

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-03/10/21-1216

ELECTIONS, UNIT: V-535432

(hereinafter "Subject Drilling Unit")

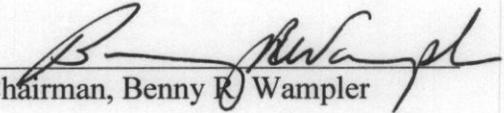
REPORT OF BOARD

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 Instrument No. 200306315 in 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.
- (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 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 10th day of March, 2004 by a majority of the Virginia Gas and Oil Board.

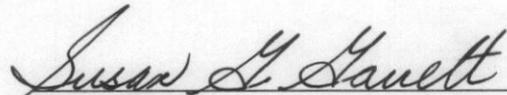

Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 22nd day of March, 2004 by Order of this Board.


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

STATE OF VIRGINIA)
COUNTY OF WISE)

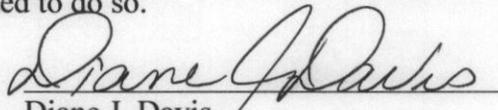
Acknowledged on this 10th day of March, 2004, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Notary Public

My commission expires: 7-31-06.

STATE OF VIRGINIA)
COUNTY OF ~~WISE~~)

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
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-535432 VGOB Docket No. VGOB-03/10/21-1216 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, Suite 202, 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 Conventional 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, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

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 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 paragraph 10 of the Order.

<u>Tract</u>	<u>Payee</u>	<u>Cash Consideration</u>
4	Glenda Maine Mullins and Alcieberry Mullins, W/H	0.7225 x \$5.00 = \$ 3.61
4	Gary Hamilton, single	0.7225 x \$5.00 = \$ 3.61
4	Randy Hamilton and Roxie Hamilton, H/W	0.7225 x \$5.00 = \$ 3.61
4	Clifford Hamilton and Deanne Hamilton, H/W	0.7225 x \$5.00 = \$ 3.61
5	Jack Miller and Gloria Miller, H/W	4.7700 x \$5.00 = \$23.85
6	Jack Miller and Gloria Miller, H/W	1.0600 x \$5.00 = \$ 5.30
8	Helen Holbrook Thomas, single	0.0400 x \$5.00 = \$ 0.20
9	Helen Holbrook Thomas, single	2.4500 x \$5.00 = \$12.25

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 17th 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: 7/25/05

Christina Blain
Notary

000088 MAR 22 8

EXHIBIT "B"
V-535432
VGOB-03/10/21/1216

<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>					
1a	CSTL, LLC P O Box 2827 Huntington, WV 25727 ATTN: John Mooney	Leased-EPC 904576 WI-182	43.660000%	49.1900	0.05457500 RI
	Equitable Production Company				0.38202500
<u>Tract 1a Totals</u>			43.660000%	49.1900	0.43660000
1b	CSTL, LLC P O Box 2827 Huntington, WV 25727 ATTN: John Mooney	Leased-EPC 904576 WI-182	1.080000%	1.2200	0.00135000 RI
	Equitable Production Company				0.00945000
<u>Tract 1b Totals</u>			1.080000%	1.2200	0.01080000
2	Glenn Castle and Judy Castle, H/W P O Box 365 Castlewood, VA 24224	Leased-EPC 904819	1.480000%	1.6700	0.00185000 RI
	Equitable Production Company				0.01295000
<u>Tract 2 Totals</u>			1.480000%	1.6700	0.01480000
3	Steve Hamilton and Renita Hamilton, H/W 14360 Bull Hill Road St Paul, VA 24283	Leased-EPC	1.060000%	1.2000	0.00132500 RI
	Equitable Production Company				0.00927500
<u>Tract 3 Totals</u>			1.060000%	1.2000	0.01060000
4	Muriel Amburgey Heirs:				
	Glenda Maine Mullins and Alcieberry Mullins, W/H P O Box 426 Pound, VA 24279-0426	Unleased	0.640000%	0.7225	0.00080000 RI
	Gary Hamilton, single 178 East View Street Galax, VA 24333	Unleased	0.640000%	0.7225	0.00080000 RI

