

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Equitable Production Company

DIVISION OF GAS AND OIL
DOCKET NO. VGOB 89-0126-009-05

RELIEF SOUGHT: MODIFICATION OF NORA COALBED GAS UNIT NOS.: VC-503591 (BS44), VC-535951 (BQ44), VC-535955 (BS43), VC-536307 (BS45), VC-536311 (BS46), VC-535892 (BR43), VC-535890 (BP47), VC-535680 (BS41), VC-503321 (BP42), VC-503322 (BR42), VC-503654 (BP43), VC-502941 (BQ48), VC-509709 (BQ43), VC-504999 (BR41), VC-505000 (BQ42), VC-536080 (BQ47), VC-536081 (BR47), VC-3054 (BQ41), VC-536310 (BR46), VC-536306 (BR45) and VC-536303 (BR44).

AFFECTED UNITS: (See Attached Exhibit A)

APPLICATION

1. **Applicant and its counsel:** Applicant is **Equitable Production Company** 1710 Pennsylvania Ave., Charleston, West Virginia, 25302, (800) 926-1759. Applicant's Counsel is James E. Kaiser 220 Broad Street, Suite 202, Kingsport, TN 37660 (423) 578-3838.

2. **Relief sought:** (1) Modification of the Nora Coalbed Methane Gas Field Rules, to allow more than one coalbed gas well to be drilled within each of the 58.77 acre Nora Units identified above. (2) For an administrative order providing that additional well permits may be issued in the Nora Field after this application is filed and while it is pending.

3. **Legal authority:** 4 VAC 25-160-50 and § 45.1-361.20 of the Code of Virginia.

4. **Proposed provisions of order sought:** That additional coalbed methane gas wells may be drilled in each of the above referenced Nora Units; that the second well be located at least 600 feet from the nearest coalbed methane well and need not be more than 600 feet from the nearest coalbed methane well; (and that production/royalties from each coalbed methane well drilled in the said Units shall continue to be allocated solely to the owners and claimants of and to the coalbed methane within the Unit in which the well is located.)

5. **Type of wells and field:** Coalbed methane frac wells within the portion of the Nora Coalbed Gas Field described above, and as depicted in the attached Exhibit A.

6. **Formations subject to application:** All coal beds and coal seams including all Pennsylvania aged coals from the top of the Raven, but not limited to Jawbone, Greasy Creek, C-Seam, War Creek, Beckley, Lower Horsepen, X-Seam, Poca 6, Poca 5, Poca 3, Poca 2, and any unnamed coal seams and other associated formations known as the Nora Coalbed Gas Field.

7. **Description of interest/claim of persons being notified:** Coalbed methane.

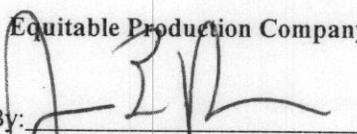
8. **Estimated reserves in each Nora Unit identified above:** 750 MMcf

9. **Plat:** See Exhibit A annexed hereto.

10. **The boundaries and acreage affected:** see Exhibit A annexed hereto.

11. **Attestation:** The foregoing application to the best of my knowledge, information and belief is true and correct.

Equitable Production Company

By: 

James E. Kaiser
220 Broad Street, Suite 202
Kingsport, TN 37660
(423) 578-3838

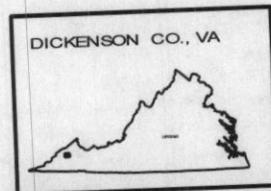


| | | | | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|----|----|----|
| BN |
| 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 |
| BO |
| 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 |
| BP |
| 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 |
| BQ |
| 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 |
| BR |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| BS |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| BT |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| BU |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| BV |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| BW |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| BX |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| BY |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| BZ |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| CA |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| CB |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| CC |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| CD |
| 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |



0 2000 4000 ft

EXHIBIT A
PROPOSED STANDARD BANNER
INCREASED DENSITY DRILLING



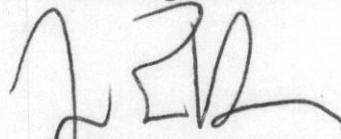
AFFIDAVIT OF DUE OF DILIGENCE

**COMMONWEALTH OF VIRGINIA
COUNTY OF DICKENSON**

I, James E. Kaiser, after being duly sworn upon oath, state as follows:

1. I am responsible for the notification process required by VA. Code Ann. § 45.1-361.19 and VR 480-05-22.2 § 4.
2. That Equitable Production Company has exercised due diligence in attempting to locate and notice all owners and claimants who are unleased and/or who were not previously pooled by prior order(s) of the Virginia Gas and Oil Board regarding **the Nora Coalbed Gas Field**, all as required by Va. Code Ann. § 45.1-361.19 and VR 480-05-22.2.
3. That on **June 16, 2006** a true and correct copy of the Notice of Hearing with Exhibits will be mailed, via certified mail return receipt requested, to all owners and claimants listed in Exhibit B for whom mailing addresses were then available.
4. That Equitable Production Company will continue to exercise due diligence in attempting to locate and identify the names and/or addresses of any unknown of unlocatable parties and, if located or identified, will notify them of Equitable Production Company's application.

