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BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Equitable Production Company

DIVISION OF GAS AND OIL
DOCKET NO. VGOB 89-0126-009-10

RELIEF SOUGHT: MODIFICATION OF NORA COALBED GAS UNIT NOS.: BJ-79 (VCP-3628), BJ-80 (VCP-2550), BJ-81 (VCP-2552), BJ-82 (VCP-3764), BJ-83 (VCP-4074), BK-80 (VCP-2473) BK-81 (VCP-2551), BK-82 (VCP-3765), BK-83 (VCP-3717), BL-80 (VCP-3452), BL-81 (VCP-2472), BL-82 (VCP-3718), BL-83 (VCP-3719), BL-84 (VC-535605), BM-78 (VC-4493), BM-79 (PCP-302), BM-80 (VCP-2471), BM-81 (VCP-3601), BM-82 (VCP-3627), BM-83 (VCP-4168), BM-84 (VC-535604), BM-85 (VC-535948), BM-86 (VC-536168), BN-77 (VC-536068), BN-78 (PC-305), BN-79 (PC-488-3283), BN-80 (VCP-3763), BN-81 (VCP-2474), BN-82 (PC-304), BN-83 (VC-4169), BN-84 (VC-505193), BN-85 (VC-535700), BN-86 (VC-536048), BO-77 (VC-536069), BO-78 (VCP-3305), BO-79 (PCP-313), BO-80 (VCP-1987), BO-81 (PCP-303), BO-82 (VCP-3569), BO-83 (VCP-1873), BO-84 (VCP-505192), BO-85 (VC-1863), BO-86 (VC-536049), BP-77 (VC-536070), BP-79 (VCP-2547), BP-80 (PCP-301), BP-81 (VC-2469), BP-82 (VCP-1874), BP-83 (VC-504494), BP-84 (VCP-2831), BP-85 (VC-536045), BP-86 (VC-1862), BQ-79 (VCP-1852), BQ-80 (VCP-2863), BQ-81 (PCP-312), BQ-82 (VCP-3602), BQ-83 (VCP-2470) BQ-84 (VC-535603, BQ-85 (VC-1857), BQ-86 (VCP536050), BR-77, BR-78, BR-80 (VCP-311), BR-81 (VCP-3612), BR-82 (VCP-1992), BR-83 (VC-535608), BR-84 (VC-535927), BR-85 (VC-536046), BR-86, BS-77 (PC-318), BS-78, BS-79 (VCP-2843), BS-80 (VCP-3613), BS-81, BS-82, BS-83, BS-84, BS-85, BS-86, BT-77, BT-78 (PC-320), BT-79, BT-80 (PCP-314), BT-81, BT-82, BT-83, BT-84, BT-85, BT-86 (VC-536170), BU-77, BU-78, BU-79 (PC-319), BU-80 (VC-505199), BU-81 (VC-4369), BU-82 (VC-5195), BU-83 (VC-535607), BU-84 (VC-535947), BU-85 (VC-536160), BU-86, BV-77, BV-78, BV-79 (VC-1988), BV-80 (VC-505198), BV-81 (VC-4370), BV-82 (VC-1991), BV-83 (VC-535446), BV-84 (VC-536072), BV-85 (VC-536161), BV-86.

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.

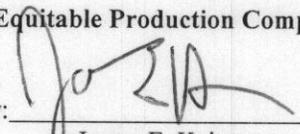
8. **Estimated ultimate recovery in each Nora Unit identified above:** 700 MMCF

