

656

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER
VGOB 01-0918-0923

ELECTIONS: UNIT Y-26
(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 December 18, 2001 which was recorded at Deed Book 537, Page 654 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on January 11, 2002, (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 Y-26;

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.

ENTERED

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 24th day of June, 2002, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

STATE OF VIRGINIA
COUNTY OF WISE

Acknowledged on this 24th day of June, 2002, 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

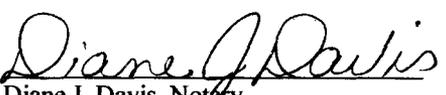
My commission expires: 7/31/02

DONE AND PERFORMED THIS 15th day of July, 2002, 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 15th day of July, 2002, 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: 9/30/05

Order Recorded In
Virginia Section 40.1001.20

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 Y-26
VGOB 01-0918-0923 in the Hurricane 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 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 December 18, 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 January 11, 2002;

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 December 18, 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:

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 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.

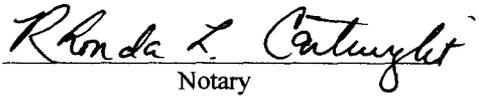
See attached Exhibit EE; Hugh MacRae Land Trust / Consolidation Coal Company

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 31st day of May, 2002.

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 31st day of May, 2002.


Notary

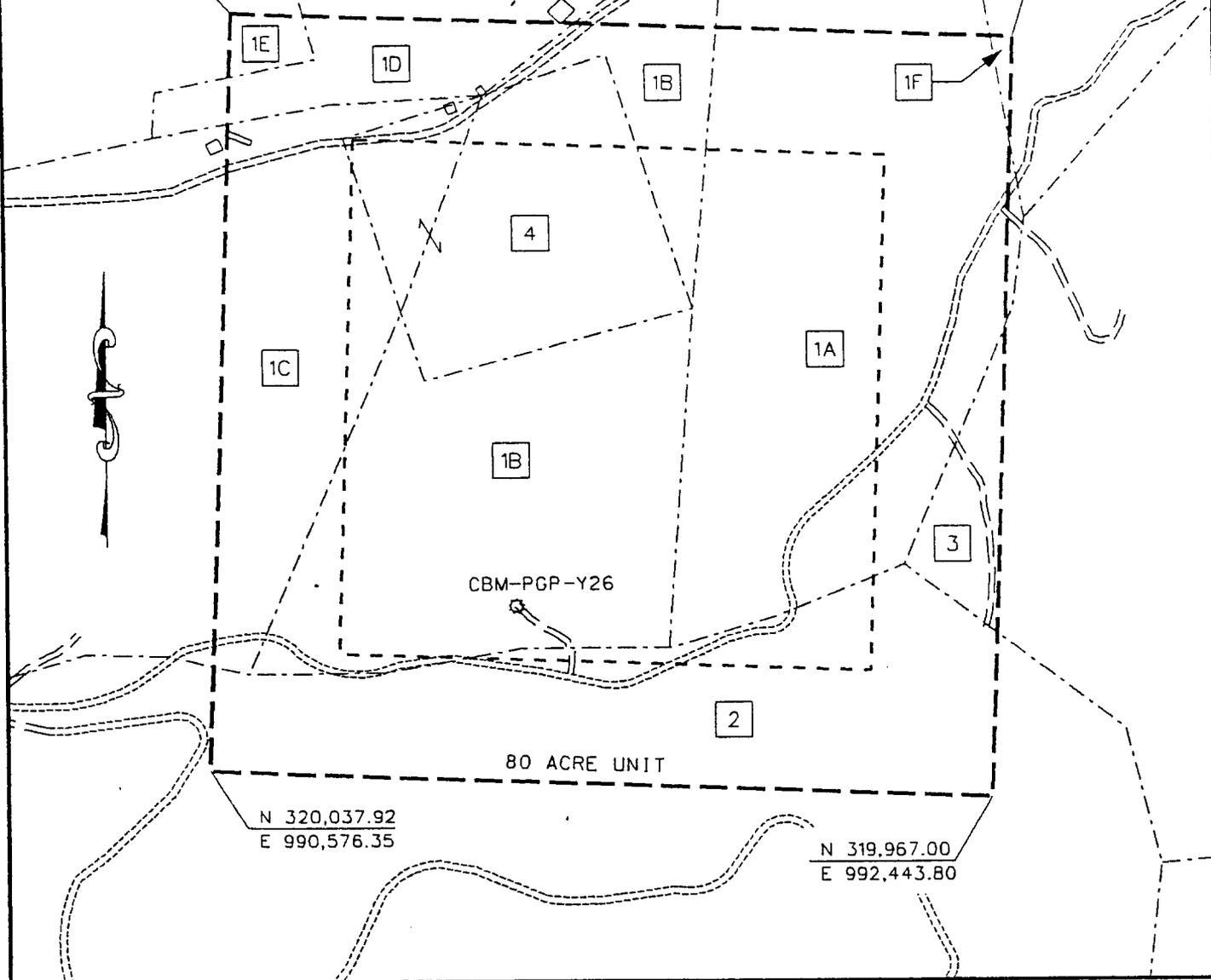
My commission expires: 10/31/05.

PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

550 PAGE 80

N 321,908.07
E 990,645.26

N 321,837.22
E 992,512.62



N 320,037.92
E 990,576.35

N 319,967.00
E 992,443.80

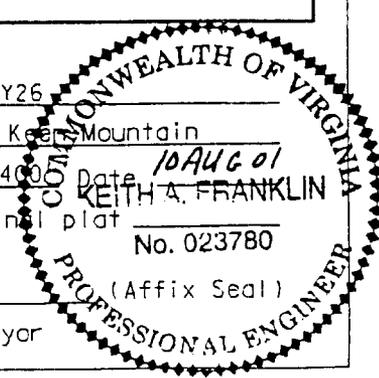
80 ACRE UNIT

EXHIBIT A
OAKWOOD FIELD UNIT Y-26
FORCE POOLING
VGOB-01-0918-0923

Company Pocahontas Gas Partnership Well Name and Number UNIT Y26
 Tract No. _____ Elevation _____ Quadrangle Keen Mountain
 County Buchanan District Hurricane Scale: 1" = 400'
 This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DGO-GO-7
Rev. 9/91

Keith A. Franklin
Licensed Professional Engineer or Licensed Land Surveyor



POCAHONTAS GAS PARTNERSHIP
UNIT Y-26
 Tract Identifications

- 1A. Hugh MacRae Land Trust - TR 10 - Coal
 Consolidation Coal Company - Below Drainage Coal Leased
 Ernest L. Mutter - Surface, Oil & Gas
 Pocahontas Gas Partnership - Oil & Gas and CBM Leased
 21.90 acres 27.3750 %
- 1B. Hugh MacRae Land Trust - TR 10 - Coal
 Consolidation Coal Company - Below Drainage Coal Leased
 Ira C. Mutter - Surface, Oil & Gas
 Pocahontas Gas Partnership - Oil & Gas and CBM Leased
 17.99 acres 22.4875 %
- 1C. Hugh MacRae Land Trust - TR 10 - Coal
 Consolidation Coal Company - Below Drainage Coal Leased
 Andrew D. Mutter - Surface, Oil & Gas
 Pocahontas Gas Partnership - Oil & Gas and CBM Leased
 9.44 acres 11.8000 %
- 1D. Hugh MacRae Land Trust - TR 10 - Coal
 Consolidation Coal Company - Below Drainage Coal Leased
 Roy C. Mutter - Surface, Oil & Gas
 Pocahontas Gas Partnership - Oil & Gas and CBM Leased
 2.89 acres 3.6125 %
- 1E. Hugh MacRae Land Trust - TR 10 - Coal
 Consolidation Coal Company - Below Drainage Coal Leased
 Danny Blankenship - Surface, Oil & Gas
 Pocahontas Gas Partnership - Oil & Gas and CBM Leased
 0.58 acres 0.7250 %
- 1F. Hugh MacRae Land Trust - TR 10 - Coal
 Consolidation Coal Company - Below Drainage Coal Leased
 Ernest L. Mutter - Surface, Oil & Gas
 Pocahontas Gas Partnership - Oil & Gas and CBM Leased
 0.15 acres 0.1875 %
2. Hugh MacRae Land Trust - TR 21 - Fee
 Consolidation Coal Company - Below Drainage Coal Leased
 Pocahontas Gas Partnership - Oil & Gas and CBM Leased
 15.44 acres 19.3000 %
3. Hugh MacRae Land Trust - TR 17 - Coal
 Consolidation Coal Company - Below Drainage Coal Leased
 Consolidation Coal Company - Surface, Oil & Gas
 Pocahontas Gas Partnership - CBM Leased
 1.90 acres 2.3750 %

