

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VG0B-99/0720-0739

ELECTIONS, UNIT: VC-4087

(hereinafter "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 (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on September 7, 1999, and recorded at Instrument # 990004140 in the Office of the Clerk of Circuit Court, Wise County, Virginia on September 10, 1999 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. 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 Board Order directed Equitable Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
 - (b) The designated operator filed its affidavit of mailing dated September 21, 1999, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated November 1, 1999, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit

of Election”), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (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, interest, estates and claims in Subject Drilling Unit to the Designated Operator;

- (d) The Board Order 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 Board Order, in light of the elections made or deemed to have been made (herein “Statement of Interests”); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B.
- (e) Current Board standards requiring the escrow of funds and the Board’s agreement with its Escrow Agent, ~~First Virginia Bank - Mountain Empire, P.O. Box 1038, Abingdon, Virginia 24212~~, 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 Subject Drilling Unit by a Board Order dated December 23, 1992.
3. 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 Affidavits, any funds subject to escrow and instructs the Escrow Agent, ~~First Virginia Bank - Mountain Empire, 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 said affidavits to receive such funds and account to the Board therefore.
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 true and correct copy 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.

* Escrow agent First Union National Bank, Corporate Trust PA 132B, 123 South Broad Street, Philadelphia, PA 19109-1199, Telephone: 215 985-3485 or *(800) 665-9359, Attention: Don Ballinghoff

DONE AND EXECUTED this 1st day of December, 1999 by a majority of the Virginia Gas and Oil Board.

Benny R. Wampler
Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 7 day of December, 1999, by Order of this Board.

B. R. Wilson
B. R. Wilson
Acting Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 1st day of December, 1999, 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 Public

My commission expires 7/31/2002

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 7th day of December, 1999, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn 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 Public

My commission expires: 9/30/2001

VIRGINIA:***BEFORE THE VIRGINIA GAS AND OIL BOARD***

IN RE: Application of Equitable Production Company, for Forced Pooling of Interests in Unit Number VC-4087, VGOB Docket No. VGOB-99/0720-0739 in the Gladeville Magisterial District of Wise County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on September 7, 1999, by the Virginia Gas and Oil Board regarding the captioned coalbed methane Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause 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 are added as Respondents at the hearing held in the captioned matter;
4. That the 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 September 10, 1999.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest 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 Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

NONE

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's 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 pooling the captioned Unit, Board Regulations and

the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

The following revenue interests are **subject to escrow** provisions due to conflicting Claims as between the gas owner and the coal owner.

Tract	Name	Revenue Interest
4	Creed Jones and Janette Jones, H/W	0.01500000
OR		
	Coastal Coal Company, LLC	0.01500000
5	Creed Jones and Janette Jones, H/W	0.00109375
	Sylvania Mullins, widow	0.00109375
	Carl Jones and Iva Jones, H/W	0.00109375
	Rowena Blanton Cantrell, widow	0.00054688
	Monette Blanton, widow	0.00054688
	Emory Jones and Farrah Jones, H/W	0.00109375
	Thelma Jones Tawwater, widow	0.00021875
	Earl R. Jones and Shirley M. Jones, H/W	0.00021875
	Donald Jones and Rosa Lee Jones, H/W	0.00021875
	Cleatis J. Short, Widow	0.00021875
	Margie Doris Greer and William E. Greer, W/H	0.00109375
	Lillian Jones Smith and Donnie Joe Smith, W/H	0.00013562
	Russell Jones, single	0.00013562
	Monroe Jones, Jr. and Charlotte Jones, H/W	0.00013562

Shirley Okrzesik and John Okrzesik	0.00013562
Jean Jones Humes, single	0.00013562
Sally Ann Marie Jones a/k/a Sally Ann Marie Jones Barnett	Life Estate
Belinda Jones Maretich and Jeffrey Anthony Maretich, W/H	0.00013562
OR	
Coastal Coal Company, LLC	0.00542500

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 interest and/or claims which are not subject to escrow:

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 paragraphs 10 of the Order.

<u>Tract</u>	<u>Name</u>	<u>Cash Consideration</u>
Tract 5	Russell Jones, single	0.1393Acres x \$5.00 = \$.70
Gas	Monroe Jones, Jr. and Charlotte Jones, H/W	0.1393 Acres x \$5.00 = \$.70
	Shirley Okrzesik and John Okrzesik, W/H	0.0867 Acres x \$5.00=\$0.44
	Jean Jones Humes, Single	0.0867 Acres x \$5.00=\$0.44

That pursuant to the provision of 4VAC 25-160.70C 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 that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361/21.D.

