

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB 03/10/21-1214
ELECTIONS, UNIT: V-505251

(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 December 18, 2003 and recorded in Instrument No. 200306316 at the Office of the Clerk of Circuit Court, Wise County, Virginia on December 18, 2003 (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 December 30, 2003, 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 February 25, 2004, 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, Wachovia Bank, Corporate Trust, PA 1328, 123 South Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Rachel Rafferty, 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, Wachovia Bank, Corporate Trust, PA 1328, 123 South Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, 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 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 a true and correct copy of this Order was mailed 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.

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DONE AND EXECUTED this 10th day of March, 2004 by a majority of the Virginia Gas and Oil Board.

Benny R. Wampler
Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 22nd day of March, 2004 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 10th day of March, 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 L. Lavett
Notary Public

My commission expires: 7-31-06

STATE OF VIRGINIA)
COUNTY OF Washington)

Acknowledged on this 22nd day of March, 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 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: 9/30/05

Order Recorded Under Code of
Virginia Section 45.1-361.26

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

IN RE: Application of Equitable Production Company, for Forced Pooling of Interests in Unit Number V-505251 VGOB Docket No. VGOB-03/10/21-1214 in the Lipps 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 December 18, 2003, by the Virginia Gas and Oil Board regarding the captioned Conventinal 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 December 18, 2003.
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.

NONE

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.

Tract 6 Dorsie Dotson

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 paragraph 10 of the Order.

<u>Tract</u>	<u>Payee</u>	<u>Cash Consideration</u>
2	Donald Lee Meade and Kay Meade, H/W	13.7700 x \$5.00 = \$68.85
3	Deborah M. Nickles and Thomas J. Harper, W/H	0.1500 x \$5.00 = \$ 0.75
3	Samuel R. Nickles, single	0.1500 x \$5.00 = \$ 0.75
5	Bernard Ray Mullins, single	2.2550 x \$5.00 = \$ 11.28
5	Karen Kay McCoy, single	2.2550 x \$5.00 = \$ 11.28
7	Jossie McReynolds, widow (a.k.a. Jo Bill McReynolds)	0.5300 x \$5.00 = \$ 2.65
8	Jossie McReynolds, widow (a.k.a. Jo Bill McReynolds)	0.5100 x \$5.00 = \$ 2.55
9	Kathleen Ramey, widow	0.2150 x \$5.00 = \$ 1.08
9	Mildred Trent, widow	0.2150 x \$5.00 = \$ 1.08
10	Parker Young, widower	2.0800 x \$5.00 = \$ 10.40
10	Josephine Smith and James W. Smith, W/H	2.0800 x \$5.00 = \$ 10.40
11	A. Wayne Hale and Sharon Hale, H/W	0.0900 x \$5.00 = \$ 0.45
12	James Walter Smith, and Josephine Smith, H/W	1.7300 x \$5.00 = \$ 8.65
14	Danny Carroll Sturgill and Teresa Darlene Sturgill, H/W	1.5500 x \$5.00 = \$ 7.75

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 not required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this 20th day of February 2004.

[Signature]
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 25th day of February 2004.

My commission expires: 7/25/08

Christina Blair
Notary

EXHIBIT "B"
V-505251
VGOB-03-10/21-1214

<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</u>			
1	Equitable Production Company P O Box 2347 Charleston, WVA 25328	Owner 241709	53.100000%	59.8400	0.06637500 RI
	Equitable Production Company				0.46462500 WI
Tract 1 Totals			53.100000%	59.8400	0.53100000
2	Donald Lee Meade and Kay Meade, H/W RR2, Box 148 Coeburn, VA 24230	Unleased	12.210000%	13.7700	0.01526250 RI
	Equitable Production Company				0.10683750 WI
Tract 2 Totals			12.210000%	13.7700	0.12210000
3	Deborah M. Nickles and Thomas J. Harper, W/H 5055 Tibbitts Lane Burke, VA 22015	Unleased	0.135000%	0.1500	0.00016875 RI
	Samuel R. Nickles, single P O Box 10642 Burke, VA 22009	Unleased	0.135000%	0.1500	0.00016875 RI
	Equitable Production Company				0.00236250 WI
Tract 3 Totals			0.270000%	0.3000	0.00270000
4	Equitable Production Company P O Box 2347 Charleston, WVA 25328	Owner 241709	4.670000%	5.2600	0.00583750 RI
	Equitable Production Company				0.04086250 WI
Tract 4 Totals			4.670000%	5.2600	0.04670000
5	Bernard Ray Mullins, single P O Box 2195 Coeburn, VA 24230-2195	Unleased	1.995000%	2.2550	0.00249375 RI

