

542

Instrument Prepared By
Va Gas & Oil Board

VIRGINIA:

BOOK 532 PAGE 0274

BEFORE THE VIRGINIA GAS AND OIL BOARD

ENTERED

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER VGOB-01-0116-0859

ELECTIONS: UNIT AX-114
(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 in the captioned matter on April 2, 2001 which was recorded at Deed Book 523, Page 522 in the Office of the Clerk of the Circuit Court of Russell County, Virginia, on April 6, 2001, (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 AX-114;

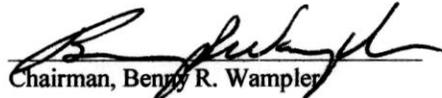
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust PA1328,123 Broad Street, Philadelphia, PA 19109-1199, Telephone: (215) 985-3485 or (800) 664-9359, 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 the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

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.

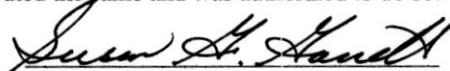
Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 26th day of July, 2001, 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 July, 2001, 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
Notary

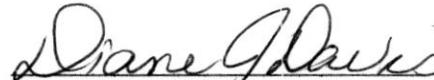
My commission expires: 7-31-02.

DONE AND PERFORMED THIS 2nd day of August, 2001, by Order of the Board.


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

STATE OF VIRGINIA
COUNTY OF WASHINGTON

Acknowledged on this 2nd day of August, 2001, 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 Director of the Division of Gas & Oil Board and Principal Executive to the Board, that he executed the same and was authorized to do so.


Diane J. Davis, Notary

My commission expires: 9/30/2001.

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 AX-114
VGOB-01-0116-0859 in the New Garden District of Russell 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 Energy Inc., as a Gas Engineer and is duly authorized to make this affidavit on behalf of POCAHONTAS GAS PARTNERSHIP, the designated operator,

That the Order entered on April 26, 2001, 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 6, 2001;

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 April 2, 2001;

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:

See Attached Exhibit B-2

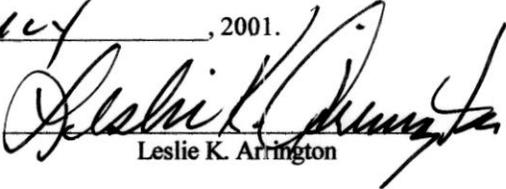
That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

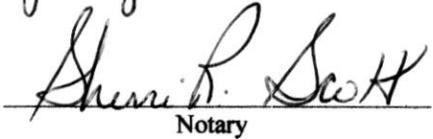
Dottie Gay Robinette Miller, Branson Whited Jr., Jeraldine Whited, Audrey Whited, Baxter Perkins, Dorothy Perkins, Brenda Ennis, Vicki Mitchum, Nancy Perkins, Alva Perkins, Roger Perkins, Ernest Keen, Mabel Monk Large, Lincous & Evonne Perkins, Swain & Renia Perkins, Darrell Perkins, Judy C. Hess, Allen Perkins, Frances Forbes, Katie Miller, Jeannie Howell, Ricky Allen Perkins, Terry Perkins, Larry D. Perkins, Linda Lou Perkins Parris, Dennis J. Perkins, Harvey Lincous Perkins and Dorothy Perkins

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

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 9th day of July, 2001.

Leslie K. Arrington

Taken, subscribed and sworn to before me by Leslie K. Arrington as Gas Engineer of Consol Energy Inc., on behalf of the corporate Designated Operator, this 9th day of July, 2001.

Notary

My commission expires: 11/30/01.

Exhibit B-2
CBM-PGP-AX114
Docket No. VGOB-01-0116-0857
List of Respondents to be Added/Dismissed

	Acres in Unit	Interest in Unit	Reason for Dismissal	Reason for Addition
I. COAL FEE OWNERSHIP				
<u>Tract #3, 1.33 acres</u>				
(1) Dottie Gay Robinette Miller et al.	1.33 acres	2.27%		
(a) Dottie Gay Robinette Miller (ex. Red Ash & Jawbone) P.O. Box 232 Rosedale, VA 24280	1.33 acres	2.27%	Leased	
(b) Knox Creek Coal Corporation (Red Ash & Jawbone) P.O. Box 519 Raven, VA 24639	1.33 acres	2.27%	Seam not Encountered	
<u>Tract #4, 1.52 acres</u>				
(1) John H. Dye Heirs, Devisees, Successors or Assigns et al.	1.52 acres	2.59%		
<i>Branson Whited, Jr. et al.</i>	0.608 2/5 of 1.52 acres	0.68%		
(a) Branson Whited, Jr. RR3 Box 870 Cedar Bluff, VA 24609			Leased	
(b) Jeraldine Whited Rt.1 Box 256-AA Swords Creek, VA 24649			Leased	
(c) Audrey Whited 206 Burnette Street Richlands, VA 24614			Leased	
(d) Baxter Perkins Box 224 Raven, VA 24639			Leased	
(e) Dorothy Perkins 1595 Drybread Road Salyersville, KY 41465			Leased	
(h) Brenda Ennis #4 Blue Bell Warrenville, SC 29851			Leased	
(i) Vicki Mitchum 246 Hillview Graniteville, SC 29829			Leased	
(k) Nancy Perkins Rt.2 Box 93A Honaker, VA 24260			Leased	
(m) Alva Perkins Rt.2 Box 89 Honaker, VA 24260			Leased	

