

THIS INSTRUMENT HAS BEEN PREPARED BY THE VIRGINIA GAS AND OIL BOARD

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

ELECTIONS, UNIT: V-31

(herein "Subject Drilling Unit")

DOCKET NO. VGOB-96/01/16-0533

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 April 1, 1996 and recorded at Deed Book 447, Page 341 in the office of the Clerk of the Circuit Court of Buchanan County, Virginia on April 8, 1996 (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 CONSOL, Inc., (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

(b) The Designated Operator filed its affidavit of mailing dated June 19, 1996 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 November 15, 1996 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 A.

(e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, Trust Department, c/o Premier Bankshares Corporation, 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.

(f) Certain scribes errors were made in the preparation of the Board Order issued on April 1, 1996. Said errors are corrected by this Supplemental Order as follows:

(i). Paragraph 4. of the April 1, 1996 Order is stricken, and the following language is substituted therefore: Amendments: None.

(iv). Paragraph 17.6 of the April 1, 1996 Order is stricken, and the following language is substituted therefore: Subject Drilling Unit is affected by Long Wall Panels 1 Left and 2 Left in the Buchanan No. 1 Mine, as depicted on Exhibit G hereto.

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, Trust Department, c/o Premier Bankshares Corporation, 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 28<sup>th</sup> day of January 1997, by a majority of the Virginia Gas and Oil Board.

Benny R. Wampler  
Chairman, Benny R. Wampler

STATE OF VIRGINIA)  
COUNTY OF WISE )

Acknowledged on this 28<sup>th</sup> day of January, 1997, 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 28<sup>th</sup> day of January 1997 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 28<sup>th</sup> day of January, 1997, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis  
Diane J. Davis  
Notary Public

My commission expires 9/30/97

VIRGINIA:

Exhibit A

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CONSOL Inc., Inc. for Forced Pooling of Interests in Unit Number V-31, VGOB Docket No. 96-0116-0533 in the Garden District of Buchanan County, Virginia

AFFIDAVIT OF CONSOL Inc. (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is employed by Consol, Inc. and assigned to CONSOL Inc., the Designated Operator, at its office located at P.O. Box 947 Bluefield, VA 24605, that your Affiant is the Designated Operator's Permit Specialist, and is authorized to give this Affidavit in its behalf;

2. That the Order entered on April 1, 1996, by the Virginia Gas and Oil Board regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;

3. That your Affiant caused a true and correct copy of the Order referred to at paragraph 2. above to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that the Designated Operator filed its affidavit of mailing, with attachments, with the Board by mail on June 19, 1996;

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 April 8, 1996.

5. That the Designated Operator, Consol, Inc., has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

None.

6. That the interests and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who 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;

See Exhibit B-3 for persons deemed to have leased; see Exhibit E for conflicting claims subject to escrow.

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 interests and/or claims which are not subject to escrow and should, therefore, be dismissed as Respondents:

See Exhibit B-2.

8. That pursuant to the provisions of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth and identifies the conflicting claims and/or interests which require escrow of funds

pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.;

Dated at Bluefield, Virginia, this 18<sup>th</sup> day of November, 1996.

Leslie K. Arrington  
Affiant

Taken, subscribed and sworn to before me by Leslie K. Arrington, the Permit Specialist, of Consol, Inc., a corporation, on behalf of the corporation, this 18<sup>th</sup> day of November 1996.

My commission expires: 9/30/97

Diane J. Davis  
Notary

UNIT V-31  
Docket # VGOB-96/01/16-0533  
Exhibit B-3  
List of Unleased Owners/Claimants

