

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	POCAHAONTAS GAS PARTNERSHIP,)	
	a Virginia Partnership)	VIRGINIA GAS
)	AND OIL BOARD
RELIEF SOUGHT:	POOLING OF INTERESTS IN)	
	DRILLING UNIT NO. M-41)	DOCKET NO.
	LOCATED IN THE OAKWOOD)	95-0620-0507
	COALBED GAS FIELD I)	
	PURSUANT TO SECTION)	
	45.1-361.22, CODE OF)	
	VIRGINIA, 1950 AS AMENDED,)	
	FOR THE PRODUCTION OF)	
	OCCLUDED NATURAL GAS PRODUCED)	
	FROM COALBEDS AND ROCK STRATA)	
	ASSOCIATED THEREWITH FROM)	
	A FRAC WELL (herein)	
	collectively referred to)	
	as "Coalbed Methane Gas")	
	or "Gas"))	
)	
LEGAL DESCRIPTION:)	
)	
	DRILLING UNIT NUMBER M-41)	
	(Hereafter "Subject Drilling Unit"))	
	IN THE OAKWOOD COALBED GAS FIELD I,)	
	GARDEN MAGISTERIAL DISTRICT,)	
	JEWELL RIDGE QUADRANGLE,)	
	BUCHANAN COUNTY, VIRGINIA)	
	(the "Subject Lands" are more)	
	particularly described on Exhibit)	
	"A", attached hereto and made a)	
	part hereof))	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on July 18, 1995, Ratliff Hall, Southwest Virginia 4-H Center, Abingdon, Virginia.

2. Appearances: Elizabeth A. McClanahan, of the firm Penn, Stuart, Eskridge & Jones, appeared for the Applicant; and Sandra B. Riggs, Assistant Attorney General was present to advise the Board.

3. Jurisdiction and Notice: Pursuant to Va. Code Ann. § 45.1-361.1 et seq., Virginia Code, 1950 as amended, the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a search of the reasonably available sources to determine the identity and whereabouts of gas and oil owners, coal owners, mineral owners and/or potential owners i.e., persons identified by Applicant as having ("owner") or claiming ("claimant") the rights in the Coalbed Methane Gas in all coal seams below the Tiller Seam (hereafter "Subject Formation") in Subject Drilling Unit underlying and comprised of Subject Lands; (2) has given notice to all such parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code Ann. §§ 45.1-361.19 and 45.1-361.22, to notice of this Application; (3) that the persons set forth in Exhibit C hereto

are persons identified by Applicant through its due diligence who may be Owners or Claimants of Coalbed Methane Gas interests in Subject Formation, in Subject Drilling Unit underlying and comprised of Subject Lands; and (4) that the persons set forth in Exhibit D are those Gas Owners or Claimants who have not heretofore agreed to lease or sell to the Applicant their Gas interests in Subject Drilling Unit. Further, the Board has caused notice of this hearing to be published as required by Va. Code Ann. § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: Detailed Estimate for Well #CBM-PGP-618.

5. Dismissals: None.

6. Relief Requested: Applicant requests (1) that pursuant to Va. Code Ann. §§ 45.1-361.22, including the applicable portions of § 45.1-361.21, the Board pool all the rights, interests and estates in and to the Gas in Subject Drilling Unit, including the pooling of the interests of the known and unknown persons named in Exhibit C hereto and that of their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, for the drilling and operation, including production, of Coalbed Methane Gas, produced from the Subject Drilling Unit established for the Subject Formation underlying and comprised of the Subject Lands, (hereafter sometimes collectively identified and referred to as "well development and/or operation in the Subject Drilling Unit"), and (2) that the Board designate Pocahontas Gas Partnership as Unit Operator.

7. Relief Granted: The requested relief in this cause be and hereby is granted: (1) Pursuant to Va. Code Ann. § 45.1-361.21.C.3, Pocahontas Gas Partnership (hereafter "Unit Operator") is designated as the Unit Operator authorized to drill and operate Well CBM-PGP-618 in the Subject Drilling Unit, subject to: the permit provisions contained in Va. Code Ann. § 45.1-361.27 et seq.; to the Oakwood Coalbed Gas Field I Order OGCB 3-90, dated May 18, 1990; to § 480-05-22.1 et seq., Gas and Oil Regulations; and to § 480-05-22.2 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time, and (2) all the interests and estates in and to the Gas in Subject Drilling Unit, including that of the known and unknown persons listed on Exhibit "C", attached hereto and made a part hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, be and hereby are pooled in the Subject Formation in the Subject Drilling Unit underlying and comprised of the Subject Lands.

