

826

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER
VGOB 03-0218-1117

ELECTIONS: UNIT BD-121
(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 November 21, 2003 which was recorded at Deed Book 597, Page 980 in the Office of the Clerk of the Circuit Court of Russell County, Virginia, on December 5, 2003, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (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 whether or not the escrow of funds is required with regard to Unit BD-121;

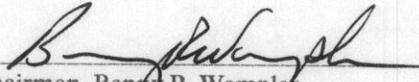
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, Wachovia Bank, Corporate Trust PA1328, 123 Broad Street, Philadelphia, PA 19109-1199, Attn: Rachel Rafferty 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.

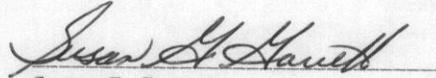
Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 8th day of October, 2004, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

STATE OF VIRGINIA
COUNTY OF WISE

Acknowledged on this 8th day of October, 2004, 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

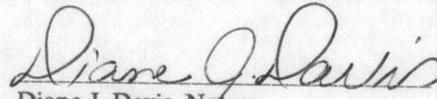
My commission expires: 2-31-06.

DONE AND PERFORMED THIS 13th day of October, 2004, by Order of the Board.


B. R. Wilson,
Principal Executive to the Board

STATE OF VIRGINIA
COUNTY OF WASHINGTON

Acknowledged on this 13th day of October, 2004, 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 Under Code of
Virginia Section 45.1-361.26

VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit BD-121
VGOB 03-0218-1117 in the New Garden District of Russell County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (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 CNX Gas Company LLC, as a Manager - Environmental / Permitting and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on November 21, 2003, 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 counties identified above; that said Order was recorded on December 5, 2003;

That the designated operator CNX GAS COMPANY LLC 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 November 21, 2003;

See attached Exhibit B-3 (Unit is 100% Leased)

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:

Samuel L. Breedlove and Herbert L. Breedlove

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

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 29th day of SEPTEMBER, 2004.

Leslie K. Arrington
Leslie K. Arrington

Taken, subscribed and sworn to before me by Leslie K. Arrington as a Manager - Environmental / Permitting for CNX Gas Company LLC, on behalf of the corporate Designated Operator, this 29th day of September, 2004.

Rhonda L. Bentley
Notary

My commission expires: 10/31/05.

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

BOOK 618 PAGE 988
BOOK 597 PAGE 0991

N 293,769.40
E 1,000,950.75

N 293,712.00
E 1,002,549.23

3B

2

1

3A

CBM-CNX
-BD121

3D

3E

3C

58.74 ACRE UNIT

N 292,170.63
E 1,000,893.33

N 292,113.22
E 1,002,491.81

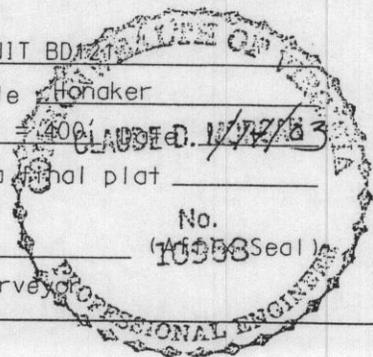
EXHIBIT A
MIDDLE RIDGE 1 FIELD
UNIT BD-121
FORCE POOLING
VGOB-03-0218-1117

Company CONSOL Energy Inc. Well Name and Number UNIT BD121
Tract No. _____ Elevation _____ Quadrangle Honaker
County Russell District New Garden Scale: 1" = 400'
This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DGO-GO-7
Rev. 9/91

Charles D. May

Licensed Professional Engineer or Licensed Land Surveyor



CONSOL ENERGY INC**Unit BD-121****Tract Identifications
(58.74 Acre Unit)**

1. **Swords Creek Land Partnership Tr. 27 - Coal**
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
Reserve Coal Properties Company - CBM Leased
Ruth Byrd, et al. - Surface and All Minerals except Coal
CNX Gas Company, LLC - Oil, Gas and CBM Leased
3.99 acres 6.7926 %

2. **Swords Creek Land Partnership Tr. 26 - Fee**
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
Reserve Coal Properties Company - CBM Leased
20.06 acres 34.1505 %

- 3A. **Swords Creek Land Partnership Tr. 13 - Fee**
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
Reserve Coal Properties Company - Oil, Gas and CBM Leased
9.99 acres 17.0072 %

- 3B. **Swords Creek Land Partnership Tr. 13 - Coal**
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
Reserve Coal Properties Company - CBM Leased
Julius Steele, et ux. - Surface and All Minerals except Coal
CNX Gas Company, LLC - Oil, Gas and CBM Leased
0.02 acres 0.0341 %

- 3C. **Swords Creek Land Partnership Tr. 13 - Coal**
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
Reserve Coal Properties Company - CBM Leased
Samuel L. Breedlove, et al. - Surface and All Minerals except Coal
4.07 acres 6.9288 %

- 3D. **Swords Creek Land Partnership Tr. 13 - Coal**
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
Reserve Coal Properties Company - CBM Leased
Robert Hale, II, et al. - Surface and All Minerals except Coal
CNX Gas Company, LLC - Oil, Gas and CBM Leased
14.39 acres 24.4978 %

CONSOL ENERGY INC

Unit BD-121

Tract Identifications

(58.74 Acre Unit)

- 3E. Swords Creek Land Partnership Tr. 13 - Coal
Reserve Coal Properties Company - Coal Below Tiller Seam Leased
Knox Creek Coal Corporation - Tiller and Above Coal Leased
Reserve Coal Properties Company - CBM Leased
Ruth Byrd, et al. - Surface and All Minerals except Coal
CNX Gas Company, LLC - Oil, Gas and CBM Leased
6.22 acres 10.5890 %

