

BEFORE THE VIRGINIA GAS AND OIL BOARD

0009 ✓

DIVISION OF GAS AND OIL
DOCKET NO. VGOB 89-0126-0009-48

HEARING DATE: May 12, 2009 (carried over from April 21, 2009)

RE: Modification of Nora Coalbed Gas Field Rules
Units AS-58 (VC-4647) and AX-54 (VC-3561)



Mr. Chairman and members of the Board:

Due to a lack of information provided in the applicant's (Equitable) notice of hearing this letter is being submitted as an addendum to my original letter to the Board which was scheduled for hearing on April 21, 2009, subsequently rescheduled for May 12, 2009, Docket No. VGOB 89-0126-0009-48.

Information provided in the applicant's notice of hearing was vague at best and did not contain important information such as the well location plat showing the location of the proposed wells or their numbers. The only information provided, as it would relate to me, was that the applicant proposes to modify the Nora Field Rules to allow one additional well in units AS-58 (VC-4647) and AX-54 (VC-3561).

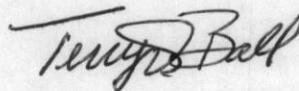
A recently acquired well location plat (attached Exhibit B) shows that the additional well proposed for unit AX-54 (VC-3561) is being designated as unit VCI-531370. It further shows that the applicants' current pooling and modification proposal for VC-3561 strips all private CBM owners of certain percentages (%) within unit VC-3561 while allowing the applicant to gain percentages. For instance, in comparing private CBM ownership listed on Exhibit A (1996) and Exhibit B (2009), Nora Counts' percentage drops from 1% to 0.65%. Reba Counts' percentage drops from 11% to 9.50%. Interests in the Tom Wright estate drops from 7% to 6.77%. Not surprising, Equitable's (EQT) percent climbs from 81% to 83.08%.

As shown in attached Exhibit A: acreages and percentages was established and allotted to each owner in 1996 by a certified well location plat recorded in deed book 317 page 062 in the Dickenson County Clerk's Office. Therefore, I object to any attempt to alter or modify the acreage or percentages allotted to each owner. In essence the applicant is pitting Mr. Sorrels' certified survey against Mr. Price's. Note: Mr. Price's location plat submitted by EQT does not scale to the standard 1" = 400'.

To my knowledge EQT has no leases or agreements with Nora Counts or owners within the Tom and Viola Wright ten (10) acre coal oil and gas reserve in unit VC-3561. Pooling of my interests in unit VC-3561 would lock up the coal resources for a number of years, preventing mining and resulting in lost income. With that in mind, along with the proposed altering of CBM percentages, I am objecting to my interests in proposed units

AX-54 (VC-3561) and AS-58 (VC-4647) being pooled and included in the modification proposal.

Sincerely,

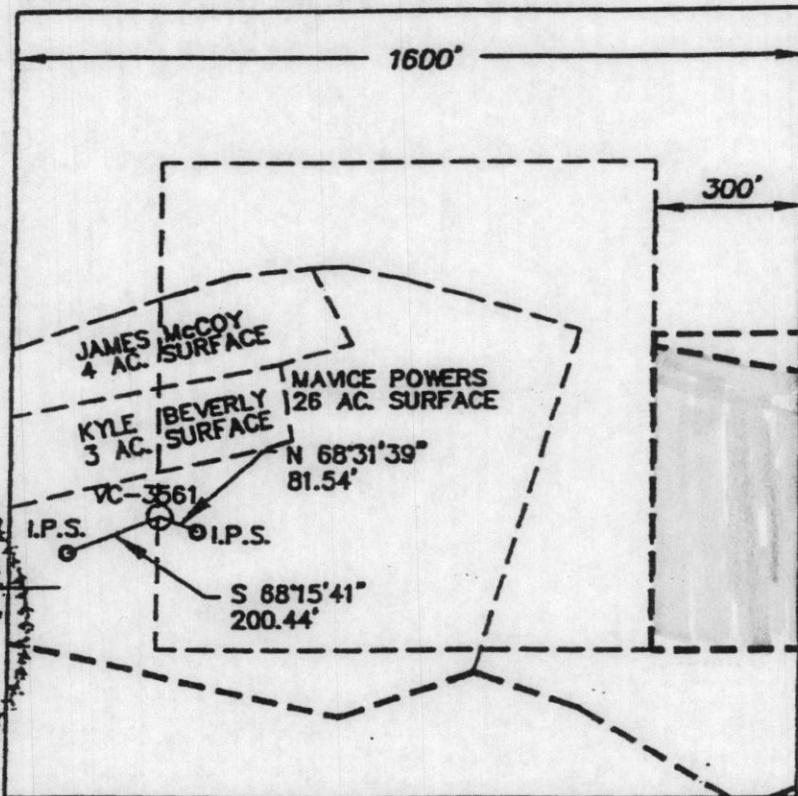
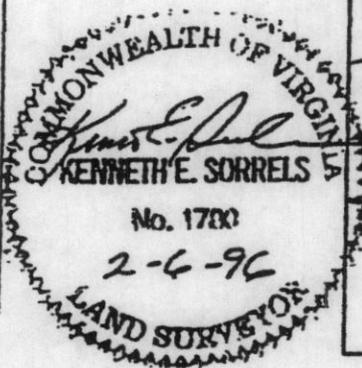
A handwritten signature in black ink, appearing to read "Terry D. Ball". The signature is written in a cursive style with a prominent initial "T" and "B".

Terry D. Ball

EREX LEASE PO-148
 TRACT T-261
 E.S. COUNTS
 CLINCHFIELD COAL COMPANY/
 PYXIS RESOURCES COMPANY
 COAL
 PINE MOUNTAIN OIL AND GAS
 OIL AND GAS
 1500.00 ACRES
 CBM 47.53 ACRES 81%
 Tract #1

NOTE:
 SURFACE LINE INFORMATION PROVIDED
 BY EQUITABLE RESOURCES EXPLORATION

EXHIBIT A



Tract #4
 NORA COUNTS
 SURFACE, COAL, OIL, & GAS
 UNLEASED
 1.26 ACRES
 CBM 0.37 ACRES 1%

Tract #3
 TERRY BALL &
 VOLA N. WRIGHT
 SURFACE, COAL, OIL, & GAS
 UNLEASED
 8.74 ACRES
 CBM 4.07 ACRES 7%

EREX LEASE PO-314 Tract #2
 REBA COUNTS, ETAL
 SURFACE, COAL, OIL, & GAS
 183.00 ACRES
 CBM 6.80 ACRES 11%

--- NON-SURVEYED SURFACE LINE
 --- NON-SURVEYED MINERAL LINE

Well elevation determined by trigonometric levels
 from Well VC-3313

Area of Unit = 58.77 Ac.

WELL COORDINATES:
 VA. ST. PLANE S. ZONE NAD 27
 (CALCULATED FROM NAD 83 (1994)
 BY ACE PROGRAM CORPSCON)
 N 306,354.79 E 894,522.35

Well Coordinates: (Cinchfield Coal Co.)
 N 5039.92 E 26605.64

WELL LOCATION PLAT

COMPANY: Equitable Resources Exploration WELL NAME AND NO: VC-3561
 TRACT NO: T-261 ELEVATION: 1900.60 QUADRANGLE: NORA, VA
 COUNTY: DICKENSON DISTRICT: ERVINTON SCALE: 1"=400' DATE: 1/31/96

This plat is a new plat ; an updated plat X; or a final location plat

+ Denotes the location of a well on United States Topographic Maps, Scale 1:24000, latitude and longitude lines being represented by border lines as shown.

Kenneth E. Sorrels