Exhibit B-2
 CBM-PGP-AX114
 Docket No. VGOB-01-0116-0857
 List of Respondents to be Added/Dismissed

	Acres in Unit	Interest in Unit	Reason for Dismissal	Reason for Addition
(n) Roger Perkins Rt.2 Box 91 Honaker, VA 24260			Leased	
(o) Ernest Keen Rt.1 Box 309B Cedar Bluff, VA 24609			Leased	
(q) Mable Monk Large Box 282D Cedar Bluff, Va 24609			Leased	
II. OIL & GAS FEE OWNERSHIP				
<u>Tract #2, 5.90 acres</u>				
* <i>Owner of gas interest is undetermined. Possible owners are listed below:</i>	5.90 acres	10.05%		
(4) Pocahontas Gas Partnership, et al.				
(b) Lincous & Evonne Perkins P.O. Box 299 Honaker, VA 24260			Not a party	
(c) Swain & Renia Perkins Rt.1 Box 136E Swords Creek, VA 24649			Leased	
(d) Paul Perkins Heirs, Devisees, Successors or Assigns <i>Address Unknown</i>				
(d.1) Darrell Perkins P.O. Box 264 Swords Creek, VA 24649	0.10 acres 1/60 of 5.90 acres	0.17%	Purchased	
(d.2) Judy C. Hess Rt.1 Box 239 Honaker, VA 24260	0.10 acres 1/60 of 5.90 acres	0.17%	Purchased	
(d.3) Allen Perkins Rt.1 Box 239 Honaker, VA 24260	0.10 acres 1/60 of 5.90 acres	0.17%	Purchased	
(d.4) Frances Forbes 1306 Oppossum Quarter Road Elizabeth City, NC 27909	0.10 acres 1/60 of 5.90 acres	0.17%	Purchased	
(d.5) Katie Miller P.O. Box 368 Swords Creek, VA 24649	0.10 acres 1/60 of 5.90 acres	0.17%	Purchased	
(d.6) Jeannie Howell P.O. Box 59 Red Ash, VA 24640	0.10 acres 1/60 of 5.90 acres	0.17%	Purchased	
(d.7) Ricky Allen Perkins <i>Address Unknown</i>			Not a party	

Exhibit B-2
 CBM-PGP-AX114
 Docket No. VGOB-01-0116-0857
 List of Respondents to be Added/Dismissed

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	Acres in Unit	Interest in Unit	Reason for Dismissal	Reason for Addition
(d.8) Terry Perkins <i>Address Unknown</i>			Not a party	
(e) Ashby Perkins Heirs, Devisees, Successors or Assigns <i>Address Unknown</i>				
(e.1) Larry D. Perkins Rt.1 Box 49L Swords Creek, VA 24649	0.20 acres 1/30 of 5.90 acres	0.34%	Purchased	
(e.2) Linda Lou Perkins Parris Rt.1 Box 49L Swords Creek, VA 24649	0.20 acres 1/30 of 5.90 acres	0.34%	Purchased	
(e.3) Dennis J. Perkins P.O. Box 373 Honaker, VA 24260	0.20 acres 1/30 of 5.90 acres	0.34%	Purchased	Due Diligence
(OR)				
(5) Harvey Lincous Perkins Rt.2 Box 215F Cedar Bluff, VA 24609	5.90 acres	10.05%	Purchased	Due Diligence
Dorothy Perkins 1595 Drybread Road Salysersville, KY 41465	5.90 acres	10.05%	Leased	
<u>Tract #3, 1.33 acres</u>				
(1) Dottie Gay Robinette Miller et al.	1.33 acres	2.27%		
(a) Dottie Gay Robinette Miller (ex. Red Ash & Jawbone) P.O. Box 232 Rosedale, VA 24280	1.33 acres	2.27%	Leased	
(b) Knox Creek Coal Corporation (Red Ash & Jawbone) P.O. Box 519 Raven, VA 24639	1.33 acres	2.27%	Seam not encountered	
<u>Tract #4, 1.52 acres</u>				
(1) John H. Dye Heirs, Devisees, Successors or Assigns et al.	1.52 acres	2.59%		
Branson Whited, Jr. et al.	0.608 2/5 of 1.52 acres	0.68%		
(a) Branson Whited, Jr. RR3 Box 870 Cedar Bluff, VA 24609			Leased	
(b) Jeraldine Whited Rt.1 Box 256-AA Swords Creek, VA 24649			Leased	
(c) Audrey Whited 206 Burnette Street Richlands, VA 24614			Leased	

