

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER VGOB-98-0421-0649-01

ELECTIONS: UNIT S-37
(herein "Subject Drilling Unit")REPORT OF BOARDFINDINGS 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 in the captioned matter on April 21, 2000 which was recorded at Deed Book 506, Page 375 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on April 28, 2000, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed POCAHONTAS GAS PARTNERSHIP (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; identifies 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 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 S-37;

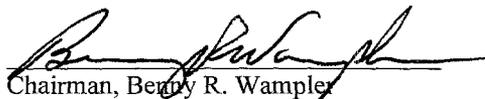
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust PA 1328, 123 South Broad Street, Philadelphia, PA 19109-1199, 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 or 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 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 26th day of June, 2000, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

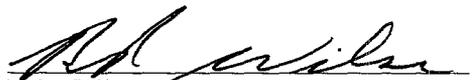
STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 26th day of June, 2000, 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.


Gloria A. Clark, Notary

My commission expires December 31, 2003

DONE AND PERFORMED this 5th day of June, 2000, by Order of the Board.


B. R. Wilson
Director of the Division of Gas and Oil and
Principal Executive to the Board

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 5th day of July, 2000, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff of the the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis, Notary

My commission expires September 30, 2001

VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Pocahontas Gas Partnership for Forced Pooling of Interests in CBM Unit S-37 VGOB-98-0421-0649-01 in the Garden District of Buchanan County, Virginia

AFFIDAVIT OF POCAHONTAS GAS PARTNERSHIP (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington, being first duly sworn on oath, deposes and says:

That your affiant is employed by CONSOL Inc., as a Permit Specialist and is duly authorized to make this affidavit on behalf of POCAHONTAS GAS PARTNERSHIP, the designated operator,

That the Order entered on April 21, 2000, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your 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 proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the 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 the Order was recorded in the county identified above; that said Order was recorded on April 28, 2000;

That the designated operator POCAHONTAS GAS PARTNERSHIP has established procedures to review all mail received and all written documents received 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 the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None.

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of January 14, 2000;

See Attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E.

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:

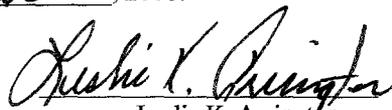
None.

that to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are not subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

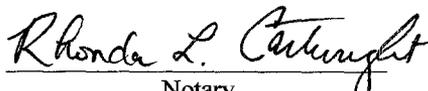
None.

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Tazewell, Virginia, this 19th day of June, 2000.

