

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Equitable Production Company

DIVISION OF GAS AND OIL
DOCKET NO. VGOB 89-0126-0009-33

RELIEF SOUGHT: MODIFICATION OF NORA COALBED GAS UNIT NOS.: BX-47 (VC-536979), BX-48 (VC-536982) AND BY-50 (VC-539248).

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 210, Kingsport, TN 37660 (423) 578-3838.

2. **Relief sought:** (1) Modification of the Nora Coalbed Methane Gas Field Rules, to allow one additional 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 one additional coalbed methane gas well 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 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.

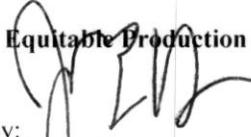
8. **Estimated ultimate recovery in each Nora Unit identified above:** 525 MMCF

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 210
Kingsport, TN 37660
(423) 578-3838

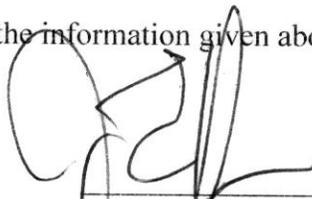
AFFIDAVIT OF DUE OF DILIGENCE

**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 **August 15, 2008** 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 15th day of August, 2008.


Susan Peterson, Notary Public


My commission expires: November 12, 2008.

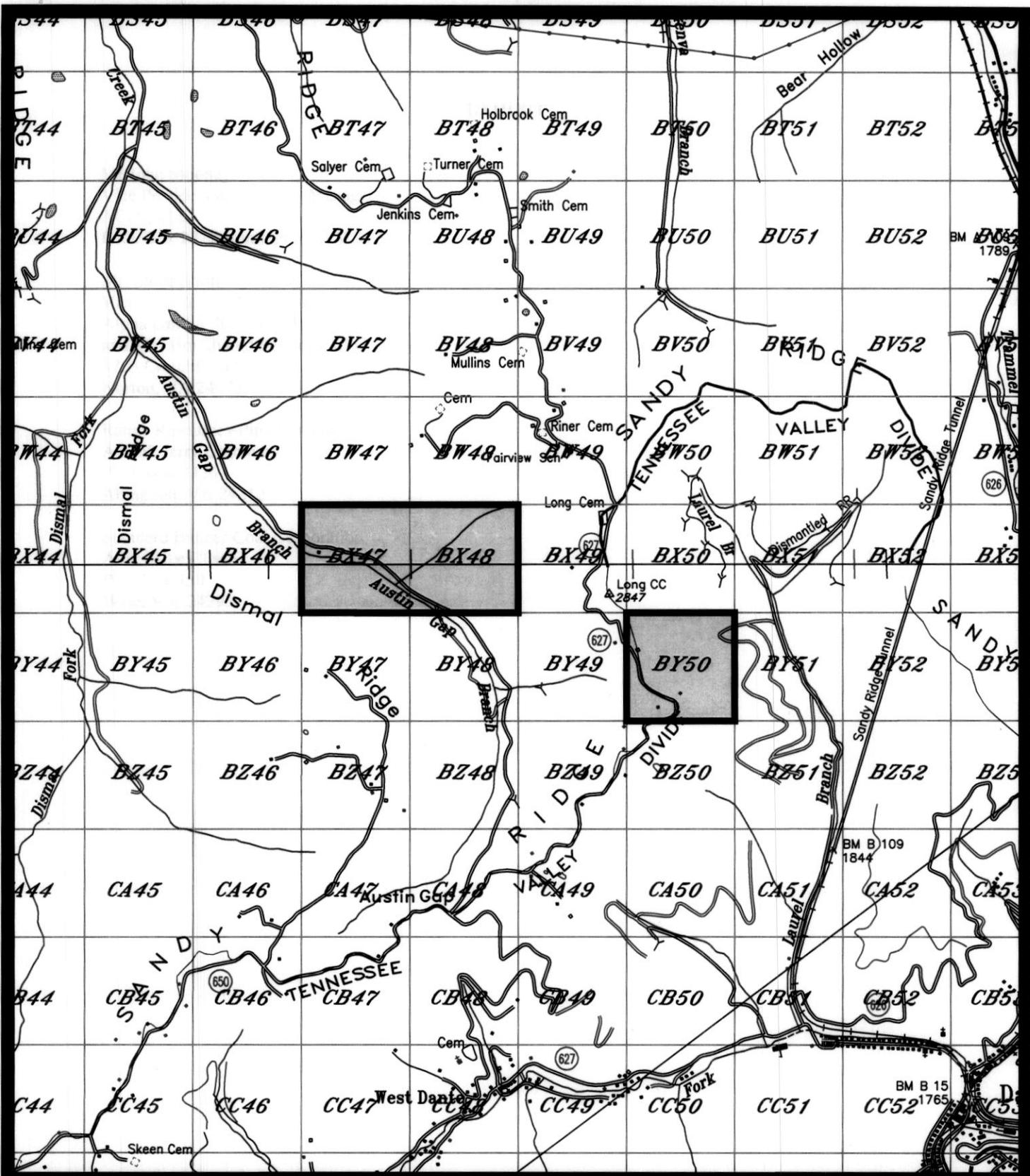
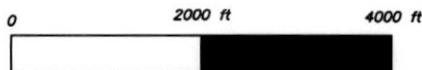