Dated at Kingsport, Tennessee, this 15th day of November 1999.

James E. Kaiser

Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Production Company, a corporation, on behalf of the corporation, this 15th day of November 1999.

My commission expires: July 31, 2001

Jamie E. Fuller
Notary

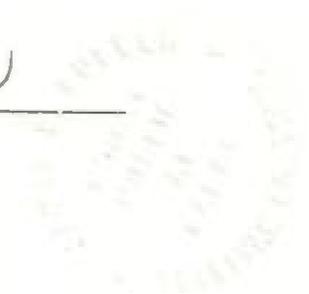


EXHIBIT "B"
VC-4087

000093 DEC-78

VGOB-99/0720/0739

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
<u>Gas Estate Only</u>						
1	Greater Wise, Inc. Attn: Hank Ross PO Box 668 Norton, VA 24273	Leased-EPC 223095L Tr. GW-103	59.600000%	47.7000	0.08940000	RI
	Equitable Production Company				0.50660000	WI
Tract 1 Totals			59.600000%	47.7000	0.59600000	
2	Greater Wise, Inc. Attn: Hank Ross PO Box 668 Norton, VA 24273	Leased-EPC 223095L Tr. GW-49A	5.100000%	4.1100	0.00765000	RI
	Equitable Production Company				0.04335000	WI
Tract 2 Totals			5.100000%	4.1100	0.05100000	
3	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart P. O. Box 5100 Lebanon VA 24226	Leased-EPC 241490L 01 T-949	4.300000%	3.4000	0.00537500	RI
	Equitable Production Company				0.03762500	WI
Tract 3 Totals			4.300000%	3.4000	0.04300000	
4	Creed Jones and Janette Jones, H/W Rt 1, Box 983 Norton, VA 24273	Leased-EPC 243865L 01	12.000000%	9.6100	0.01500000	RI
	Equitable Production Company				0.10500000	WI
Tract 4 Totals			12.000000%	9.6100	0.12000000	

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
5	Creed Jones and Janette Jones, H/W Rt 1, Box 983 Norton, VA 24273	Leased-EPC 243864L 01	0.875000%	0.6962	0.00109375	RI
	Sylvania Mullins, widow Rt 1, Box 980 Norton, VA 24273	Leased-EPC 243864L 02	0.875000%	0.6962	0.00109375	RI
	Carl Jones and Iva Jones, H/W Rt 1, Box 992 Norton, VA 24273	Leased-EPC 243864L 03	0.875000%	0.6962	0.00109375	RI
	Rowena Blanton Cantrell, widow 6273 Guest River Road Norton, VA 24273	Leased-EPC 243864L 04	0.437500%	0.3481	0.00054688	RI
	Monette Blanton, widow PO Box 1373 Wise, VA 24293	Leased-EPC 243864L 05	0.437500%	0.3481	0.00054688	RI
	Emory Jones and Farah Jones, H/W 2459 Bradlet Street Bristol, VA 24201-3234	Leased-EPC 243864L 06	0.875000%	0.6962	0.00109375	RI
	Thelma Jones Tawwater, widow Rt 1, Box 980 Norton, VA 24273	Leased-EPC 243864L 07	0.175000%	0.1392	0.00021875	RI
	Earl R. Jones and Shirley M. Jones, H/W 6899 Jones Hollow Rd. Norton, VA 24273	Leased-EPC 243864L 08	0.175000%	0.1393	0.00021875	RI
	Donald Jones and Rosa Lee Jones, H/W 301 NW 13th Street Norton, VA 24273	Leased-EPC 243864L 09	0.175000%	0.1393	0.00021875	RI
	Cleatis J. Short, widow 7007 Guest River Road Norton, VA 24273	Leased-EPC 243864L 10	0.175000%	0.1393	0.00021875	RI

