

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VG0B-00/0215-0770  
ELECTIONS, UNIT: V-4358  
(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 February 28, 2000, and recorded at Instrument # 200000865 in the Office of the Clerk of Circuit Court, Wise County, Virginia on March 6, 2000 (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 March 22, 2000, 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 May 1, 2000, 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 Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888)-396-0853, Attn: Don Ballinghoff, 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 Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888)-396-0853, Attn: Don Ballinghoff, 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.

DONE AND EXECUTED this 16<sup>th</sup> day of May, 2000 by a majority of the Virginia Gas and Oil Board.

  
 \_\_\_\_\_  
 Chairman, Benny R. Wampler

DONE AND PERFORMED this 25<sup>th</sup> day of May, 2000, by Order of this Board.

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

STATE OF VIRGINIA       )  
COUNTY OF WISE       )

Acknowledged on this 16<sup>th</sup> day of May, 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.

Susan G. Garrett  
Susan G. Garrett  
Notary Public

My commission expires 7/31/2002

STATE OF VIRGINIA       )  
COUNTY OF WISE       )

Acknowledged on this 25<sup>th</sup> day of May, 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 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 V-4358 VGOB Docket No. VGOB-00/0215-0770 in the Roberson 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 February 28, 2000, 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 March 6, 2000.
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 due to the owners being unknown/unlocatable.

<u>Tract</u>	<u>Lessor</u>	<u>Net Revenue Interest</u>
7	Dearl Kincer Heirs Address Unknown	0.00086250 RI <i>Subject to Escrow</i>

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:

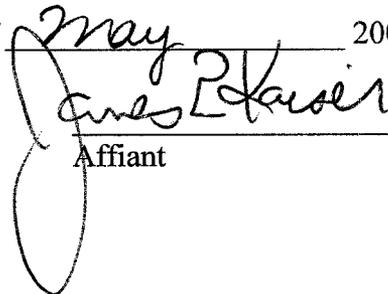
NONE

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.

<b>Tract</b>	<b>Name</b>	<b>Cash Consideration</b>
6	Benjamin Hamilton & Patsy Hamilton	1.51 Acres x \$5 = \$7.55
7	Ruby Head, Widow Dearl Kincer Heirs	0.7800 Acres x \$5=\$3.90 0.7800 Acres x \$5= \$3.90

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 4th day of May 2000.

  
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 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 4th day of  
May 2000.

My commission expires: July 31, 2001

Jamie E. Fuller  
Notary

**EXHIBIT "B"**

000033 MAY 25 8

**V-4358**

VG0B 00/02/15-0770

<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>	
<b><u>Gas Estate Only</u></b>						
1	Roy L. Bolling Grace B. Bolling P. O. Box 2658 Wise, VA 24293	Leased-EPC 245370L	17.770000%	20.0300	0.02221250	RI
	Equitable Production Company				0.15548750	WI
	<b>Tract 1 Totals</b>		17.770000%	20.0300	0.17770000	
2	Teddy W. Bolling Elizabeth Bolling P.O. Box 884 Wise, VA. 24293-0884	Leased-EPC 245621L	13.290000%	14.9800	0.01661250	RI
	Equitable Production Company				0.11628750	WI
	<b>Tract 2 Totals</b>		13.290000%	14.9800	0.13290000	
3	Sylvain A. Maggard Katherine Maggard 4800 Flat Gap Road Pound, VA. 24279	Leased-EPC 245625L	3.520000%	3.9700	0.00440000	RI
	Equitable Production Company				0.03080000	WI
	<b>Tract 3 Totals</b>		3.520000%	3.9700	0.03520000	
4	Frankie L. Maggard Debra C. Maggard 5156 Hwy. 932 Eolia, KY. 40826	Leased-EPC 245634L	4.650000%	5.2400	0.00581250	RI
	Equitable Production Company				0.04068750	WI
	<b>Tract 4 Totals</b>		4.650000%	5.2400	0.04650000	