Division of Interest in

	Net Acres in Unit	Interest in Unit	1 Left 8.1521%	2 Left 4.3768%	3 Left 0.0000%	
<b>II. OIL &amp; GAS FEE OWNERSHIP</b>						
<b>Tract No. 2, 54.12 Acre Tract</b>						
(1)	Richard Deskins Heirs	54.12 acres	67.65000%	5.5149%	2.9609%	0.0000%
(a)	Ruby Shamehorn Box 642 Crescent City, CA 95531	0.48 acres 1/112 of 54.12 acres	0.60402%	0.0492%	0.0264%	0.0000%
<b>Tract No. 5, 0.58 Acre Tract</b>						
(1)	Carrie Cook Heirs	0.58 acres	0.72500%	0.0591%	0.0317%	0.0000%
(a)	Sue Elkins Rt. 1, Box 179 Raven, VA 24639	0.29 acres 1/2 of .058 acres	0.36250%	0.0296%	0.0159%	0.0000%
(b)	Harrett C. Coxton 2819 Greenway Blvd. Falls Church, VA 22042	0.29 acres 1/2 of .058 acres	0.36250%	0.0296%	0.0159%	0.0000%
<b>Tract No. 6, 3.21 Acre Tract</b>						
(1)	Paul Shortt heirs, etal	3.21 acres	4.01250%	0.3271%	0.1756%	0.0000%
(a)	Ilene Shortt Rt. 1 Box 178 Raven, VA 24639	2.14 acres 2/3 of 3.21 acres	2.67500%	0.2181%	0.1171%	0.0000%
(b)	Sandra Whited 734 Terry Drive Richlands, VA 24641	1.07 acres 1/3 of 3.21 acres	1.33750%	0.1090%	0.0585%	0.0000%
<b>Tract No. 7, 5.79 Acre Tract</b>						
(1)	Lucy Wade Heirs	5.79 acres	7.23750%	0.5900%	0.3168%	0.0000%
(a)	Curtis E. Wade Rt. 1 Box 200 Raven, VA 24639	0.83 acres 1/7 of 5.79 acres	1.03393%	0.0843%	0.0453%	0.0000%
(b)	Ruth Stumpp Rt. 1 Box 200 Raven, VA 24639	1.65 acres 2/7 of 5.79 acres	2.06786%	0.1686%	0.0905%	0.0000%

UNIT V-31  
Docket # VGOB-96/01/16-0533  
Exhibit E  
List of Conflicting Owners/Claimants

	Net Acres in Unit	Interest in Unit	Division of Interest in		
			1 Left 8.1521%	2 Left 4.3768%	3 Left 0.0000%
<b>Tract No. 2, 54.12 Acre Tract</b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Richard Deskins Heirs	54.12 acres	67.65000%	5.5149%	2.9609%	0.0000%
(a) Lida G. Vandyke 193 South Lane Hightstown, NJ 08502	1.10 acres 1/49 of 54.12 acres	1.38061%	0.1125%	0.0604%	0.0000%
(b) Edith McGlothlin 2619 Derubertis North Madison, OH 44057	1.10 acres 1/49 of 54.12 acres	1.38061%	0.1125%	0.0604%	0.0000%
(c) Daris Deskins 3746 Grove Ave., Apt. 204 Willoughby, OH 44094	1.10 acres 1/49 of 54.12 acres	1.38061%	0.1125%	0.0604%	0.0000%
(d) Island Creek Coal Company Virginia Division Drawer L Oakwood, VA 24631	4.42 acres 4/49 of 54.12 acres	5.52245%	0.4502%	0.2417%	0.0000%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Richard Deskins Heirs	54.12 acres	67.65000%	5.5149%	2.9609%	0.0000%
(a) Delles G. Deskins 5046 Columbus Court Auburn, GA 30203	0.97 acres 1/56 of 54.12 acres	1.20804%	0.0985%	0.0529%	0.0000%
(b) Billy J. Deskins Rt. 2, Box 542 Honaker, VA 24260	0.97 acres 1/56 of 54.12 acres	1.20804%	0.0985%	0.0529%	0.0000%
(c) Charles P. Deskins Rt. 2 Honaker, VA 24260	0.97 acres 1/56 of 54.12 acres	1.20804%	0.0985%	0.0529%	0.0000%
(d) Winfred L. Deskins Rt. 2, Box 78 Honaker, VA 24260	0.97 acres 1/56 of 54.12 acres	1.20804%	0.0985%	0.0529%	0.0000%
(e) Arnold R. Langley 115 Church Street Bloomdale, OH 44817	0.97 acres 1/56 of 54.12 acres	1.20804%	0.0985%	0.0529%	0.0000%
(f) Billanora C. Deskins P. O. Box 347 Rosedale, VA 24280	0.97 acres 1/56 of 54.12 acres	1.20804%	0.0985%	0.0529%	0.0000%
(g) Frieda V. Deskins Rt. 3, Box 74 Hillsville, VA 24343	0.97 acres 1/56 of 54.12 acres	1.20804%	0.0985%	0.0529%	0.0000%
(h) Norma Gay Deskins Rt. 2, Box 64 Honaker, VA 24260	0.14 acres 1/392 of 54.12 acres	0.17258%	0.0141%	0.0076%	0.0000%

