

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Equitable Production Company

DIVISION OF GAS AND OIL
DOCKET NO. VGOB 89-0126-009-07

RELIEF SOUGHT: MODIFICATION OF NORA COALBED GAS UNIT NOS.: VCP-4062 (BH50), VC-4523 (BJ51), VC-4171 (BH52), PCP-158 (BH53), VCP-3046 (BI53), VC-4267 (BG54), VCP-4170 (BH54), P40C-3644 (BI54), VCP-3750 (BG55), VCP-2563 (BH55), and PCP-152 (BI55).

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 ultimate recovery in each Nora Unit identified above:** 700 MMcf

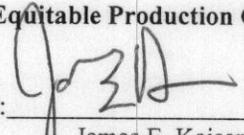
9. **Plat:** See Exhibit A annexed hereto.

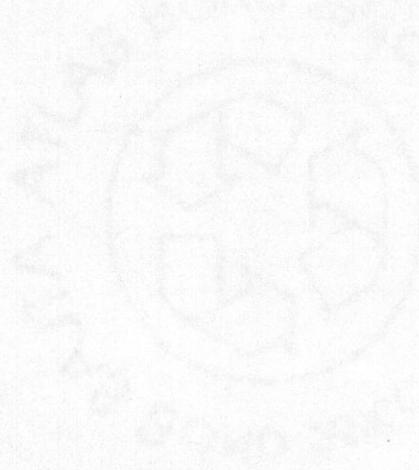
10. **The boundaries and acreage affected:** see Exhibit A annexed hereto.

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



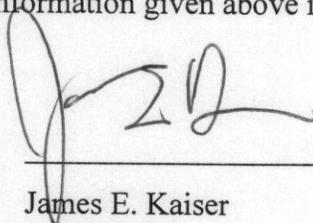
AFFIDAVIT OF DUE OF DILIGENCE

**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 **January 19, 2007** 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

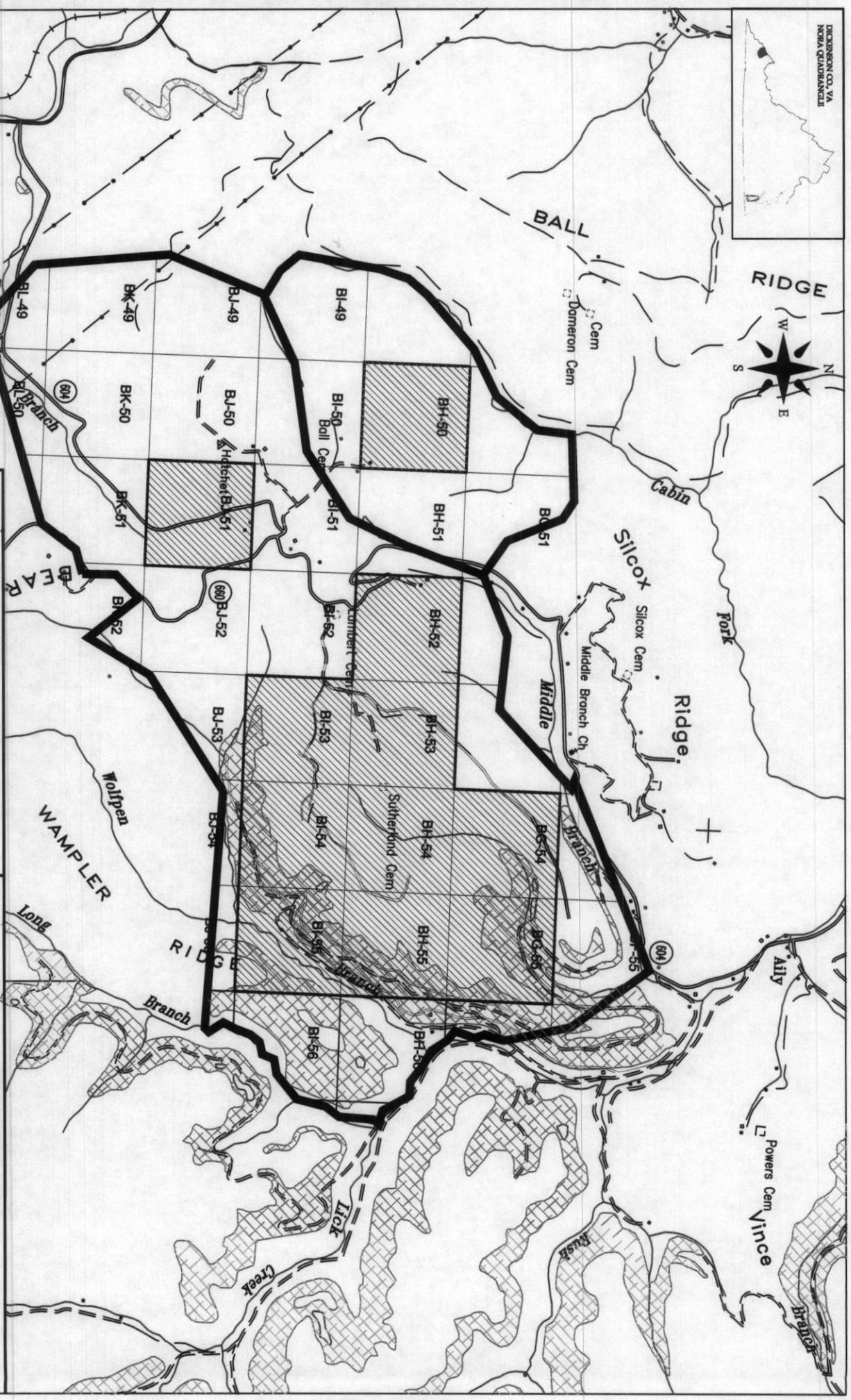
COUNTY OF SULLIVAN

TAKEN, SUBSCRIBED AND SWORN to before me this 17th day of January, 2007.

Susan E. Peterson
Notary Public



My commission expires: 11-12-08



EQUITABLE RESOURCES

EXHIBIT A PROPOSED LICK CREEK INCREASED DENSITY DRILLING

LBL & ASSOCIATES, PC
SURVEYORS - ENGINEERS
BOUNDARY - CONSTRUCTION - ENERGY - ENVIRONMENTAL - MINING
P.O. BOX 968, CEDAR BLUFF, VA 24609
276-596-9646 (FAX: 276-596-9736)



DATE: 1-12-07
SCALE: 1" = 2000'
DRAWING NAME: BSG_EXHIBIT A1

BM Y 108 X
1640

EXHIBIT "B"
Modification

Pine Mountain Oil & Gas Inc.
Attn: Jerry Grantham
P.O. Box 2136
Abingdon, VA 24212

ALPHA Land & Reserves, LLC
Attn: Larry Cline
406 West Main Street
Abingdon, VA 24210

Columbus Phipps Foundation
P.O. Box 1145
Clintwood, VA 24228-1145

Carol P. Buchanan
P.O. Box 1006
Wise, VA 24293-1006

Hulah Bentley
13840 N. Desert Harbor Drive
Apt. 131
Peopria, AZ 82381-3501

John Greever
P.O. Box 413
Orcas, WA 98280-0413