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INSTRUMENT PREPARED BY  
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE  
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-05/04/09/21-1340-02

ELECTIONS, UNIT: 825407

(hereinafter "Subject Drilling Unit")

TAX MAP IDENTIFICATION NUMBERS:  
  
TAX MAP IDENTIFICATION NUMBERS FOR ALL PARCELS  
AFFECTED BY THIS ORDER ARE SHOWN ON EXHIBITS (S) **B**,  
**PLAT** WHICH IS/ARE ATTACHED TO AND A PART OF THIS  
ORDER.

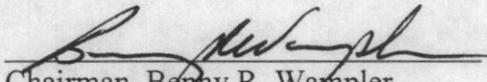
REPORT OF BOARD

FINDINGS AND ORDER

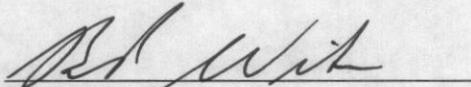
1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas 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 November 15, 2005 and recorded instrument # 05-0003592 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on November 17, 2005 (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 Chesapeake Appalachia LLC, (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 10, 2005, 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 March 22, 2006, 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 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 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 18<sup>th</sup> day of April, 2006 by a majority of the Virginia Gas and Oil Board.

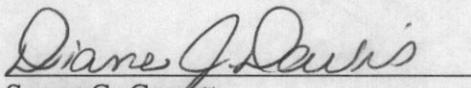
  
Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 19<sup>th</sup> day of April, 2006 by Order of this Board.

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

STATE OF VIRGINIA )  
COUNTY OF Washington

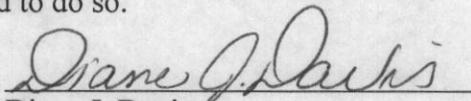
Acknowledged on this 18<sup>th</sup> day of April, 2006, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

  
Susan G. Garrett  
Notary Public

My commission expires: 9/30/09.

STATE OF VIRGINIA )  
COUNTY OF Washington

Acknowledged on this 19<sup>th</sup> day of April, 2006, 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: 9/30/09.

**VIRGINIA:**

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

IN RE: Application of Chesapeake Appalachia LLC for Forced Pooling of Interests in Unit Number 825407, VGOB Docket No. VGOB-04/09/21-1340-02 in the North Grundy Magisterial District of Buchanan 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 November 15, 2005, 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 November 17, 2005.
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:

<u>Tract</u>	<u>Lessor</u>	<u>Elected</u>
4	Bank of America, N.A. Trustee Clark Educational Trust Attn: Brad Kolins, Vice President P.O. Box 830308 Dallas, TX 75283-0308	Cash Consideration

Copy to:

Bank of America, N.A. Trustee  
Clark Educational Trust  
Attn: David Yarter  
P.O. Box 14111  
Roanoke, VA 24038-4111

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 as unknown/unlocatable.

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:

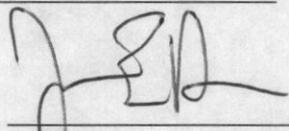
NONE

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>Lessor</u>	<u>Cash Consideration</u>
3	Winifred Coleman 12 Puffin Court Navato, CA 94949	0.013333 X \$5.00 = \$0.07
4	Wachovia Bank, N.A. Trustee for the Francis Bell Blakemore Trust P.O. Box 40062 (FL0027) Jacksonville, FL 32203-0062	0.337500 X \$5.00 = \$1.69

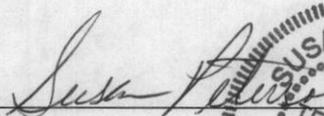
That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are not required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this 25<sup>th</sup> day of March 2006.

  
\_\_\_\_\_  
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Chesapeake Appalachia LLC, a corporation, on behalf of the corporation, this 25<sup>th</sup> day of March, 2006.