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VGOB-99/0720/0739

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
	Margie Doris Greer and William E. Greer, W/H 9107 Heather Land Centerville, OH 45458	Leased-EPC 243864L 11	0.875000%	0.6962	0.00109375	RI
	Lillian Jones Smith and Donnie Joe Smith, W/H 720 Franklin Street Sandusky, OH 44870	Leased-EPC 243864L 12	0.175000%	0.1393	0.00021875	RI
	Russell Jones, single Rt 1, Box 976 Norton, VA 24273	Deemed Leased	0.175000%	0.1393	0.00021875	RI
	Monroe Jones, Jr. and Charlotte Jones, H/W 1106 Scott Street Laporte, IN 46350	Deemed Leased	0.175000%	0.1393	0.00021875	RI
	Shirley Okrzesik and John Okrzesik, W/H 904 E 18th Street Laporte, IN 46350	Deamed Lease	0.175000%	0.1393	0.00021875	RI
	Jean Jones Humes, single PO Box 472 Laporte, IN 46352	Deemed Leased	0.175000%	0.1393	0.00021875	RI
	Sally Ann Marie Jones a/k/a Sally Ann Marie Jones Barnett, single PO Box 2 North Judson, IN 46366	Leased-EPC 243864L 18 1/3 of 1/40 Life Estate	[0.000000%]	[0.0000]	0.00000000	RI
	Belinda Jones Maretich and Jeffrey Anthony Maretich, W/H 1817 Hickory Street SW Demotte, IN 46383	Leased-EPC 243864L 17 Subject to 1/3 of 1/40 Life Estate	0.175000%	0.1392	0.00021874	RI
	Equitable Production Company				0.06125000	WI
	Tract 5 Totals		7.000000%	5.5700	0.07000000	

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VGOB-99/0720/0739

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
6	Greater Wise, Inc. Attn: Hank Ross PO Box 668 Norton, VA 24273	Leased-EPC 223095L Tr. GW-50	5.700000%	4.5700	0.00855000	RI
	Equitable Production Company				0.04845000	WI
Tract 6 Totals			5.700000%	4.5700	0.05700000	
7	Greater Wise, Inc. Attn: Hank Ross PO Box 668 Norton, VA 24273	Leased-EPC 223095L Tr. GW-94	6.300000%	5.0400	0.00945000	RI
	Equitable Production Company				0.05355000	WI
Tract 6 Totals			6.300000%	5.0400	0.06300000	
TOTAL GAS ESTATE			100.000000%	80.0000	1.00000000	

EXHIBIT "B"
VC-4087

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VGOB-99/0720/0739

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
<u>Coal Estate Only</u>						
1	Greater Wise, Inc. Attn: Hank Ross PO Box 668 Norton, VA 24273	Leased-EPC 223095L Tr. GW-103	59.600000%	47.7000	0.08940000	RI
	Equitable Production Company				0.50660000	WI
Tract 1 Totals			59.600000%	47.7000	0.59600000	
2	Greater Wise, Inc. Attn: Hank Ross PO Box 668 Norton, VA 24273	Leased-EPC 223095L Tr. GW-49A	5.100000%	4.1100	0.00765000	RI
	Equitable Production Company				0.04335000	WI
Tract 2 Totals			5.100000%	4.1100	0.05100000	
3	Pittston Company c/o Clinchfield Coal Company Attn: Steve Smith P. O. Box 7 Dante, VA 24237	Leased-EREC 241490L 01 T-949	4.300000%	3.4000	0.00537500	RI
	Equitable Production Company				0.03762500	WI
Tract 3 Totals			4.300000%	3.4000	0.04300000	
4	Coastal Coal Company, LLC (Formerly ANR Coal Company, LLC) P. O. Box 1871 Roanoke, VA 24228	Leased-EPC 223010L Tr. WI-61	12.000000%	9.6100	0.01500000	RI
	Equitable Production Company				0.10500000	WI
Tract 4 Totals			12.000000%	9.6100	0.12000000	

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VGOB-99/0720/0739

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
5	Coastal Coal Company, LLC (Formerly ANR Coal Company, LLC) P. O. Box 1871 Roanoke, VA 24228	Leased-EPC 223010L Tr. WI-61	7.000000%	5.5700	0.00875000	RI
	Equitable Production Company				0.06125000	WI
Tract 5 Totals			7.000000%	5.5700	0.07000000	
6	Greater Wise, Inc. Attn: Hank Ross PO Box 668 Norton, VA 24273	Leased-EPC 223095L Tr. GW-50	5.700000%	4.5700	0.00855000	RI
	Equitable Production Company				0.04845000	WI
Tract 6 Totals			5.700000%	4.5700	0.05700000	
7	Greater Wise, Inc. Attn: Hank Ross PO Box 668 Norton, VA 24273	Leased-EPC 223095L Tr. GW-94	6.300000%	5.0400	0.00945000	RI
	Equitable Production Company				0.05355000	WI
Tract 7 Totals			6.300000%	5.0400	0.06300000	
TOTAL COAL ESTATE			100.000000%	80.0000	1.00000000	

INSTRUMENT #990005515
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
DECEMBER 7, 1999 AT 03:24PM
J. JACK KENNEDY, JR., CLERK