

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING  
ELECTIONS, UNIT: V-2266

(herein "Subject Drilling Unit")

DOCKET NO. VGOB-94/07/19-0458

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 August 18, 1994 and recorded at Deed Book 303, Page 066 in the Office of the Clerk of the Circuit Court, Dickenson County, Virginia on August 25, 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 Equitable Resources Exploration (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 August 30, 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 dated January 6, 1995 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 B.

(e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Premier Trust Company, 29 College Drive, P. O. Box 1199, Bluefield, Virginia 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, Premier Trust Company, 29 College Drive, P. O. Box 1199, Bluefield, Virginia 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 21<sup>st</sup> day of November 1995, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

STATE OF VIRGINIA)  
COUNTY OF WISE )

Acknowledged on this 21<sup>st</sup> day of November, 1995, 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 21<sup>st</sup> day of November 1995 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 30<sup>th</sup> day of November, 1995, 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

V I R G I N I A:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Equitable Resources Exploration for Forced Pooling of Interests in Unit Number V-2266, VGOB Docket No. VGOB-94-07/19-0458 in the Sandlick Magisterial District of Dickenson County, Virginia

AFFIDAVIT OF HUNTER, SMITH & DAVIS, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

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

1. That the Affiant is an attorney in the law firm of Hunter, Smith & Davis, the Agent for the Designated Operator, with offices located at 1212 North Eastman Road, Kingsport, Tennessee 37664, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on August 18, 1994, by the Virginia Gas and Oil Board regarding the captioned 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, the Affiant was directed to cause 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 captioned matter;
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 August 25, 1994;
5. That the Designated Operator, by and through their agent, HUNTER, SMITH & DAVIS, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest 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.

- |  | Name                    | Election      | Date     |
|--|-------------------------|---------------|----------|
|  | 1) Virginia Gas Company | participation | 09/13/94 |
|  |                         | (1.05%)       |          |
6. That the interest 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:
- 1) James N. Jackson deemed to have leased (unknown or unlocatable) 0.68¢ bonus cash consideration (\$5.00 per net mineral acre) .0001362 royalty interest (12.5% X 1/56 X 6.10%)
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 interest and/or claims which are not subject to escrow:
- None.
8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraphs 3 and 2(c) of the Order.
- 1) Cecil Childress
  - 2) Laura Russell and Roy R. Russell
  - 3) Carson Jackson
  - 4) Pamela Lee Ferguson
  - 5) Marie Trimble
  - 6) Mary Trimble
  - 7) Bettie Trimble
  - 8) J.H. Mandt and Mary T. Mandt
  - 9) June T. Marty
  - 10) Mae Murphy
  - 11) Jerry R. Trimble and Ann Trimble
  - 12) Don B. Trimble
  - 13) Alice G. Elkins - No spouse listed
  - 14) Hansel D. Fleming - No spouse listed
  - 15) Sherrie Leigh Creech
  - 16) Teresa Mann and Harold Mann
  - 17) Sarah Lou Kennedy

- 9. That pursuant to the provision 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 interest 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 Kingsport, Tennessee, this 9th day of January, 1995.

*James E. Kaiser*  
 \_\_\_\_\_  
 Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Resources Exploration, a corporation, on behalf of the corporation, this 9th day of January, 1995.

My commission expires: March 12, 1996

*Pamela K. Galbraith*  
 \_\_\_\_\_  
 Notary

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VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, *Dec 14*, 1995. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at *2:30* o'clock *P* M, after payment of \$ \_\_\_\_\_ tax imposed by Sec. 58.1-802.

Original returned this date to:

*Diane Davis*

TESTE: JOE TATE, CLERK  
 BY: *Joe Tate* D. CLERK

R for EREX 10/25

<u>SOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
<b>TRACT 1</b>				
Pine Mountain Oil & Gas Co. ATTN: Richard Brillhart P. O. Box 4000 Lebanon, VA 24266	Leased-EREX 241490L-01 PO-148 T-257	92.85%	116.68	.1160625 RI
<b>Equitable Resources Exploration</b>				.8124375 WI
<b>Tract 1 Total</b>		92.85%	116.68	92.85%
<b>TRACT 2</b>				
Mildred Sword, AIF for Mae Colley Elswick, Widow P. O. Box 108 Pikeville, KY 42501	Leased-EREX 243847L-21	.8715%	1.095	.0010893 RI
Carl G. Jackson and El Jackson and P. O. Box 787 Pound, VA 24279	Leased-EREX 243847L-18	.2179%	.2740	.0002723 RI
Anne Jackson and H. C. Jackson, W/H P. O. Box 206 Pound, VA 24279	Leased-EREX 243847L-17	.2179%	.2740	.0002723 RI
Helen J. Sutherland, Widow P. O. Box 787 Pound, VA 24279	Leased-EREX 243847L-16	.2179%	.2740	.0002723 RI
Katherine Jackson and V. F. Jackson, W/H P. O. Box 297 Big Stone Gap, VA 24219	Leased-EREX 243847L-15	.2179%	.2740	.0002723 RI
John R. Craig, Jr., and Josephine Craig, H/W P. O. Box 187 Maynardville, TN 37807	Leased-EREX 243847L-05	.2179%	.2740	.0002723 RI
Phillis F. Bennett and James L. Bennett, W/H 9527 Old Maynardville Pike Maynardville, TN 37805	Leased-EREX 243847L-04	.2179%	.2740	.0002723 RI

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
Wilhelmina Proctor, Widow 1034 Towlston Road McClellan, VA 22102	Leased-EREX 243847L-03	.4358%	.547	.0005446 RI
Virginia C. Porter, Widow 5932 Dairy Road, N.E. Roanoke, VA 24019	Leased-EREX 243874L-12	.8715%	1.095	.0010893 RI
Noel French and Mary C. French, H/W 606 Market Street Clintwood, VA 24228	Leased-EREX 243847L-20	.1743%	.22	.0002178 RI
Katherine Childress and Stanford J. Childress, W/H 6405 N.E. 94th Avenue Vancouver, WA 98662	Leased-EREX 243847L-06	.1743%	.22	.0002178 RI
Margaret Jackson and William E. Jackson, W/H 45 Innisbrook Drive Augusta, GA 30907-3556	Leased-EREX 243847L-02	.2179%	.2740	.0002723 RI
Lois B. Jackson and Fred C. Jackson, W/H 8 Tarpon Avenue Asheville, NC 28806	Leased-EREX 243847L-01	.1089%	.136	.0001362 RI
Adoephus Haney, Sr., and Geraldine Haney, H/W Route 1, Box 20A Summersville, WV 26651	Leased-EREX 243847L-14	.0545%	.068	.0000681 RI
Timothy E. Jackson, Single 4250 E. 29th Street, #71 Tucson, AZ 85711	Leased-EREX 243847L-08	.0136%	.017	.0000170 RI
Shirley Trimble and James H. Trimble, W/H P. O. Box 154 Ivel, KY 41642	Leased-EREX 243847L-07	.0044%	.005	.0000056 RI
Bonnie T. Holsen and Joe Holsen, W/H 97 Margaret Drive, Box 97 Nitro, WV 25143	Leased-EREX 243847L-11	.0044%	.005	.0000056 RI
Dinah Stratton and Danny Stratton, W/H 113 Longhunters Trail Sugow, KY 42141	Leased-EREX 243847L-13	.0044%	.005	.0000056 RI

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
Francis Burchett and June T. Burchett, H/W 601 Fox Avenue Ypsilanti, MI 49198	Leased-EREX 243847L-09	.0044%	.005	.0000056 RI
Ruby T. Lewis, Widow P. O. Box 178 Ivel, KY 41642	Leased-EREX 243847L-10	.0044%	.005	.0000056 RI
Burns C. Childress and Pauline Childress, H/W 130 Holston Street Abingdon, VA 24210	Leased-EREX 243847L-19	.1743%	.22	.0002179 RI
Fern Lawley and Harold E. Lawley, W/H c/o Mrs. Ernestine Jo Shaver 191 Kenilworth Drive Akron, OH 44313	Leased-EREX 243847L-25	.4357%	.547	.0005446 RI
Cecil C. Childress, Widower 5150 Golden Gate Avenue Oakland, CA 94618	Unleased	.1743%	.22	.0002178 RI
Laura E. Russell and Roy R. Russell, W/H 354 Hospital Drive Virginia Beach, VA 23452-6740	Unleased	.1743%	.22	.0002178 RI
James N. Jackson Address Unknown	Unleased ✓	.1089%	.136	.0001362 RI
Carson Jackson and Alice Jackson, H/W 440 Ashley Lane, Box 41 Summersville, WV 26651	Unleased	.0545%	.068	.0000681 RI
Bonnie Ward, Widow 8242 N. 19th Avenue, Apt. 109N Phoenix, AZ 85021	Leased-EREX 243847L-24	.0545%	.068	.0000681 RI
Pamela Lee Ferguson and Alex Ferguson, W/H 1908 N. LeBaron Mesa, AZ 85201	Unleased	.0136%	.017	.0000170 RI
Marie W. Trimble P. O. Box 672 Pikeville, KY 41501	Unleased	.0311%	.039	.0000389 RI