I have read the foregoing, and the information given above is true and correct to the best of my knowledge and belief.



James E. Kaiser
Counsel for
Equitable Production Company

ACKNOWLEDGMENT

STATE OF TENNESSEE

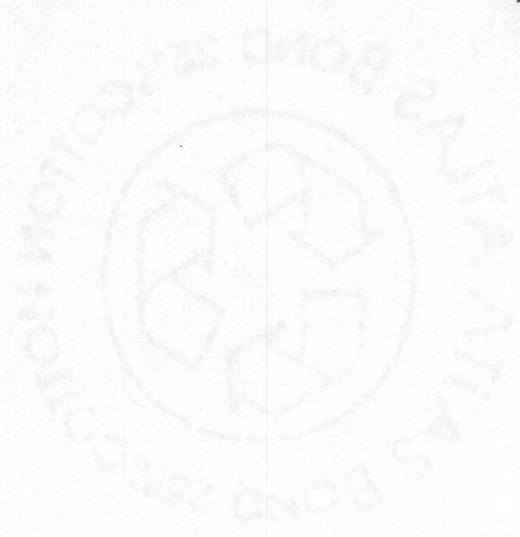
COUNTY OF SULLIVAN

TAKEN, SUBSCRIBED AND SWORN to before me this 16th day of June, 2006.

Susan
Notary Public



My commission expires: 11-12-08



BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Equitable Production Company DIVISION OF GAS AND OIL
DOCKET NO. 89-0126-009-05

RELIEF SOUGHT: MODIFICATION OF
NORA COALBED GAS FIELD

AFFECTED UNITS: Multiple (See Attached Exhibit A)

NOTICE OF HEARING

HEARING DATE: July 18, 2006
PLACE: Southwest Virginia Higher Education Center
Campus of Virginia Highlands Community College
Abingdon, Virginia
TIME: 9:00 a.m.

COMMONWEALTH OF VIRGINIA:

To: See Exhibit "B" attached hereto:

1. **Applicant and its counsel:** Applicant is Equitable Production Company, 1710 Pennsylvania Ave., Charleston, West Virginia, 25302, (800) 926-1759. Applicant's Counsel is James E. Kaiser, 220 Broad Street, Suite 202, Kingsport, TN 37660, (423) 578-3838.
2. **Relief sought:** (1) Modification of the Nora Coalbed Methane Gas Field Rules, to allow more than one coalbed gas well to be drilled within each of the 58.77 acre Nora Units identified above. (2) For an administrative order providing that additional well permits may be issued in the Nora Field after this application is filed and while it is pending.
3. **Legal authority:** 4 VAC 25-160-50 and § 45.1-361.20 of the Code of Virginia.
4. **Proposed provisions of order sought:** That additional coalbed methane gas wells may be drilled in each of the above referenced Nora Units; that the second well be located at least 600 feet from the nearest coalbed methane well and need not be more than 600 feet from the nearest coalbed methane well; (and that production/royalties from each coalbed methane well drilled in the said Units shall continue to be allocated solely to the owners and claimants of and to the coalbed methane within the Unit in which the well is located.)

5. **Type of wells and field:** Coalbed methane frac wells within the portion of the Nora Coalbed Gas Field described above, and as depicted in the attached Exhibit A.

6. **Formations subject to application:** All coal beds and coal seams including all Pennsylvania aged coals from the top of the Raven, but not limited to: Jawbone, Greasy Creek, C-Seam, War Creek, Beckley, Lower Horsepen, X-Seam, Poca 6, Poca 5, Poca 3, Poca 2, and any unnamed coal seams and other associated formations known as the Nora Coalbed Gas Field.

7. **Description of interest/claim of persons being notified:** Coalbed methane.

8. **Estimated reserves in each Nora Unit identified above:** 750 MMcf

9. **Plat:** See Exhibit A annexed hereto.

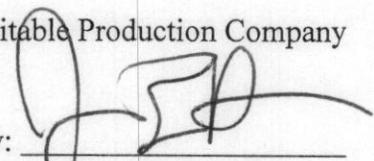
10. **The boundaries and acreage affected:** See Exhibit A annexed hereto.

