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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-05/05/17-1457  
ELECTIONS, UNIT: 825532

(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 August 16, 2005 and recorded instrument # 05-0002473 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on August 18, 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 Columbia Natural Resources 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 November 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 19<sup>th</sup> day of September, 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 September, 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

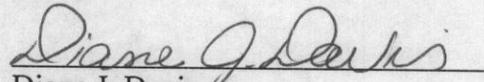
Acknowledged on this 19<sup>th</sup> day of September, 2006, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized 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 September, 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 Columbia Natural Resources LLC for Forced Pooling of Interests in Unit Number 825532, VGOB Docket No. VGOB-05/05/17-1457 in the Knox 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 August 16, 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 August 18, 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:

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 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:

<u>Tract</u>	<u>Lessor</u>
3	<p>Florane Baird P.O. Box 351 Pikeville, KY 41501</p> <p>Douglas Mack Justice P.O. Box 2883 Pikeville, KY 41501</p> <p>Edith J. Huber 3901 Green Haven Lane Goshen, KY 40026</p> <p>Florence Lester 695 Hollywood Street Gilbert, WV 25621</p>

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	<p>Henry Lester 4510 Furman Road Wheaton, MD 20906</p> <p>Herschel Lester HCR 60, Box 232 Mohawk, WV 24862</p>	<p>0.001948 X \$5.00 = \$0.01</p> <p>0.001948 X \$5.00 = \$0.01</p>

<u>Tract</u>	<u>Lessor</u>	<u>Cash Consideration</u>
3	Ralph Lester 19300 Saint Johnsbury Lane Germantown, MD 20876	0.001948 X \$5.00 = \$0.01
	Norman Lester 47-239 Kamakoi Road Kamakoi, HI 96744	0.001948 X \$5.00 = \$0.01
	Betty Alkire 230 Manassas Drive Manassas Park, VA 20111	0.001948 X \$5.00 = \$0.01
	Billy Lester 230 Manassas Drive Manassas Park, VA 20111	0.001948 X \$5.00 = \$0.01
	Agnes Toone 407 Nominz Bay Drive Montross, VA 22520	0.001948 X \$5.00 = \$0.01
	George Lester Rt 1, Box 652 Tazewell, VA 24651	0.001948 X \$5.00 = \$0.01
	David Lester 1135 Howard Ct. Kennesaw, GA 30144	0.001948 X \$5.00 = \$0.01
	Tammy Lester HCR 68, Box 925 Hanover, WV 24839	0.001948 X \$5.00 = \$0.01
	Charles Lester 12314 Point Field Drive Fulton, MD 20759	0.001948 X \$5.00 = \$0.01
	Steve Cline P.O. Box 342 Bolt, WV 25817	0.002143 X \$5.00 = \$0.01

<u>Tract</u>	<u>Lessor</u>	<u>Cash Consideration</u>
3	Gorman Cline HCR 63 Box 8 Panther, WV 24872	0.000536 X \$5.00 = \$0.002
	Garland Cline HCR 60 Box 215 Mohawk, WV 24862	0.000536 X \$5.00 = \$0.002
	Chester Cline HCR 60 Box 212 Mohawk, WV 24862	0.000536 X \$5.00 = \$0.002
	Lisa Cline Bailey HCR 60 Box 209 Mohawk, WV 24862	0.000536 X \$5.00 = \$0.002

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.

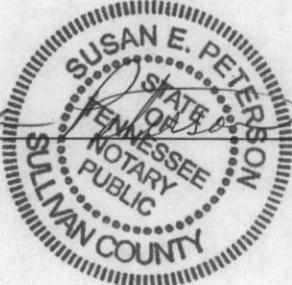
Dated at Kingsport, Tennessee, this 25<sup>th</sup> day of March 2006.