My commission expires: 11-12-08

  
\_\_\_\_\_  
Notary



**EXHIBIT B**  
**Well No. 825407 (HCS-82)**  
**(Revised 9/16/05)**

<b>LESSOR</b>	<b><u>LEASE STATUS</u></b>	<b><u>INTEREST WITHIN UNIT</u></b>	<b><u>GROSS ACREAGE IN UNIT</u></b>
<b>TRACT 1 - 96.16 Acres in Unit</b>			
Green Charles Estate c/o John H. Baird Box 351 Pikeville, KY 41501	Leased	85.331440%	96.160000
<b>TRACT 2 - 4.26 Acres in Unit</b>			
Big Sandy Coal Corporation c/o Hess, Stewart & Campbell P. O. Box 1060 Huntington, WV 25713	Leased	2.520188%	2.840000
Eagle Coal Corporation c/o Hess, Stewart & Campbell P. O. Box 1060 Huntington, WV 25713	Leased	1.260094%	1.420000
<b>TRACT 3 - .12 Acres in Unit</b>			
Francis Foley 34958 Roberts Lane St. Helens, OR 97051	Leased	0.035496%	0.040000
Daniel Coleman 200 Bellefonte Circle Ashland, KY 41101	Leased	0.035496%	0.040000
Amy and John Reilly 819 Hillcrest Circle Wexford, PA 15090	Leased	0.007888%	0.008889
Alice and Ralph Schepp 273 Hickory Heights Drive Bridgeville, PA 15017	Leased	0.007888%	0.008889
Lydia Coleman 10216-B White Pelican Way New Market, MD 21774	Leased	0.007888%	0.008889
Winifred Coleman 12 Puffin Court Novato, CA 94949	Unleased	0.011832%	0.013333

**TRACT 4 - 12.15 Acres in Unit**

Louis P. Johnson 515 College View Drive Blacksburg, VA 24060	Leased*	4.791908%	5.400001
Oryn Treadway Sheffield Trust John T. Sheffield, Trustee c/o Brandi Sheffield 125 West Lane Kerrville, TX 78028	Leased*	0.598988%	0.675000
John Tolman Sheffield Trust Oryn Treadway Sheffield, Jr., Trustee c/o Brandi Sheffield 125 West Lane Kerrville, TX 78028	Leased*	0.598988%	0.675000
W. R. White III, Trustee 1469 Summer Ridge Road Maidens, VA 23102	Leased	0.524115%	0.590625
W.Y.C. White III, Trustee 14210 Helmsley Road Midlothian, VA 23113	Leased	0.524115%	0.590625
James L. White, Trustee P. O. Box 46 Abingdon, VA 24210	Leased	0.524115%	0.590625
William A. Blakemore, Trustee 8499 Anderson Court Mechanicsville, VA 23116-3102	Leased	0.299494%	0.337500
John A. Blakemore, J. Trustee 9911 Kingsbridge Road Richmond, VA 23233	Leased	0.299494%	0.337500
Sarah B. Drummond, Trustee 111 South Lakemont Winter Park, FL 32782	Leased	0.299494%	0.337500
Mary B. Johnston, Trustee 300 Westminister Canterbury, #317 Winchester, VA 22124	Leased	0.299494%	0.337500
Page 3.			
Estate of Martha B. McCrary, Deceased c/o Jim Fern Hicok, Fern & Brown, CPA's P. O. Box 821 Abingdon, VA 24212	Leased	0.299494%	0.337500
Wachovia Bank, N.A.	Unleased	0.299494%	0.337500

Trustee for the Francis Bell Blakemore Trust  
 P. O. Box 40062 (FL0027)  
 Jacksonville, FL 32203-0062

Meredith Ellis Jennings Leased\* 0.239595% 0.270000  
 542 Butler Mill Road  
 Maryville, TN 37803

Lucille Gilly Vicars Leased\* 0.239595% 0.270000  
 242 Polk Place Drive  
 Franklin, TN 37064

Bank of America, Trust Department Unleased 0.224621% 0.253125  
 Trustee for Grace W., Thomas B, and Elise Thompson  
 Clark Educational Trust  
 Attn: David Yarter  
 P. O. Box 14111  
 Roanoke, VA 24038-4111

Richard K. Pobst & Leased\* 0.119798% 0.135000  
 M. Catherine Pobst  
 1024 Oxford Drive  
 St. Augustine, FL 32084-1821

Catherine Pobst Leased\* 0.119798% 0.135000  
 111 Postelle Street  
 Cartersville, GA 30120

Virginia P. Linwick & Leased\* 0.119798% 0.135000  
 Phillip G. Linwick  
 4324 South Ball Drive  
 Veradale, WA 99037

John W. Pobst, Jr. Leased\* 0.119798% 0.135000  
 P. O. Box 86  
 Revere, PA 18953

Carl E. McAfee Leased\* 0.119798% 0.135000  
 P. O. Box 321  
 Norton, VA 24273-0321

Hugh P. Cline Leased\* 0.119798% 0.135000  
 P. O. Box 698  
 Norton, VA 24273

TOTAL GAS ESTATE 100% 112.690001

Page 4.

Total Percentage Leased 99.472730%  
 Total Percentage Unleased 0.527270%

Total Acreage Leased 112.095819  
 Total Acreage Unleased 0.594181

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 25<sup>th</sup> day of April, 2006 1:36P. M. The tax imposed by §587.1-802 of the Code has been paid in the amount of \$          .  
 Dced Book No.            and Page No.           . TESTE: James M. Bevins, Jr., Clerk  
 Returned to: DMME TESTE: Guendy S. Jillea Deputy Clerk