EXHIBIT "B"
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	Randy Hamilton and Roxie Hamilton, H/W Route 3, Box 215-A Castlewood, VA 24224	Unleased	0.640000%	0.7225	0.00080000 RI
	Clifford Hamilton and Deanne Hamilton, H/W P O Box 751 Coeburn, VA 24230	Unleased	0.650000%	0.7225	0.00081250 RI
	Equitable Production Company				0.02248750
Tract 4 Totals			2.570000%	2.8900	0.02570000
5	Jack Miller, and Gloria Miller, H/W 14362 Bull Run Road Coeburn, VA 24230	Unleased	4.230000%	4.7700	0.00528750 RI
	Equitable Production Company				0.03701250
Tract 5 Totals			4.230000%	4.7700	0.04230000
6	Jack Miller, and Gloria Miller, H/W 14362 Bull Run Road Coeburn, VA 24230	Unleased	0.940000%	1.0600	0.00117500 RI
	Equitable Production Company				0.00822500
Tract 6 Totals			0.940000%	1.0600	0.00940000
7	Fannie Irene Holbrook Meade, single 13881 Patrick Road Coeburn, VA 24230	Leased-EPC 904977	4.150000%	4.6800	0.00518750 RI
	Equitable Production Company				0.03631250
Tract 7 Totals			4.150000%	4.6800	0.04150000
8	Helen Holbrook Thomas, single Route 1, Box 377-P Castlewood, VA 24224	Unleased	0.030000%	0.0400	0.00003750 RI
	Equitable Production Company				0.00026250
Tract 8 Totals			0.030000%	0.0400	0.00030000

EXHIBIT "B"
V-535432
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9	Helen Holbrook Thomas, single Route 1, Box 377-P Castlewood, VA 24224	Unleased	2.170000%	2.4500	0.00271250 RI
	Equitable Production Company				0.01898750
Tract 9 Totals			2.170000%	2.4500	0.02170000
10	CSTL, LLC P O Box 2827 Huntington, WV 25727 ATTN: John Mooney	Leased-EPC 904576 WI-197	38.350000%	43.2000	0.04793750 RI
	Equitable Production Company				0.33556250
Tract 10 Totals			38.350000%	43.2000	0.38350000
11	CSTL, LLC P O Box 2827 Huntington, WV 25727 ATTN: John Mooney	Leased-EPC 904576 WI-237	0.280000%	0.3200	0.00035000 RI
	Equitable Production Company				0.00245000
Tract 11 Totals			0.280000%	0.3200	0.00280000
TOTAL GAS ESTATE			100.000000%	112.6900	1.00000000

INSTRUMENT #200401269
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
MARCH 22, 2004 AT 11:55AM
J. JACK KENNEDY, JR., CLERK

BY: _____

(DC)

600

Instrument Control Number

[Empty box for Instrument Control Number]

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Commonwealth of Virginia
Land Record Instruments
Cover Sheet - Form A

[ILS VLR Cover Sheet Agent 1.0.83]

INSTRUMENT #200401269
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
MARCH 22, 2004 AT 11:55AM
J. JACK KENNEDY, JR. CLERK

BY: *[Signature]* (DC)

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Date of Instrument: [3/22/2004]

Instrument Type: [ORDER]

Number of Parcels [2]

Number of Pages [9]

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
[CSTL, LLC]	[]	[]	[]
[Castle]	[Glenn]	[]	[]

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 [0310211216] [] []



ENTERED

Instrument Control Number

[Empty box for Instrument Control Number]

00008 | MAR 22 3

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 [9]

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"/>	[Castle]	[Judy]	[[]	[[]
<input type="checkbox"/>	[Hamilton]	[Steve]	[[]	[[]
<input type="checkbox"/>	[Hamilton]	[Renita]	[[]	[[]
<input type="checkbox"/>	[Mullins]	[Glenda]	[Maine]	[[]
<input type="checkbox"/>	[Mullins]	[Alcieberry]	[[]	[[]
<input type="checkbox"/>	[Hamilton]	[Gary]	[[]	[[]
<input type="checkbox"/>	[Hamilton]	[Randy]	[[]	[[]
<input type="checkbox"/>	[Hamilton]	[Roxie]	[[]	[[]
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<input type="checkbox"/>	[Miller]	[Jack]	[[]	[[]
<input type="checkbox"/>	[Miller]	[Gloria]	[[]	[[]
<input type="checkbox"/>	[Meade]	[Fannie]	[Irene Holbrook]	[[]
<input type="checkbox"/>	[Thomas]	[Helen]	[Holbrook]	[[]
<input type="checkbox"/>	[]	[]	[[]	[[]
<input type="checkbox"/>	[]	[]	[[]	[[]

Prior Instr. Recorded at: City County [Wise County] Percent. in this Juris. [100]
 Book [] Page [] Instr. No [200306315]
 Parcel Identification No (PIN) [VGOB0310211216]
 Tax Map Num. (if different than PIN) []
 Short Property Description [Supplemental Order]
 []
 Current Property Address (Address 1) []
 (Address 2) []
 (City, State, Zip) [] [] []