POCAHONTAS GAS PARTNERSHIP
UNIT Y-26
Tract Identifications

4. Jacob Mutter Heirs, Devisees, Successors or Assigns – Fee
Consolidation Coal Company - Below Drainage Coal Leased
Consolidation Coal Company - 1/6 Gas & Oil Leased
Pocahontas Gas Partnership - CBM Leased
9.71 acres 12.1375 %

	Acres in Unit	Percent of Unit
I. <u>COAL FEE OWNERSHIP</u>		
<u>Tract #4 - 9.71 acres</u>		
(1) Jacob Mutter Heirs, Devisees, Successors or Assigns	9.71 acres	12.13750%
(d) R. D. Blankenship 6707 Melville Drive Chesterfield, VA 23832	1.387 acres 1/7 of 9.71 acres	1.73393%
(e) Roy C. Mutter Heirs, Devisees, Successors or Assigns		
(e.1) Fern Duecaster 518 Clinton Street Ravenna, OH 44266	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.2) Ferrell W. Mutter Rt.2 Box 36 Oakwood, VA 24631	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.3) William S. Mutter Box 191 Grundy, VA 24614	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.4) Lydia M. Coleman 56 N. Brookwood Way Mansfield, OH 44906	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.5) Carlos B. Mutter 16713 Recreation Drive Lake Milton, OH 44429	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.6) Wanda Padgette 307 Linden Lane La Plata, MD 20646-9760	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.7) Olga Davis 240 Walter Avenue Mansfield, OH 44903-2331	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.8) Dallas Hess 670 S. Canfield Niles Road Youngstown, OH 44515	0.173 acres 1/56 of 0.47 acres	0.21674%
II. <u>OIL & GAS FEE OWNERSHIP</u>		
<u>Tract #4 - 9.71 acres</u>		
(1) Jacob Mutter Heirs, Devisees, Successors or Assigns	9.71 acres	12.13750%
(d) R. D. Blankenship 6707 Melville Drive Chesterfield, VA 23832	1.387 acres 1/7 of 9.71 acres	1.73393%
(e) Roy C. Mutter Heirs, Devisees, Successors or Assigns		
(e.1) Fern Duecaster 518 Clinton Street Ravenna, OH 44266	0.173 acres 1/56 of 0.47 acres	0.21674%

Docket # VGOB 01-0918-0923
List of Unleased Owners/Claimants

	Acres in Unit	Percent of Unit
(e.2) Ferrell W. Mutter Rt.2 Box 36 Oakwood, VA 24631	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.3) William S. Mutter Box 191 Grundy, VA 24614	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.4) Lydia M. Coleman 56 N. Brookwood Way Mansfield, OH 44906	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.5) Carlos B. Mutter 16713 Recreation Drive Lake Milton, OH 44429	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.6) Wanda Padgette 307 Linden Lane La Plata, MD 20646-9760	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.7) Olga Davis 240 Walter Avenue Mansfield, OH 44903-2331	0.173 acres 1/56 of 0.47 acres	0.21674%
(e.8) Dallas Hess 670 S. Canfield Niles Road Youngstown, OH 44515	0.173 acres 1/56 of 0.47 acres	0.21674%

Exhibit E
UNIT Y-26
Docket # VGOB 01-0918-0923
List of Conflicting Owners/Claimants that require escrow