**EXHIBIT "B"**  
**V-4358**

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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	Paul L. Maggard Martine Maggard 5110 Hwy. 932 Eolia, KY. 40826	Leased-EPC 245634L	4.000000%	4.5100	0.00500000	RI
	Equitable Production Company				0.03500000	WI
	<b>Tract 5 Totals</b>		4.000000%	4.5100	0.04000000	
6	Benjamin Hamilton & Patsy Hamilton, H/W 954 Cumberland Road Pound, VA 24279	Deemed Leased	1.340000%	1.5100	0.00167500	RI
	Equitable Production Company				0.01172500	WI
	<b>Tract 6 Totals</b>		1.340000%	1.5100	0.01340000	
7	Ruby Head, Widow 11932 Longwood Drive Pensacola, FL 32507	Deemed Leased	0.690000%	0.7800	0.00086250	RI
	Dearl Kincer Heirs Address Unknown	Deemed Leased	0.690000%	0.7800	0.00086250	RI
	Equitable Production Company				0.01207500	WI
	<b>Tract 7 Totals</b>		1.380000%	1.5600	0.01380000	
8	Eulas K. Boggs Mildred J. Boggs 4903 Flat Gap Road Pound, VA. 24279	Leased-EPC 245648L	4.620000%	5.2100	0.00577500	RI
	Equitable Production Company				0.04042500	WI
	<b>Tract 8 Totals</b>		4.620000%	5.2100	0.04620000	

**EXHIBIT "B"**

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**V-4358**

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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>	
9	Almeda Mills 333 Patton Avenue Marion, VA. 24354	Leased-EPC 245655L	2.500000%	2.8200	0.00312500	RI
	Equitable Production Company				0.02187500	WI
<b>Tract 9 Totals</b>			2.500000%	2.8200	0.02500000	
10	Almeda Mills 333 Patton Avenue Marion, VA. 24354	Leased-EPC 245655L	0.590000%	0.6600	0.00073750	RI
	Equitable Production Company				0.00516250	WI
<b>Tract 10 Totals</b>			0.590000%	0.6600	0.00590000	
11	Henderson Herbert Mullins 4375 Hwy. 932 Eolia, KY. 40826	Leased-EPC 245545L	9.110000%	10.2700	0.01138750	RI
	Equitable Production Company				0.07971250	WI
<b>Tract 11 Totals</b>			9.110000%	10.2700	0.09110000	
12	William L. Mullins Betty Joe Mullins 423 Green Vally Drive Eolia, KY. 40826	Leased-EPC 245548L	0.980000%	1.1000	0.00122500	RI
	Equitable Production Company				0.00857500	WI
<b>Tract 12 Totals</b>			0.980000%	1.1000	0.00980000	

**EXHIBIT "B"**

**V-4358**

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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>	
13	Shelia Gail Mullins Kenneth Carl Mullins P. O. Box 933 Big Stone Gap, VA. 24219	Leased-EPC 245641L	3.120000%	3.5200	0.00390000	RI
	Equitable Production Company				0.02730000	WI
<b>Tract 13 Totals</b>			3.120000%	3.5200	0.03120000	
14	William L. Mullins Betty Joe Mullins 423 Green Valley Drive Eolia, KY 40826	Leased-EPC 245641L	3.860000%	4.3500	0.00482500	RI
	Equitable Production Company				0.03377500	WI
<b>Tract 14 Totals</b>			3.860000%	4.3500	0.03860000	
15	Bonnie Hampton Engle Langley M. Engle 5165 Hwy 932 Eolia, KY 40826	Leased-EPC 245639L	5.510000%	6.2100	0.00688750	RI
	Equitable Production Company				0.04821250	WI
<b>Tract 15 Totals</b>			5.510000%	6.2100	0.05510000	
16	Corbin Hampton Kimelia Hampton 190 Tate Hampton Road Eolia, KY 40826	Leased-EPC 245637L	6.120000%	6.8900	0.00765000	RI
	Equitable Production Company				0.05355000	WI
<b>Tract 16 Totals</b>			6.120000%	6.8900	0.06120000	