**UNIT V-31**  
**Docket # VGOB-96/01/16-0533**  
**Exhibit E**  
**List of Conflicting Owners/Claimants**

		Net Acres in Unit	Interest in Unit	Divison of Interest in		
				1 Left 8.1521%	2 Left 4.3768%	3 Left 0.0000%
(i)	Jerry F. Deskins P. O. Box 34 North Robinson, OH 44856	0.14 acres 1/392 of 54.12 acres	0.17258%	0.0141%	0.0076%	0.0000%
(j)	John P. Deskins Rt. 2, Box 603-A Honaker, VA 24260	0.14 acres 1/392 of 54.12 acres	0.17258%	0.0141%	0.0076%	0.0000%
(k)	Donald W. Deskins P. O. Box 1184 Honaker, VA 24260	0.14 acres 1/392 of 54.12 acres	0.17258%	0.0141%	0.0076%	0.0000%
(l)	Leonard R. Deskins, Jr. Rt. 2, Box 603 Honaker, VA 24260	0.14 acres 1/392 of 54.12 acres	0.17258%	0.0141%	0.0076%	0.0000%
(m)	Norma R. Hale Rt. 2, Box 64 Honaker, VA 24260	0.14 acres 1/392 of 54.12 acres	0.17258%	0.0141%	0.0076%	0.0000%
(n)	Barbara L. Deskins P. O. Box 33 Brahamsville, VA 23011	0.03 acres 1/1960 of 54.12 acres	0.03452%	0.0028%	0.0015%	0.0000%
(o)	David L. Deskins P. O. Box 108 Barhamsville, VA 23011	0.03 acres 1/1960 of 54.12 acres	0.03452%	0.0028%	0.0015%	0.0000%
(p)	Gregory N. Deskins P. O. Box 189 Barhamsville, VA 23011	0.03 acres 1/1960 of 54.12 acres	0.03452%	0.0028%	0.0015%	0.0000%
(q)	Matthew Deskins % Barbara Deskins P. O. Box 33 Barhamsville, VA 23011	0.03 acres 1/1960 of 54.12 acres	0.03452%	0.0028%	0.0015%	0.0000%
(r)	Carole L. Liggan 6826 Cherry Grove Lane Mechanicsville, VA 23111	0.03 acres 1/1960 of 54.12 acres	0.03452%	0.0028%	0.0015%	0.0000%

**Tract No. 2, 54.12 Acre Tract**

**COAL FEE OWNERSHIP**

(All seams below Tiller seam)

(1)	Island Creek Coal Company Virginia Division Drawer L Oakwood, VA 24631	13.18 acres 191/784 of 54.12 acres	16.48106%	1.3436%	0.7213%	0.0000%
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**OIL & GAS FEE OWNERSHIP**

(1)	Richard Deskins Heirs	54.12 acres	67.65000%	5.5149%	2.9609%	0.0000%
(a)	Jasper E. Hiser Rt. 1, Box 366 Ronceverte, WV 24970	1.93 acres 1/28 of 54.12 acres	2.41607%	0.1970%	0.1057%	0.0000%