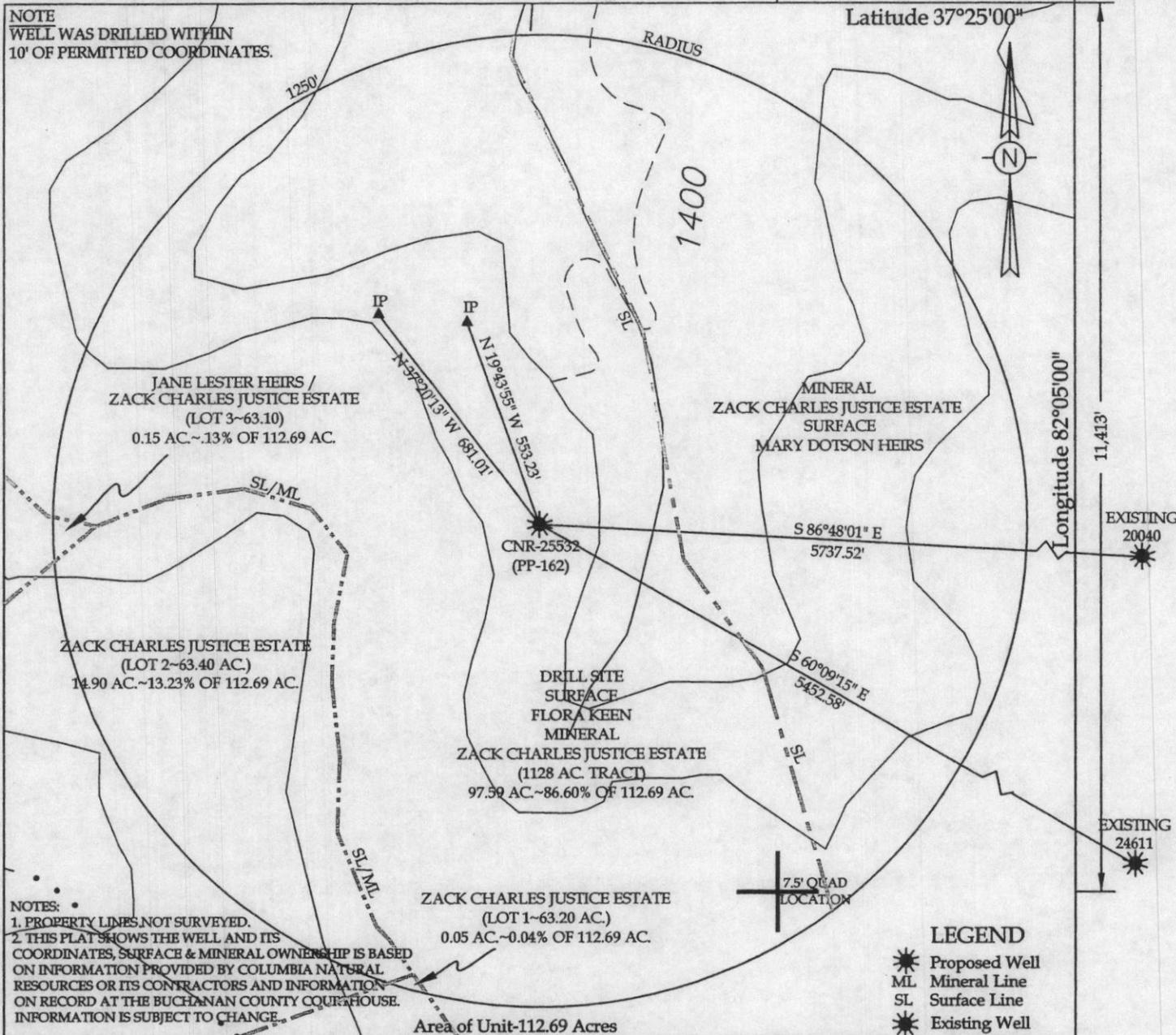
James E. Kaiser  
Affiant

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

My commission expires: 11-12-08

Susan E. Peterson  
Notary





WELL LOCATION PLAT

Company Columbia Natural Resources Well Name or Number CNR-25532 (PP-162)

Tract No. ZACK CHARLES JUSTICE ESTATE (1128 ac.) Quadrangle HURLEY

District KNOX

Well Coordinates (Virginia State Plane) N: 402847.89 E: 955296.89

Elevation: 1564.33 Method Used to Determine Elevation: Trig. Levels from GPS derived elevation.

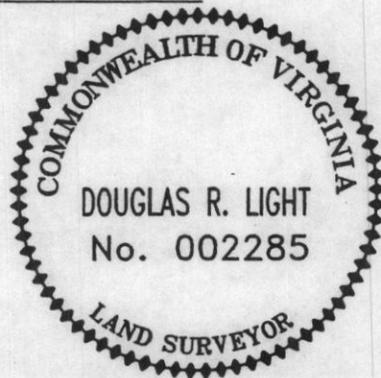
County BUCHANAN Scale: 1" = 400' Date 9-23-05

This Plat is a new plat \_\_\_\_\_; an updated plat \_\_\_\_\_; or a final location plat X \_\_\_\_\_;

+ Denotes the location of a well on United States topographic maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

*Douglas R. Light*

Licensed Professional Engineer or Licensed Land Surveyor



(Affix Seal)