EXHIBIT "B"
V-505251
VGOB-03-10/21-1214

<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>
	Karen Kay McCoy, single P O Box 2195 Coeburn, VA 24230-2195	Unleased	1.995000%	2.2550	0.00249375 RI
	Equitable Production Company				0.03491250 WI
<u>Tract 5 Totals</u>			3.990000%	4.5100	0.03990000
6	Dorsie Dotson P O Box 1784 Coeburn, VA 24230-1784	Leased	0.900000%	1.0100	0.00112500 RI
	Equitable Production Company				0.00787500 WI
<u>Tract 6 Totals</u>			0.900000%	1.0100	0.00900000
7	Jossie McReynolds, widow (a.k.a. Jo Bill McReynolds) 12626 Crab Orchard Road Coeburn, VA 24230	Unleased	0.470000%	0.5300	0.00058750 RI
	Equitable Production Company				0.00411250 WI
<u>Tract 7 Totals</u>			0.470000%	0.5300	0.00470000
8	Jossie McReynolds, widow (a.k.a. Jo Bill McReynolds) 12626 Crab Orchard Road Coeburn, VA 24230	Unleased	0.450000%	0.5100	0.00056250 RI
	Equitable Production Company				0.00393750 WI
<u>Tract 8 Totals</u>			0.450000%	0.5100	0.00450000
9	Kathleen Ramey, widow P O Box 544 Ruskin, FL. 33570-0544	Unleased	0.190000%	0.2150	0.00023750 RI
	Mildred Trent, widow P O Box 544 Ruskin, FL. 33570-0544	Unleased	0.190000%	0.2150	0.00023750 RI
	Equitable Production Company				0.00332500 WI
<u>Tract 9 Totals</u>			0.380000%	0.4300	0.00380000

EXHIBIT "B"
V-505251
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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>
10	Parker Young, widower 12432 Crab Orchard Road Coeburn, VA 24230	Unleased Life Estate	(1.850000%)	(2.0800)	(0.00231250) RI
	Josephine Smith and James W. Smith, W/H 12421 Crab Orchard Road Coeburn, VA 24230	Unleased Remainder	1.850000%	2.0800	0.00231250 RI
	Equitable Production Company				0.01618750 WI
<u>Tract 10 Totals</u>			1.850000%	2.0800	0.01850000
11	A. Wayne Hale, and Sharon Hale, H/W P O Box 217 Coeburn, VA 24230	Unleased	0.080000%	0.0900	0.00010000 RI
	Equitable Production Company				0.00070000 WI
<u>Tract 11 Totals</u>			0.080000%	0.0900	0.00080000
12	James Walter Smith, and Josephine Smith, H/W 12421 Crab Orchard Road Coeburn, VA 24230	Unleased	1.540000%	1.7300	0.00192500 RI
	Equitable Production Company				0.01347500 WI
<u>Tract 12 Totals</u>			1.540000%	1.7300	0.01540000
13	Betty B. Sturgill, and Carl Sturgill, W/H P O Box 686 Coeburn, VA 24230-0686	Leased-EPC 904938	4.160000%	4.6900	0.00520000 RI
	Equitable Production Company				0.03640000 WI
<u>Tract 13 Totals</u>			4.160000%	4.6900	0.04160000

887

Instrument Control Number

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Commonwealth of Virginia
Land Record Instruments
Cover Sheet - Form A

INSTRUMENT #200401270
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
MARCH 22, 2004 AT 11:59AM
J. JACK KENNEDY, JR., CLERK