<u>Subject Formation</u>	<u>Unit Size</u>	<u>Permitted Well Location</u>	<u>Field and Well Classification</u>	<u>Order Number</u>
All coalbeds and coal seams below the Tiller seam and rock strata associated therewith including the Lower Castle, Upper Seaboard, Greasy Creek, Middle Seaboard, Lower Seaboard, Upper Horsepen, Middle Horsepen, C, War Creek, Pocahontas 6, 5, 4, 3, and 2 and various unnamed coal seams	Approximately 80-acre square drilling unit	Well CBM-PGP-618 to be located in Unit M-41 as contemplated by the Application as filed or amended (Depth: approximately 1,420 feet)	Oakwood Coalbed Gas Field I for Coalbed Methane Gas from a Frac Well	OGCB 3-90, as amended by VGOB 93-0216-0325 and 93-0316-0348

For the Subject Drilling Unit underlying and comprised of the Subject Land referred to as:

Unit Number M-41
Buchanan County, Virginia

8. Election and Election Period: In the event any Gas Owner or Claimant named in Exhibit D hereto does not reach a voluntary agreement to share in the operation of the wells to be located in the Subject Drilling Unit at a rate of payment mutually agreed to by said Gas Owner or Claimant and the Unit Operator, then such person named may elect one of the options set forth in Paragraph 9 below and must give written notice of his election of the option selected under Paragraph 9 to the designated Unit Operator at the address shown below within thirty (30) days from the date this Order is recorded in the county above named. A timely election shall be deemed to have been made if, on or before the last day of said 30-day period, such electing person has delivered his written election to the designated Unit Operator at the address shown below or has duly postmarked and placed its written election in first class United States mail, postage prepaid, addressed to the Unit Operator at the address shown below.

9. Election Options:

9.1 Option 1 - To Participate In The Development and Operation of the Drilling Unit: Any Gas Owner or Claimant named in Exhibit D who does not reach a voluntary agreement with the Unit Operator may elect to participate in the development and operation of the Subject Drilling Unit (hereafter "Participating Operator") by agreeing to pay the estimate of such Participating Operator's proportionate part of the actual and reasonable costs, including a reasonable supervision fee, of the well development and operation in the Subject Drilling Unit, as more particularly set forth in Virginia Gas and Oil Board Regulation VR 480-05-22.2, Section 10 (herein "Completed for Production Costs"). Further, a Participating Operator agrees to pay the estimate of such Participating Operator's proportionate part of the Completed-for-Production Costs as set

forth below to the Unit Operator within forty-five (45) days from the later of the date of mailing or the date of recording of this Order. The estimated Completed-for-Production Costs for the Subject Drilling Unit are as follows:

Completed-for-Production Panel Costs: \$232,442.50

A Participating Operator's proportionate cost hereunder shall be the result obtained by multiplying the Participating Operators' Interest as set forth in the third column of Exhibit D, times the Completed-for-Production Cost set forth above. Provided, however, that in the event a Participating Operator elects to participate and fails or refuses to pay the estimate of his proportionate part of the Completed-for Production Cost as set forth above, all within the time set forth herein and in the manner prescribed in Paragraph 8 of this Order, then such Participating Operator shall be deemed to have elected not to participate and to have elected compensation in lieu of participation pursuant to Paragraph 9.2 herein.

- 9.2 Option 2 - To Receive A Cash Bonus Consideration: In lieu of participating in the development and operation of Subject Drilling Unit under Paragraph 9.1 above, any Gas Owner or Claimant named in Exhibit D hereto who does not reach a voluntary agreement with the Unit Operator may elect to accept a cash bonus consideration of \$1.00 per net mineral acre owned by such person, commencing upon entry of this Order and continuing annually until commencement of production from Subject Drilling Unit, and thereafter a royalty of 1/8th of 8/8ths [twelve and one-half percent (12.5%)] of the net proceeds received by the Unit Operator for the sale of the Coalbed Methane Gas produced from any well development covered by this Order multiplied by that person's Interest or proportional share of said production [for purposes of this Order, net proceeds shall be actual proceeds received less all post-production costs incurred downstream of the wellhead, including, but not limited to, all gathering, compression, treating, transportation and marketing costs, whether performed by Unit Operator or a third person) as fair, reasonable and equitable compensation to be paid to said Gas Owner or Claimant. The initial cash bonus shall become due and owing when so elected and shall be tendered, paid or escrowed within sixty (60) days of recording of this Order. Thereafter, annual cash bonuses, if any, shall become due and owing on each anniversary of the date of recording of this order in the event production from Subject Drilling Unit has not theretofore commenced, and once due, shall be tendered, paid or escrowed within sixty (60) days of said anniversary date. Once the initial cash bonus and the annual cash bonuses, if any, are so paid or escrowed, subject to a final legal determination of ownership, said payment(s) shall be satisfaction in full for the right, interests, and claims of such electing person in and to the Gas produced from Subject Formation in the Subject Lands, except, however, for the 1/8th royalties due hereunder.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.2, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any well development and operation covered hereby and such electing person shall be deemed to and hereby does lease and assign, its right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator.

- 9.3. Option 3 - To Share In The Development And Operation As A Non-Participating Person On A Carried Basis And To Receive Consideration In Lieu Of Cash: In lieu of participating in the development and