**EXHIBIT "B"**  
**V-4358**

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VGOB 00/02/15-0770

<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>	
17	Lynn Baker 4813 Flat Gap Road Pound, VA. 24279	Leased-EPC 245649L	2.430000%	2.7400	0.00303750	RI
	Equitable Production Company				0.02126250	WI
<b>Tract 17 Totals</b>			2.430000%	2.7400	0.02430000	
18	Leonard Smith Fanice Smith P.O. Box 231 Eolia, KY 40826	Leased-EPC 245629L	0.010000%	0.0100	0.00001250	RI
	Equitable Production Company				0.00008750	WI
<b>Tract 18 Totals</b>			0.010000%	0.0100	0.00010000	
19	Tate Hampton Inez Hampton 5045 Hwy. 932 Eolia, KY 40826	Leased-EPC 245638L	2.510000%	2.8300	0.00313750	RI
	Equitable Production Company				0.02196250	WI
<b>Tract 19 Totals</b>			2.510000%	2.8300	0.02510000	
20	Regina Hamilton Leslie Hamilton 4941 Flat Gap Road Pound, VA. 24279	Leased-EPC 245684L	0.005000%	0.0050	0.00000625	RI
	Angela Turner Floyd Turner C/O Regina Hamilton 4941 Flat Gap Road Pound, VA. 24279	Leased-EPC 245684L	0.005000%	0.0050	0.00000625	RI
	Equitable Production Company				0.00008750	WI
<b>Tract 20 Totals</b>			0.010000%	0.0100	0.00010000	

**EXHIBIT "B"**

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**V-4358**

VGOB 00/02/15-0770

<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>	
21	Vester Mullins Yvonne Mullins 5030 Hwy. 932 Eolia, KY 40826	Leased-EPC 245636L	0.160000%	0.1800	0.00020000	RI
	Equitable Production Company				0.00140000	WI
<b>Tract 21 Totals</b>			0.160000%	0.1800	0.00160000	
22	Jimmy D. Brock Brenda Brock 4084 Hwy. 932 Eolia, Ky 40826	Leased-EPC 245640L	0.630000%	0.7100	0.00078750	RI
	Equitable Production Company				0.00551250	WI
<b>Tract 22 Totals</b>			0.630000%	0.7100	0.00630000	
23	Morgan E. Bolling Betty M. Bolling P. O. Box 194 Pound, VA. 24279	Leased-EPC 245429L	4.190000%	4.7200	0.00523750	RI
	Equitable Production Company				0.03666250	WI
<b>Tract 23 Totals</b>			4.190000%	4.7200	0.04190000	
24	Sally Sturgill 154 Green Valley Drive Eolia, KY. 40826	Leased-EPC 245558L	0.060000%	0.0650	0.00007500	RI
	James Darrell Sturgill 154 Green Valley Drive Eolia, KY. 40826	Leased-EPC 245558L	0.060000%	0.0650	0.00007500	RI
	Equitable Production Company				0.00105000	WI
<b>Tract 24 Totals</b>			0.120000%	0.1300	0.00120000	

**EXHIBIT "B"**

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**V-4358**

VGOB 00/02/15-0770

<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>	
25	Tate Hampton Inez Hampton 5045 Hwy, 932 Eolia, KY 40826	Leased-EPC 245638L	1.430000%	1.6100	0.00178750	RI
	Equitable Production Company				0.01251250	WI
<b>Tract 25 Totals</b>			1.430000%	1.6100	0.01430000	
26	Teddy Wayne Bolling Elizabeth Bolling P. O. Box 884 Wise, VA. 24293-0884	Leased-EPC 245371L	6.150000%	6.9200	0.00768750	RI
	Equitable Production Company				0.05381250	WI
<b>Tract 26 Totals</b>			6.150000%	6.9200	0.06150000	
<b>TOTAL GAS ESTATE</b>			100.000000%	112.6900	1.00000000	

INSTRUMENT #200001980  
RECORDED IN THE CLERK'S OFFICE OF  
WISE COUNTY ON  
MAY 25, 2000 AT 01:28PM  
J. JACK KENNEDY, JR., CLERK

BY: \_\_\_\_\_

(IC)