

**VIRGINIA:**

**BEFORE THE VIRGINIA GAS AND OIL BOARD**

**APPLICANTS:** Hugh MacRae Land Trust (herein "Trust") and Garden Realty Corporation (herein "Garden")

**DOCKET NO.:** VGOB-97/04/15-0577

**RELIEF SOUGHT:** Request for Hearing for Drilling Unit SLW8 in Docket Nos.:

(1) VGOB-92-0421-0216 entered July 27, 1992 and recorded July 30, 1992 in Deed Book 396, Page 75, as amended by Order entered August 14, 1992 and recorded August 19, 1992 in Deed Book 396, Page 764 (herein "Original Pooling Order"); (2) Docket No. VGOB 93-0817-0392 entered October 25, 1993 and recorded October 29, 1993 in Deed Book 415, Page 195 (herein "Modified Pooling Order"); (3) Supplemental Order Regarding Elections in VGOB 92-04/21-0216 entered July 11, 1996 and recorded July 18, 1996 in Deed Book 451, Page 183 (herein "Supplemental Order"), (hereinafter Original Pooling Order, Modified Pooling Order and Supplemental Order collectively referred to as "Pooling Order"); and the Board's Order entered May 23, 1997 and recorded June 4, 1997 in Deed Book 463, Page 197, all in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia.

**LEGAL DESCRIPTION:**

Drilling Unit Number SLW8 as Created by Board Order Dated February 18, 1992, VGOB-92/01/21-0180 (herein "Subject Drilling Unit") in the Hurricane Magisterial District, Buchanan County, Virginia

**REQUEST FOR HEARING**

1. Applicants: The applicants herein are HUGH MACRAE LAND TRUST (hereinafter the "Trust"), whose address for the purpose hereof is Alan Siegel, Akin, Gump, Strauss, Hauer & Feld, LLP, 590 Madison Avenue -20th Floor, New York, New York, 10022, Telephone (212)

872-1000, and GARDEN REALTY CORPORATION (hereinafter "Garden"), a Virginia corporation, whose address for the purpose hereof is c/o Betty Boyd King, 2370 Lyndhurst Avenue, Winston Salem, North Carolina, 27103, Telephone (910) 721-1452. The attorney for the applicants is Jill Morgan Harrison, of the firm of PennStuart, P.O. Box 2288, Abingdon, Virginia, 24212-2288, Telephone: (540) 628-5151.

2. Facts:

a. The Virginia Gas and Oil Board (hereafter "Board") entered an Order on May 23, 1997, directing the following: (1) Pocahontas Gas Partnership, the Operator of the Subject Drilling Unit, to determine and file with the Board an accounting of all royalties attributable to Garden's and Trust's conflicting Gas royalty interest in Subject Drilling Unit; and (2) Tazewell National Bank Trust Department, c/o Premier Bankshares Corporation, the Escrow Agent, to determine and file with the Board an accounting of any and all funds deposited by the Unit Operator with the Escrow Agent for Subject Drilling Unit pursuant to the requirements of the Pooling Order, together with an accounting of any interest accruing thereon and credited to the account of Subject Drilling Unit from the Unit Operator and from the Escrow Agent.

b. As set forth in the May 23, 1997 Order, the Applicants and/or Unit Operator had "fifteen (15) days from receipt of the[se] accountings within which to object in writing by asking for a hearing before the Board with respect to same." The documents filed by the Operator and Escrow Agent were received on July 14, 1997.

3. Legal Authority: Va. Code Ann. § 45.1-361.1 *et seq.*, 4 VAC 25-160-10 *et seq.* and such other regulations and Board orders pursuant to law.

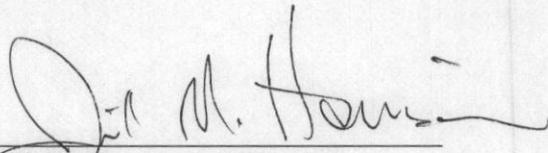
4. Relief Sought: The Applicants request: (a) a hearing before the Board with respect to the memorandum dated July 9, 1997 from the Escrow Agent to the VGOB and the letter dated June 18, 1997 from the Unit Operator; and (b) Such other relief as is merited by the evidence and is just and equitable whether or not such relief has been specifically requested herein.

Dated this 29th day of July, 1997.

HUGH MACRAE LAND TRUST,  
Applicant

and

GARDEN REALTY CORPORATION,  
Applicant

By 

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