

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING
ELECTIONS, UNIT: G. P. A-3
(herein "Subject Drilling Unit")

DOCKET NUMBER VGOB-93/09/21-0407

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 March 25, 1994 and recorded at Deed Book 420, Page 294 in the Office of the Clerk of the Circuit Court, Buchanan County, Virginia on March 31, 1994, (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 attached hereto 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.

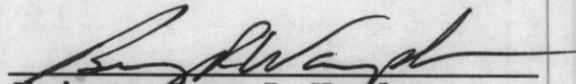
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 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.

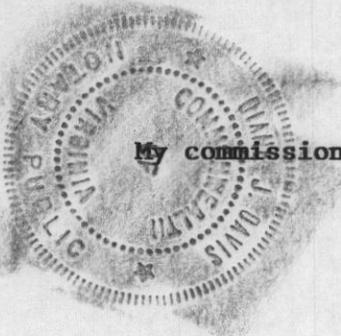
Byron T. Fulmer
Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

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 Unit Number G.P.-A3 VGOB Docket No. 93-0921-0407 in 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 March 25, 1994, 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 March 31, 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;

Mountain Mission School (Royalty) - 1/8 X 31.32%
Mountain Mission School (One-Time Cash Bonus) -
\$5 X 125.66 acres X 31.32% = \$196.99

- 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;

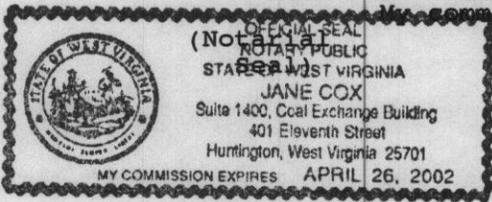
Dated at Huntington WV, this 9th day of May, 1994.

[Signature]
Affiant

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

Taken, subscribed and sworn to before me, the undersigned authority,
this 9th day of May, 1994. My commission expires April 26, 2002.

[Signature]
Notary Public



CAMPBELL, WOODS, BAGLEY, EMERSON, MCNEER & HERNDON
ATTORNEYS AND COUNSELORS AT LAW

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
(606) 329-1974

J. GRANT MCGUIRE
DAVID CURTIS RAY
DAVID A. MOHLER
CHARLES I. JONES, JR.
JOHN D. HOFFMAN
JOHN F. MCCUSKEY
JAMES W. GABEHART
LAURA L. GRAY
CHRISTOPHER A. CONLEY * †
WILLIAM J. HANNA
PHILIP Q. RATLIFF *
DANIEL T. YON
W. JOSEPH BRONOSKY
CAROL M. CLAYTON
RAYMOND A. NOLAN
ROBERT A. WILSON, JR.

JAMES H. DAVIS, III
OF COUNSEL

* NOT ADMITTED IN WEST VIRGINIA
† ALSO ADMITTED IN OHIO

April 7, 1994

Via Certified Mail,
Return Receipt Requested

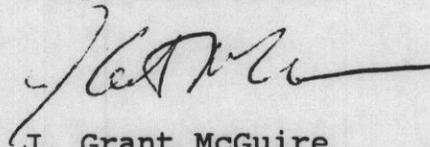
Mountain Mission School
One Hurley Street
Grundy, Virginia 24614

Re: Forced Pooling Order in
Drilling Unit G.P.A-3
In Buchanan County, Virginia

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 March 31, 1994. You have until April 30, 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/jc

Enclosure

cc: (w/encl) Bernard J. Ulinicy
Mark Swartz, Esquire



P 277 548 476



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	Mountain Mission School
Street and No.	One Hurley Street
P.O., State and ZIP Code	Grundy, Va. 24614
Postage	\$75
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$2.75
Postmark or Date	4/7/94 JC

PS Form 3800, June 1991

Thank you for using Return Receipt Service

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery Consult postmaster for fee.

4a. Article Number: P277 548 476

4b. Service Type:

- Registered
- Certified
- Express Mail

5. Signature (Addressee):
Signature (Agent):

6. Addressee's Address (Only if requested and fee is paid):
Mountain Mission School
One Hurley Street
Grundy, Virginia
24614

7. Date of Delivery: 4-8-94

8. Return Receipt for Merchandise

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

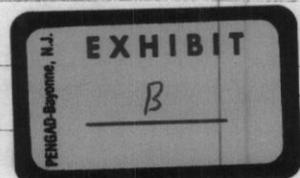
- Complete items 1 and/or 2 for additional services.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:
Mountain Mission School
One Hurley Street
Grundy, Virginia
24614

PS Form 3811, December 1991 * U.S.G.P.O. : 1992-307-530

DOMESTIC RETURN RECEIPT

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 37th day of August 19 94 at 2:44 P. M.
Deed Book No. 425 and Page No. 5. TESTE: James M. Bevins, Jr., Clerk
Returned this date to; Diana Davis TESTE: [Signature] Deputy Clerk
Dept. Motor, Materials + Energy



2027

CLERK'S OFFICE CIRCUIT COURT
BUCHANAN COUNTY, VIRGINIA

Filed and admitted to record,

this 5th day of Aug 1994
at 5:40 o'clock PM M.

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

Teste James M. Beyns, Jr., Clerk
By AT D.C. LD

DMME
P.O. Box 1416
Georgetown, Va 24212