

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

ELECTIONS, UNIT: V-3193

(herein "Subject Drilling Unit")

DOCKET NO. VGOB-94/10/24-0477

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 January 9, 1995 and recorded at Deed Book 794, Page 276 in the Office of the Clerk of the Circuit Court, Wise County, Virginia on January 17, 1995, (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 January 26, 1995 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 March 2, 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, 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.

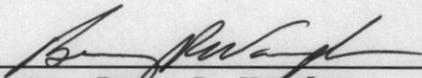
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 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 24<sup>th</sup> day of March 1994<sup>5</sup>, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

STATE OF VIRGINIA)  
COUNTY OF WISE )

Acknowledged on this 24<sup>th</sup> day of March, 1994<sup>5</sup>, 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 24<sup>th</sup> day of March 1994<sup>5</sup> by Order of this Board.

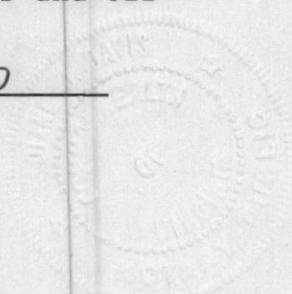
Byron Thomas Fulmer  
Byron Thomas Fulmer  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA  
COUNTY OF WASHINGTON

Acknowledged on this 24<sup>th</sup> day of March, 1994<sup>5</sup>, 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:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Equitable Resources Exploration for Forced Pooling of Interests in Unit Number V-3193, VGOB Docket No. VGOB-94/10/24-0477 in the Lipps Magisterial District of Wise 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 January 9, 1995, by the Virginia Gas and Oil Board regarding the captioned 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, 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 January 17, 1995;
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) Trustees of Mt. Olivet Presbyterian Church Tract 2	Lease	2/17/95
2) Trustees of Mt. Olivet Presbyterian Church Tract 18	Lease	2/17/95

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:

None.

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:

Tract 2:

Trustees of Mt. Olivet Presbyterian Church

Tract 8:

Winnie Lee & Clifford Richardson  
 Juanita Bond, Widow  
 Betty Rothwell, Widow  
 Helen Gibson, Widow  
 Ralph & Jo Bond  
 Gladys Rothwell, Widow  
 Charles E. & Linda Rothwell, III  
 Gene & Barbara Bond

Tract 18:

Trustees of Mt. Olivet Presbyterian Church

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.

None.

- 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 that the services of the Escrow Agent are not required in this matter pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.

Dated at Kingsport, Tennessee, this 2nd day of March 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 2nd day of March 1995.

My commission expires: 5-29-96

*Jane B. Hughes*

Notary



VIRGINIA: In the Clerk's Office of Wise Circuit Court 3-22, 1995  
 This deed was presented and upon the annexed Certificate of acknowledgement admitted record at 1:34 PM. The tax imposed by 58.54 1 of the Code has been paid in the amount of \$            Recorded in Deed Book 798 and Page 246  
 Gracie G. Hensley, Clerk Terry Hensley Deputy Clerk.

**EXHIBIT "B"**  
**V-3193**  
**VGOB 94/10/24/0477**

BOOK 798 PAGE 252

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
1	Janice Meade and Dallas Meade, W/H P. O. Box 2013 Coeburn, VA 24230	Leased - EREX 223279L-01	8.6150%	10.8300	0.0107688 RI
	Janice Meade P. O. Box 2013 Coeburn, VA 24230	Leased - EREX 223279L-01	8.6150%	10.8300	0.0107687 RI
	Equitable Resources Exploration				0.1507625 WI
<b>Tract 1 Totals</b>			17.2300%	21.6600	0.1723000
2	Trustees of Mt. Olivet Presbyterian Church RR 3 General Delivery Coeburn, VA 24230	Leased - EREX 245080L-01	0.2000%	0.2500	0.0002500 RI
	Equitable Resources Exploration				0.0017500 WI
<b>Tract 2 Totals</b>			0.2000%	0.2500	0.0020000
3	Walter E. Hylton and Darlene Hylton, H/W P. O. Box 277 Castlewood, VA 24224-0277	Leased - EREX 244817L-01	12.0900%	15.1900	0.0151125 RI
	Equitable Resources Exploration				0.1057875 WI
<b>Tract 3 Totals</b>			12.0900%	15.1900	0.1209000
4	Warren Dale Brooks, single RR 3 Box 616 Coeburn, VA 24230	Leased - EREX 244818L-01	0.9700%	1.2200	0.0012125 RI
	Equitable Resources Exploration				0.0084875 WI
<b>Tract 4 Totals</b>			0.9700%	1.2200	0.0097000