**EXHIBIT B**  
**Well No. 825532 (PP-162)**  
(Revised 2/8/06)

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<b>TRACT 1,2,4 112.54 Acres in Unit</b>			
Zack Charles Justice Estate c/o John H. Baird Box 351 Pikeville, KY 41501	Leased	99.866891%	112.540000
Donald R. Johnson Attorney at Law 1950 Electric Road Roanoke, VA 24018			
<b>TRACT 3 .15 Acre in Unit</b>			
Florane Baird P.O. Box 351 Pikeville, KY 41501	Leased	0.019015504%	00.021429
Douglas Mack Justice P.O. Box 2883 Pikeville, KY 41501	Leased	0.012677003%	00.014286
Edith J. Huber ✓ 3901 Green Haven Lane Goshen, KY 40026	Leased	0.006338501%	00.007143
Henry Lester 4510 Furman Road Wheaton, MD 20906	Unleased	0.001728682%	00.001948
Herschel Lester HCR 60, Box 232 Mohawk, WV 24862	Unleased	0.001728682%	00.001948
Ralph Lester 19300 Saint Johnsbury Lane Germantown, MD 20876	Unleased	0.001728682%	00.001948
Norman Lester 47-239 Kamakoi Road Kamakoi, HI 96744	Unleased	0.001728682%	00.001948
Betty Alkire 230 Manassas Drive Manassas Park, VA 20111	Unleased	0.001728682%	00.001948
Billy Lester 230 Manassas Drive Manassas Park, VA 20111	Unleased	0.001728682%	00.001948
Agnes Toone 407 Nominz Bay Drive Montross, VA 22520	Unleased	0.001728682%	00.001948
George Lester Rt 1, Box 652 Tazewell, VA 24651	Unleased	0.001728682%	00.001948

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<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
David Lester 1135 Howard Ct. Kennesaw, GA 30144	Unleased	0.001728682%	00.001948
Tammy Lester HCR 68, Box 925 Hanover, WV 24839	Unleased	0.001728682%	00.001948
Charles Lester 12314 Point Field Drive Fulton, MD 20759	Unleased	0.001728682%	00.001948
Cecil Cline 127 East Maranta Road Mooresville, NC 28117	Leased	0.001901550%	00.002143
Jerry Cline General Delivery Prosperity, WV 25909	Leased	0.001901550%	00.002143
Steve Cline P.O. Box 342 Bolt, WV 25817	Unleased	0.001901550%	00.002143
Margaret Cline P.O. Box 171 Bolt, WV 25817	Leased	0.001901550%	00.002143
Troy Cline P.O. Box 86 Rock View, WV 24880	Leased	0.000950775%	00.001071
Leshia D. Ratliff P.O. Box 1252 Pineville, WV 24847	Leased	0.000950775%	00.001071
Gorman Cline HCR 63 Box 8 Panther, WV 24872	Unleased	0.000475388%	00.000536
Garland Cline HCR 60 Box 215 Mohawk, WV 24862	Unleased	0.000475388%	00.000536
Chester Cline HCR 60 Box 212 Mohawk, WV 24862	Unleased	0.000475388%	00.000536
Lisa Cline Bailey HCR 60 Box 209 Mohawk, WV 24862	Unleased	0.000475388%	00.000536
Bernard Cline P.O. Box 10 Ballard, WV 24918	Leased	0.001901550%	00.002143

**EXHIBIT B**  
**Well No. 825532 (PP-162)**  
 (Revised 2/8/06)

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
Thelma Janice Gibson 3308 Bahia Vista Street Sarasota, FL 34239	Leased	0.001901550%	00.002143
Della Marie Paul 307 Forest Pine Court Macon, GA 31206	Leased	0.001901550%	00.002143
Freda Ethelene Welch 2716 Southern Oaks Drive Cantonment, FL 32533	Leased	0.001901550%	00.002143
Florence Lester 695 Hollywood Street Gilbert, WV 25621	Leased	0.019015504%	00.021429
Pearl Simons 787 Mud Fork Road North Tazewell, VA 24630	Leased	0.019015504%	00.021429
Dorothy Cook 4813 North Auburn Drive Mobile, AL 36618	Leased	0.019015504%	00.021429
<b>TOTAL GAS ESTATE</b>		<b>100.000000000%</b>	<b>112.690000</b>
Total Percentage Leased		99.977561705%	
Total Percentage Unleased		0.022438295%	
Total Acreage Leased			112.664714
Total Acreage Unleased			00.025286

**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 26<sup>th</sup> day of September, 2006 2:03P M. The tax imposed by §587.1-802 of the Code has been paid in the amount of \$                    .  
 Deed Book No.                      and Page No.                     .      TESTE: James M. Bevins, Jr., Clerk  
 Returned to: DMME      TESTE: Gwenly S. (Kear) Deputy Clerk

RECORDED  
 26 SEP 11 2006  
 CLERK  
 05:02PM  
 OFFICE OF  
 1125