operation of Subject Drilling Unit under Paragraph 9.1 above and in lieu of receiving a cash bonus consideration under Paragraph 9.2 above, any Gas Owner or Claimant named in Exhibit D hereto who does not reach a voluntary agreement with the Unit Operator may elect to share in the development and operation of Subject Drilling Unit on a carried basis (as a "Carried Well Operator"] so that the proportionate part of the Completed-for-Production Costs hereby allocable to such Carried Well Operator's interest is charged against such Carried Well Operator's share of production from Subject Drilling Unit. Such Carried Well Operator's rights, interests, and claims in and to the Gas in Subject Drilling Unit shall be deemed and hereby are assigned to the Unit Operator until the proceeds from the sale of such Carried Well Operator's share of production from Subject Drilling Unit (exclusive of any royalty, excess or overriding royalty, or other non-operating or non cost-bearing burden reserved in any lease, assignment thereof or agreement relating thereto covering such interest) equals three hundred percent (300%) for a leased interest or two hundred percent (200%) for an unleased interest (whichever is applicable) of such Carried Well Operator's share of the Completed-for-Production Costs allocable to the interest of such Carried Well Operator. When the Applicant recoups and recovers from such Carried Well Operator's assigned interest the amounts provided for above, then, the assigned interest of such Carried Well Operator shall automatically revert back to such Carried Well Operator, and from and after such reversion, such Carried Well Operator shall be treated as if it had participated initially under Paragraph 9.1 above; and thereafter, such participating person shall be charged with and shall pay his proportionate part of all further costs of such well development.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.3, when so made, shall be satisfaction in full for the rights, interests, and claims of such electing person in any well development and operation covered hereby and such electing person shall be deemed to have and hereby does assign its rights, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator for the period of time during which its interest is carried as above provided prior to its reversion back to such electing person.

10. Failure to Properly Elect: In the event a person named in Exhibit D hereto does not reach a voluntary agreement with the Unit Operator and fails to elect within the time, in the manner and in accordance with the terms of this Order, one of the alternatives set forth in Paragraph 9 above for which his interest qualifies, then such person shall be deemed to have elected not to participate in the proposed development and operation of Subject Drilling Unit and shall be deemed, subject to a final legal determination or ownership, to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which its interest qualifies and shall be deemed to have leased and/or assigned his right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator. Persons who fail to properly elect shall be deemed, subject to a final legal determination of ownership, to have accepted the compensation and terms set forth herein at Paragraph 9.2 in satisfaction in full for the right, interests, and claims of such person in and to the Gas produced from the Subject Formation underlying Subject Lands.

11. Default By Participating Person: In the event a person named in Exhibit D elects to participate under Paragraph 9.1, but fails or refuses to pay, to secure the payment or to make an arrangement with the Unit Operator for the payment of such person's proportionate part of the Completed-for-Production Cost

as set forth herein, all within the time and in the manner as prescribed in this Order, then such person shall be deemed to have withdrawn his election to participate and shall be deemed to have elected to accept as satisfaction in full for such person's right, interest, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which his interest qualifies depending on the excess burdens attached to such interest. Whereupon, any cash bonus consideration due as a result of such deemed election shall be tendered, paid or escrowed by Unit Operator within sixty (60) days after the last day on which such defaulting person under this Order should have paid his proportionate part of such cost or should have made satisfactory arrangements for the payment thereof. When such cash bonus consideration is paid or escrowed, it shall be satisfaction in full for the right, interests, and claims of such person in and to the Gas underlying Subject Drilling Unit in the Subject Lands covered hereby, except, however, for any royalties which would become due pursuant to Paragraph 9.2 hereof.

12. Assignment of Interest: In the event a person named in Exhibit D is unable to reach a voluntary agreement to share in the operation of the wells contemplated by this Order at a rate of payment agreed to mutually by said Gas Owner or Claimant and the Unit Operator, and such person elects or fails to elect to do other than participate under Paragraph 9.1 above in the development and operation of the well in Subject Formations in Subject Drilling Unit, then subject to a final legal determination of ownership, such person shall be deemed to have and shall have assigned unto Unit Operator such person's right, interests, and claims in and to said well, in Subject Formation in Subject Drilling Unit, and other share in production to which such person may be entitled by reason of any election or deemed election hereunder in accordance with the provisions of this Order governing said election.

13. Unit Operator (or Operator): Pocahontas Gas Partnership, be and hereby is designated as Unit Operator authorized to drill and operate Well CBM-PGP-618 in Subject Formation in Subject Drilling Unit, all subject to the permit provisions contained in Va. Code Ann. § 45.1-361.27 et seq.; §§ 480-05-22.1 et seq., Gas and Oil Regulations; §§ 480-05-22.2 et seq., Virginia Gas and Oil Board Regulations; the Oakwood Coalbed Gas Field I Order OGCB 3-90, all as amended from time to time, and all elections required by this Order shall be communicated to Unit Operator in writing at the address shown below:

Pocahontas Gas Partnership
P. O. Box 946
Bluefield, VA 24605
Phone: (540) 326-6354
Fax: (540) 326-6389
Attn: Leslie K. Arrington

14. Commencement of Operations: Unit Operator shall commence or cause to commence operations for the drilling of the well within the Subject Drilling Unit within three hundred and sixty-five (365) days from the date of this Order and shall prosecute the same with due diligence. If Unit Operator shall not have so commenced and/or prosecuted, then this Order shall terminate, except for any cash sums then payable hereunder; otherwise, unless sooner terminated by Order of the Board, this Order shall expire at 12:00 P.M. on the date on which the well located in Subject Drilling Unit is permanently abandoned and plugged. However, in the event an appeal is taken from this Order, then the time between the filing of the petition for appeal and the final Order of the Circuit Court shall be excluded in calculating the one year period referred herein.

Upon completion of the well whose costs comprise part of the Estimated Completed-for-Production Costs set forth in Paragraph 9.1 above, and within ninety (90) days after production into the pipeline is obtained and restoration of the location is completed, the Operator shall file with the Board

a revised exhibit reflecting the actual, Completed-for-Production Costs for the subject Drilling Unit.