EXHIBIT A
MIDDLE FORK
INCREASED DENSITY DRILLING NORA FIELD



N
Nora 45 Paul
DL

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Equitable Production Company DIVISION OF GAS AND OIL
DOCKET NO. 89-0126-0009-33

RELIEF SOUGHT: MODIFICATION OF
NORA COALBED GAS FIELD

AFFECTED UNITS: Multiple (See Attached Exhibit A)

NOTICE OF HEARING

HEARING DATE: September 16, 2008
PLACE: Southwest Virginia Higher Education Center
Campus of Virginia Highlands Community College
Abingdon, Virginia
TIME: 9:00 a.m.

COMMONWEALTH OF VIRGINIA:

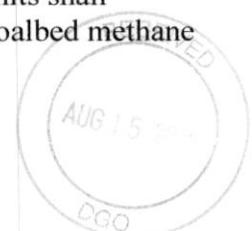
To: See Exhibit "B" attached hereto:

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 210, Kingsport, TN 37660, (423) 578-3838.

2. **Relief sought:** (1) Modification of the Nora Coalbed Methane Gas Field Rules, to allow one additional 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 one additional coalbed methane gas well 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 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:** 525 MMCF

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

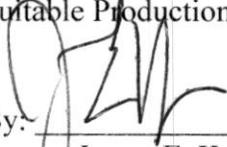
10. **The boundaries and acreage affected:** See Exhibit A annexed hereto.

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 210
Kingsport, TN 37660
(423) 578-3838

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-89-0126-0009-33

)

)

)

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 15th day of August, 2008, 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 9th day of September, 2008.

Susan Peterson, Notary



My commission expires: November 12, 2008

EXHIBIT

Mr John Mooney
Vice President & Regional Manager *9926 8195/8-21-08*
ACIN, LLC
P. O. Box 2827 Huntington, WV 25727

Mr. Steve Smith
Vice President of VA/KY Engineering
Alpha Land & Reserves, LLC
and Maxxim Shared Services, LLC *9926 8188/8-20-08*
5703 Crutchfield Drive
Norton, VA 24273

Range Resources-Pine Mountain, Inc
ATTN: Jerry Grantham
P. O. Box 2136 *9926 8171/8-19-08*
Abingdon, VA 24212

Standard Banner Coal Corporation
Attn: Mike Clisso
P.O. Box 750 *9926 8164/8-20-08*
Wise, VA 24293

