EXCHANGE BLDG.

POST OFFICE BOX 1835

HUNTINGTON, WEST VIRGINIA 25719-1835

TELEPHONE (304) 529-2391

TELECOPIER (304) 529-1832

CHARLESTON OFFICE:

BANK ONE CENTER, SUITE 1400

707 VIRGINIA STREET EAST

POST OFFICE BOX 2393

CHARLESTON, WV 25328-2393

(304) 346-2391

ASHLAND OFFICE:

1608 CARTER AVENUE

POST OFFICE BOX 1862

ASHLAND, KENTUCKY 41105-1862

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J. GRANT McGUIRE
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ROBERT A. WILSON, JR.

JAMES H. DAVIS, III
OF COUNSEL

* NOT ADMITTED IN WEST VIRGINIA
† ALSO ADMITTED IN OHIO

January 19, 1994

Via Certified Mail, Return Receipt
Requested / P 427 141 270

Georgia Pacific Corporation
Post Office Box 105605
Atlanta, Georgia 30348

Re: Forced Pooling Order in
Drilling Unit XXX-34
of the Oakwood Coalbed
Gas Field in Buchanan
County, Virginia --
Coalbed Methane

Dear Sir:

Please find enclosed a copy of the Forced Pooling
Order for the unit referenced above. The Order was entered
in the Clerk's Office of the Circuit Court of Buchanan
County on January 7, 1994. You have until February 6, 1994
to elect any option set forth in paragraph 9 of the Order.
Any election notice should be sent to Ashland Exploration,
Inc., at the address listed in the Order.

Very truly yours,

J. Grant McGuire
Attorney for Ashland Exploration

JGM/kew
Enclosure
cc: Bernard J. Ulincy

Attachment
Attachment /

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. (Extra charge) 2. Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Georgia-Pacific Corporation P.O. Box 105605 Atlanta, Georgia 30348</i>	4. Article Number: <i>P42741270</i>
5. Signature — Addressee <i>X</i>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature — Agent <i>X</i>	Always obtain signature of addressee or agent and DATE DELIVERED
7. Date of Delivery <i>11/19/94</i>	8. Addressee's Address (Only requested if return receipt requested)

PS Form 3811, Apr. 1989 * U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

PS Form 3800, June 1985 * U.S.G.P.O. 1985-460-794

11/19/94
MAILED
Georgia-Pacific Corporation
105605 Atlanta GA 30348
427 441 270

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 *5th* day of *August*, 19*94*.
Deed Book No. *425* and Page No. *12* TESTE: *James M. Bevins, Jr.*, Clerk
Returned this date to: *Diane Davis* TESTE: *[Signature]*, Deputy Clerk
Sept. 9 Mon, Minutes + Entry

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CLERK'S OFFICE CIRCUIT COURT
BUCHANAN COUNTY, VIRGINIA

Filed and admitted to record,
this 5th day of April, 1994
at 2:44 o'clock P.M.

Recorded Deed Book	Page
039 State Tax	
213 County Tax	
212 Transfer	
301 Recording	16.00
038 State Tax	
220 Local Tax	
145 VSIF	1.00
Total	17.00

Teste James M. Bevins, Jr., Clerk
By _____ D.C.

Dimmick