

VIRGINIA:**BEFORE THE VIRGINIA GAS AND OIL BOARD****SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB 96-0716-0546
ELECTIONS, UNIT SERVED BY WELL NO. COGC#2
(herein "Subject Drilling Unit")****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 complying with the requirements of 4 VAC 25-160-70(C) (1997) by supplementing the Order previously issued by the Board for subject Docket on November 19, 1996, effective as of August 20, 1996, and recorded at Deed Book 723, Page 92, in the Office of the Clerk of the Circuit Court of Tazewell County, Virginia on November 22, 1996 (herein "Original Pooling Order"), and the Amended Order previously issued by the Board for subject Docket on January 28, 1997, and recorded at Deed Book 727, Page 617, in the aforesaid Clerk's Office on February 18, 1997 (herein "Amendment to Original Pooling Order"), to complete the record regarding elections (herein the Original Pooling Order and the Amendment to the Original Pooling Order are collectively referred to as the "Pooling Order as Amended"). The Pooling Order as Amended pooled all interests in unit served by Well COGC#2 (herein "Subject Drilling Unit"), including those of the Respondents more particularly set forth and identified in Revised Exhibit D of the Amendment to the Original Pooling Order. 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 Pooling Order as Amended directed Cabot Oil & Gas Corporation (herein the "Designated Operator"), to mail copies of the Pooling Order as Amended to all Respondents whose interests, if any, were pooled thereby;
 - (b) The Designated Operator filed its affidavit of mailing dated January 8, 1997, disclosing that it had mailed a true and correct copy of the Pooling

Order as Amended to all respondents whose interests, if any, were pooled by said Orders;

- (c) The Pooling Order as Amended required each Respondent whose interests, if any, were pooled by the terms of said Orders to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Orders; the Designated Operator has filed its affidavit dated December 4, 1998, in accordance with 4 VAC 25-160-70(C) (1997) (herein "Affidavit of Election");
- (d) The Pooling Order as Amended 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 said Orders in light of the elections made or deemed to have been made (herein "Statement of Interests"). The Designated Operator furnished said Statement of Interests as part of its Affidavit of Elections, 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, First Virginia Bank-Mt. Empire, P. O. Box 1038, Abingdon, VA 24210 (herein "Escrow Agent"), 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. Current Board escrow standards were made applicable to the Subject Drilling Unit by the Pooling Order as Amended;
- (f) In Paragraph 9 of the Designated Operator's Affidavit attached hereto, said Operator represented to the Board that the Mattie Beaver heirs, who were identified in the Pooling Order as Amended as gas and oil fee owners of a 24.94-acre Tract designated Tract 220, have been determined by the Unit Operator not to own any interest in Subject Drilling Unit, and the Unit Operator requests that the Board dismiss the Mattie Beaver heirs from these proceedings;
- (g) A scrivener's error was contained in Paragraph 1 of the Amendment to the Pooling Order in that there is an erroneous and inconsistent reference to "occluded natural gas produced from coalbed and rock strata associated therewith (herein referred to as "Coalbed Methane Gas" or "Gas")", when said reference should have been to "gas other than Coalbed Methane Gas (herein referred to as "Conventional Gas" or "Gas")";

- (h) A scrivener's error was contained in Paragraph 1 of the Amendment to the Pooling Order in that there is an erroneous and inconsistent reference to the Subject Drilling Unit being in Buchanan County, when, as reflected on the Plat and elsewhere in the Pooling Order as Amended, said Unit is in Tazewell County;
 - (i) Exhibit D attached to the Pooling Order as Amended contained accurate acreage amounts and percentages for the fractional interests owned by the Virginia D. Allen Heirs in Tract 223. However, as reflected on the Amended Exhibit D made a part of the Unit Operator's Affidavit attached hereto, the fractional interest was discovered by the Operator to be incorrect.
3. According to the Operator's Affidavit attached hereto, there are no unknown or unlocatable owners in Subject Drilling Unit whose interests are subject to the escrow requirements of the Pooling Order as Amended; therefore, unless and until otherwise ordered by the Board, the Escrow Agent is not required to establish an escrow account for Subject Drilling Unit. It is further ordered that:
- (a) the Mattie Beaver heirs are hereby dismissed as Respondents to the Pooling Order as Amended;
 - (b) Paragraph 1 of the Amendment to the Pooling Order is amended to delete the reference to "occluded natural gas produced from coalbeds and rock strata associated therewith (herein referred to as "Coalbed Methane Gas" or "Gas")" and to substitute "Conventional Gas". Further Paragraph 1 of the Amendment to the Pooling Order is amended by deleting the reference to "Buchanan County" and substituting "Tazewell County";
 - (c) Exhibit D of the Pooling Order as Amended is deleted in toto and replaced by the Appendix A to the Operator's Affidavit attached hereto.
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.