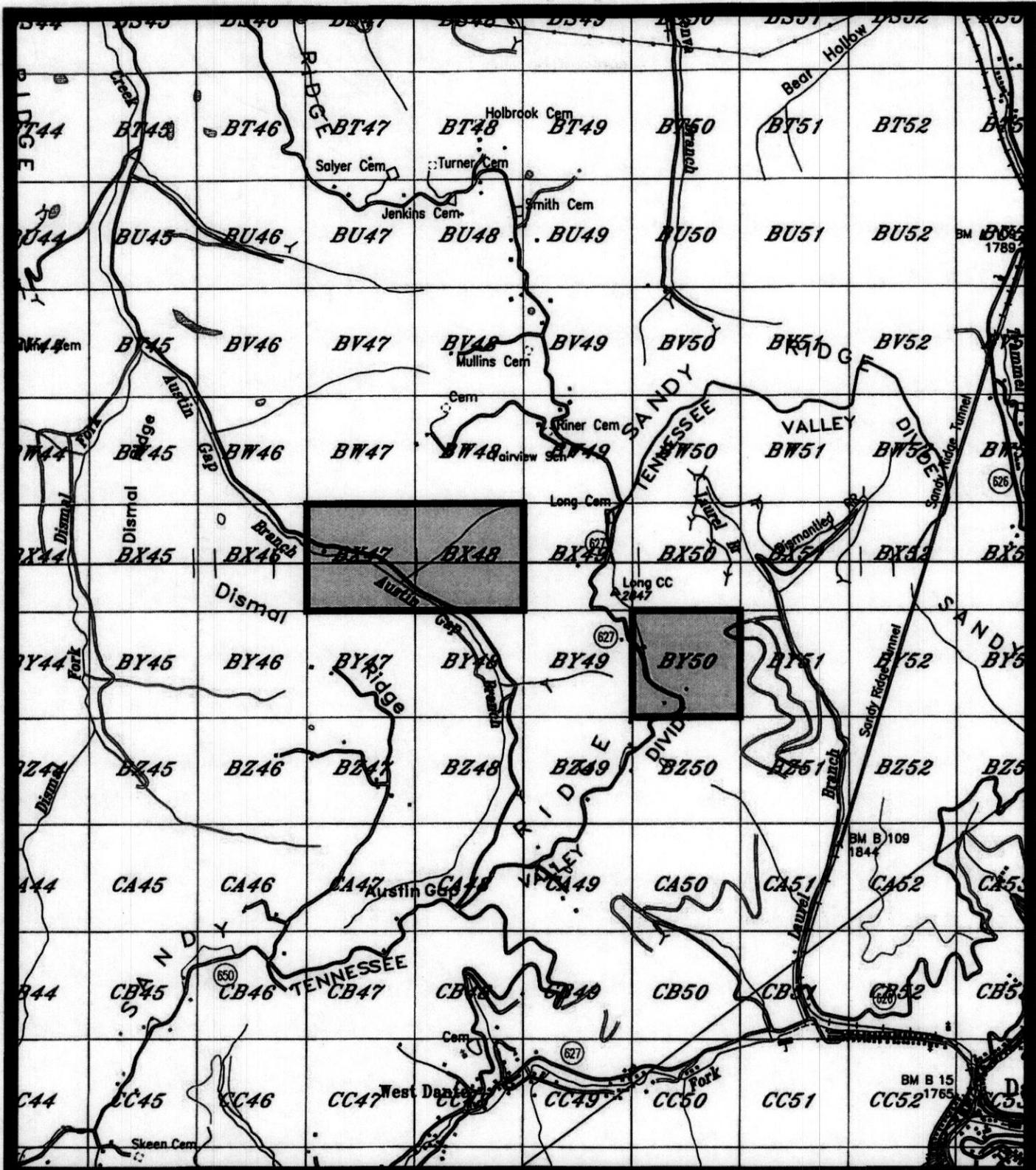
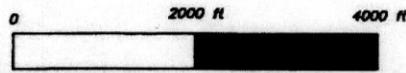


EXHIBIT AA
MIDDLE FORK
INCREASED DENSITY DRILLING NORA FIELD



Barrett, Rita

From: Mike Clark [mclark@atsone.com]
Sent: Wednesday, September 10, 2008 4:46 PM
To: Barrett, Rita
Subject: VCI-538257 & 8646

8257 is 10.10 ft inside the interior and 8646 is 10.00 ft inside. These come out exactly 10ft because Cavender has us move them at least 10ft inside the interior if they are close to the line.

Mike Clark

Appalachian Technical Services Inc.
P.O. Box 3537
6741 Indian Creek Road
Wise VA 24293
ph 276-328-4200
fax 276-328-4900

11,070'

LATITUDE 37°02' 30"