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
Mary Trimble, Widow P. O. Box 1019 Pikeville, KY 41501	Unleased	.0311%	.039	.0000389 RI
Bettie Trimble, Widow 630 Tateswood Drive Lexington, KY 40502	Unleased	.0311%	.039	.0000389 RI
J. H. Mandt and Mary T. Mandt, H/W 630 Tateswood Drive Lexington, KY 40502	Unleased	.0311%	.039	.0000389 RI
June T. Marty, Widow 7833 Quarter Main Avenue Cincinnati, OH 45236	Unleased	.0311%	.039	.0000389 RI
Mae Murphy, Widow 3865 Matson Avenue Cincinnati, OH 45326	Unleased	.0311%	.039	.0000389 RI
Jerry R. Trimble and Trimble, H/W P. O. Box 45 Ivel, KY 41642	Unleased	.0044%	.005	.0000056 RI
Don B. Trimble, Widower P. O. Box 146 Ivel, KY 41642	Unleased	.0044%	.005	.0000056 RI
Ruth Fleming, Widow 800 Longview, Apt. 122 Knoxville, TN 37919	Leased-EREX 243847L-22	.1452%	.181	.0001815 RI
Sara Lou Kennedy and Darrell Kennedy, W/H 546 West Stone Drive Kingsport, TN 37660	Unleased	.0726%	.091	.0000908 RI
Alice G. Elkins and William R. Elkins, W/H P. O. Box 3 Clintwood, VA 24228	Unleased	.0726%	.091	.0000908 RI
Hansel D. Fleming and Brenda S. Fleming, H/W P. O. Box 478 Clintwood, VA 24228	Unleased	.0726%	.091	.0000908 RI

<u>SSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
Sherrie Leigh Creech P. O. Box 460 Clintwood, VA 24228	Unleased	.0726%	.091	.0000908 RI
Teresa Mann and Harold Mann, W/H P. O. Box 233 Lakeville, NY 14480	Unleased	.0136%	.017	.0000170 RI
William G. Jackson, Single 5217 E. 27th Street Tucson, AZ 85711	Leased-EREX 243847LL-23	.0136%	.017	.0000170 RI
<b>Equitable Resources Exploration</b>				.053375 WI
<b>Tract 2 Total</b>		6.10%	7.66	6.10%
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<b><u>TRACT 3</u></b>				
W. C. Colley and Ruby Colley, H/W Route 2, Box 712 Haysi, VA 24256	Leased-VA Gas Co. Life Estate	0.000%	0.000	0.000
Kenneth W. Colley, Single Route 2, Box 712 Haysi, VA 24256	Leased-VA Gas Co. Remainderman	.35%	.44	.0004375 RI
Nancy Owens and Mark Owens, W/H 3237 Huntleigh Drive Raleigh, NC 27601	Leased-VA Gas Co. Remainderman	.35%	.44	.0004375 RI
Melinda Wallen and Buddy Wallen, W/H P. O. Box 705 Clintwood, VA 24228	Leased-VA Gas Co. Remainderman	.35%	.44	.0004375 RI
Virginia Gas Company P. O. Box 2407 Abingdon, VA 24244-0386 ATTN: Mike Edwards				.0091875 WI
<b>TRACT 3 TOTAL</b>		1.05%	1.32	1.05%

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
<b>Oil and Gas Lessors</b>				
Columbia Natural Resources, Inc. P. O. Box 6070 Pennsylvania Avenue Charleston, WV 25362 ATTN: James O. Taylor		0.000%	0.000	0.000
Penn Virginia Resources Corp. P. O. Box 386 Duffield, VA 24244-0386 ATTN: Alan R. Poole, Vice President		0.000%	0.000	0.000
<b>TOTALS:</b>		100.00%	125.66	100.00%

This order is being re-recorded and supercedes the order previously recorded in Deed Book 313 starting at page 707 on December 14, 1995.

Diane Davis *Diane Davis*  
Notary

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, *June 11, 1996* 1996. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at *11:15* o'clock *AM*, after payment of \$\_\_\_\_\_ tax imposed by Sec. 58.1-802.

Original returned this date to: *Diane Davis*

TESTE: JOE TATE, CLERK  
BY: *Laura Barge* D. CLERK