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

ACKNOWLEDGMENT

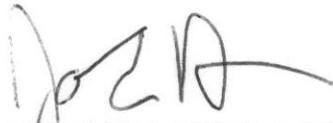
**COMMONWEALTH OF VIRGINIA
COUNTY OF DICKENSON**

COUNTY OF SULLIVAN

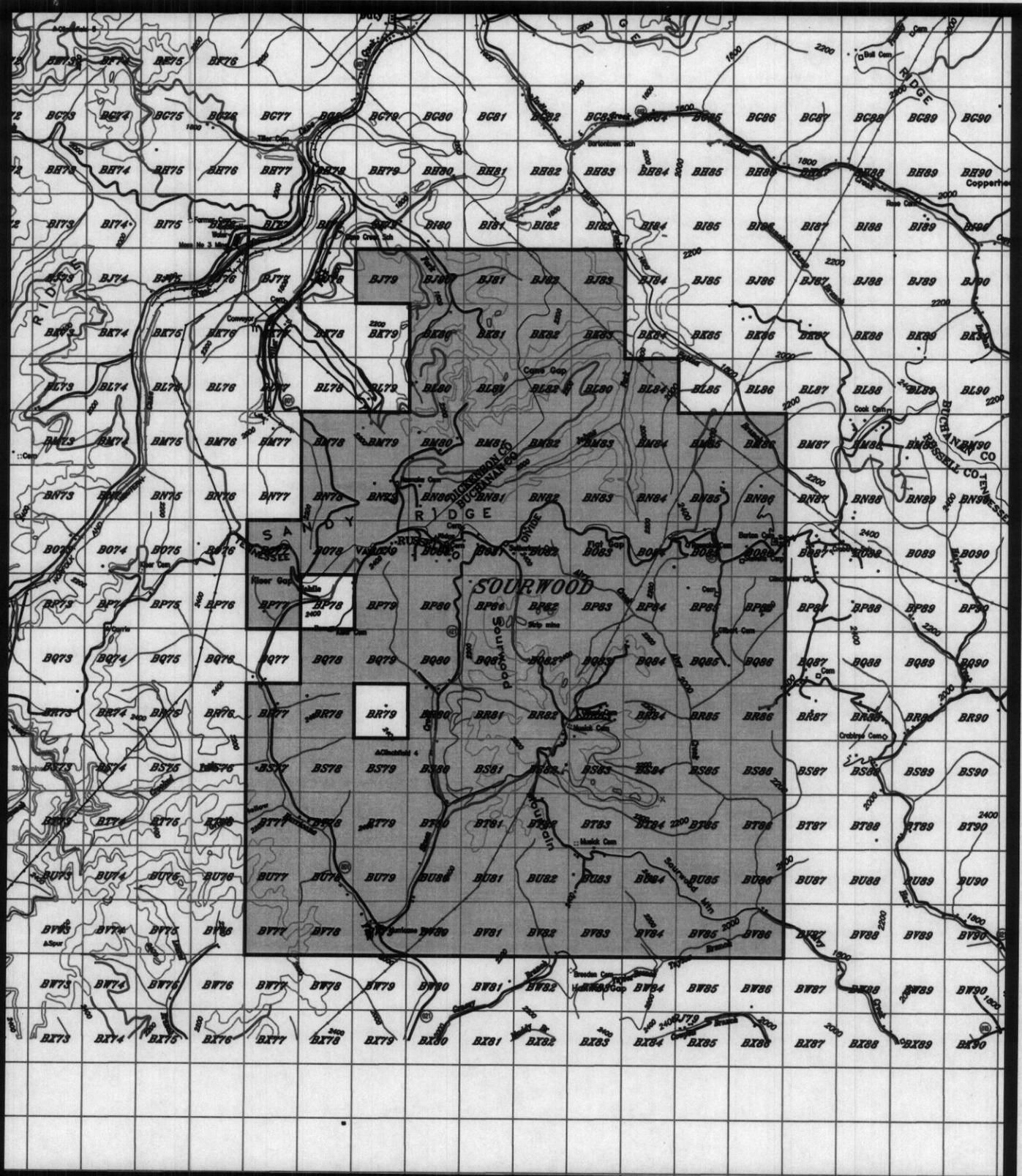
I, James E. Kaiser, after being duly sworn upon oath, state as follows:

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 **April 13, 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



*EXHIBIT A
PROPOSED SOURWOOD
INCREASED DENSITY DRILLING*

0 4000 8000 ft



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

Dickenson-Russell Coal Company
Attn: Paul Campbell
P.O. Box 1578
Coeburn, VA 24230

WBRD LLC
John Mooney
PO Box 2827
Huntington, WV 25727

ACIN LLC
Attn: John Mooney
PO Box 2827
Huntington, WV 25727

Charlton Tiller
250 Melrose Street
Abingdon, VA 24210-4420

G.W. Kiser Heirs:

Nancy E. Counts Estate
c/o Mildred Miller
2401 S Atlantic Avenue, Apt A401
New Smyrna Beach, FL 32169

Tressa K. Patrick
C/O Lousie Gentry
212 Oak Street
Bristol, Tn 37620

Cecil L. Kiser and
Julie A. Kiser, H/W
2133 Summers Ave.
Streetsboro, OH 44241

Wilma Johnson Porter and
Dale C. Porter, Jr., W/H
235 Wheeler Road
Lynchburg, VA 24504

EXHIBIT "B"
Modification

Alice B. Keen, Widow
4741 Showalter Rd NW
Roanoke, VA 24017

Leon Kiser and
Janice Kiser, H/W
315 Hill Road
Bristol, TN 37620

Gaynell Johnson Sampson and
Carl Edward Sampson,, W/H
155 Poplar Terrace Drive
Lynchburg, VA 24502

Diana D. Kiser, Widow
Rt 4 Box 654
North Tazewell, VA. 24630

Samuel J. Breeding Jr. and
Betty Breeding, H/W
2344 Louita Ave
Kingsport, TN 37660

Lillian B. Crane and
Percy V. Crane, W/H
6380 Virgil H Goode Hwy
Rocky Mount, VA 24151

Edith K Wockenfuss and
David E. Wockenfuss, W/H
207A 12th Street
Clermont, FL 34711

Freddy O. Johnson and
Darlene B. Johnson, H/W
P.O. Box 503
Montvale, VA 24122

Sharon Dickson
295 Bethel Drive #39
Bristol, TN 37620

Dorothy C. Kiser
C/O Larry Kiser
P.O. Box 1565
Bristol, TN 37621

Ruby Marie Breeding Johnson and
William C. Johnson, W/H
5519 Chenault Ave
Orlando, FL 32839

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Equitable Production Company **DIVISION OF GAS AND OIL**
DOCKET NO. 89-0126-009-10

RELIEF SOUGHT: MODIFICATION OF
NORA COALBED GAS FIELD

AFFECTED UNITS: Multiple (See Attached Exhibit A)

NOTICE OF HEARING

HEARING DATE: May 15, 2007

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.
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BEFORE THE VIRGINIA GAS AND OIL BOARD

Applicant: Equitable Production Company)

Relief Sought: Modification of the Nora Coalbed Methane Gas Field Rules, to allow more than one coalbed gas well to be drilled and an order providing additional well permits) Docket No. VGOB-89-0126-0009-10

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 13th day of April, 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 of James E. Kaiser

James E. Kaiser

SUBSCRIBED AND SWORN TO before me this 8th day of May, 2007.

Notary Public



My commission expires: 11-12-08