BK0769PG01441

DONE AND EXECUTED this 3rd day of March, 1999 by a majority of the Virginia Gas and Oil Board.

Benny R. Wampler
Chairman, Benny R. Wampler

DONE AND PERFORMED this 5th day of March, 1999 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 WISE)

Acknowledged on this 3rd day of March, 1999, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, who 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 H. Lambert
Notary Public

My commission expires July 31, 2002.

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 5th day of March, 1999, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, who 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
Notary Public

My commission expires September 30, 2001.

INSTRUMENT #990001141
RECORDED IN THE CLERK'S OFFICE OF
TAZEWELL COUNTY ON
MARCH 8, 1999 AT 12:13PM
JAMES E. BLEVINS, CLERK

BY: Angela D. Ray (JC)

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Cabot Oil & Gas Corporation for Pooling of Interests in Subject Drilling Unit served by Well Number COGC#2, VGOB Docket No. 96-0716-0546 in the Maiden Spring Magisterial District of Tazewell County, Virginia

AFFIDAVIT OF JEFFREY L. KEIM, Assistant Secretary for the "Designated Operator" REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Jeffrey L. Keim (herein "Affiant"), being first duly sworn on oath, deposes and says:

1. That the Affiant is Assistant Secretary of Cabot Oil & Gas Corporation, the Designated Operator, with offices at 400 Fairway Drive, Suite 400, Coraopolis, Pennsylvania, 15108-4308, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on November 19, 1996, effective as of August 20, 1996, and the Amended Order entered on January 28, 1997, 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 and Amended Order to each person pooled by said Order and Amended Order;
3. That within seven (7) days of the receipt of the executed copy of the Order and Amended Order referred to at Paragraph 2 above, the Affiant caused 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 the captioned matter; that annexed hereto and incorporated herein are copies of receipts for certified mail, and return receipts pertaining to said mailing;
4. That the Order and Amended 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 November 22, 1996; that the said Amended Order was recorded on February 18, 1997;
5. That the Designated Operator 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 and Amended 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 and Amended 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 and Amended Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

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

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 Paragraph 10 of the Order:

See attached Appendix A.

9. That, subsequent to the Board's issuance of the Pooling Order, the Affiant discovered that the Mattie Beaver heirs, who were originally listed as Respondents and were force pooled in the Board Order, do not own any interest in the unit served by Well # COGC#2.

10. That pursuant to the provisions of 4 VAC 25-160-70(C) (1997), 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.

APPENDIX A

VGOB-96/07/16-0546

I. Gas & Oil Fee Ownership:

7.10-acre Tract: (Tract 223)	7.10 acres - 6.30%
<u>Thomas Dunford Heirs</u>	7.10 acres - 6.30%
5. Virginia D. Allen Heirs	0.592 acres - 0.525% (2/24 of 7.10 acres)
a. David Allen 37 Clay Drive Newport News, VA 23601	0.1184 acres - 0.105% (1/60 of 7.10 acres)
b. Douglas Keith Allen 1458 Oakcrest Drive Hampton, VA 23666	0.1184 acres - 0.105% (1/60 of 7.10 acres)
c. Gregory S. Allen 201 Troy Drive Newport News, VA 23606	0.1184 acres - 0.105% (1/60 of 7.10 acres)
7. Rhonda Lynn Dunford 132 17th Street SW Hickory, N.C. 28602	0.592 acres - 0.525% (2/24 of 7.10 acres)
2.06-acre Tract:	2.06 acres - 1.83%
8. Commonwealth of Virginia James A. Cline Land Use Permit Engineer Virginia Department of Transportation Richmond, VA 23219-1939	2.06 acres - 1.83%

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA §
§
COUNTY OF ALLEGHENY §

Before me, the subscriber, a Notary Public in and for the Commonwealth of Pennsylvania, personally appeared H. Baird Whitehead, who acknowledged himself to be a Vice President of Cabot Oil & Gas Corporation, who being duly sworn according to law, deposes and says that pursuant to Article 18 of the Report of the Virginia Gas and Oil Board Findings and Order for the well number COGC No. 2, Docket No. 96-0716-0546, that a true and correct copy of said Order was mailed by certified U.S. Mail within seven (7) days of date of receipt of said Order to each person pooled by said Order whose address is known.

Further Affiant sayeth not.

CABOT OIL & GAS CORPORATION

By: 
H. Baird Whitehead, Vice President

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF ALLEGHENY

Sworn to and subscribed before me this 8th day of January, 1997.


Notary Public

Notarial Seal
Susan Gubba, Notary Public
Robinson Twp., Allegheny County
My Commission Expires May 2, 2000

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