PROPOSED LAT. & LONG.
(NAD 27 DECIMAL DEGREES)
OF WELL VCI-538646

37.001594
82.329575

**TOTAL UNIT AREA
= 58.77 ACRES**

PROPOSED CGC
COORDINATES OF
WELL VCI-538646
S 35,810.09
E 15,710.89

PROPOSED STATE PLANE
NAD 83 COORDINATES OF
WELL VCI-538646
N 3,548,855.01
E 10,364,965.51

DMLR PERMIT #
1200905

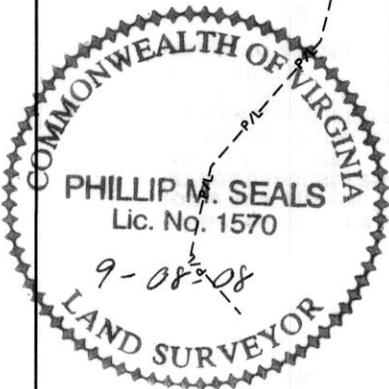
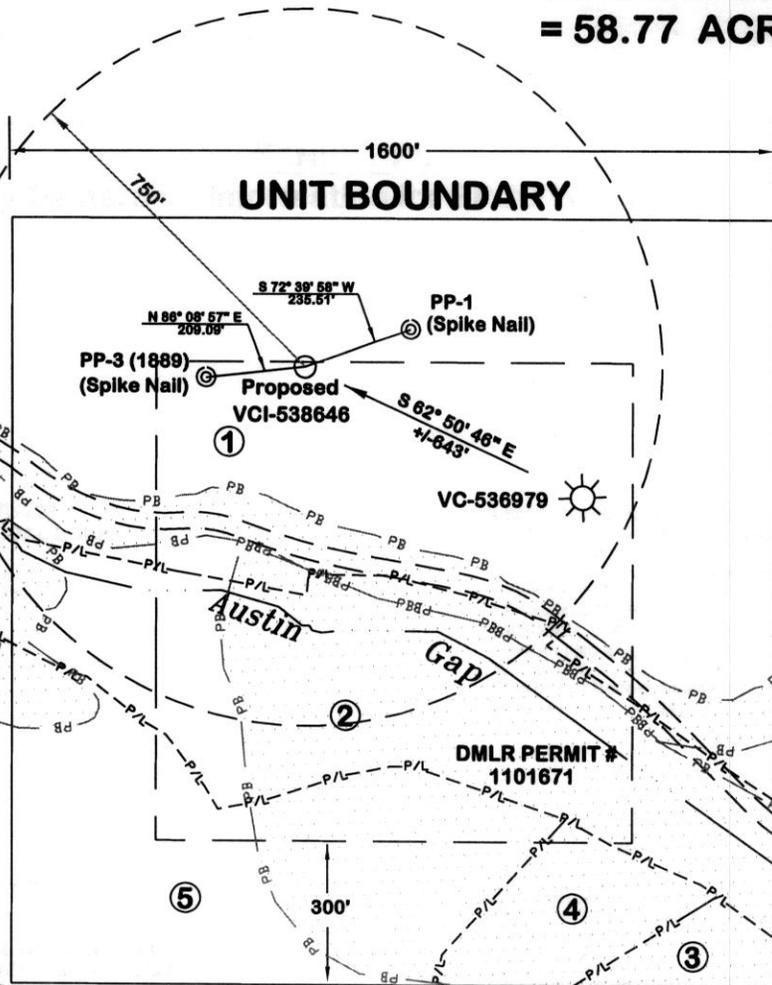
DMLR PERMIT #
1101815

DMLR PERMIT #
1101871

UNIT BOUNDARY

LONGITUDE 82° 17' 30"

14,590'



NOTE:

PROPERTY INFORMATION PROVIDED BY EQUITABLE
PRODUCTION COMPANY.

ELEVATIONS WERE DETERMINED BY GPS & TRIGONOMETRIC
METHODS BASED ON BENCH MARK P-424.

THE BOUNDARY LINES SHOWN HEREON ARE BASED ON DEEDS, PLATS, AND MAPS
OF RECORD OR PROVIDED BY OTHERS AND DO NOT DEPICT A CURRENT BOUNDARY SURVEY.

WELL LOCATION PLAT (Nora Grid BX 47)

COMPANY EQUITABLE PRODUCTION CO. WELL NAME OR NUMBER VCI-538646
TRACT NO. TL-223 QUADRANGLE Nora
DISTRICT Kenady
WELL COORDINATES (VIRGINIA STATE PLANE 27) N 265,979.78 E 881,981.05
ELEVATION 2,180.22 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.
COUNTY Dickenson SCALE: 1" = 400' DATE 09-08-08
THIS PLAT IS A NEW PLAT AN UPDATED PLAT ; OR A FINAL LOCATION PLAT

⊕ DENOTES THE LOCATION OF A WELL ON UNITED STATES TOPOGRAPHIC MAPS, SCALE 1 TO 24,000,
LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY BORDER LINES AS SHOWN.