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
5	<u>William M. Buchanan Jr. Heirs</u> Malhala B. Holbrook Route 1, Box 98 Coeburn, VA 24230	Leased - EREX 223362L-01	1.8100%	2.2750	0.0022625 RI
	Pauline B. Hayes Route 3, Box 514 Coeburn, VA 24230	Leased - EREX 223362L-02	1.8100%	2.2750	0.0022625 RI
	Gurface B. Kern Route 3 Box 508 Coeburn, VA 24230	Leased - EREX 223362L-03	1.8100%	2.2750	0.0022625 RI
	<u>Ester B. Roberts, Heirs</u> Shirley Watson and Ralph Watson, H/W 25635 Thomas Drive Warren, MI 48091	Leased - EREX 223362L-05	0.9050%	1.1375	0.0011313 RI
	Donald Roberts and Mary Jo Roberts, H/W 3560 Hillcrest Warren, MI 48092	Leased - EREX 223362L-06	0.9050%	1.1375	0.0011312 RI
	Equitable Resources Exploration				0.0633500 WI
<b>Tract 5 Totals</b>			7.2400%	9.1000	0.0724000
6	James J. Hall and Anna J. Hall, H/W Rt#2 Box 468 Fincastle, VA 24090	Leased - EREX 242401L-01	8.3300%	10.4700	0.0104125 RI
	Equitable Resources Exploration				0.0728875 WI
<b>Tract 6 Totals</b>			8.3300%	10.4700	0.0833000
7	Essie P. Laney and Eirma L. Laney, H/W RR 3 Box 612 Coeburn, VA 24230	Leased - EREX 244819L-01	1.1100%	1.3900	0.0013875 RI

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	Equitable Resources Exploration				0.0097125 WI
<b>Tract 7 Totals</b>			1.1100%	1.3900	0.0111000
8	<b><u>N.S. &amp; Sallie Bond Heirs</u></b> Winnie Lee Richardson and Clifford Richardson H/W Route 1 Box 540 Coeburn, VA 24230	Leased - EREX 244832L-01	1.0825%	0.0541	0.0013531 RI
	Juanita Bond, Widow P.O. Box 465 Coeburn, VA 24230	Leased - EREX 244832L-02	1.0825%	0.0541	0.0013531 RI
	Betty Rothwell P.O. Box 459 Coeburn, VA 24230	Leased - EREX 244832L-03	0.3608%	0.0196	0.0004510 RI
	Helen Gibson, Widow c/o Edwin Gibson Rt 1 Box 302 Coeburn, VA 24230	Leased - EREX 244832L-04	0.3608%	0.0196	0.0004510 RI
	Ralph Bond and Jo Bond H/W 7480 Pin Oak Circle Bristol, VA 24202	Leased - EREX 244832L-05	0.5413%	0.0294	0.0006766 RI
	Gladys Rothwell Rt 1 Box 88F Coeburn, VA 24230	Leased - EREX 244832L-06	0.1804%	0.0098	0.0002255 RI
	Charles E. Rothwell, III and Linda Rothwell, H/W 359 Easley Drive Kingsport, TN 37664	Leased - EREX 244832L-07	0.1804%	0.0098	0.0002256 RI
	Gene Bond and Barbara Bond, H/W Oceanside Village - Box 338 Surfside Beach, SC 29575	Leased - EREX 244832L-08	0.5413%	0.0294	0.0006766 RI