BY: *[Signature]* (DC)

[ILS VLR Cover Sheet Agent 1.0.83]

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Date of Instrument: [3/22/2004]

Instrument Type: [ORDER]

Number of Parcels [2]

Number of Pages [10]

City County [Wise County] (Box for Deed Stamp Only)

First and Second Grantors

Last Name	First Name	Middle Name or Initial	Suffix
[Virginia Gas and Oil Bo]	[]	[]	[]
[]	[]	[]	[]

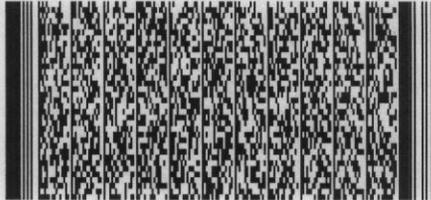
First and Second Grantees

Last Name	First Name	Middle Name or Initial	Suffix
[Meade]	[Donald]	[Lee]	[]
[Meade]	[Kay]	[]	[]

Grantee Address (Name) [Equitable Production Company]
 (Address 1) [Cloverleaf Square, Bldg G]
 (Address 2) []
 (City, State, Zip) [Big Stone Gap] [VA] [24219]
 Consideration [0.00] Existing Debt [0.00] Assumption Balance [0.00]

Prior Instr. Recorded at: City County [Wise County] Percent. in this Juris. [100]
 Book [] Page [] Instr. No [200306316]
 Parcel Identification No (PIN) [VGOB 0310211214]
 Tax Map Num. (if different than PIN) []
 Short Property Description [Supplemental Order]
 Current Property Address (Address 1) []
 (Address 2) []
 (City, State, Zip) [] [] []

Instrument Prepared By [DMME]
 Recording Paid for By [DMME]
 Return Recording To (Name) [Diane Davis]
 (Address 1) [DMME]
 (Address 2) [P. O. Box 1416]
 (City, State, Zip) [Abingdon] [VA] [24210]
 Customer Case ID [0310211214] [] []



ENTERED

Instrument Control Number

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**Commonwealth of Virginia
Land Record Instruments
Continuation Cover Sheet
Form B**

[ILS VLR Cover Sheet Agent 1.0.83]

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Date of Instrument: [3/22/2004]

Instrument Type: [ORDER]

Number of Parcels [2]

Number of Pages [10]

City County [Wise County] (Box for Deed Stamp Only)

Grantors/Grantees/Parcel Continuation Form B

	Last Name	First Name	Middle Name or Initial	Suffix
<input type="checkbox"/>	[Nickels	] [Deborah	] [M.] []
<input type="checkbox"/>	[Nickles	] [Thomas	] [J.] []
<input type="checkbox"/>	[Nickles	] [Samuel	] [R.] []
<input type="checkbox"/>	[Mullins	] [Bernard	] [Ray] []
<input type="checkbox"/>	[McCoy	] [Karen	] [Kay] []
<input type="checkbox"/>	[Dotson	] [Dorsie] []] []
<input type="checkbox"/>	[McReynolds	] [Jossie] []] []
<input type="checkbox"/>	[Ramey	] [Kathleen] []] []
<input type="checkbox"/>	[Trent	] [Mildred] []] []
<input type="checkbox"/>	[Young	] [Parker] []] []
<input type="checkbox"/>	[Smith	] [Josephine] []] []
<input type="checkbox"/>	[Smith	] [James	] [W.] []
<input type="checkbox"/>	[Sturgill	] [Betty	] [B.] []
<input type="checkbox"/>	[Sturgill	] [Carl] []] []
<input type="checkbox"/>	[Sturgill	] [Danny	] [Carroll] []
<input type="checkbox"/>	[Sturgill	] [Teresa	] [Darlene] []

Prior Instr. Recorded at: City County [Wise County] Percent. in this Juris. [100]

Book [] Page [] Instr. No []

Parcel Identification No (PIN) []

Tax Map Num. (if different than PIN) []

Short Property Description []

Current Property Address (Address 1) []

(Address 2) []

(City, State, Zip) [] [] []