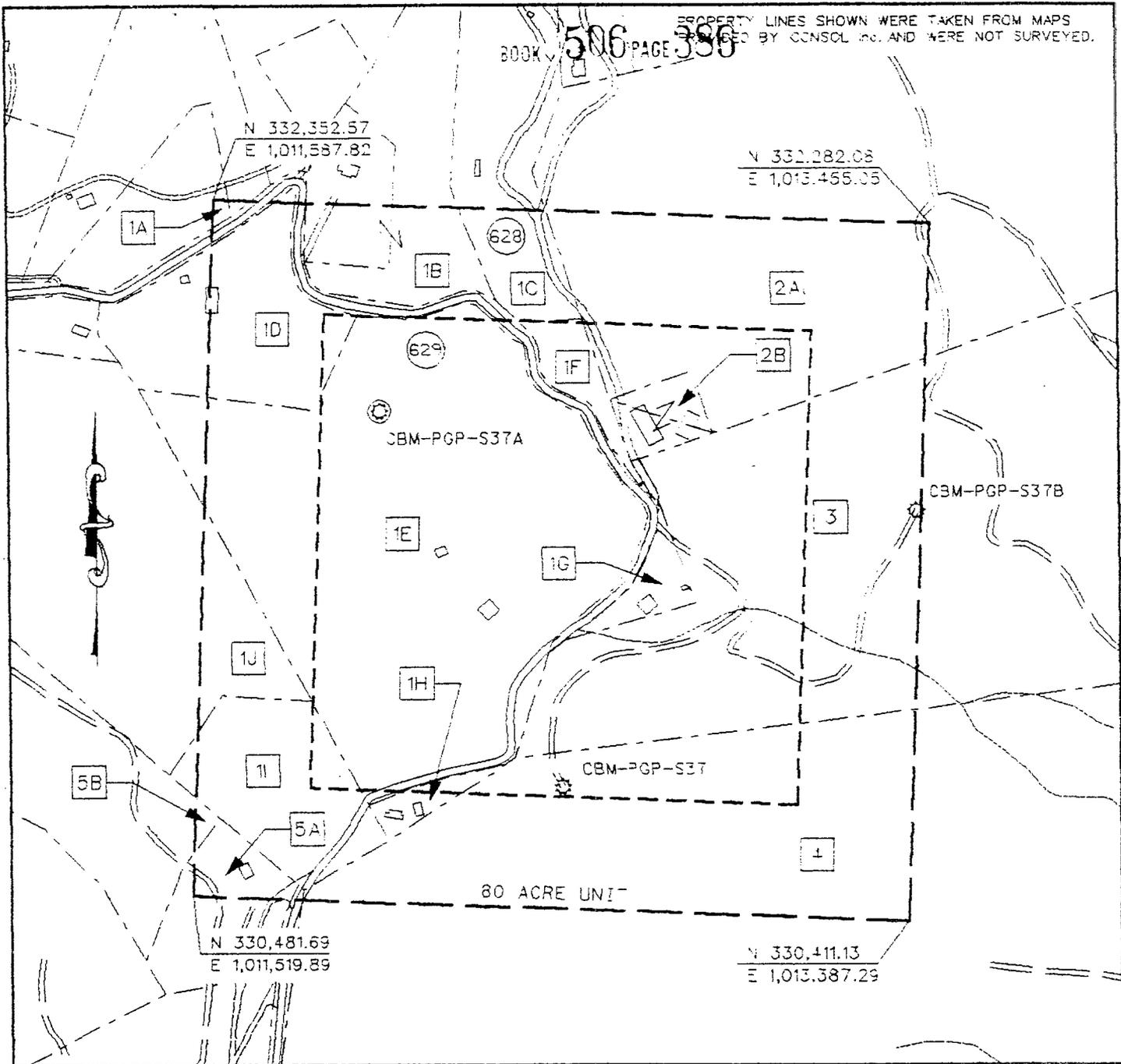

Leslie K. Arrington

Taken, subscribed and sworn to before me by Leslie K. Arrington as Permit Specialist of CONSOL Inc., on behalf of the corporate Designated Operator, this 19th day of June, 2000.


Notary

My commission expires: 10/31/01.

PROPERTY LINES SHOWN WERE TAKEN FROM MAPS
 PREPARED BY CONSOL. INC. AND WERE NOT SURVEYED.



LEGEND

- ↖ TRACT LAND HOOK
- ⊙ CBM WELL LOCATION
- ⊠ TRACT LAND ID'S
- ⊙ PERMITTED WELL LOCATION

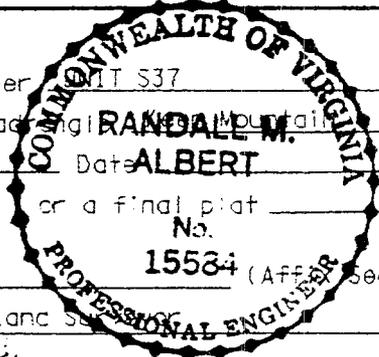
EXHIBIT A
 OAKWOOD FIELD UNIT S-37
 FORCE POOLING
 /GOE-98-0421-0649-01

Company Pochohontas Gas Partnership Well Name and Number UNIT S37
 Tract No. _____ Elevation _____ Gage Height Mountain
 County Buchanan District Garden Scale: 1" = 400' Date ALBERT
 This plat is a new plat ; an updated plat _____ ; or a final plat _____