11. **Attestation:** The foregoing notice to the best of my knowledge, information and belief is true and correct.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence at the time and place first stated above and that notice will be published as required by law and the Rules of the Virginia Gas and Oil Board.

NOTICE IS FURTHER GIVEN that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. For further information or a copy of the application and any exhibits thereto, you may contact the Virginia Gas and Oil Board, State Oil and Gas Inspector, Department of Mines, Minerals and Energy, Division of Gas and Oil, P.O. Box 1416, Abingdon, Virginia 24410, (276) 676-5423 or the Applicant at the address shown below.

Equitable Production Company

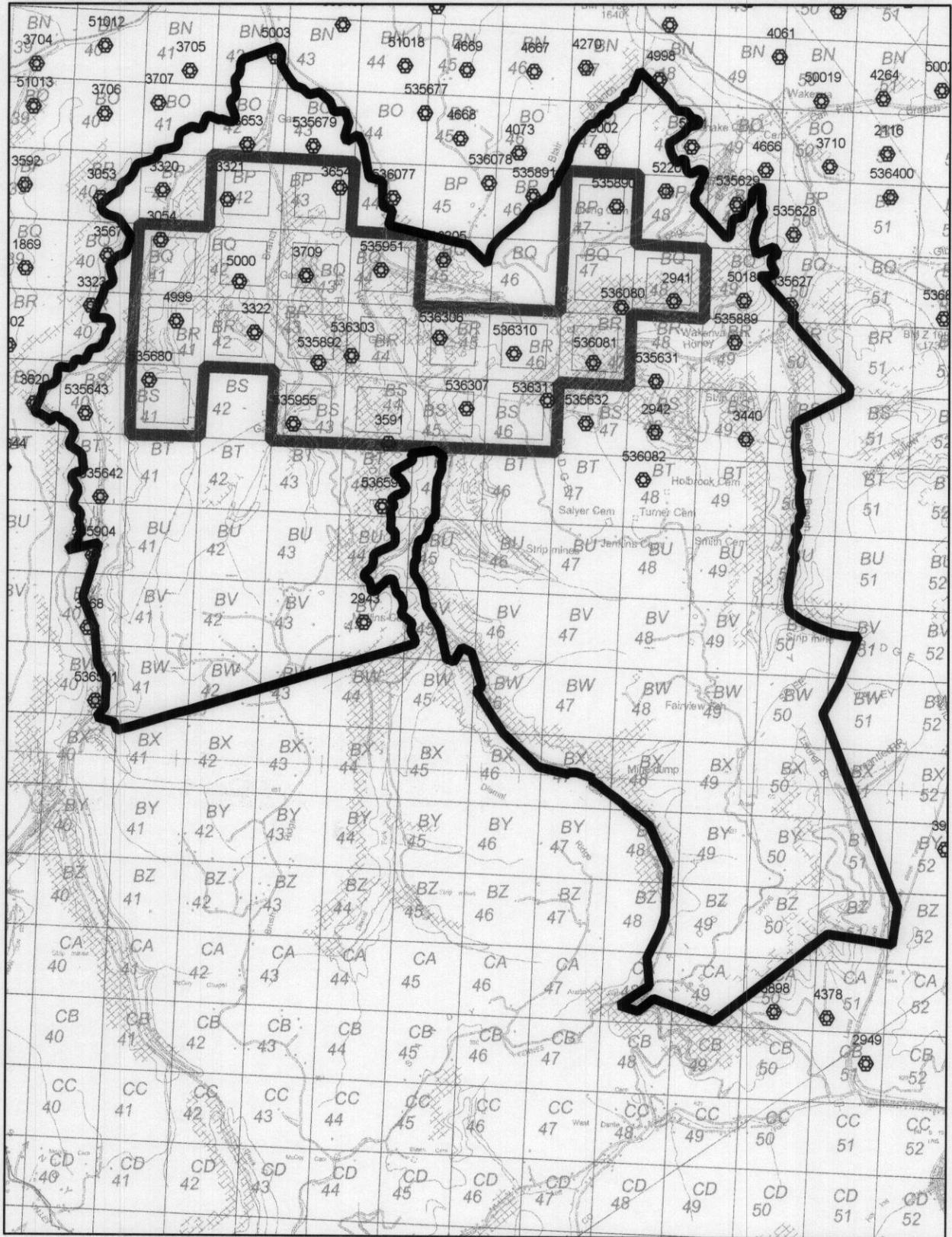
By: 