Exhibit B-2
CBM-PGP-AX114
Docket No. VGOB-01-0116-0857
List of Respondents to be Added/Dismissed

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	Acres in Unit	Interest in Unit	Reason for Dismissal	Reason for Addition
(d) Baxter Perkins Box 224 Raven, VA 24639			Leased	
(e) Dorothy Perkins 1595 Drybread Road Salyersville, KY 41465			Leased	
(h) Brenda Ennis #4 Blue Bell Warrenville, SC 29851			Leased	
(i) Vicki Mitchum 246 Hillview Graniteville, SC 29829			Leased	
(k) Nancy Perkins Rt.2 Box 93A Honaker, VA 24260			Leased	
(m) Alva Perkins Rt.2 Box 89 Honaker, VA 24260			Leased	
(n) Roger Perkins Rt.2 Box 91 Honaker, VA 24260			Leased	
(o) Ernest Keen Rt.1 Box 309B Cedar Bluff, VA 24609			Leased	
(q) Mable Monk Large Box 282D Cedar Bluff, Va 24609			Leased	

Exhibit B-3
 CBM-PGP-AX114
 Docket No. VGOB-01-0116-0859
 List of Unleased Owners/Claimants

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	Acres in Unit	Interest in Unit
I. <u>COAL FEE OWNERSHIP</u>		
<u>Tract #4, 1.52 acres</u>		
(1) John H. Dye Heirs, Devisees, Successors or Assigns et al.	1.52 acres	2.59%
<i>Branson Whited, Jr. et al.</i>	0.608 2/5 of 1.52 acres	0.68%
(f) Louella Perkins 112 McClain Street North Augusta, SC 29841		
(g) Patty C. Perkins 112 McClain Street North Augusta, SC 29841		
(j) Narcie Dye Noel Rt.2 Box 83 Honaker, VA 24260		
(l) Roberta Fields P.O. Box 698 Honaker, VA 24260		
(p) Vernie Keen 14500 Houston Lane Spotsylvania, VA 22553		
(r) Nancy Wyatt <i>Address Unknown</i>		
(s) Henry Whited <i>Address Unknown</i>		
(t) Kathy Blankenship <i>Address Unknown</i>		
<i>H.C. Bostic Coal Company et al.</i>	0.912 3/5 of 1.52 acres	1.5537%
(a) H.C. Bostic Coal Company P.O. Box 220 Swords Creek, VA 24649		
(b) Bernie Darin Dye <i>Address Unknown</i>		
(c) Sam R. Dye <i>Address Unknown</i>		
(d) Larry Compton 5770 1st Road Bremen, IN 46506		

Exhibit B-3
 CBM-PGP-AX114
 Docket No. VGOB-01-0116-0859
 List of Unleased Owners/Claimants

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	Acres in Unit	Interest in Unit
(e) Betty Snead Rt.3 Box 54 Lebanon, VA 24266		
(f) Robert Compton 4478 Island Road Bristol, TN 37620		
(g) Edna Peck <i>Address Unknown</i>		
(h) Ted Wilson <i>Address Unknown</i>		
(i) O'Dell Wilson <i>Address Unknown</i>		
(j) Narcie Dye Noel Rt.2 Box 83 Honaker, VA 24260		

II. OIL & GAS FEE OWNERSHIP

Tract #2, 5.90 acres

* **Owner of gas interest is undetermined.** 5.90 acres 10.05%
Possible owners are listed below:

- (1) B.W. Stras, Heirs, Devisees
Successors or Assigns, et al.
Address Unknown
- (2) S. J. and Susan E. Corn, Heirs, Devisees
Successors or Assigns, et al.
Address Unknown
- (3) David Keene, Heirs, Devisees
Successors or Assigns, et al.
Address Unknown

Tract #4, 1.52 acres

(1) John H. Dye Heirs, Devisees, Successors or Assigns et al.	1.52 acres	2.59%
Branson Whited, Jr. et al.	0.608 2/5 of 1.52 acres	1.0358%

- (f) Louella Perkins
112 McClain Street
North Augusta, SC 29841
- (g) Patty C. Perkins
112 McClain Street
North Augusta, SC 29841