Phillip M. Seals
LICENSED LAND SURVEYOR

EXHIBIT PL-1

Property Ownership Information for EPCO Well # VCI-538646

①

LEASE NO. 906889L/ TL-223
STANDARD BANNER COAL CORP.-
5747.00 ACRES
surface, coal, oil, gas & cbm
GAS 30.78 AC. 52.37%

②

LEASE NO. 906889L/ TL-223
STANDARD BANNER COAL CORP.-
5747.00 ACRES
coal (except The Lower Banner Seam),
oil, gas & cbm
LEASE NO. 906889L
DICKENSON-RUSSELL COAL CO., LLC /
ALPHA LAND & RESERVES, LLC / ACIN, LLC /
WBRD, LLC - coal
(The Lower Banner Seam only)
GAS 13.03 AC. 22.17%

③

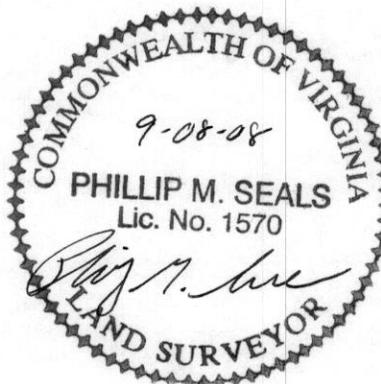
LEASE NO. 906889L / T-45
H.C. GRIZZLE
54.06 ACRES
DICKENSON-RUSSELL COAL CO., LLC /
ALPHA LAND & RESERVES, LLC / ACIN, LLC /
WBRD, LLC - coal
RANGE RESOURCES-PINE MOUNTAIN
OIL & GAS, INC. - oil, gas & cbm
GAS 1.06 AC. 1.81%

④

LEASE NO. 906889L / T-45
H.C. GRIZZLE
PART OF 77.01 ACRES - Surface
JOHN H. GRIZZLE
PART OF 665 ACRE
DICKENSON-RUSSELL COAL CO., LLC /
ALPHA LAND & RESERVES, LLC / ACIN, LLC /
WBRD, LLC - coal
RANGE RESOURCES-PINE MOUNTAIN
OIL & GAS, INC. - oil, gas & cbm
GAS 2.54 AC. 4.32%

⑤

LEASE NO. 906889L/T-84
A.H. MOORE
37.94 ACRES - Surface
JOHN H. GRIZZLE
PART OF 665 ACRES
DICKENSON-RUSSELL COAL CO., LLC /
ALPHA LAND & RESERVES, LLC / ACIN, LLC /
WBRD, LLC - coal
RANGE RESOURCES-PINE MOUNTAIN
OIL & GAS, INC. - oil, gas & cbm
GAS 11.36 AC. 19.33%



8,937'

LATITUDE 37°00' 00"

400'

LONGITUDE 82° 17' 30"

NOTE:

PROPERTY INFORMATION PROVIDED BY EQUITABLE PRODUCTION COMPANY.
ELEVATIONS WERE DETERMINED BY GPS & TRIGONOMETRIC METHODS BASED ON BENCH MARK P-424.
THE BOUNDARY LINES SHOWN HEREON ARE BASED ON DEEDS, PLATS, AND MAPS OF RECORD OR PROVIDED BY OTHERS AND DO NOT DEPICT A CURRENT BOUNDARY SURVEY.

TOTAL UNIT AREA = 58.77 ACRES

PROPOSED LAT. & LONG. (NAD 27 DECIMAL DEGREES) OF WELL VCI-538257

36.998903
82.322268

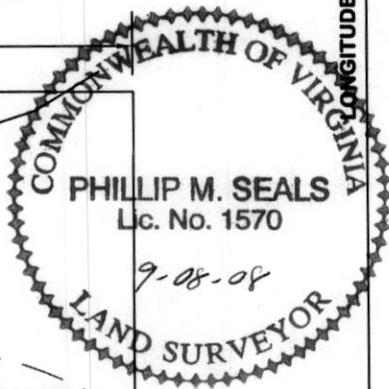
PROPOSED STATE PLANE NAD 83 COORDINATES OF WELL VCI-538257
N 3,545,789.48
E 10,367,058.03

