

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENMTAL ORDER REGARDING  
DOCKET NUMBER VGOB-03/24-0636

ELECTIONS: UNIT X-35  
(herein "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously identified in the captioned matter on June 10, 1998, which was recorded at Deed Book 477, Page 671 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on June 16, 1998, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed Pocahontas Gas Partnerships (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order.

The Designated Operator filed its affidavit of elections 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.

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (I) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (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 Applicant.

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identified the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any,

requiring escrow under the Virginia Code Section 45.1-361.21.D; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates that the escrow of funds is required with regard to Unit X-35.

**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 affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Virginia Bank-Mountain Empire, c/o Trust Department, P. O. Box 1038, Abingdon, Virginia 24212, 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 the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefor.

**Mailing of Order and Filing of Affidavit:**

The Designated Operator under the captioned Order 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 to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

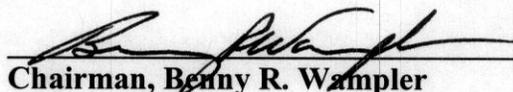
**Conclusion:**

Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

**Effective Date:**

This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 28<sup>th</sup> day of August, 1998, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

STATE OF VIRGINIA  
COUNTY OF WISE

Acknowledged on this 28<sup>th</sup> day of August, 1998, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. 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

My commission expires 7/31/2002

DONE AND PERFORMED this 2<sup>nd</sup> day of September, 1998 by Order of the 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 2<sup>nd</sup> day of September, 1998, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sword did depose and say that he is Principal Executive to the Staff, Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis  
Diane J. Davis, Notary

My commission expires 9/30/2001

Exhibit B-3  
Unit X-35

Docket No. VGOB-98-0324-0636  
List of All Unleased Owners/Claimants

	Net Acres in Unit	Interest in Unit	Division of Interest in			Election
			13-East 11.1083%	14-East 23.5724%	15-East 2.1831%	
<b><u>TRACT #2H - 0.14 acres</u></b>						
(1) K. E. T. Inc. P. O. Box 1080 Raven, VA 24639	0.14 acres	0.17500%	0.01944%	0.04125%	0.00382%	Deemed Leased
<b><u>TRACT #2I - 0.82 acres</u></b>						
(1) Kenneth Short P. O. Box 1080 Raven, VA 24639	0.82 acres	1.02500%	0.11386%	0.24162%	0.02238%	Deemed Leased
<b><u>TRACT #2J &amp; K - 1.31 acres</u></b>						
(1) Danny Hinkle P. O. Box 571 Oakwood, VA 24631	1.31 acres	1.63750%	0.18190%	0.38600%	0.03575%	Deemed Leased

List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Division of Interest in		
			13-East 11.1083%	14-East 23.5724%	15-East 2.1831%
<b><u>TRACT #2A - 43.64 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	43.64 acres	54.55000%	6.05955%	12.85874%	1.19085%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Consolidation Coal Company P. O. Box 947 Bluefield, VA 24605	43.64 acres	54.55000%	6.05955%	12.85874%	1.19085%
<b><u>TRACT #2B - 1.56 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	1.560 acres	1.95000%	0.21661%	0.45966%	0.04257%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Daisy Burke Box 354 Raven, VA 24639	1.560 acres	1.95000%	0.21661%	0.45966%	0.04257%
<b><u>TRACT #2C - 3.86 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	3.86 acres	4.82500%	0.53597%	1.13737%	0.10533%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) E. James Owens Rt. 1, Box 200 Raven, VA 24639	3.86 acres	4.82500%	0.53597%	1.13737%	0.10533%
<b><u>TRACT #2D - 6.44 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	6.44 acres	8.05000%	0.89421%	1.89758%	0.17574%

Exhibit E  
Unit X-35

Docket No. VGOB-98-0324-0636

## List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Division of Interest in		
			13-East 11.1083%	14-East 23.5724%	15-East 2.1831%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Ord Wade Heirs	6.44 acres	8.05000%	0.89421%	1.89758%	0.17574%
(a) Curtis E. Wade Rt. 1 Box 200 Raven, VA 24639	0.92 acres 1/7 of 6.44 acres	1.15000%	0.12774%	0.27108%	0.02511%
(b) Madge Patricia Dillon 1941 Lisbon Road Chesapeake, VA 23321	0.92 acres 1/7 of 6.44 acres	1.15000%	0.12774%	0.27108%	0.02511%
(c) Anna L. Bonhon P.O. Box 278 Oakwood, VA 24631	0.92 acres 1/7 of 6.44 acres	1.15000%	0.12774%	0.27108%	0.02511%
(d) Phyllis Jean Estep 402 Gentry Drive Gordonsville, VA 22942	0.92 acres 1/7 of 6.44 acres	1.15000%	0.12774%	0.27108%	0.02511%
(e) Dorothy E. Lowe P.O. Box 436 Cedar Bluff, VA 24609	0.92 acres 1/7 of 6.44 acres	1.15000%	0.12774%	0.27108%	0.02511%
(f) Ruth Stump P.O. Box 36 Faith Hill, NC 28041	1.84 acres 2/7 of 6.44 acres	2.30000%	0.25549%	0.54217%	0.05021%
<b><u>TRACT #2E - 3.73 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	3.73 acres	4.66250%	0.51792%	1.09906%	0.10178%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Anna L. Bonhon P.O. Box 278 Oakwood, VA 24631	3.73 acres	4.66250%	0.51792%	1.09906%	0.10178%
<b><u>TRACT #2F - 2.85 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	2.85 acres	3.56250%	0.39573%	0.83977%	0.07777%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) William Larry Engardio Rt. 1, Box 198 Raven, VA 24639	2.85 acres	3.56250%	0.39573%	0.83977%	0.07777%

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	Net Acres in Unit	Interest in Unit	Division of Interest in		
			13-East 11.1083%	14-East 23.5724%	15-East 2.1831%
<b><u>TRACT #2G - 2.94 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	2.94 acres	3.67500%	0.40823%	0.86629%	0.08023%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Chris Stump Rt. 1 Box 200 Raven, VA 24639	2.94 acres	3.67500%	0.40823%	0.86629%	0.08023%
<b><u>TRACT #2H - 0.14 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	0.14 acres	0.17500%	0.01944%	0.04125%	0.00382%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) K. E. T. Inc. P. O. Box 1080 Raven, VA 24639	0.14 acres	0.17500%	0.01944%	0.04125%	0.00382%
<b><u>TRACT #2I - 0.82 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	0.82 acres	1.02500%	0.11386%	0.24162%	0.02238%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Kenneth Short P. O. Box 1080 Raven, VA 24639	0.82 acres	1.02500%	0.11386%	0.24162%	0.02238%
<b><u>TRACT #2J &amp; K - 1.31 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	1.31 acres	1.63750%	0.18190%	0.38600%	0.03575%

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			13-East 11.1083%	14-East 23.5724%	15-East 2.1831%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Danny Hinkle P. O. Box 571 Oakwood, VA 24631	1.31 acres	1.63750%	0.18190%	0.38600%	0.03575%
<b><u>TRACT #2L - 0.02 acres</u></b>					
<b><u>COAL FEE OWNERSHIP</u></b>					
(1) Hurt McGurie c/o Charles Green 1802 1/2 Jefferson Avenue Bluefield, WV 24701	0.02 acres	0.02500%	0.00278%	0.00589%	0.00055%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1) Hazel Elster P. O. Box 327 Oakwood, VA 24631	0.02 acres	0.02500%	0.00278%	0.00589%	0.00055%

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 2nd day of September, 1998 3:39 P. M.  
Deed Book No. 481 and Page No. 139 TESTE: James M. Bevins, Jr., Clerk  
Returned this date to; D. Inms TESTE: Quincy S. Jiles Deputy Clerk