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	Equitable Resources Exploration				0.0378875 WI
<b>Tract 8 Totals</b>			4.3300%	5.4400	0.0433000
9	Willis L. Salyers and Althea Janice Salyers, H/W RR 3 Box 667 Coeburn, VA 24230	Leased - EREX 244808L-02	2.3475%	2.9500	0.0029344 RI
	Bobby Eugene Salyers and Debra Salyers, H/W RR 3 Box 672 Coeburn, VA 24230	Leased - EREX 244808L-01	2.3475%	2.9500	0.0029344 RI
	Donald Wayne Salyers and Fay Salyers, H/W RR 3 Box 665 Coeburn, VA 24230	Leased - EREX 244808L-04	2.3475%	2.9500	0.0029344 RI
	Richard G. Salyers and Judy Salyers, H/W RR 3 Box 538 Coeburn, VA 24230	Leased - EREX 244808L-03	2.3475%	2.9500	0.0029343 RI
	Equitable Resources Exploration				0.0821625 WI
<b>Tract 9 Totals</b>			9.3900%	11.8000	0.0939000
10	Richard G. Salyers and Judy Salyers, H/W RR 3 Box 538 Coeburn, VA 24230	Leased - EREX 223331L-01	4.8400%	6.0800	0.0060500 RI
	Equitable Resources Exploration				0.0423500 WI
<b>Tract 10 Totals</b>			4.8400%	6.0800	0.0484000

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11	Philip R. Ison and Judy B. Ison, H/W P. O. Box 727 St. Paul, VA 24283-0727	Leased - EREX 244822L-01	2.2400%	2.8100	0.0028000 RI
	Equitable Resources Exploration				0.0196000 WI
<b>Tract 11 Totals</b>			2.2400%	2.8100	0.0224000
12	Funk Tire and Recapping Service, Inc. Box 1336 Coeburn, VA 24230	Leased - EREX 244803L-01	2.7500%	3.4600	0.0034375 RI
	Equitable Resources Exploration				0.0240625 WI
<b>Tract 12 Totals</b>			2.7500%	3.4600	0.0275000
13	Edna Salyers, Widow RR 3 Box 637 Coeburn, VA 24230	Leased - EREX 244766L-01	13.5100%	16.9700	0.0168875 RI
	Equitable Resources Exploration				0.1182125 WI
<b>Tract 13 Totals</b>			13.5100%	16.9700	0.1351000
14	Willis L. Salyers and Althea Janice Salyers, H/W RR 3 Box 667 Coeburn, VA 24230	Leased - EREX 223332L-01	5.5400%	6.9600	0.0069250 RI
	Equitable Resources Exploration				0.0484750 WI
<b>Tract 14 Totals</b>			5.5400%	6.9600	0.0554000

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15	Edna Salyers, Widow RR 3 Box 637 Coeburn, VA 24230	Leased - EREX 244766L-01	1.5400%	1.9300	0.0019250 RI
	Equitable Resources Exploration				0.0134750 WI
<b>Tract 15 Totals</b>			1.5400%	1.9300	0.0154000
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16	Loretta Hall Route 3 Box 679 Coeburn, VA 24230	Leased - EREX 223304L-01	0.1100%	0.1400	0.0001375 RI
	Equitable Resources Exploration				0.0009625 WI
<b>Tract 16 Totals</b>			0.1100%	0.1400	0.0011000
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17	Equitable Resources Exploration P. O. Box 1983 1989 East Stone Drive Kingsport, TN 37662-1983	Leased - EREX 241709L-01	8.3600%	10.5100	0.0104500 RI
	Equitable Resources Exploration				0.0731500 WI
<b>Tract 17 Totals</b>			8.3600%	10.5100	0.0836000

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18	Trustees of Abingdon Presbytery Presbyterian Church of the United States 401 Reynolds Arcade Building Bristol, VA 24201		0.0000%	0.0000	0.0000000
	Trustees of Mt. Olivet Presbyterian Church RR 3 General Delivery Coeburn, VA 24230	Leased - EREX 245080L-01	0.2200%	0.2800	0.0002750 RI
	Equitable Resources Exploration				0.0019250 WI
<b>Tract 18 Totals</b>			0.2200%	0.2800	0.0022000
<p>Note - By Deed of Conveyance dated 6/1/72, recorded in Deed Book 448, Page 512, and Affidavit of Correction dated 12/19/94, recorded in Deed Book 795, Page 182, in the Office of the Wise County Circuit Court Clerk, The Trustees of the Abingdon Presbyterian Church conveyed their interest in land which included Tract 18 to the Mt. Olivet Presbyterian Church.</p>					
<b>TOTAL</b>			100.0000%	125.6600	1.0000000