PROPOSED CCC COORDINATES OF WELL VCI-538257
S 36,790.01
E 17,842.11

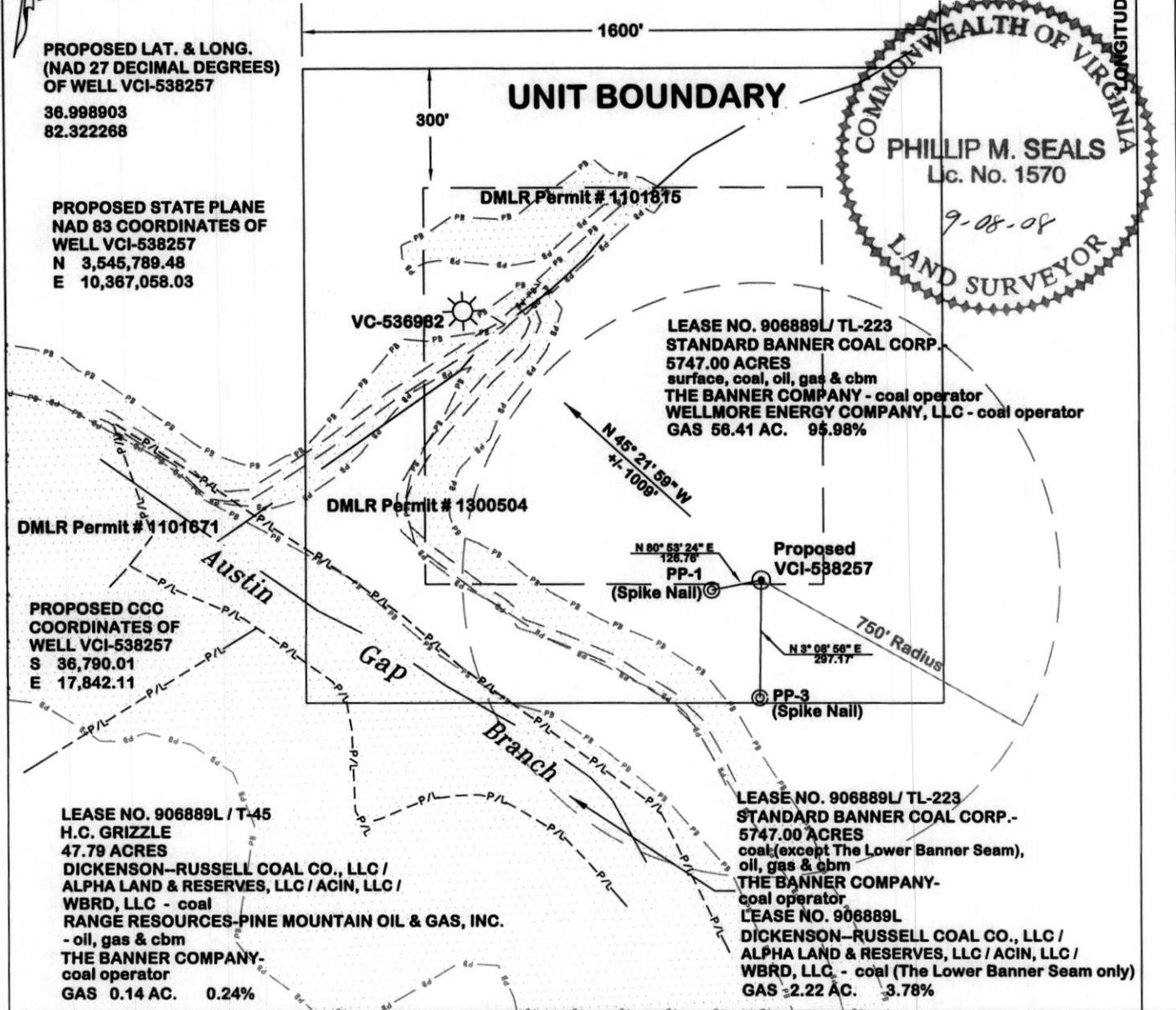
LEASE NO. 906889L / T-45
H.C. GRIZZLE
47.79 ACRES
DICKENSON-RUSSELL COAL CO., LLC / ALPHA LAND & RESERVES, LLC / ACIN, LLC / WBRD, LLC - coal
RANGE RESOURCES-PINE MOUNTAIN OIL & GAS, INC. - oil, gas & cbm
THE BANNER COMPANY- coal operator
GAS 0.14 AC. 0.24%