Form DGO-60-7
 Rev. 9/91

Randall M. Albert 15584

Licensed Professional Engineer or Licensed Land Surveyor



**POCAHONTAS GAS PARTNERSHIP
UNIT S-37
Tract Identification**

- 1. J. P. Royal, et al - Coal, Oil & Gas
Consolidation Coal Co. - Below drainage coal Lessee
United Coal Company - Above drainage coal Lessee
Permac Inc. - Above drainage coal Lessee
38.78 acres 48.4750%
- 1A. Jerry Horn - Surface
- 1B. Frank Horn - Surface
- 1C. Lonnie S. Honaker - Surface
- 1D. Melissa Vandyke - Surface
- 1E. Ethel Burke - Surface
- 1F. Frank Horn - Surface
- 1G. Raymond Davis - Surface
- 1H. Harold Osborne - Surface
- 1I. Roby Horn - Surface
- 1J. Jimmy L. Horn - Surface
- 2. Carl Metcalf Estate - Coal, Oil & Gas
Consolidation Coal Company - Coal bel. Jawbone Lessee
Pocahontas Gas Partnership - CBM Lessee
10.46 acres 13.0750%
- 2A. New Garden Coal Co. - Surface
- 2B. Wilderness Tabernacle Church - Surface
- 3. R. O. Vandyke Heirs - Coal, Oil & Gas
Consolidation Coal Company - Coal bel. Jawbone Lessee
Pocahontas Gas Partnership - CBM Lessee
New Garden Coal Co. - Surface
15.77 acres 19.7125%
- 4. Coal Mountain Mining . Tr 26 - Fee
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
13.99 acres 17.4875%
- 5. McGuire & Hurt Heirs - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Linkous Horn Heirs - Oil & Gas
1.00 acres 1.2500%
- 5A. Beulah Osborne - Surface
- 5B. Arlen Osborne - Surface

Exhibit B-3

UNIT S-37

Docket # VGOB-98-0421-0649

List of Unleased Owners/Claimants

| | Acres in Unit | Percent of Unit |
|---|--|-----------------|
| I. <u>COAL FEE OWNERSHIP</u> | | |
| Tract #1, 38.78 acres | | |
| (1) J. P. Royall & G. W. Gillespie, estate, et al c/o George Williams P. O. Box 675 Tazewell, VA 24651 | 38.4352 acres 99.1108% of 38.78 Acres | 48.04396% |
| II. <u>OIL & GAS FEE OWNERSHIP</u> | | |
| Tract #1, 38.78 acres | | |
| (1) J. P. Royall & G. W. Gillespie, estate, et al c/o George Williams P. O. Box 675 Tazewell, VA 24651 | 38.4352 acres 99.1108% of 38.78 Acres | 48.04396% |
| Tract #5, 1.00 acres | | |
| (1) Linkous Horn Heirs | 1.00 acres | 1.25000% |
| (a) Sydney Smith 1911 McVetty Road Salem, VA 24153 | 0.0333 acres 1/30 of 1.00 acres | 0.04167% |
| (b) Kenneth R. Osborne 848 Peyton Street Roanoke, VA 24019 | 0.0333 acres 1/30 of 1.00 acres | 0.04167% |
| (c) Martha Guilliams 1911 McVetty Road Salem, VA 24153 | 0.0333 acres 1/30 of 1.00 acres | 0.04167% |
| (d) Ivory Horn P. O. Box 748 Raven, VA 24639 | 0.0333 acres 1/30 of 1.00 acres | 0.04167% |
| (e) Perry W. Horn 700 Meadowbrooke Dr., Apt. 8 King, NC 27021 | 0.0333 acres 1/30 of 1.00 acres | 0.04167% |
| (f) Larry M. Horn P. O. Box 131 Rarden, OH 45671 | 0.0333 acres 1/30 of 1.00 acres | 0.04167% |
| (g) Dorothy Horn RR3, Box 860 Cedar Bluff, VA 24609 | 0.1000 acres 1/10 of 1.00 acres | 0.12500% |
| (h) Marilyn Taylor P. O. Box 285 Pounding Mill, VA 24637 | 0.1000 acres 1/10 of 1.00 acres | 0.12500% |
| (i) Thelma H. Osborne P. O. Box 33 Raven, VA 24639 | 0.1000 acres 1/10 of 1.00 acres | 0.12500% |