15. Operator's Lien: Unit Operator, in addition to the other rights afforded hereunder, shall have a lien and a right of set off on the gas estates, rights, and interests owned by any person subject hereto who elects to participate under Paragraph 9.1 in the Subject Drilling Unit to the extent that costs incurred in the drilling or operation on the Subject Drilling Unit are chargeable against such person's interest. Such liens and right of set off shall be separable as to each separate person and shall remain liens until the Unit Operator drilling or operating any well covered hereby has been paid the full amounts due under the terms of this Order.

16. Escrow Provisions:

By this Order, the Board instructs the Escrow Agent named herein or any successor named by the Board to establish an interest-bearing escrow account, (herein "the Escrow Account") to receive and account to the Board pursuant to its agreement for the escrowed funds hereafter described:

Tazewell National Bank
Trust Department
c/o Premier Bankshares Corporation
29 College Drive, P. O. Box 1199
Bluefield, VA 24605-1199
Telephone: (703) 322-2242
Fax: (703) 322-2766

16.1. Escrow Provisions For Unknown or Unlocatable Persons: If any payment of bonus, royalty payment or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be located or is unknown, then such cash bonus, royalty payment, or other payment shall not be commingled with any funds of the Unit Operator and shall, pursuant to Va. Code Ann. § 45.1-361.21.D, and said sums shall be deposited by the Operator into the Escrow Account, commencing within sixty (60) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are being deposited. Such funds shall be held for the exclusive use of, and sole benefit of the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with Va. Code Ann. § 45.1-361.21.D.

16.2 Escrow Provisions For Conflicting Claimants: If any payment of bonus, royalty payment of other payment due and owing under this Order cannot be made because the person entitled thereto cannot be made certain due to conflicting claims of ownership and/or a defect or cloud on the title, then such cash bonus, royalty payment or other payment, together with Participating Operator's Proportionate Costs paid to Operator pursuant to Paragraph 9.1 hereof, if any, (1) shall not be commingled with any funds of the Unit Operator; and (2) shall, pursuant to Va. Code Ann. §§ 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4, be deposited by the Operator into the Escrow Account within sixty (60) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are

subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of, the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board.

17. Special Findings: The Board specifically and specially finds:
- 17.1. Applicant is a Virginia general partnership comprised of Consolidation Coal Company, a Delaware corporation, and Conoco, Inc., a Delaware corporation, and is duly authorize and qualified to transact business in the Commonwealth of Virginia;
- 17.2 Applicant is an Operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia.
- 17.3 Applicant claims ownership of the gas leases, coalbed methane gas leases, and/or coal leases representing 99.965 percent of all coal below the Tiller seam, 99.866755 percent of the oil and gas interest, and 100 percent of the coalbed methane gas estate in Subject Drilling Unit, and applicant claims the right to explore for, develop and produce Coalbed Methane Gas from coal seams below the Tiller seam in Unit Number M-41 in Buchanan County, Virginia, which Subject Lands are more particularly described in Exhibit "A";
- 17.4 Applicant has proposed the drilling of Well CBM-PGP-618 on the Subject Drilling Unit to a depth of approximately 1,420 feet pursuant to Permit No. 2739 to develop the pool of Gas in Subject Formations.
- 17.5 The estimated average production for Subject Drilling Unit over its life is 337.5 MMCF. The estimated amount of reserves from the Subject Drilling Unit is 125 to 550 MMCF.
- 17.6 Respondents are listed on Exhibit "C". Set forth in Exhibit "D" is the name and last known address of each person identified by the Applicant as having or claiming an interest in the Coalbed Methane Gas in Subject Formation in Subject Drilling Unit underlying and comprised of Subject Lands, who has not, in writing, leased to the Applicant or the Unit Operator or agreed to voluntarily pool his interests in Subject Drilling Unit for its development.
- 17.7 Applicant's evidence established that the fair, reasonable and equitable compensation to be paid to any person in lieu of the right to participate in any well covered hereby are those options provided in Paragraph 9 above;
- 17.8 The relief requested and granted is just and reasonable, is supported by substantial evidence and will afford each person listed and named in Exhibit B hereto the opportunity to recover or receive, without unnecessary expense, such person's just and fair share of the production from Subject Drilling Unit. The granting of the Application and relief requested therein will ensure to the extent possible the greatest ultimate recovery of coalbed methane gas, prevent or assist in preventing the various types of waste prohibited by statute and protect or assist in protecting the correlative rights of all persons in the subject common sources of supply in the Subject Lands. Therefore, the Board is entering an Order granting the relief herein set forth;

18. Mailing Of Order And Filing Of Affidavit: Applicant or its Attorney shall file an affidavit with the Secretary of the Board within sixty (60) days after the date of recording of this Supplemental Order stating that a true and correct copy of said Order was mailed within seven (7) days from the date of receipt of this Order to each Respondent named in Exhibit B pooled by this Order whose address is known.

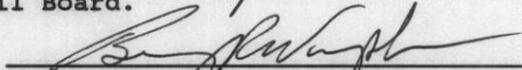
19. Availability of Unit Records: The Director shall provide all persons not subject to a lease with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).

20. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

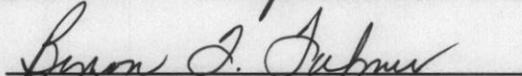
21. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code Ann. § 9-6.14:1 et seq.

22. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 28th day of September, 1995, by a majority of the Virginia Gas and Oil Board.

