

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Buchanan Production Company

DIVISION OF GAS AND OIL  
DOCKET NO. VGOB-98-0616-0668

RELIEF SOUGHT: POOLING

UNIT NUMBER: T-7

NOTICE OF HEARING

HEARING DATE: June 16, 1998  
PLACE: Southwest Virginia 4-H Center  
Hillman Highway, Abingdon, Virginia 24210  
TIME: 9:00 AM



COMMONWEALTH OF VIRGINIA:

**To:** Buchanan County School Board; Laura Baldwin heirs, devisees, successors, or assigns; Curtis Baldwin heirs, devisees, successors, or assigns - c/o Maggie Crabtree; Carson and Catherline Baldwin; Trula and Willard Ryan; William and Josephine Baldwin; Gladys B. Smith; Amilia & Forrest Shoup; Flora and Edwin Smith; Hassinger H. and Lucy Baldwin.

1. **Applicant and its counsel:** Applicant is Buchanan Production Company, P. O. Box 947, Bluefield, Virginia 24605, 540/988-1016. Applicant's counsel is Mark A. Swartz, P.O. Box 517, Abingdon, VA 24212.

2. **Relief sought:** Pooling under Oakwood Coalbed Methane Gas Field I.

3. **Proposed provisions of order:** (a) Pooling all the interests and estates of the persons named above in coalbed methane in the unit in question; (b) Establishing a procedure whereby each respondent shall have the right to make elections; (c) Providing that any respondent who does not make a timely election shall be deemed to have leased or assigned his coalbed methane gas interests to the applicant at a rate to be established by the Board; (d) Designating CONSOL Inc. as Unit Operator; (e) Making any necessary provisions for the escrow of funds; (f) Granting such other relief as is merited by the evidence and is just and equitable, whether or not such relief has been specifically requested herein.

4. **Legal Authority:** Va. Code Ann. §45.1-361.1 *et seq.* 4 VAC 25-160-10 *et seq.* and relevant Virginia Gas and Oil Board Orders heretofore promulgated pursuant to law including OGCB 3-90; VGOB-91-1119-162; VGOB 92/02/16-0336; and VGOB 93/03/16-0349.

5. **Type of well(s):** Coalbed methane.

6. **Plat:** Annexed hereto are Exhibit A, Exhibit A1 and the Plat Legend to Exhibit A. The Plat shows the size and shape of the unit and the boundaries of the tracts within the unit. The Legend shows the percentage of acreage in each tract. The plat is certified by a licensed professional engineer and is attested by the undersigned on behalf of the applicant to be in conformity with existing orders issued by the Board.

7. **Your interest or claim sought to be pooled by this Application pertains to coalbed methane gas.**

8. **Formation(s) to be produced and estimates:** All coal seams and associated strata below the Tiller seam of coal all as more particularly described in the annexed proposed order. The estimated total production from subject unit is 125 to 550 MMCF. The estimated amount of reserves from the subject drilling unit is 125 to 550 MMCF. These figures concerning estimated production and the amount of reserves are, however, estimates only that are not based upon actual production and should not be relied upon for any purpose. It should not be assumed that final production before plugging and abandonment will equal estimated reserves.

9. **Estimate of allowable costs:** \$244,677.50.
10. **Attestation:** The foregoing application to the best of my knowledge, information, and belief is true and correct.

**NOTICE IS FURTHER GIVEN** that this cause has been set for hearing and the taking of evidence before the Board at 9:00 AM, on June 16, 1998, at the Southwest Virginia 4-H Center, Hillman Highway, Abingdon, Virginia 24210, and that notice will be published as required by law and the rules of the Board.

