

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-08/03/18-2182

ELECTIONS, UNIT: 826640

(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 October 19, 2009, and recorded in Book 472, Page 360 in the Office of the Clerk of Circuit Court, Dickenson County, Virginia on November 12, 2009 (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 November 30, 2009, 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 29, 2010, 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, First Bank & Trust Company, P.O. Box 3860, Kingsport, TN 37660 (423) 245-6971, Attn: Debbie Davis, 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, First Bank & Trust Company, P.O. Box 3860, Kingsport, TN 37660 (423) 245-6971, Attn: Debbie Davis, 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 _____ day of _____, 2010 by a majority of the Virginia Gas and Oil Board.

Chairman, Bradley C. Lambert

DONE AND PERFORMED THIS _____ day of _____, 2010 by Order of this Board.

David Asbury
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF RUSSELL)

Acknowledged on this _____ day of _____, 2010, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and David Asbury, 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, 2013

EXHIBIT B
Well No. 826640 (PITTSTON 2H)

Land Approved

RNH 2/5/08
LRC 2/5/08

LEK 2/7/08

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>PERCENT INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
TRACT 1 39.43 Acres in Unit (Tax Map 143C Parcel 1979)			
Osie Lockhart heirs:			
David Epling P.O. Box 1067 Grundy, VA 24614	Leased	2.053646%	6.571667
Carol Epling McGlothlin 72 Fairway Drive Bristol, TN 37620	Leased	2.053646%	6.571667
Florence Lockhart Cochran P.O. Box 51 Breaks, VA 24607	Leased	3.285833%	10.514667
Christopher Sampson Lockhart P.O. Box 252 Breaks, VA 24607	Leased	0.821458%	2.628667
Woodrow Lockhart, Jr. and Sandra Lockhart, his wife 480 Myrtle Avenue Newark, OH 43055	Leased	1.026823%	3.285833
Betty Lou Dales and Herbert Dales, her husband 5691 South Fork Road Heath, OH 43056	Leased	1.026823%	3.285833
Franklin D. Lockhart and Alma Lockhart, his wife P.O. Box 96 Breaks, VA 24607	Leased	1.026823%	3.285833
Cephas Clyde Lockhart P.O. Box 239 Breaks, VA 24607	Leased	1.026823%	3.285833
TRACT 2 12.32 Acres in Unit (Tax Map 142C Parcel 1978)			
Betty Lou Dales and Herbert Dales, her husband 5691 South Fork Road Heath, OH 43056	Leased	3.850000%	12.320000
TRACT 3 2.66 Acres in Unit (Tax Map 142C Parcel 1977)			
Woodrow Lockhart, Jr. and Sandra Lockhart, his wife 480 Myrtle Avenue Newark, OH 43055	Leased	0.831250%	2.660000

TRACTS 4, 5, 6, 8, 9,10 - 31.11+0.73+68.57+23.34+36.62+66.48 = 226.85 Acres in Unit
 (Tr. 4 Tax Map 143C Parcel 503; Tr's. 5 and 10 Tax Map 143D Parcels are unnumbered;
 Tr. 6 Tax Map 143D Parcel 501; Tr's 8,9 pt. Tax Map 142D Parcel 2178)

Range Resources-Pine Mountain, Inc. c/o Jerry Grantham P. O. Box 2136 Abingdon, VA 24212	Leased	70.890625%	226.850000
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TRACT 7 38.74 Acres in Unit (Tax Map 143D Parcel unnumbered)

Range Resources-Pine Mountain, Inc. c/o Jerry Grantham P. O. Box 2136 Abingdon, VA 24212	Leased	10.895625%	34.866000
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K. S. Colley Estate (unknown unlocateable)	Unleased	1.210625%	3.874000
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TOTAL GAS ESTATE		100.000000%	320.000000
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Total Percentage Leased	98.789375%
Total Percentage Unleased	1.210625%

Total Acreage Leased	316.126000
Total Acreage Unleased	3.874000

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Chesapeake Appalachia LLC for Forced Pooling of Interests in Unit Number 826640, VGOB Docket No. VGOB-08/03/18-2182 in the Sandlick Magisterial District of Dickenson 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 October 19, 2009, 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 12, 2009.
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.

Dated at Kingsport, Tennessee, this 29th day of

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>NET REVENUE INTEREST</u>
7	K. S. Colley Estate (unknown unlocatable)	Unleased	1.210625%

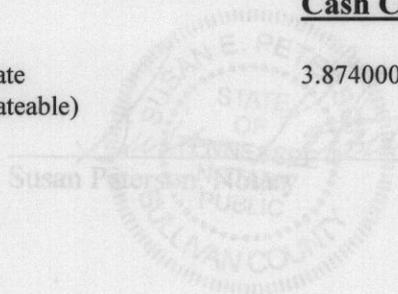
7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

<u>Tract</u>	<u>Lessor</u>
1	Cephas Clyde Lockhart P.O. Box 239 Breaks, VA 24607

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.

Appalachia LLC, a corporation, on behalf of the corporation, this 29th day of March, 2010.

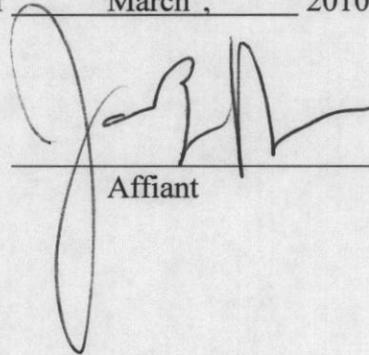
<u>Tract</u>	<u>Lessor</u>	<u>Cash Consideration</u>
7	K. S. Colley Estate (unknown unlocatable)	3.874000 x \$5.00 = \$19.37



My commission expires: October 24, 2012.

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 required in this matter pursuant to the terms of §§ 45.1-361.21.D.

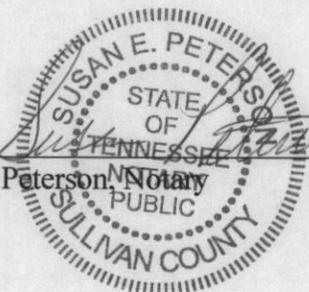
Dated at Kingsport, Tennessee, this 29th day of March, 2010.



Affiant

State of Tennessee)
County of Sullivan)

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 29th day of March, 2010.



Susan Peterson, Notary Public

My commission expires: October 24, 2012.