James E. Kaiser
220 Broad Street, Suite 202
Kingsport, TN 37660
(423) 578-3838

EXHIBIT "B"
Modification

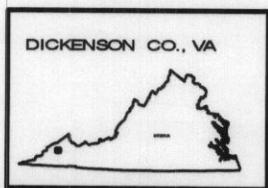
Standard Banner Coal Corporation
Attn: Mr. Conrad McNeer, President
3924 Southwest Stonybrook Dr.
Topeka, Kansas 66610-1382

Engineering Services, Inc.
Attn: Mike Clisso
201 Park Ave.
P.O. Drawer 750
Wise, Virginia 24293



0 2000 4000 ft

**EXHIBIT A
PROPOSED STANDARD
BANNER INCREASED
DENSITY DRILLING**



BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant: Equitable Production Company)
)
)
Relief Sought: Modification of the Nora Coalbed Methane) Docket No.
Gas Field Rules, to allow more than one coalbed gas well to) VGOB-89-0126-009-05
be drilled and an order providing additional well permits)
)
)

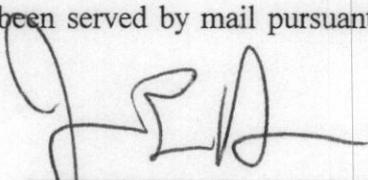
AFFIDAVIT OF MAILING
(CERTIFICATE OF SERVICE)

STATE OF TENNESSEE)

COUNTY OF SULLIVAN)

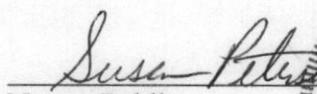
James E. Kaiser, of lawful age, being duly sworn, upon oath, deposes and says:

- (1) He is a partner with WILHOIT & KAISER, Agent for Equitable Production Company ("EPC") and makes this affidavit on behalf of EPC.
- (2) Based upon information and belief, the names and last-known addresses, where such addresses are known, of the parties owning an interest in the oil and gas in this cause are set forth and attached hereto.
- (3) On the 16th day of June, 2006, true and correct copies of the Application and the Notice of Hearing in this matter were placed in the United States mail in Kingsport, TN, certified mail, return receipt requested, postage prepaid, duly addressed to the unleased parties at their respective addresses as set forth in the attached Exhibit B which is hereby made a part of this Affidavit.
- (4) Notice of this cause has therefore been served by mail pursuant to the applicable statutes and rules of the Board.

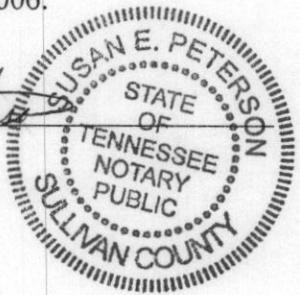


James E. Kaiser

SUBSCRIBED AND SWORN TO before me this 11th day of July, 2006.



Notary Public



My commission expires: 11-12-08

EXHIBIT "B"
Modification

Standard Banner Coal Corporation
Attn: Mr. Conrad McNeer, President
3924 Southwest Stonybrook Dr.
Topeka, Kansas 66610-1382

4703 2712 / 6-30-06

Engineering Services, Inc.
Attn: Mike Clisso
201 Park Ave.
P.O. Drawer 750
Wise, Virginia 24293

4703 2729 / 6-20-06

BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant: Equitable Production Company)

Relief Sought: Modification of the Nora Coalbed Methane) Docket No.

Gas Field Rules, to allow more than one coalbed gas well to) VGOB-89-0126-009-07

be drilled and an order providing additional well permits)

AFFIDAVIT OF MAILING
(CERTIFICATE OF SERVICE)

STATE OF TENNESSEE)

COUNTY OF SULLIVAN)



James E. Kaiser, of lawful age, being duly sworn, upon oath, deposes and says:

- (1) He is a partner with WILHOIT & KAISER, Agent for Equitable Production Company ("EPC") and makes this affidavit on behalf of EPC.
- (2) Based upon information and belief, the names and last-known addresses, where such addresses are known, of the parties owning an interest in the oil and gas in this cause are set forth and attached hereto.
- (3) On the 19th day of January, 2007, true and correct copies of the Application and the Notice of Hearing in this matter were placed in the United States mail in Kingsport, TN, certified mail, return receipt requested, postage prepaid, duly addressed to the unleased parties at their respective addresses as set forth in the attached Exhibit B which is hereby made a part of this Affidavit.
- (4) Notice of this cause has therefore been served by mail pursuant to the applicable statutes and rules of the Board.

[Handwritten Signature]
James E. Kaiser

SUBSCRIBED AND SWORN TO before me this 13th day of February, 2007.

[Handwritten Signature]
Notary Public

My commission expires: 11-12-08