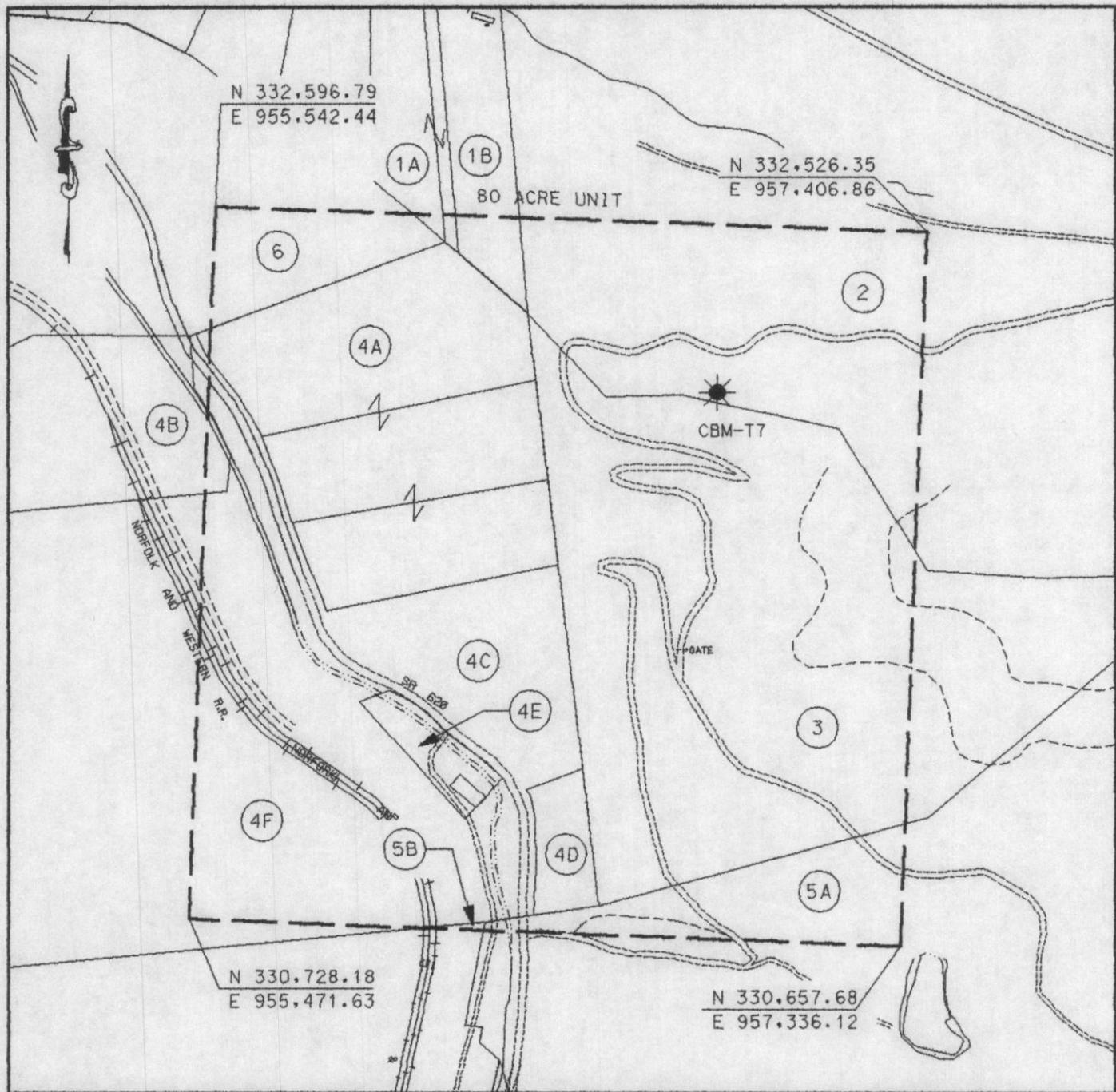
**NOTICE IS FURTHER GIVEN** that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. The Board rules require that any written objections you wish to file must be filed with the Board at least 10 days before the hearing. For further information or a copy of the application and exhibits, either contact the Virginia Gas and Oil Board, State Oil and Gas Inspector, Department of Mines, Minerals and Energy, Division of Gas and Oil, P. O. Box 1416, Abingdon, Virginia 24210, 540/676-5423 or the Applicant at the address shown below.

DATED: May 14, 1998

Buchanan Production Company,  
APPLICANT

By: Leslie K. Arrington  
Leslie K. Arrington, Permit Specialist  
CONSOL Inc.  
P.O. Box 947  
Bluefield, Virginia 24605  
540/988-1016





**LEGEND**

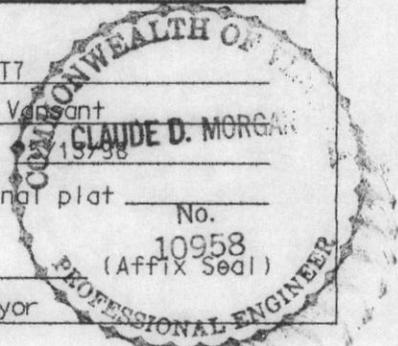
-  TRACT LAND HOOK
-  TRACT LAND ID'S

EXHIBIT A  
 OAKWOOD FIELD UNIT T-7  
 FORCE POOLING  
 VGOB-98-0616-0668

Company CONSOL Inc. Well Name and Number UNIT T7  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle Vasant  
 County Buchanan District Prater Scale: 1" = 400' Date 5/15/98  
 This plat is a new plat X ; an updated plat \_\_\_\_\_ ; or a final plat \_\_\_\_\_

Form DGO-GO-7  
 Rev. 9/91

*Claude D. Morgan*  
 Licensed Professional Engineer or Licensed Land Surveyor



**BUCHANAN PRODUCTION COMPANY**  
**Oakwood Field Unit T-7**  
**Tract Identification**

1. Levia Coal Corporation, et al Tr. 35 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - Coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above drainage  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
0.79 Acres                      0.98750%
  
- 1A. Douglas Owens - Surface
- 1B. Randall Stiltner - Surface
  
2. Georgia - Pacific Corporation Tr. 1 - Fee  
Coal Lessees  
Island Creek Coal Company - Coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - CBM Lessee  
11.87 acres                      14.83750%
  
3. Georgia - Pacific Corporation Tr. 1 - Fee  
Coal Lessees  
Island Creek Coal Company - Coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - CBM Lessee  
24.43 acres                      30.53750%
  
4. Levia Coal Corporation, et al Tr. 34 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - Coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
36.38 Acres                      45.47500%
  
- 4A. Douglas & Irene Lane - Surface
- 4B. Island Creek Coal Company - Surface
- 4C. Troy & Sandra Street - Surface
- 4D. Martin & Christy Tiller - Surface
- 4E. Little Freedom Church - Surface
- 4F. Island Creek Coal Company - Surface
  
5. Big Axe Land Company - Tr. 11 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - Coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
3.92 acres                      4.90000%
  
- 5A. Island Creek Coal Company - Surface
- 5B. Island Creek Coal Company - Surface

**BUCHANAN PRODUCTION COMPANY**  
**Oakwood Field Unit T-7**  
**Tract Identification**

6. Buchanan County School Board - Fee  
2.61 acres 3.26250%