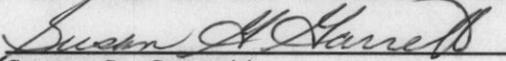

Chairman, Benny R. Wampler

DONE AND PERFORMED this 28th day of September, 1995, by Order of this Board.


Byron Thomas Fulmer
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 28th day of September, 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
Notary Public

My commission expires 7/31/98

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 28th day of September, 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 7/31/97

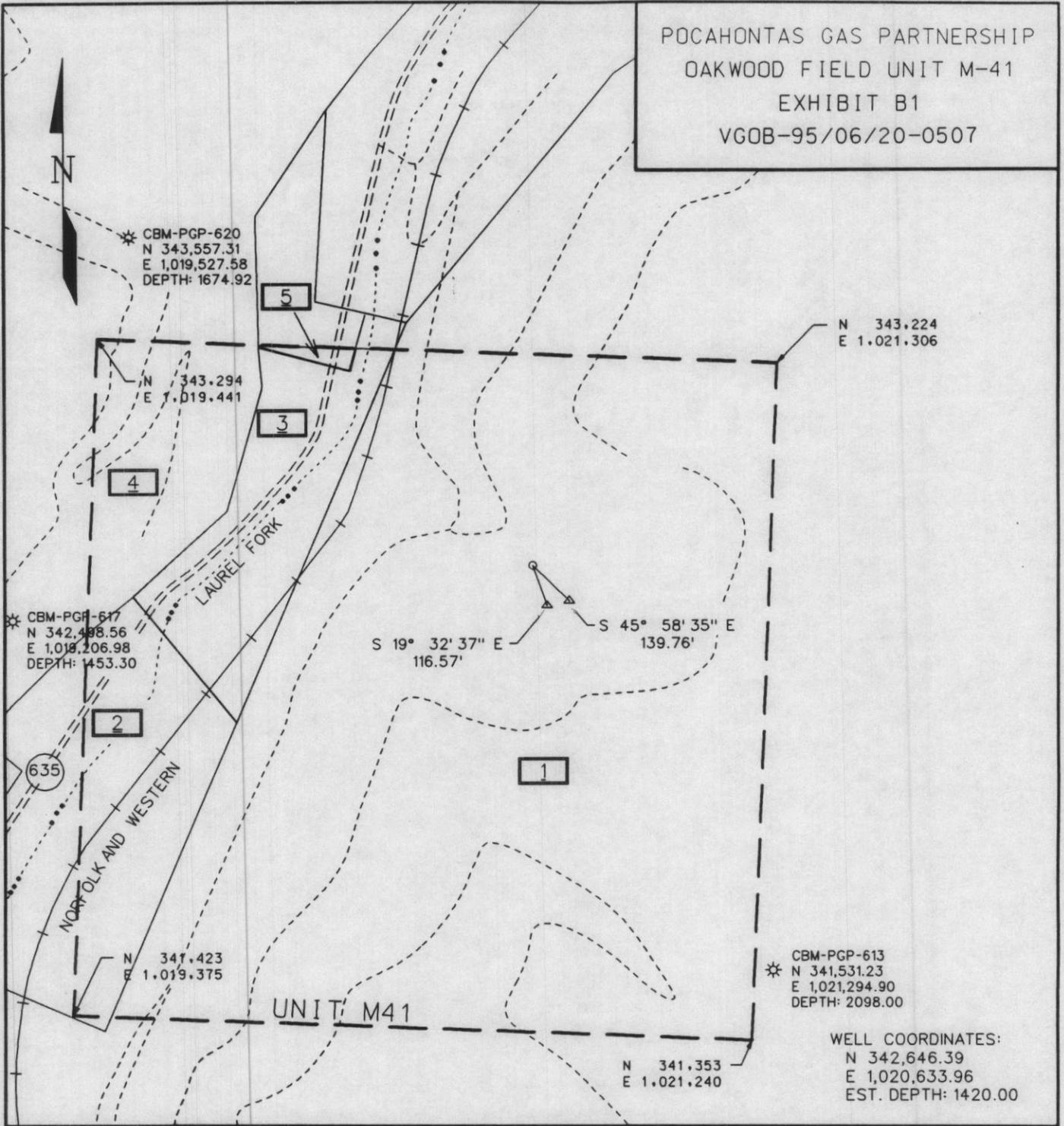
EXHIBIT "A"

SUBJECT LANDS

UNIT M-41, VGOB #95-0620-0507

BEGINNING at a point Virginia (South Rectangular) State Plane Coordinate N 343,294 E 1,019,441, thence S 87° 51' 02" E 1,866.31 feet to a point (N 343,224 E 1,021,306), thence S 02° 01' 13" W 1,872.16 feet to a point (N 341,353 E 1,021,240), N 87° 51' 02" E 1,866.31 feet to a point (N 341,423 E 1,019,375), N 02° 01' 13" E 1,872.16 feet to the point of Beginning, containing 80 acres.

POCAHONTAS GAS PARTNERSHIP
 OAKWOOD FIELD UNIT M-41
 EXHIBIT B1
 VGOB-95/06/20-0507



WELL LOCATION PLAT

Company Pocahontas Gas Partnership Well Name and Number CBM-PGP-613
 Tract No. P.J. Brown Elevation 1880.15' Quadrant Jewell Ridge
 County Buchanan District Garden Scale: 1" = 400'
 This plat is a new plat ; an updated plat ; a final plat X

Form DGO-GO-7
 Rev. 9/91

Claude D. Morgan
 Licensed Professional Engineer or Licensed Land Surveyor



VGOB-95/06/20-0507

Pocahontas Gas Partnership
CBM-PGP-618
Attachment DGO-GO-7(a)

1. P.J. Brown Heirs - Surface, Coal, Oil & Gas
Consolidation Coal Company - Coal Lessee (below drainage coal)
Jewell Ridge (Sea "B" Mining) - Jawbone Seam
Jewell Smokeless (above drainage except Jawbone)
Consolidation Coal Company - Oil & Gas Lessee** - 99.8677%
B.P. Brown - Oil & Gas - 0.02646%
C.H. Brown - Oil & Gas - 0.02646%
W.D. Brown - Oil & Gas - 0.02646%
E.L. Brown - Oil & Gas - 0.02646%
V.B. Palmer - Oil & Gas - 0.02646%
59.42 acres - 74.275%
2. Reserve Coal Properties - Coal, Oil & Gas
Pocahontas Gas Partnership - CBM, Oil & Gas Lessee
7.182 acres - 8.9775%
3. David Horton - Surface, Coal, Oil & Gas
Consolidation Coal Company - Coal (bel.Tiller) Lessee
Reserve Coal Properties - Surface, CBM, Oil & Gas Lessee
7.15 acres - 8.9375%
4. David Horton - Surface, Coal, Oil & Gas
Consolidation Coal Company - Coal (bel.Tiller) Lessee
Reserve Coal Properties - Surface, CBM, Oil & Gas Lessee
6.22 acres - 7.775%
5. L.R. Cole - Coal, Oil & Gas
Pocahontas Gas Partnership - CBM Lessee
0.028 acres - 0.035%

Pocahontas Gas Partnership
 VGOB-95/06/20-0507
 Exhibit C
 CBM-PGP-618

I. COAL FEE OWNERSHIP

(1)	P.J. BROWN HEIRS	59.42 acres	74.275 %
(a)	John R. Mullins Drawer 4287 Richlands, VA 24641	9.90335 acres (0.166667 x 59.42 acres)	12.37919 %
(b)	Oscar W. Thompson P.O. Box 72 Pikeville, KY 41501	1.65056 acres (0.027778 x 59.42 acres)	2.063210 %
(c)	Betty T. Scott P.O. Box 3426 Pikeville, KY 41501	1.65056 acres (0.027778 x 59.42 acres)	2.063210 %
(d)	Edith Mae Vanhoose P.O. Box 2319 Pikeville, KY 41501	1.65056 acres (0.027778 x 59.42 acres)	2.063210 %
(e)	Ballard W. Cassady, MD Pikeville Medical Building P.O. Box 3369 Pikeville, KY 41501	1.65056 acres (0.027778 x 59.42 acres)	2.063210 %
(f)	Michael C. Ramsey P.O. Box 5660 Eugene, OR 97405	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(g)	James P. Ramsey, Jr. P.O. Box 20126 Sarasota, FL 34279-0126	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(h)	Susan Joyce Ramsey 130 Weddington Branch Rd. Pikeville, KY 41501	0.36679 acres (0.006173 x 59.42 acres)	0.458499 %
(i)	Joe B. Ramsey, Sr. 1093 N. Mayo Trail, Suite 285 Pikeville, KY 41501	1.10039 acres (0.018519 x 59.42 acres)	1.375498 %
(j)	William N. Ramsey, Jr. 130 Weddington Branch Rd. Pikeville, KY 41501	0.36679 acres (0.006173 x 59.42 acres)	0.458499 %
(k)	G. Frank Ramsey 130 Weddington Branch Rd. Pikeville, KY 41501	0.36679 acres (0.006173 x 59.42 acres)	0.458499 %
(l)	Sue Carter Sloan 1014 Geneva Pearce, AZ 85625	4.95164 acres (0.083333 x 59.42 acres)	6.189558 %
(m)	John W. Gillespie 314 West Main Street P.O. Box 675 Tazewell, VA 24651	2.47585 acres (0.041667 x 59.42 acres)	3.094816 %

(n)	Johnnye H. Hunter Suite 629A, Forum VI Greensboro, NC 27408	2.47585 acres (0.041667 x 59.42 acres)	3.094816 %
(o)	Eldridge Brown Company c/o Gertrude Brown 209 Altizer Street Richlands, VA 24641	11.3180 acres (0.190476 x 59.42 acres)	14.14760 %
(p)	Jams R. McKenry Stoney Point Center 700 Newton Road Norfolk, VA 23502	9.90335 acres (0.166667 x 59.42 acres)	12.37919 %
(q)	G.I. Brown Estate c/o G.I. Brown Rt. 2 Box 334 Cedar Bluff, VA 24609	2.47585 acres (0.041667 x 59.42 acres)	3.094816 %
(r)	Claytor S. Grove RD 2, Box 3081 Front Royal, VA 22630-9656	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(s)	Doris L. Singhas 213 Page Street Berryville, VA 22611	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(t)	Martha Brown Short 7808 Shadwell Drive, NE Roanoke, VA 24019	1.65056 acres (0.027778 x 59.42 acres)	2.063210 %
(u)	James M. Brown Rt. 3 Box 220 Cedar Bluff, VA 24609	0.11788 acres (0.001984 x 59.42 acres)	0.147361 %
(v)	Martha C. Brown Rt. 2 Box 534 North Tazewell, VA 24630	0.03927 acres (0.000661 x 59.42 acres)	0.049095 %
(w)	Virginia Brown Palmer 1535 Oak Ridge Drive Salisbury, NC 28144	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(x)	Benjamin Patton Brown Rt. 1 Box 143A Pounding Mill, VA 24537	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(y)	Charles Henry Brown 14376 Peaceful Valley Road Abingdon, VA 24210	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(z)	William David Brown 6 South Park Avenue Millville, NJ 08332	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(aa)	Eugene L. Brown, Jr. Rt. 3 Box 144 Tazewell, VA 24651	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %

(bb) Ruth Martin P.O. Box 1574 Clemmons, NC 27012	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(cc) Catherine Lee Estate c/o Morris R. Lee, Admin. RFD 2, Box 92 Cedar Bluff, VA 24609	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(dd) Hannah Taylor RFD 2, Box 281 Cedar Bluff, VA 24609	2.20073 acres (0.037037 x 59.42 acres)	2.750923 %
(ee) Buford E. Steele P.O. Box 420 Front Royal, VA 22630	0.27508 acres (0.0046295 x 59.42 acres)	0.343856 %
(ff) Mary Francis Carter 284 West Strasburg Rd. Front Royal, VA 22630	0.27508 acres (0.0046295 x 59.42 acres)	0.343856 %
(2) Reserve Coal Properties P.O. Box 947 Bluefield, VA 24605	7.182 acres	8.9775 %
(3) David Horton Box 59A Richlands, VA 24641	7.15 acres	8.9375 %
(4) David Horton Box 59A Richlands, VA 24641	6.22 acres	7.775 %
(5) L.R. Cole* Rt. 2 Box 80 Whitewood, VA 24657	0.028 acres	0.035 %

*Note: This tract CBM lease only from the coal, oil and gas owner.

II. COAL LEASEHOLD OWNERSHIP

(1) Consolidation Coal Company 1800 Washington Road Pittsburgh, PA 15241	59.42 acres	74.275 %
(2) Consolidation Coal Company 1800 Washington Road Pittsburgh, PA 15241	7.15 acres	8.9375 %
(3) Consolidation Coal Company 1800 Washington Road Pittsburgh, PA 15241	6.22 acres	7.775 %

III. OIL & GAS FEE OWNERSHIP

59.42 acre tract

(1) P.J. BROWN HEIRS	59.42 acres	74.275 %
(a) John R. Mullins Drawer 4287 Richlands, VA 24641	9.90335 acres (0.166667 x 59.42 acres)	12.37919 %
(b) Oscar W. Thompson P.O. Box 72 Pikeville, KY 41501	1.65056 acres (0.027778 x 59.42 acres)	2.063210 %

(c) Betty T. Scott P.O. Box 3426 Pikeville, KY 41501	1.65056 acres (0.027778 x 59.42 acres)	2.063210 %
(d) Edith Mae Vanhooose P.O. Box 2319 Pikeville, KY 41501	1.65056 acres (0.027778 x 59.42 acres)	2.063210 %
(e) Ballard W. Cassady, MD Pikeville Medical Building P.O. Box 3369 Pikeville, KY 41501	1.65056 acres (0.027778 x 59.42 acres)	2.063210 %
(f) Michael C. Ramsey P.O. Box 5660 Eugene, OR 97405	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(g) James P. Ramsey, Jr. P.O. Box 20126 Sarasota, FL 34279-0126	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(h) Susan Joyce Ramsey 130 Weddington Branch Rd. Pikeville, KY 41501	0.36679 acres (0.006173 x 59.42 acres)	0.458499 %
(i) Joe B. Ramsey, Sr. 1093 N. Mayo Trail, Suite 285 Pikeville, KY 41501	1.10039 acres (0.018519 x 59.42 acres)	1.375498 %
(j) William N. Ramsey, Jr. 130 Weddington Branch Rd. Pikeville, KY 41501	0.36679 acres (0.006173 x 59.42 acres)	0.458499 %
(k) G. Frank Ramsey 130 Weddington Branch Rd. Pikeville, KY 41501	0.36679 acres (0.006173 x 59.42 acres)	0.458499 %
(l) Sue Carter Sloan 1014 Geneva Pearce, AZ 85625	4.95164 acres (0.083333 x 59.42 acres)	6.189558 %
(m) John W. Gillespie 314 West Main Street P.O. Box 675 Tazewell, VA 24651	2.47585 acres (0.041667 x 59.42 acres)	3.094816 %
(n) Johnnye H. Hunter Suite 629A, Forum VI Greensboro, NC 27408	2.47585 acres (0.041667 x 59.42 acres)	3.094816 %
(o) Eldridge Brown Company c/o Gertrude Brown 209 Altizer Street Richlands, VA 24641	11.3180 acres (0.190476 x 59.42 acres)	14.14760 %
(p) Jams R. McKenry Stoney Point Center 700 Newton Road Norfolk, VA 23502	9.90335 acres (0.166667 x 59.42 acres)	12.37919 %