LEASE NO. 906889L / TL-223
STANDARD BANNER COAL CORP.- 5747.00 ACRES
coal (except The Lower Banner Seam), oil, gas & cbm
THE BANNER COMPANY- coal operator
LEASE NO. 906889L
DICKENSON-RUSSELL COAL CO., LLC / ALPHA LAND & RESERVES, LLC / ACIN, LLC / WBRD, LLC - coal (The Lower Banner Seam only)
GAS 2.22 AC. 3.78%

LEASE NO. 906889L / TL-223
STANDARD BANNER COAL CORP. 5747.00 ACRES
surface, coal, oil, gas & cbm
THE BANNER COMPANY - coal operator
WELLMORE ENERGY COMPANY, LLC - coal operator
GAS 56.41 AC. 95.98%



UNIT BOUNDARY



WELL LOCATION PLAT (Nora Grid # BX-48)

COMPANY EQUITABLE PRODUCTION CO. WELL NAME OR NUMBER VCI-538257
TRACT NO. TL-223 QUADRANGLE St. Paul
DISTRICT Kenady
WELL COORDINATES (VIRGINIA STATE PLANE 27) N 264,914.26 E 884,073.51
ELEVATION 2,253.04 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.
COUNTY Dickenson SCALE: 1" = 400' DATE 09-08-08
THIS PLAT IS A NEW PLAT AN UPDATED PLAT ; OR A FINAL LOCATION PLAT

⊕ DENOTES THE LOCATION OF A WELL ON UNITED STATES TOPOGRAPHIC MAPS, SCALE 1 TO 24,000, LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY BORDER LINES AS SHOWN.

1076.01
Form DGO-GO-7
Rev. 1-98

Phillip M. Seals
LICENSED LAND SURVEYOR

(AFFIX SEAL)

6,536'

LATITUDE 37°00'00"

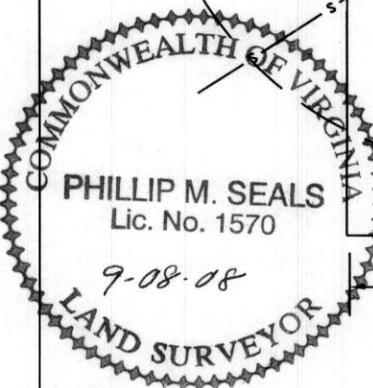
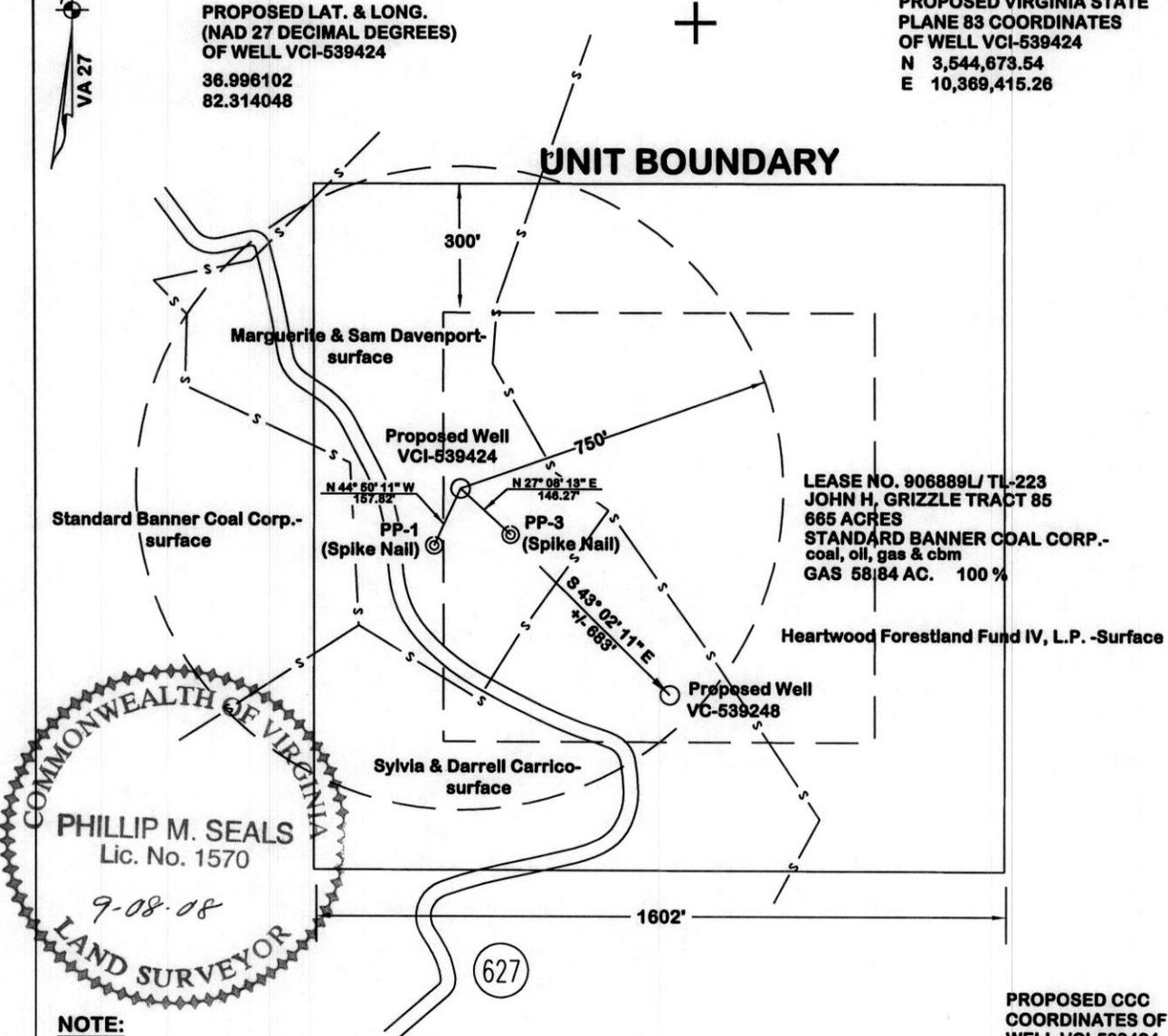
LONGITUDE 82°17'30"
1,419'