BOOK 550 PAGE 91

	Acres in Unit	Percent of Unit
<u>Tract #1A - 21.90 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 P.O. Box 29 Tazewell, VA 24651	21.90 acres	27.37500%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Ernest L. Mutter P.O. Box 204 Bozoo, WV 24923	21.90 acres	27.37500%
<u>Tract #1B - 17.99 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 P.O. Box 29 Tazewell, VA 24651	17.99 acres	22.48750%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Ira C. Mutter Box 326 Rich Creek, VA 24147	17.99 acres	22.48750%
<u>Tract #1C - 9.44 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 P.O. Box 29 Tazewell, VA 24651	9.44 acres	11.80000%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Andrew D. Mutter P.O. Box 86 Oakwood, VA 24631	9.44 acres	11.80000%
<u>Tract #1D - 2.89 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 P.O. Box 29 Tazewell, VA 24651	2.89 acres	3.61250%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Roy C. Mutter Heirs, Devisees Successors or Assigns	2.89 acres	3.61250%
(a) Fern Duecaster 518 Clinton Street Ravenna, OH 44266	0.361 acres 1/8 of 2.89 acres	0.45156%
(b) Ferrell W. Mutter Rt.2 Box 36 Oakwood, VA 24631	0.361 acres 1/8 of 2.89 acres	0.45156%

List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
(c) William S. Mutter Box 191 Grundy, VA 24614	0.361 acres 1/8 of 2.89 acres	0.45156%
(d) Lydia M. Coleman 56 N. Brookwood Way Mansfield, OH 44906	0.361 acres 1/8 of 2.89 acres	0.45156%
(e) Carlos B. Mutter 16713 Recreation Drive Lake Milton, OH 44429	0.361 acres 1/8 of 2.89 acres	0.45156%
(f) Wanda Padgett 307 Linden Lane La Plata, MD 20646-9760	0.361 acres 1/8 of 2.89 acres	0.45156%
(g) Olga Davis 240 Walter Avenue Mansfield, OH 44903-2331	0.361 acres 1/8 of 2.89 acres	0.45156%
(h) Dallas Hess 670 S. Canfield Niles Road Youngstown, OH 44515	0.361 acres 1/8 of 2.89 acres	0.45156%

Tract #1E - 0.58 acres

COAL FEE OWNERSHIP

(1) Hugh MacRae Land Trust, Tr. 10 P.O. Box 29 Tazewell, VA 24651	0.58 acres	0.72500%
---	------------	----------

OIL & GAS FEE OWNERSHIP

(1) R.D. Blankenship 6707 Melville Drive Chesterfield, VA 23832	0.58 acres	0.72500%
---	------------	----------

Tract #1F - 0.15 acres

COAL FEE OWNERSHIP

(1) Hugh MacRae Land Trust, Tr. 10 P.O. Box 29 Tazewell, VA 24651	0.15 acres	0.18750%
---	------------	----------

OIL & GAS FEE OWNERSHIP

(1) Ernest L. Mutter P.O. Box 204 Bozoo, WV 24923	0.15 acres	0.18750%
---	------------	----------

Exhibit EE
UNIT Y-26

BOOK

550 PAGE 93

Docket # VGOB 01-0918-0923

List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit
<u>Tract #3 - 1.90 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 17 P.O. Box 29 Tazewell, VA 24651	1.90 acres	2.37500%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Consolidation Coal Company P.O. Box 947 Bluefield, VA 24605	1.90 acres	2.37500%

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 8th day of July, 20 02 12:21 P.M.
The tax imposed by §587-1-802 of the Code has been paid in the amount of \$ _____.
Deed Book No. 550 and Page No. 82. TESTE: James M. Bevins, Jr., Clerk
Returned to: Liane Davis. TESTE: Jessie S. Miller Deputy Clerk

James M. Bevins Jr.

INSTRUMENT #020002607
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JULY 8, 2002 AT 12:21PM
JAMES M. BEVINS JR., CLERK

BY:

(Signature)