

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING  
ELECTIONS, UNIT: V-2033  
(herein "Subject Drilling Unit")

DOCKET NO. VGOB-94/12/13-0487

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 February 7, 1995 and recorded at Deed Book 307, Page 234 in the Office of the Clerk of the Circuit Court, Dickenson County, Virginia on March 7, 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 March 13, 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 May 5, 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 18<sup>th</sup> day of May 1995, by a majority of the Virginia Gas and Oil Board.

  
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Chairman, Benny R. Wampler

STATE OF VIRGINIA)  
COUNTY OF WISE )

Acknowledged on this 18<sup>th</sup> day of May, 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 18<sup>th</sup> day of May 1995 by Order of this Board.

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

STATE OF VIRGINIA  
COUNTY OF WASHINGTON

Acknowledged on this 18<sup>th</sup> day of May, 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-2033, VGOB Docket No. VGOB-94-1213-0487 in the Willis 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 February 7, 1995, 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 March 7, 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:

None.

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:

Nancy Baker Heirs  
 deemed to have leased (unknown or unlocatable)  
 \$124.30 bonus cash consideration (\$5.00 per net mineral acre)  
 .0247250 royalty interest (12.5% X 19.78%)

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.

<u>Name</u>	<u>Tract</u>
Rayferd Hill, et ux	3
Estil Hill, et ux	
Charlie Hill, et ux	
Kermit Hill, et ux	
Dorothy Newell	

<u>Name</u>	<u>Tract</u>
Maude Rose	5
Ethel R. Hall	
Bonnie Rose	
Jerry Blake	
Millard F. Rose, et ux	
Phyllis Ann Byrd, et vir	
Jack Rose, et ux	
Kenneth Rose, et ux	
Ella Mae Frailey	

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 identified 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 5th day of May 1995.

*James E Kaiser*  
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 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 5th day of May 1995.

My commission expires: *November 23, 1997*

*Kathleen Marie Schutt*  
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 Notary

**EXHIBIT "B"**  
**V-2033**  
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<u>TRACT LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
1 Ann W. Stratton, Single 947 Southfield Road Shreveport, LA 71106	Leased - EREX 242301L-01	24.9300000%	31.3300000	0.0311625 RI
Equitable Resources Exploration				0.2181375 WI
<b>Tract 1 Total</b>		24.9300000%	31.3300000	0.2493000
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2 Pine Mountain Oil & Gas Attn: Richard Brillhart P. O. Box 4000 Lebanon, VA 24266	Leased - EREX 241640L T2-250	6.6900000%	8.4000000	0.0083625 RI
Equitable Resources Exploration				0.0585375 WI
<b>Tract 2 Total</b>		6.6900000%	8.4000000	0.0669000
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3 <b><u>Minnie Hill Heirs</u></b> Rayferd Hill and Betty Hill, H/W Route 1, Box 659 Clintwood, VA 24228	Unleased	0.7900000%	0.9933333	0.0009875 RI
Estil Hill and Mona Hill, H/W Route 1, Box 658-A Clintwood, VA 24228	Unleased	0.7900000%	0.9933333	0.0009875 RI
Charlie Hill and Cora Hill, H/W Route 1, Box 663 Clintwood, VA 24228	Unleased	0.7900000%	0.9933333	0.0009875 RI
Kermit Hill and Barbara Hill, H/W 1422 Maple Drive Roundlake Beach, IL 60073	Unleased	0.7900000%	0.9933333	0.0009875 RI
Dorothy Newell, Widow Route 1, Box 85-B Hackleburg, AL 35564	Unleased	0.7900000%	0.9933333	0.0009875 RI

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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 INTEREST</u>
	Lillie Mae Stone and Wilfred Stone, W/H 1656 43rd Avenue Stone Park, IL 60165	Leased - EREX 244335L-02	0.7900000%	0.9933333	0.0009875 RI
	Tranber Hill and Suzanne Hill, H/W 10821 W. Wadsworth Road Beach Park, IL 60099	Leased - EREX 244335L-04	0.7900000%	0.9933334	0.0009875 RI
	Beulah Hallman, Single Route 5, Box 315 Russellville, AL 35653	Leased - EREX 244335L-01	0.7900000%	0.9933334	0.0009875 RI
	Paul Hill, Single 10821 W. Wadsworth Road Beach Park, IL 60099	Leased - EREX 244335L-03	0.7900000%	0.9933334	0.0009875 RI
	Equitable Resources Exploration				0.0622125 WI
<b>act 3 Total</b>			<b>7.1100000%</b>	<b>8.9400000</b>	<b>0.0711000</b>
4	Evans Musick and Bessie Musick, H/W Route 1, Box 248 Haysi, VA 24256	Leased-EREX 244770L-03	0.1849999%	0.2316666	0.0002312 RI
	Jack M. Beverly a/k/a Jackie M. Beverly and Joyce Beverly, H/W 296 Wine Circle Blountville, TN 37617	Leased - EREX 244770L-02	0.2775000%	0.3475000	0.0003469 RI
	Frank E. Beverly and Pauline Beverly, H/W Route 4, Box 491 Moneta, VA 24121	Leased - EREX 244770L-01	0.4624999%	0.5791666	0.0005781 RI
	Rufus Musick and Eunice Musick, H/W P. O. Box 368 Haysi, VA 24256	Leased-EREX 244770L-06	0.0462499%	0.0579167	0.0000578 RI