Exhibit B-2
Unit BD-121
Docket #VGOB 03-0218-1117
List of Respondents to be Dismissed
(58.74 Acre Unit)

BOOK 618 PAGE 991

	Acres in Unit	Interest in Unit	Reason for Dismissal
II. OIL & GAS FEE OWNERSHIP			
<u>Tract #3C, 4.07 acres</u>			
(1) Samuel L. Breedlove, et al.	4.07 acres	6.9288%	
(a) Samuel L. Breedlove 956 State Rt. 314 Mansfield, OH 44903	2.035 acres 1/2 of 4.07 acres	3.4644%	Leased
(b) Herbert J. Breedlove 3238 North Oketo Street Chicago, IL 60634	2.035 acres 1/2 of 4.07 acres	3.4644%	Leased

Exhibit B-3
Unit BD-121
Docket #VGOB 03-0218-1117
List of Unleased Owners/Claimants
(58.74 Acre Unit)

BOOK 618 PAGE 992

Acres in Unit	Interest in Unit
---------------	------------------

This unit is 100% leased.

Exhibit E
Unit BD-121
Docket #VGOB 03-0218-1117
List of Conflicting Owners/Claimants that require escrow
(58.74 Acre Unit)

BOOK 618 PAGE 993

	Acres in Unit	Interest in Unit
<u>Tract #1, 3.99 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.27 P.O. Box 187 Tazewell, VA 24651	3.99 acres	6.7926%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Ruth Byrd, et al.	3.99 acres	6.7926%
(b) Daniel L. Keen Rt.1 Box 68 Swords Creek, VA 24649	0.798 acres 20.00% of 3.99 acres	1.3585%
(c) Raymond P. Slate Rt.1 Box 192 Swords Creek, VA 24649	0.399 acres 10.00% of 3.99 acres	0.6793%
(f) Daniel Tucker Rt.1 Box 314 Swords Creek, VA 24649	0.798 acres 20.00% of 3.99 acres	1.3585%
<u>Tract #3B, 0.02 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	0.02 acres	0.0340%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Julius Steele, et ux. Rt.1 Box 209 Swords Creek, VA 24649	0.02 acres	0.0340%
<u>Tract #3E, 6.22 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	6.22 acres	10.5890%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Ruth Byrd, et al.	6.22 acres	10.5890%
(b) Daniel L. Keen Rt.1 Box 68 Swords Creek, VA 24649	1.244 acres 20.00% of 6.22 acres	2.1178%

Exhibit E
Unit BD-121
Docket #VGOB 03-0218-1117
List of Conflicting Owners/Claimants that require escrow
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
(c) Raymond P. Slate Rt.1 Box 192 Swords Creek, VA 24649	0.622 acres 10.00% of 6.22 acres	1.0589%
(f) Daniel Tucker Rt.1 Box 314 Swords Creek, VA 24649	1.244 acres 20.00% of 6.22 acres	2.1178%

Docket #VGOB 03-0218-1117
List of Conflicting Owners/Claimants with Royalty Split Agreements
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
<u>Tract #1, 3.99 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.27 P.O. Box 187 Tazewell, VA 24651	3.99 acres	6.7926%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Ruth Byrd, et al.	3.99 acres	6.7926%
(a) Ruth Byrd P.O. Box 714 Doran, VA 24612	0.798 acres 20.00% of 3.99 acres	1.3585%
(d) Jeffery W. Slate RR Box 229A Swords Creek, VA 24649	0.399 acres 10.00% of 3.99 acres	0.6793%
(e) Virginia Spiva 328 Martin Court Marietta, GA 30060	0.798 acres 20.00% of 3.99 acres	1.3585%
<u>Tract #3C, 4.07 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	4.07 acres	6.9288%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Samuel L. Breedlove, et al.	4.07 acres	6.9288%
(a) Samuel L. Breedlove 956 State Rt. 314 Mansfield, OH 44903	3.488 acres 85.70% of 4.07 acres	5.9380%
(b) Herbert J. Breedlove 3238 North Oketo Street Chicago, IL 60634	0.582 acres 14.30% of 4.07 acres	0.9908%
<u>Tract #3D, 14.39 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	14.39 acres	24.4978%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Robert Hale, II, et al.	14.39 acres	24.4978%

Exhibit EE
Unit BD-121
Docket #VGOB 03-0218-1117
List of Conflicting Owners/Claimants with Royalty Split Agreements
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
(a) Robert Hale, II c/o Nancy C. Dickenson, Special Commissioner P.O. Box 2498 Lebanon, VA 24266	14.39 acres	24.4978%

Tract #3E, 6.22 acres

COAL FEE OWNERSHIP

(1) Swords Creek Land Partnership, Tr.13 P.O. Box 187 Tazewell, VA 24651	6.22 acres	10.5890%
--	------------	----------

OIL & GAS FEE OWNERSHIP

(1) Ruth Byrd, et al.	6.22 acres	10.5890%
(a) Ruth Byrd P.O. Box 714 Doran, VA 24612	1.244 acres 20.00% of 6.22 acres	2.1178%
(d) Jeffery W. Slate RR Box 229A Swords Creek, VA 24649	0.622 acres 10.00% of 6.22 acres	1.0589%
(e) Virginia Spiva 328 Martin Court Marietta, GA 30060	1.244 acres 20.00% of 6.22 acres	2.1178%

0403904

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF RUSSELL COUNTY, 10-19, 2004. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 10:23 o'clock AM, after payment of \$ _____ tax imposed by Sec. 58.1-802.

Original returned this date to:

Diane Davis

TESTE: DOLLIE M. COMPTON, CLERK
BY: Jennifer Kendrick D. CLERK