**UNIT V-31**  
**Docket # VGOB-96/01/16-0533**  
**Exhibit E**  
**List of Conflicting Owners/Claimants**

	Net Acres in Unit	Interest in Unit	Divison of Interest in		
			1 Left 8.1521%	2 Left 4.3768%	3 Left 0.0000%
(b) Betty L. Deweese 5229 Monta Vista Dr. Charleston, WV 25313	0.97 acres 1/56 of 54.12 acres	1.20804%	0.0985%	0.0529%	0.0000%
(c) Felda L. Bland 38 Redington Court West Carrollton, OH 45449	0.97 acres 1/56 of 54.12 acres	1.20804%	0.0985%	0.0529%	0.0000%
(d) Cloetta M. Bradley 2412 Sequoia Park Yukon, OH 73099	0.48 acres 1/112 of 54.12 acres	0.60402%	0.0492%	0.0264%	0.0000%
(e) Marie N. Deskins Rt. 6, Box 93 Tazewell, VA 24651	2.21 acres 2/49 of 54.12 acres	2.76122%	0.2251%	0.1209%	0.0000%
(f) Gaylene A. Horn 18377 Cleveland Rd. Abingdon, VA 24211	2.21 acres 2/49 of 54.12 acres	2.76122%	0.2251%	0.1209%	0.0000%
(g) Jimmy Sisk Sr. 3153 Creekside Drive Norton, OH 44203	2.21 acres 2/49 of 54.12 acres	2.76122%	0.2251%	0.1209%	0.0000%
(h) Juanita Colley 1916 County Rd. 60 Auburn, IN 46706	0.37 acres 1/147 of 54.12 acres	0.46020%	0.0375%	0.0201%	0.0000%
(i) Billy R. Deskins 1111 Superior Drive Auburn, IN 46706	0.37 acres 1/147 of 54.12 acres	0.46020%	0.0375%	0.0201%	0.0000%
(j) Lois J. High P. O. Box 24 Corunna, IN 46730	0.37 acres 1/147 of 54.12 acres	0.46020%	0.0375%	0.0201%	0.0000%
(k) Joyce L. Ratliff 1101 Greg St. West Edge Auburn, IN 46706	0.37 acres 1/147 of 54.12 acres	0.46020%	0.0375%	0.0201%	0.0000%
(l) Joan E. Deskins 217 West 19th Street Auburn, IN 46706	0.37 acres 1/147 of 54.12 acres	0.46020%	0.0375%	0.0201%	0.0000%
(m) Joseph H. Deskins 5272 County Rd. 35 Auburn, IN 46706	0.37 acres 1/147 of 54.12 acres	0.46020%	0.0375%	0.0201%	0.0000%

**Tract No. 8, 2.75 Acre Tract****COAL FEE OWNERSHIP**

(1) Yukon Pocahontas Coal Co. Tr. 111 P. O. Box 187 Tazewell, VA 24651	2.75 acres	3.43750%	0.2802%	0.1505%	0.0000%
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UNIT V-31  
Docket # VGOB-96/01/16-0533  
Exhibit E  
List of Conflicting Owners/Claimants

	Net Acres in Unit	Interest in Unit	Divison of Interest in		
			1 Left 8.1521%	2 Left 4.3768%	3 Left 0.0000%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Donald P. Shortt Rt. 1, Box 493 Pounding Mill, VA 24637	2.75 acres	3.43750%	0.2802%	0.1505%	0.0000%
<b><u>COAL FEE OWNERSHIP</u></b>					
<b>Tract No. 9, 0.02 Acre Tract</b>					
(1) Coal Mountain Mining Company Coal Mountain Trust P. O. Box 675 Tazewell, VA 24651	0.02 acres	0.02500%	0.0020%	0.0011%	0.0000%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	0.02 acres	0.02500%	0.0020%	0.0011%	0.0000%

UNIT V-31  
 Docket # VGOB-96/01/16-0533  
 Exhibit B-2  
 List of Respondants to be Dismissed

	Reason for Dismissal	Net Acres in Unit	Interest in Unit	Divison of Interest in	
				1 Left	2 Left
				8.1521%	4.3768%

II. OIL & GAS FEE OWNERSHIP

Tract No. 9, 0.02 Acre Tract

(1)	Curtis E. Wade Rt. 1, Box 200 Raven, VA 24639	Purchased	0.02 acres	0.02500%	0.0020%	0.0011%
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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 9th day of February 1997.  
 Deed Book No. 458 and Page No. 198.  
 Returned this date to; Deputy Clerk

TESTE: James M. Bovins, Jr., Clerk  
 TESTE: Deputy Clerk

FOR DEPOSIT ONLY  
BUCHANAN CIRCUIT COURT  
RPT : 97000000975  
CASE : 027CLR9700000353

INSTRUMENT #970000353  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
FEBRUARY 3, 1997 AT 02:40PM  
JAMES H. BEVINS JR., CLERK

BY: \_\_\_\_\_ DEPUTY CLERK