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<u>TRACT LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
Roger Musick and Emma Lou Musick, H/W P. O. Box 557 Haysi, VA 24256	Leased-EREX 244770L-07	0.0462501%	0.0579167	0.0000578 RI
Roy Musick and Charlotte Musick, H/W 22700 Tulane Ave. Farmington, MI 48336	Leased-EREX 244770L-05	0.0462501%	0.0579167	0.0000578 RI
Ruby Creekmore and Emory Creekmore, W/H 513 Des Moines Drive Hermitage, TN 37076	Leased-EREX 244770L-04	0.0462501%	0.0579167	0.0000578 RI
Equitable Resources Exploration				0.0097126 WI
<b>Tract 4 Total</b>		<b>1.1100000%</b>	<b>1.3900000</b>	<b>0.0111000</b>

<b>5</b> <b>Millard Rose Heirs</b> Scotty Rose & Betty Mullins, Co-Guardians for Stephen A. Rose, Widower Route 1, Box 223 Haysi, VA 24256	Leased - EREX 244761L-03	0.3100000%	0.3885714	0.0003874 RI
Maude Rose, Single Box 445 Clincho, VA 24226	Unleased	0.3100000%	0.3885714	0.0003874 RI
Ethel R. Hall, Widow c/o Barbara Colley Box 233 Harman, VA 24618	Unleased	0.3100000%	0.3885714	0.0003874 RI
Bonnie Rose, Widow Box 661 Clintwood, VA 24228	Unleased	0.3100000%	0.3885714	0.0003874 RI
Rose LaVaughn Besseck, Widow Route 4, Box 66 Clintwood, VA 24228	Leased-EREX 244761L-11	0.1550000%	0.1942858	0.0001937 RI
Donna Forish and Donald Forish, W/H 111 Maple Leaf Lane Elkton, VA 22827	Leased-EREX 244761L-07	0.1550000%	0.1942858	0.0001937 RI

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<u>TRACT LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
Nola R. Moore, Widow Route 3, Box 396 Clintwood, VA 24228	Leased - EREX 244761L-01	0.0442857%	0.0555102	0.0000554 RI
Igene Crotty, Widow 3708 West Brook Drive Hilliard, OH 43026	Leased - EREX 244761L-02	0.0442857%	0.0555102	0.0000554 RI
Virginia Mae Rakes and Grover Clayton Rakes, W/H 3903 Cameron Blvd. Isle of Palms, SC 29451	Leased - EREX 244761L-05	0.0442857%	0.0555102	0.0000554 RI
Jerry Blake, Single P. O. Box 907 Pataskala, OH 43062	Unleased	0.0442857%	0.0555102	0.0000554 RI
Millard F. Rose and Carolyn Rose, H/W 2605 Windy Hill Place Auburn, AL 36830	Unleased	0.0442857%	0.0555102	0.0000554 RI
Phyllis Ann Byrd and Bobby Byrd, W/H 7509 Grier Road Charlotte, NC 28213	Unleased	0.0442857%	0.0555102	0.0000554 RI
Harold Rose and Lucille Rose, H/W Route 3, Box 414B Clintwood, VA 24228	Leased - EREX 244761L-04	0.0442857%	0.0555102	0.0000554 RI
Bill Rose and Dollie Rose, H/W Route 2, Box 460 Coeburn, VA 24230	Leased-EREX 244761L-10	0.0442857%	0.0555102	0.0000554 RI
James Rose and Donna Rose, H/W 4521 Holton Avenue Fort Wayne, IN 46806	Leased-EREX 244761L-06	0.0442857%	0.0555102	0.0000554 RI
Jack Rose and Mary C. Rose, H/W 923 West Bower Harrison, AR 72601	Unleased	0.0442857%	0.0555102	0.0000554 RI

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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 INTEREST</u>
	Madeline Sue Robinson and Robert Robinson, W/H 1302 Peninsula Drive Traverse City, MI 49684	Leased-EREX 244761L-09	0.0442857%	0.0555102	0.0000554 RI
	Kenneth Rose and Betty Rose, H/W Route 1, Box 634 Clintwood, VA 24228	Unleased	0.0442857%	0.0555102	0.0000554 RI
	Lacy C. Rose and Debra A. Rose, H/W Route 1, Box 259 Haysi, VA 24256	Leased-EREX 244761L-08	0.0442858%	0.0555102	0.0000554 RI
	Ella Mae Frailey, Widow 485 Patterson Marion, OH 43302	Unleased	0.0442858%	0.0555102	0.0000553 RI
	Equitable Resources Exploration				0.0189875 WI
<b>Tract 5 Total</b>			2.1700000%	2.7200000	0.0217000
6	Nancy Baker Heirs Unknown	Unleased	19.7800000%	24.8600000	0.0247250 RI
	Equitable Resources Exploration				0.1730750 WI
<b>Tract 6 Total</b>			19.7800000%	24.8600000	0.1978000
7	Pine Mountain Oil & Gas Attn: Richard Brillhart P. O. Box 4000 Lebanon, VA 24266	Leased-EREX 241490L T-810	16.4400000%	20.6600000	0.0205500 RI
	Equitable Resources Exploration				0.1438500 WI
<b>Tract 7 Total</b>			16.4400000%	20.6600000	0.1644000

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<u>TRACT LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
8 Pine Mountain Oil & Gas Attn: Richard Brillhart P. O. Box 4000 Lebanon, VA 24266	Leased-EREX 241490L T-811	21.7700000%	27.3600000	0.0272125 RI
Equitable Resources Exploration				0.1904875 WI
<b>Tract 8 Total</b>		21.7700000%	27.3600000	0.2177000
<b>TOTAL</b>		<b>100.0000000%</b>	<b>125.6600000</b>	<b>1.0000000</b>

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, MAY 23, 1995. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 10:45 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: [Signature] D. CLERK