

1233

080000448

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-06/06/20-1659

ELECTIONS, UNIT: 824731

(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**  
WHICH IS/ARE ATTACHED TO AND A PART OF THIS ORDER.

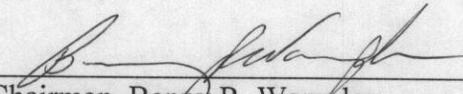
REPORT OF BOARD

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 February 23, 2007 and recorded instrument # 070000711 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on February 27, 2007 (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 April 2, 2007, 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 January 9, 2008, 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, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, (540) 563-7764, Attn: Judy Barger, 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, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, (888) 396-0853, Attn: Judy Barger, 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 31<sup>st</sup> day of January, 2008 by a majority of the Virginia Gas and Oil Board.

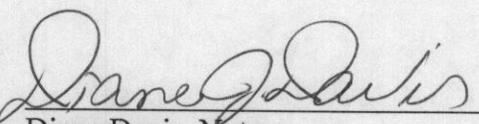
  
Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 31<sup>st</sup> day of January, 2008 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 31<sup>st</sup> day of January, 2008, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.

  
Diane Davis, Notary  
174394

My commission expires: September 30, 2009

**VIRGINIA:**

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

IN RE: Application of Chesapeake Appalachia LLC for Forced Pooling of Interests in Unit Number 824731, VGOB Docket No. VGOB-06/06/20-1659 in the Rocklick 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 February 23, 2007, 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 February 27, 2007.
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>NAME</u>	<u>ELECTED</u>
2	Sarah Ruth Fletcher Daniels Rt. 1 Box 407 Grundy, Virginia 24614	Cash Consideration

<u>TRACT</u>	<u>NAME</u>	<u>ELECTED</u>
2	Paul Gregory Fletcher and Sherry M. Fletcher, his wife Rt. 1 Box 415 Grundy, Virginia 24614	Cash Consideration
2	Dwight Douglas Fletcher 7817 Abbott Drive Boonesboro, Maryland 21713	Cash Consideration
2	Clyde Richard Fletcher 4113 Ridgebluffs Court Raleigh, North Carolina 27603-8822	Cash Consideration
2	Ether Marie Skibinski 3570 Colony Lane Roanoke, VA 24018-4410	Cash Consideration

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>TRACTS</u>	<u>LESSOR</u>
3,4,5,6 & 7	Rees Bowen Royall by Douglas R. Hutchinson, Attorney in Fact P. O. Box 313 North Tazewell, Virginia 24630
	Kelly Bowen Musleh P. O. Box 1866 Ocala, Florida 34478
	James W. St. Clair 1805 McCoy Drive Huntington, West Virginia 25701

TRACTS

LESSOR

3,4,5,6 & 7

Mary Cole Deitz  
3 Francis Way  
Lewisburg, West Virginia 24901

Sharon K. Rowe and  
Jim Rowe, her husband  
205 Church Street  
Lewisburg, West Virginia 24901

Linda Bair Erickson  
1150 Carmel Circle Unit 107  
Castleberry, Florida 32707

Conrad B. Litz, Jr.  
P. O. Box 295  
Tazewell, Virginia 24651

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>
2	Beth Ann Brown and Charles David Brown, her husband 75 Blackberry Court Douglasville, Georgia 30134	6.495000 X \$5.00 = \$32.48
3,4,5,6 & 7	Jeanne Bowen Hillman f/k/a Jeanne Bowen Harkness 414 53rd Square Vero Beach, Florida 32968	0.345556 X \$5.00 = \$1.73
4 & 7	Steve Justus and Evelyn Justus, his wife Rt. 1, Box 413 Grundy, Virginia 24614	0.223333 X \$5.00 = \$1.17
5	Johnny K. Fletcher and Teresa L. Fletcher, his wife Rt. 1, Box 412 Grundy, Virginia 24614	0.376667 X \$5.00 = \$1.88

Tract

Lessor

Cash Consideration

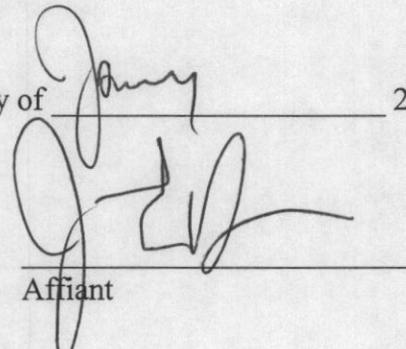
6

Bobby A. Taylor and  
Opal Joyce Taylor, his wife  
P. O. Box 172  
Hurley, Virginia 24620

0.236667 X \$5.00 = \$1.18

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 11<sup>th</sup> day of January 2008.

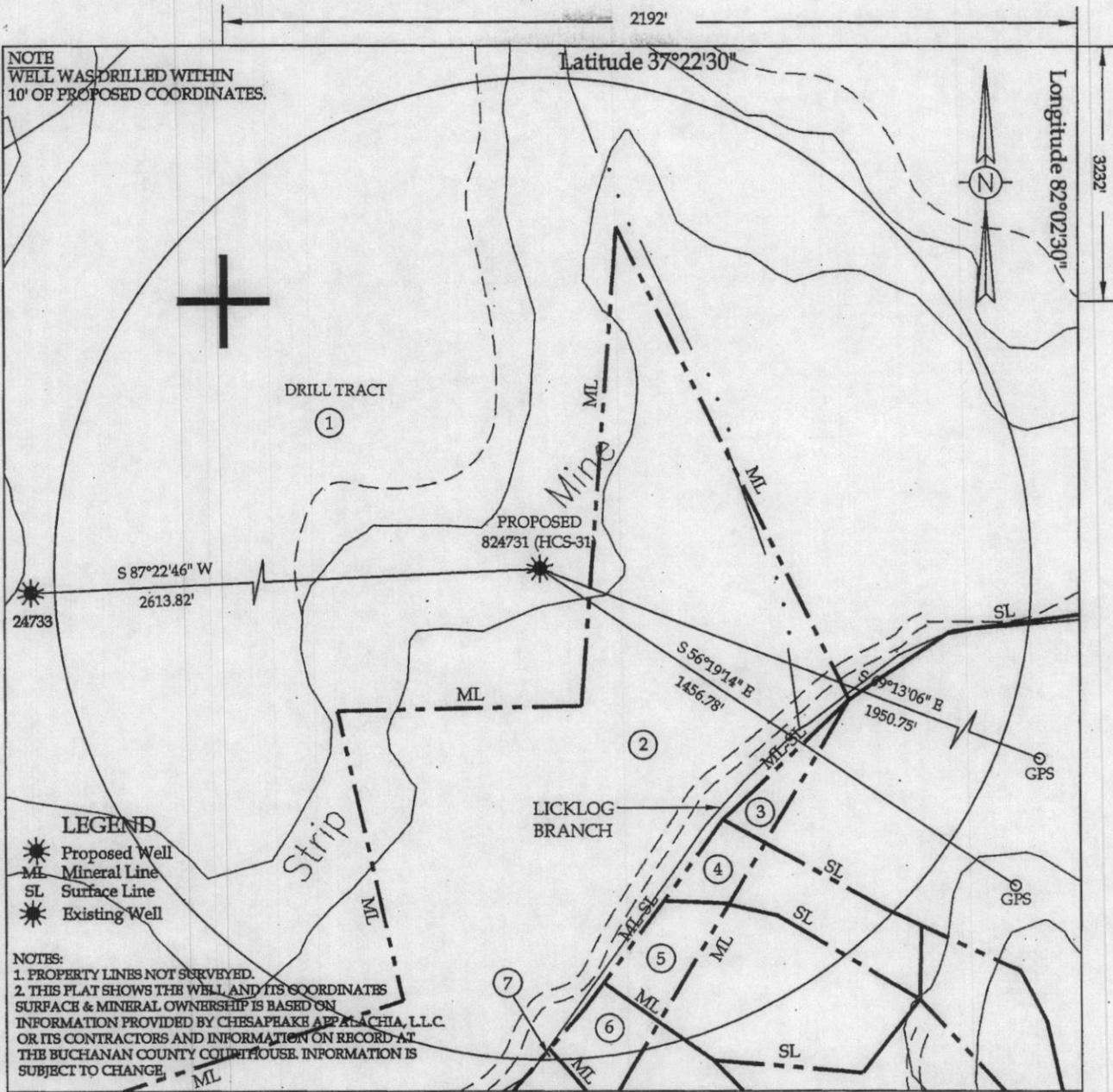
  
\_\_\_\_\_  
Affiant

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 11<sup>th</sup> day of January, 2008.

My commission expires: 11-12-08

Susan Peterson  
\_\_\_\_\_  
Notary





Area of Unit-112.69 Acres  
WELL LOCATION PLAT

Company CHESAPEAKE APPALACHIA, L.L.C. Well Name or Number 824731 (HCS-31)

Tract No. A.S. RICHARDSON & GREEN CHARLES ESTATE Quadrangle GRUNDY

District ROCKCLICK

Well Coordinates (Virginia State Plane) N: 395,721.72 E: 959,939.49

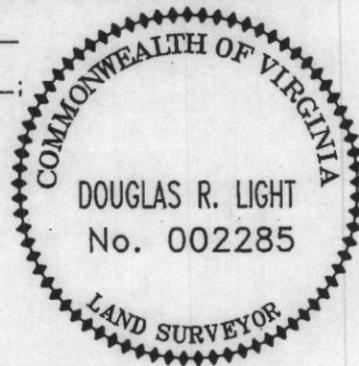
Elevation: 1784.48 Method Used to Determine Elevation: Trig. Levels from GPS derived elevation.

County BUCHANAN Scale: 1" = 400' Date 10-23-06

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



**EXHIBIT B**  
**Well No. 824731 (HCS-31)**  
 Revised 10/8/07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<b>TRACT 1 83.60 Acres in Unit</b>			
A.S. Richardson Estate Green Charles Estate c/o John H. Baird Box 351 Pikeville, KY 41502-0351	Leased	74.185820%	83.600000
Donald R. Johnson Attorney at Law 1950 Electric Road Roanoke, VA 24018			
<b>TRACT 2 25.98 Acres in Unit</b>			
Sarah Ruth Fletcher Daniels Rt. 1 Box 407 Grundy, VA 24614	Unleased Elected Cash Basis	5.763599%	6.495000
Nina B. Fletcher Rt. 1 Box 405 Grundy, VA 24614	Leased	5.763599%	6.495000
Beth Ann Brown and Charles David Brown, her husband 75 Blackberry Court Douglasville, GA 30134	Unleased Cash Basis	5.763599%	6.495000
Paul Gregory Fletcher and Sherry M. Fletcher, his wife Rt. 1 Box 415 Grundy, VA 24614	Unleased Elected Cash Basis	2.881800%	3.247500
Dwight Douglas Fletcher 7817 Abbott Drive Boonesboro, MD 21713	Unleased Elected Cash Basis	0.960600%	1.082500
Clyde Richard Fletcher 4113 Ridgebluffs Court Raleigh, NC 27603-8822	Unleased Elected Cash Basis	0.960600%	1.082500
Ethel Marie Skibinski and spouse or heirs 3570 Colony Lane Roanoke, VA 24018-4410	Unleased Elected Cash Basis	0.960600%	1.082500

**EXHIBIT B**  
**Well No. 824731 (HCS-31)**  
 Revised 10/8/07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<b>TRACT 3 .60 Acre in Unit</b>			
Buchanan Gas Company, LLC c/o John Matney 2700 Lee Highway Bristol, VA 24202-0000	Leased	0.177478%	0.200000
Green Charles Estate c/o John H. Baird Box 351 Pikeville, KY 41501	Leased	0.177478%	0.200000
Donald R. Johnson Attorney at Law 1950 Electric Road Roanoke, VA 24018			
Jeanne Bowen Hillman f/k/a Jeanne Bowen Harkness and spouse or heirs 414 53rd. Square Vero Beach, FL 32968	Unleased <b>Cash Basis</b>	0.059159%	0.066667
Rees Bowen Royall by Douglas R. Hutchinson, Attorney in Fact P. O. Box 313 North Tazewell, VA 24630	Unleased <b>Voluntary Lease</b>	0.047327%	0.053333
Kelly Bowen Musleh and spouse or heirs P.O. Box 1866 Ocala, FL 34478	Unleased <b>Voluntary Lease</b>	0.023664%	0.026667
James W. St. Clair 1805 McCoy Drive Huntington, WV 25701	Unleased <b>Voluntary Lease</b>	0.011832%	0.013333
Mary Cole Deitz 3 Francis Way Lewisburg, WV 24901	Unleased <b>Voluntary Lease</b>	0.005916%	0.006667

**EXHIBIT B**  
**Well No. 824731 (HCS-31)**  
 Revised 10/8/07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
Sharon K. Rowe and Jim Rowe, her husband 205 Church Street Lewisburg, WV 24901	Unleased <b>Voluntary Lease</b>	0.005916%	0.006667
Linda Bair Erickson 1150 Carmel Circle Unit 107 Castleberry, FL 32707	Unleased <b>Voluntary Lease</b>	0.011832%	0.013333
Conrad B. Litz, Jr. P.O. Box 295 Tazewell, VA 24651	Unleased <b>Voluntary Lease</b>	0.011832%	0.013333
<b>TRACT 4 &amp; 7 .66 + .01 Acre in Unit</b>			
Steve Justus and Evelyn Justus, his wife Rt. 1 Box 413 Grundy, VA 24614	Unleased <b>Cash Basis</b>	0.198184%	0.223333
Green Charles Estate c/o John H. Baird Box 351 Pikeville, KY 41501	Leased	0.198184%	0.223333
Donald R. Johnson Attorney at Law 1950 Electric Road Roanoke, VA 24018			
Jeanne Bowen Hillman f/k/a Jeanne Bowen Harkness and spouse or heirs 414 53rd. Square Vero Beach, FL 32968	Unleased <b>Cash Basis</b>	0.066061%	0.074444
Rees Bowen Royall by Douglas R. Hutchinson, Attorney in Fact P. O. Box 313 North Tazewell, VA 24630	Unleased <b>Voluntary Lease</b>	0.052849%	0.059556

**EXHIBIT B**  
**Well No. 824731 (HCS-31)**  
 Revised 10/8/07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
Kelly Bowen Musleh and spouse or heirs P.O. Box 1866 Ocala, FL 34478	Unleased <b>Voluntary Lease</b>	0.026425%	0.029778
James W. St. Clair 1805 McCoy Drive Huntington, WV 25701	Unleased <b>Voluntary Lease</b>	0.013212%	0.014889
Mary Cole Deitz 3 Francis Way Lewisburg, WV 24901	Unleased <b>Voluntary Lease</b>	0.006606%	0.007444
Sharon K. Rowe and Jim Rowe, her husband 205 Church Street Lewisburg, WV 24901	Unleased <b>Voluntary Lease</b>	0.006606%	0.007444
Linda Bair Erickson 1150 Carmel Circle Unit 107 Castleberry, FL 32707	Unleased <b>Voluntary Lease</b>	0.013212%	0.014889
Conrad B. Litz, Jr. P.O. Box 295 Tazewell, VA 24651	Unleased <b>Voluntary Lease</b>	0.013212%	0.014889
<b>TRACT 5 1.13 Acres in Unit</b>			
Johnny K. Fletcher and Teresa L. Fletcher, his wife Rt. 1 Box 412 Grundy, VA 24614	Unleased <b>Cash Basis</b>	0.334250%	0.376667
Green Charles Estate c/o John H. Baird Box 351 Pikeville, KY 41501	Leased	0.334250%	0.376667
Donald R. Johnson Attorney at Law 1950 Electric Road Roanoke, VA 24018			

**EXHIBIT B**  
**Well No. 824731 (HCS-31)**  
 Revised 10/8/07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
Jeanne Bowen Hillman f/k/a Jeanne Bowen Harkness and spouse or heirs 414 53rd. Square Vero Beach, FL 32968	Unleased <b>Cash Basis</b>	0.111417%	0.125556
Rees Bowen Royall by Douglas R. Hutchinson, Attorney in Fact P. O. Box 313 North Tazewell, VA 24630	Unleased <b>Voluntary Lease</b>	0.089133%	0.100444
Kelly Bowen Musleh and spouse or heirs P.O. Box 1866 Ocala, FL 34478	Unleased <b>Voluntary Lease</b>	0.044567%	0.050222
James W. St. Clair 1805 McCoy Drive Huntington, WV 25701	Unleased <b>Voluntary Lease</b>	0.022283%	0.025111
Mary Cole Deitz 3 Francis Way Lewisburg, WV 24901	Unleased <b>Voluntary Lease</b>	0.011142%	0.012556
Sharon K. Rowe and Jim Rowe, her husband 205 Church Street Lewisburg, WV 24901	Unleased <b>Voluntary Lease</b>	0.011142%	0.012556
Linda Bair Erickson 1150 Carmel Circle Unit 107 Castleberry, FL 32707	Unleased <b>Voluntary Lease</b>	0.022283%	0.025111
Conrad B. Litz, Jr. P.O. Box 295 Tazewell, VA 24651	Unleased <b>Voluntary Lease</b>	0.022283%	0.025111
<b>TRACT 6 .71 Acres in Unit</b>			
Bobby A. Taylor and Opal Joyce Taylor, his wife P.O. Box 172 Hurley, VA 24620	Unleased <b>Cash Basis</b>	0.210016%	0.236667

**EXHIBIT B**  
**Well No. 824731 (HCS-31)**  
 Revised 10/8/07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
Green Charles Estate c/o John H. Baird Box 351 Pikeville, KY 41501	Leased	0.210016%	0.236667
Donald R. Johnson Attorney at Law 1950 Electric Road Roanoke, VA 24018			
Jeanne Bowen Hillman f/k/a Jeanne Bowen Harkness and spouse or heirs 414 53rd. Square Vero Beach, FL 32968	Unleased <b>Cash Basis</b>	0.070005%	0.078889
Rees Bowen Royall by Douglas R. Hutchinson, Attorney in Fact P. O. Box 313 North Tazewell, VA 24630	Unleased <b>Voluntary Lease</b>	0.056004%	0.063111
Kelly Bowen Musleh and spouse or heirs P.O. Box 1866 Ocala, FL 34478	Unleased <b>Voluntary Lease</b>	0.028002%	0.031556
James W. St. Clair 1805 McCoy Drive Huntington, WV 25701	Unleased <b>Voluntary Lease</b>	0.014001%	0.015778
Mary Cole Deitz 3 Francis Way Lewisburg, WV 24901	Unleased <b>Voluntary Lease</b>	0.007001%	0.007889
Sharon K. Rowe and Jim Rowe, her husband 205 Church Street Lewisburg, WV 24901	Leased <b>Voluntary Lease</b>	0.007001%	0.007889
Linda Bair Erickson 1150 Carmel Circle Unit 107 Castleberry, FL 32707	Unleased <b>Voluntary Lease</b>	0.014001%	0.015778

**EXHIBIT B**  
**Well No. 824731 (HCS-31)**  
 Revised 10/8/07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
Conrad B. Litz, Jr., married P.O. Box 295 Tazewell, VA 24651	Unleased Voluntary Lease	0.014001%	0.015778
<hr/>			
<b>TOTAL GAS ESTATE</b>		<b>100.000%</b>	<b>112.690</b>
Total Percentage Leased		81.660110%	
Total Percentage Unleased		18.339890%	
Total Acreage Leased			92.022778
Total Acreage Unleased			20.667222

**EXHIBIT "B-3"**  
**Well No. 824731 (HCS-31)**  
 Revised 10/8/07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<b>TRACT 2 25.98 Acres in Unit</b>			
Sarah Ruth Fletcher Daniels and spouse or heirs Rt. 1 Box 407 Grundy, VA 24614	Unleased	5.763599%	6.495000
Beth Ann Brown and Charles David Brown, her husband 75 Blackberry Court Douglasville, GA 30134	Unleased	5.763599%	6.495000
Paul Gregory Fletcher and Sherry M. Fletcher, his wife Rt. 1 Box 415 Grundy, VA 24614	Unleased	2.881800%	3.247500
Dwight Douglas Fletcher and and spouse or heirs 7817 Abbott Drive Boonesboro, MD 21713	Unleased	0.960600%	1.082500
Clyde Richard Fletcher and and spouse or heirs 4113 Ridgebluffs Court Raleigh, NC 27603-8822	Unleased	0.960600%	1.082500
Ethel Marie Skibinski and spouse or heirs 3570 Colony Lane Roanoke, VA 24018-4410	Unleased	0.960600%	1.082500
<b>TRACT 3 .60 Acre in Unit</b>			
Jeanne Bowen Hillman f/k/a Jeanne Bowen Harkness and spouse or heirs 414 53rd. Square Vero Beach, FL 32968	Unleased	0.059159%	0.066667

**EXHIBIT "B-3"**  
**Well No. 824731 (HCS-31)**  
 Revised 10/8/07

<u>LESSOR</u>	<u>LEASE</u>	<u>INTEREST WITHIN</u>	<u>GROSS ACREAGE</u>
<b>TRACT 4 &amp; 7 .66 + .01 Acre in Unit</b>			
Steve Justus and Evelyn Justus, his wife Rr. 1 Box 413 Grundy, VA 24614	Unleased	0.198184%	0.223333
Jeanne Bowen Hillman and spouse or heirs f/k/a Jeanne Bowen Harkness 414 53rd. Square Vero Beach, FL 32968	Unleased	0.066061%	0.074444
<b>TRACT 5 1.13 Acres in Unit</b>			
Johnny K. Fletcher and Teresa L. Fletcher, his wife Rt. 1 Box 412 Grundy, VA 24614	Unleased	0.334250%	0.376667
Jeanne Bowen Hillman f/k/a Jeanne Bowen Harkness and spouse or heirs 414 53rd. Square Vero Beach, FL 32968	Unleased	0.111417%	0.125556
<b>TRACT 6 .71 Acres in Unit</b>			
Bobby A. Taylor and Opal Joyce Taylor, his wife P.O. Box 172 Hurley, VA 24620	Unleased	0.210016%	0.236667
Jeanne Bowen Hillman f/k/a Jeanne Bowen Harkness and spouse or heirs 414 53rd. Square Vero Beach, FL 32968	Unleased	0.070005%	0.078889
<hr/>			
Total Percentage Unleased		18.339890%	
Total Acreage Unleased			20.667222

BU

#29

INSTRUMENT #080000448  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
FEBRUARY 7, 2008 AT 01:27PM

BEVERLY S. TILLER, CLERK  
RECORDED BY: NKE