**TOTAL UNIT AREA
= 58.84 ACRES**

PROPOSED LAT. & LONG.
(NAD 27 DECIMAL DEGREES)
OF WELL VCI-539424
36.998102
82.314048

PROPOSED VIRGINIA STATE
PLANE 83 COORDINATES
OF WELL VCI-539424
N 3,544,673.54
E 10,369,415.26

UNIT BOUNDARY



LEASE NO. 906889L/TL-223
JOHN H. GRIZZLE TRACT 85
665 ACRES
STANDARD BANNER COAL CORP.-
coal, oil, gas & cbm
GAS 58.84 AC. 100 %

PROPOSED CCC
COORDINATES OF
WELL VCI-539424
S 37,809.78
E 20,239.36

NOTE:

PROPERTY INFORMATION PROVIDED BY EQUITABLE
PRODUCTION COMPANY.
ELEVATIONS WERE DETERMINED BY GPS & TRIGONOMETRIC
METHODS BASED ON BENCH MARK P-424.
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OF RECORD OR PROVIDED BY OTHERS AND DO NOT DEPICT A CURRENT BOUNDARY SURVEY.

WELL LOCATION PLAT (Nora Grid BY 50)

COMPANY EQUITABLE PRODUCTION CO. WELL NAME OR NUMBER VCI-539424
TRACT NO. TL-223 QUADRANGLE St Paul
DISTRICT Kenady
WELL COORDINATES (VIRGINIA STATE PLANE 27) N 263,798.32 E 886,430.67
ELEVATION 2,698.08 METHOD USED TO DETERMINE ELEVATION: GPS & TRIG.
COUNTY Dickenson SCALE: 1" = 400' DATE 09-08-08
THIS PLAT IS A NEW PLAT AN UPDATED PLAT ; OR A FINAL LOCATION PLAT

+ DENOTES THE LOCATION OF A WELL ON UNITED STATES TOPOGRAPHIC MAPS, SCALE 1 TO 24,000,
LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY BORDER LINES AS SHOWN.

Phillip M. Seals

LICENSED LAND SURVEYOR

(AFFIX SEAL)

EXHIBIT

Mr John Mooney
Vice President & Regional Manager
ACIN, LLC
P. O. Box 2827 Huntington, WV 25727

Mr. Steve Smith
Vice President of VA/KY Engineering
Alpha Land & Reserves. LLC
and Maxxim Shared Services, LLC
5703 Crutchfield Drive
Norton, VA 24273

Range Resources-Pine Mountain, Inc
ATTN: Jerry Grantham
P. O. Box 2136
Abingdon, VA 24212

Standard Banner Coal Corporation
Attn: Mike Clisso
P.O. Box 750
Wise, VA 24293