(q)	G.I. Brown Estate c/o G.I. Brown Rt. 2 Box 334 Cedar Bluff, VA 24609	2.47585 acres (0.041667 x 59.42 acres)	3.094816 %
(r)	Claytor S. Grove RD 2, Box 3081 Front Royal, VA 22630-9656	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(s)	Doris L. Singhas 213 Page Street Berryville, VA 22611	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(t)	Martha Brown Short 7808 Shadwell Drive, NE Roanoke, VA 24019	1.65056 acres (0.027778 x 59.42 acres)	2.063210 %
(u)	James M. Brown Rt. 3 Box 220 Cedar Bluff, VA 24609	0.11788 acres (0.001984 x 59.42 acres)	0.147361 %
(v)	Martha C. Brown Rt. 2 Box 534 North Tazewell, VA 24630	0.03927 acres (0.000661 x 59.42 acres)	0.049095 %
(w)	Virgina Brown Palmer 1535 Oak Ridge Drive Salisbury, NC 28144	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(x)	Benjamin Patton Brown Rt. 1 Box 143A Pounding Mill, VA 24537	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(y)	Charles Henry Brown 14376 Peaceful Valley Road Abingdon, VA 24210	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(z)	William David Brown 6 South Park Avenue Millville, NJ 08332	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(aa)	Eugene L. Brown, Jr. Rt. 3 Box 144 Tazewell, VA 24651	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(bb)	Ruth Martin P.O. Box 1574 Clemmons, NC 27012	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(cc)	Catherine Lee Estate c/o Morris R. Lee, Admin. RFD 2, Box 92 Cedar Bluff, VA 24609	0.55016 acres (0.009259 x 59.42 acres)	0.687712 %
(dd)	Hannah Taylor RFD 2, Box 281 Cedar Bluff, VA 24609	2.20073 acres (0.037037 x 59.42 acres)	2.750923 %
(ee)	Buford E. Steele P.O. Box 420 Front Royal, VA 22630	0.27508 acres (0.0046295 x 59.42 acres)	0.343856 %

(ff) Mary Francis Carter 284 West Strasburg Rd. Front Royal, VA 22630	0.27508 acres (0.0046295 x 59.42 acres)	0.343856 %
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7.182 acre tract

(2) Reserve Coal Properties P.O. Box 947 Bluefield, VA 24605	7.182 acres	8.9775 %
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7.15 acre tract

(3) David Horton Box 59A Richlands, VA 24641	7.15 acres	8.9375 %
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6.22 acre tract

(4) David Horton Box 59A Richlands, VA 24641	6.22 acres	7.775 %
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0.028 acre tract

(5) L.R. Cole* Rt. 2 Box 80 Whitewood, VA 24657	0.028 acres	0.035 %
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*Note: This tract CBM lease only from the coal, oil and gas owner.

IV. OIL & GAS LEASEHOLD OWNERSHIP

(1) Consolidation Coal Company 1800 Washington Road Pittsburgh, PA 15241	59.3414 acres (755/756 of 59.42 acres)	74.17675 % (755/756 of 74.275 acres)
(2) Pocahontas Gas Partnership P.O. Box 947 Bluefield, VA 24605	7.182 acres	8.9775 %
(3) Reserve Coal Properties P.O. Box 947 Bluefield, VA 24605	7.15 acres 6.22 acres	8.9375 % 7.775 %

V. CBM LEASEHOLD OWNERSHIP

(1) Reserve Coal Properties P.O. Box 947 Bluefield, VA 24605	59.3414 acres 7.15 acres 6.22 acres	74.17675 % 8.9375 % 7.775 %
(2) Pocahontas Gas Partnership P.O. Box 947 Bluefield, VA 24605	0.028 acres 7.182 acres	0.035 % 8.9775 %

Pocahontas Gas Partnership
VGOB-95/06/20-0507
Exhibit D
CBM-PGP-618

I. OIL & GAS FEE OWNERSHIP

(1) P.J. BROWN HEIRS	59.42 acres (1/756 X 59.42 acres unleased)	74.275 %
(a) Virginia Brown Palmer 1535 Oak Ridge Drive Salisbury, NC 28144	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(b) Benjamin Patton Brown Rt. 1 Box 143A Pounding Mill, VA 24537	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(c) Charles Henry Brown 14376 Peaceful Valley Road Abingdon, VA 24210	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(d) William David Brown 6 South Park Avenue Millville, NJ 08332	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %
(e) Eugene L. Brown, Jr. Rt. 3 Box 144 Tazewell, VA 24651	0.01571 acres (0.00026455 x 59.42 acres)	0.019649 %

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 October, 1985 at 12:53P M.
Deed Book No. 440 and Page No. 774 TESTE: James M. Bevins, Jr., Clerk
Returned this date to: Dept. of Thomas TESTE: [Signature] Deputy Clerk
POB x 1446
Abingdon Va 24210

2309

CLERK'S OFFICE CIRCUIT COURT
BUCHANAN COUNTY, VIRGINIA
Filed and admitted to record,
this 5th day of Oct, 1985
at 11:55 o'clock P M.
Recorded Deed Book _____ Page _____
039 State Tax _____
213 County Tax _____
212 Transfer 29.00
301 Recording _____
038 State Tax _____
220 Local Tax _____
145 VSLS 1.00
Total 30.00
Teste James M. Bevins, Jr., Clerk
By _____ D.C.

Department of Mines, Minerals and Energy
DIVISION OF GAS & OIL
POST OFFICE BOX 1416 • 230 CHARWOOD DRIVE
ABINGDON, VIRGINIA 24210