Docket # VGOB-98-0421-0649
List of Unleased Owners/Claimants

| | | Acres in Unit | Percent of Unit |
|-----|---|-------------------------------------|-----------------|
| (j) | Martha Smith P. O. Box 395 Max Meadows, VA 24360 | 0.1000 acres 1/10 of 1.00 acres | 0.12500% |
| (k) | Sarah Horn Day P. O. Box 208 Peterstown, WV 24963 | 0.1000 acres 1/10 of 1.00 acres | 0.12500% |
| (l) | Joe P. Horn P. O. Box 775 Raven, VA 24639 | 0.1000 acres 1/10 of 1.00 acres | 0.12500% |
| (m) | Nancy Ann Horn Stilwell Rt. 4, Box 722 North Tazewell, VA 24630 | 0.1000 acres 1/10 of 1.00 acres | 0.12500% |
| (n) | Clifford Osborne P. O. Box 643 Keen Mountain, VA 24624 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |
| (o) | James R. Osborne P. O. Box 484 Keen Mountain, VA 24624 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |
| (p) | Shirley Keene P. O. Box 581 Keen Mountain, VA 24624 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |
| (q) | Noah & Mary Jane Keen Rt. 1, Box 154 Raven, VA 24639 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |
| (r) | John Osborne Heirs Rt. 1, Box 159 Raven, VA 24639 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |
| (s) | Ronnie & Sherry Osborne P. O. Box 12 Oakwood, VA 24631 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |
| (t) | Brenda Sue & Eddie Justice P. O. Box 627 Keen Mountain, VA 24624-0627 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |
| (u) | Richard & Debbie Osborne P. O. Box 541 Keen Mountain, VA 24624 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |
| (v) | Charles M. Osborne P. O. Box 586 Keen Mountain, VA 24624 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |
| (w) | Ruth Keen P. O. Box 58 Oakwood, VA 24631 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |
| (x) | Patsy & Clyde Moore Rt. 1, Box 138 Raven, VA 24639 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |

List of Conflicting Owners/Claimants that require escrow

| | Acres in Unit | Percent of Unit |
|---|------------------------------------|-----------------|
| Tract #5, 1.00 acres | | |
| <u>COAL FEE OWNERSHIP</u> | | |
| (1) Hurt McGuire c/o Charles Green 1805 1/2 Jefferson Avenue Bluefield, WV 24701 | 1.00 acres | 1.25000% |
| <u>OIL & GAS FEE OWNERSHIP</u> | | |
| (1) Linkous Horn Heirs | 1.00 acres | 1.25000% |
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| (j) Martha Smith P. O. Box 395 Max Meadows, VA 24360 | 0.1000 acres 1/10 of 1.00 acres | 0.12500% |
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Docket # VGOB-98-0421-0649

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| (x) Patsy & Clyde Moore Rt. 1, Box 138 Raven, VA 24639 | 0.0091 acres 1/110 of 1.00 acres | 0.01136% |

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 July 2000 2:28P M. Deed Book No. 509 and Page No. 602. TESTE: James M. Bevins, Jr., Clerk
Returned this date to; J.M.M.E. TESTE: Shirley S. Jeller Deputy Clerk
Mailed

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ENTERED

INSTRUMENT APPROVED
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JULY 5, 2010 AT 12:28PM
JAMES M. BEVINS JR., CLERK

BY:

