

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Appalachian Energy Inc.

DIVISION OF GAS AND OIL  
DOCKET NO. VGOB 89-0126-0009-61

RELIEF SOUGHT: MODIFICATION OF NORA COALBED GAS UNIT NOS: *D-94; D-95; D-96; E-94; E-95; E-96; F-94; F-95; F-96; F-97; F-98; G-95; G-96; G-97; G-98; & G-99.*

AFFECTED UNITS: (See Attached Exhibit A)

APPLICATION

1. **Applicant and its counsel:** Applicant is **Appalachian Energy Inc.** P.O. Box 2406, Abingdon Virginia, 24212-2406, (276) 619-4880. 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 : Jawbone, War Creek, Middle Horsepen, Upper Horsepen, Middle Seaboard, Upper Seaboard, Tiller, Raven, Aily, Kenedy, Lower Banner, Poca 9, Poca 8, Poca 6, Poca 5, Poca 4, Poca 3, Poca 1,, 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:** 375 MMCF

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

**WILHOIT & KAISER**  
Attorneys at Law

**ANTHONY A. WILHOIT**  
**JAMES E. KAISER**

**West Virginia Office:**  
300 Capitol Street  
Suite 420  
P. O. Box 1389  
Charleston, West Virginia 25325  
304-346-5291  
304-346-6849 fax

January 19, 2010

**Tennessee Office:**  
220 Broad Street  
Suite 210  
Kingsport, Tennessee 37660  
423-578-3838  
423-578-3833 fax

Diane Davis  
Virginia Gas and Oil Board  
Department of Mines, Minerals & Energy  
P O Box 159  
Lebanon, VA 24266

Re: AEI, Increased Density Application for February Docket  
VGOB 89-0126-0009-61.

Dear Diane:

Enclosed, please find corrected pages regarding the above increased density. MMCF's were wrong on the originals sent to you on January 14<sup>th</sup>. The second corrected page goes with the Notice of Hearing. If you need copies of these pages, let me know and I will have Jim bring them to the meeting.

Should you have any questions or concerns, do not hesitate to contact this office.

Very truly yours,

WILHOIT & KAISER

  
Susan Peterson

/sp

Enclosure



BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Appalachian Energy Inc.

DIVISION OF GAS AND OIL  
DOCKET NO. VGOB 89-0126-0009-61

RELIEF SOUGHT: MODIFICATION OF NORA COALBED GAS UNIT NOS: D-94; D-95; D-96; E-94; E-95; E-96; F-94; F-95; F-96; F-97; F-98; G-95; G-96; G-97; G-98; & G-99.

AFFECTED UNITS: (See Attached Exhibit A)

APPLICATION

1. **Applicant and its counsel:** Applicant is Appalachian Energy Inc. P.O. Box 2406, Abingdon Virginia, 24212-2406, (276) 619-4880. 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 : Jawbone, War Creek, Middle Horsepen, Upper Horsepen, Middle Seaboard, Upper Seaboard, Tiller, Raven, Aily, Kenedy, Lower Banner, Poca 9, Poca 8, Poca 6, Poca 5, Poca 4, Poca 3, Poca 1,, 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:** 625 MMCF

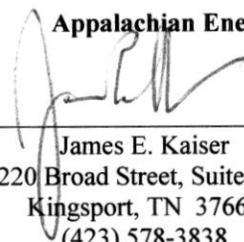
9. **Plat:** See Exhibit A annexed hereto.

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.

**Appalachian Energy Inc.**

By: \_\_\_\_\_

  
James E. Kaiser  
220 Broad Street, Suite 210  
Kingsport, TN 37660  
(423) 578-3838

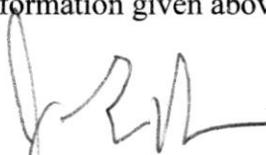
**AFFIDAVIT OF DUE OF DILIGENCE**

**COMMONWEALTH OF VIRGINIA  
COUNTY OF BUCHANAN**

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 Appalachian Energy Inc. 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 14, 2010** 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 Appalachian Energy Inc. 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 Appalachian Energy Inc.'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  
Appalachian Energy Inc.

**ACKNOWLEDGMENT**

STATE OF TENNESSEE

COUNTY OF SULLIVAN

TAKEN, SUBSCRIBED AND SWORN to before me this 14<sup>th</sup> day of  
January, 2010.



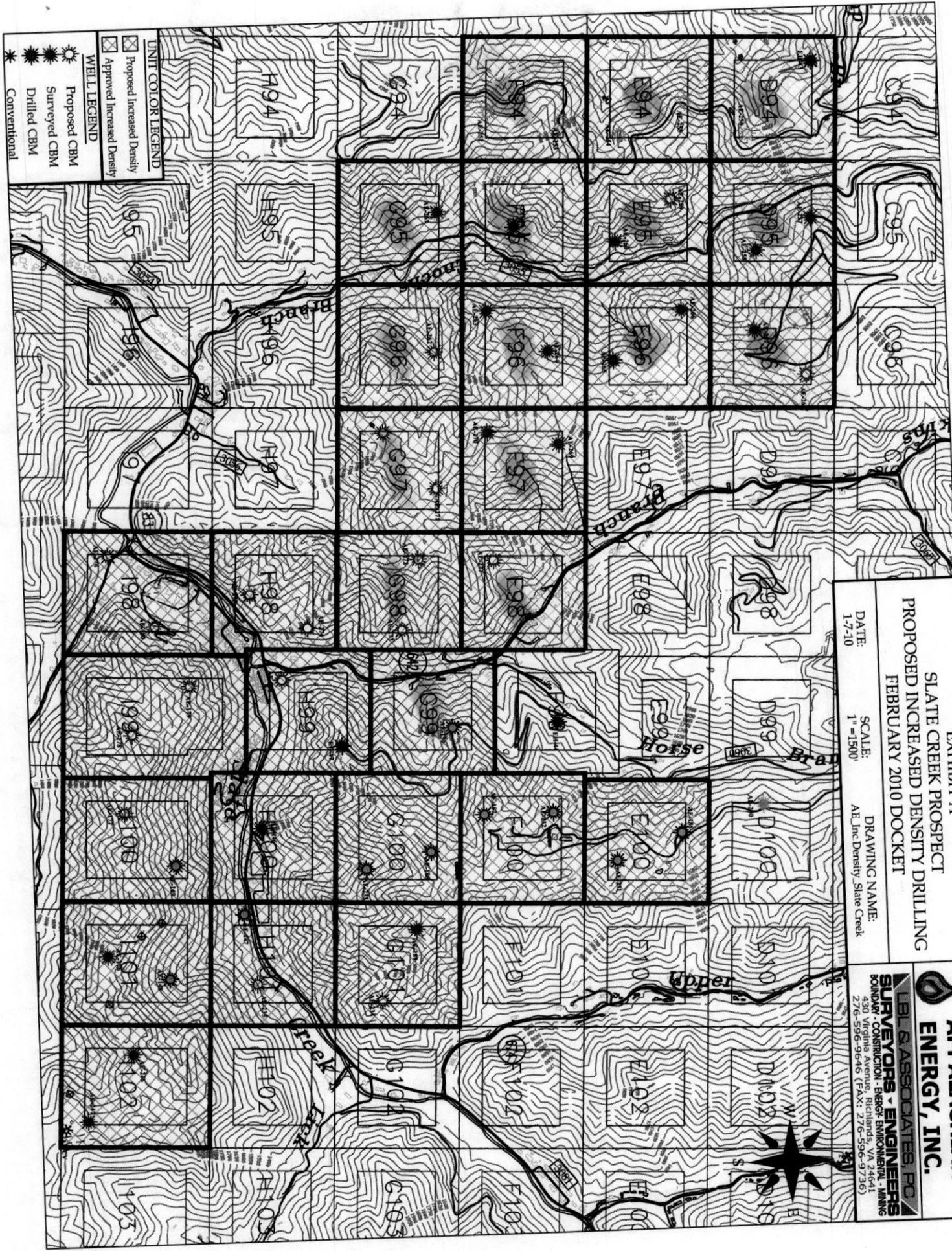
My commission expires: October 24, 2012.

EXHIBIT A  
 SLATE CREEK PROSPECT  
 PROPOSED INCREASED DENSITY DRILLING  
 FEBRUARY 2010 DOCKET

DATE: 1-7-10  
 SCALE: 1"=1500'  
 DRAWING NAME: AE, Inc. Density, Slate Creek



**IBI & ASSOCIATES, P.C.**  
**SURVEYORS • ENGINEERS**  
 BOUNDARY • CONSTRUCTION • ENERGY ENVIRONMENTAL PLANNING  
 430 Virginia Avenue, Richards, VA 27361  
 276-596-9646 (FAX: 276-596-9726)



**UNIT COLOR LEGEND**  
 Proposed Increased Density  
 Approved Increased Density

**WELL LEGEND**  
 Proposed CBM  
 Surveyed CBM  
 Drilled CBM  
 Conventional

**APPALACHIAN ENERGY, INC.**  
**NORA CBM FIELD - INCREASED DENSITY**

Barbara Oakley  
440 Arlington Ave.  
Bristol, VA 24201

Caroline Kelly Maynard  
266 County Road 524  
Nacagdoches, TX 75961

Daphne Lowry  
49 Kingsbridge St.  
Bristol, TN 37620-2959

James M. Kelly, III  
12 Madrono Court  
Corte Madera, CA 94925

Ann Wood Kelly  
PO Box 272  
Reedville, VA 22539

Edith K. Bales, Et Al  
1940 Terwood Road  
Huntington Valley, PA 19006

Lowry Stuart Kelly, Jr.  
722 Sinyard Circle  
Hiram, GA 30141

Minnie Kelly Hunt  
1106 Northshore Drive  
Sunset Beach, NC 28468

William Chilton Kelly  
6121 Lane Pl  
Downers Grove, IL 60516-1806

Elizabeth Whitman  
PO Box 126  
Keene, NY 12942

Buford & Sue Yates  
1922 Elkins Branch Road  
Grundy, VA 24614

Genetta Looney  
PO Box 93  
Vansant, VA 24656

Carol & Luis Rivera  
8518 Barrens Road  
Roanoke, VA 24019

Linkous Yates  
PO Box 68  
Grundy, VA 24614

Larry Puckett  
246 Vine Place  
Stafford, VA 22554

Glenn Thomas Yates  
142 Mill Lane  
Yorktown, VA 23692

Joyce Ann Bach  
PO Box 477  
West Liberty, KY 41472

Marling E. Potter  
341 Glenn Ave  
West Liberty, KY 41472

Edith F. Compton  
Rt. 5, Box 137  
Grundy, VA 24614

Alta Yates Cox  
1829 Elkins Branch Road  
Grundy, VA 24614

David & Marie Keene  
4734 Meadow Crossing Lane NE  
Roanoke, VA 24012

Clyde D. Looney  
4256 Willowdale Road  
Springfield, OH 45502

Lourena Yates  
1922 Elkins Branch Road  
Grundy, VA 24614

Shirley Ann Matney  
PO Box 153  
Vansant, VA 24656

Carl E. Looney  
PO Box 460  
Grundy, VA 24614

Cornelius Rife  
HC 61 Box 28  
Grundy, VA 24614

Dolly M. Yates  
1781 Shipley Ferry Road  
Kingsport, TN 37663

Ola Gay Fletcher  
PO Box 598  
Grundy, VA 24614

Brenda P. Tate  
2137 Harpoon Drive  
Stafford, VA 22554

Rhonda Gail Bingel  
246 Vine Place  
Stafford, VA 22554

Frances Loredith Yates  
1027 Caney Fork Road  
Big Rock, VA 24603-9546

Robin Renee Fletcher  
1027 Caney Fork Road  
Big Rock, VA 24603-9546

Harry Eugene Yates  
1030 Caney Fork Road  
Big Rock, VA 24603

Tommy Arthur Yates  
23127 Kestrel Drive  
Bristol, VA 24202

Marta L. McKenzie  
721 San Marino Drive  
Lady Lake, FL 32159

R. James Yates  
PO Box 728  
Coolridge, WV 25825

Linda Nancy Yates  
Route 5 Box 138  
Grundy, VA 24614

Jeffrey Yates  
PO Box 347  
Cedar Bluff, VA 24609

Rebecca Stiltner  
PO Box 397  
Big Rock, VA 24603

Annie C. White Estate  
Address Unknown

Alex Shortridge Heirs  
Sara Gentry, Agent  
109 Eagleridge Lane  
Bristol, VA 24202

Eagle Coal Corporation  
c/o Hess, Stewart & Campbell, PLLC  
PO Box 1060  
Huntington, WV 25713

The Runals Trust  
11453 Davis Road  
Middleville, MI 49333

Green Charles Heirs  
c/o John Baird  
PO Box 351  
Pikeville, KY 41502

John H. Belcher  
Agent for G. Belcher  
524 Maxfield Rd.  
Big Stone Gap, VA 24219

James Stewart Yates  
515 Dogwood Drive  
Liberty, NC 27298

Lawrence Jackson  
3005 Sunny Branch Drive  
Wilmington, NC 28411

Teddy Yates  
PO Box 416  
Big Rock, VA 24603

Leslie Musick  
Address Unknown

A.M. Ratliff Heirs  
Address Unknown

Wellmore Energy Co.  
c/o Bill Fuller  
PO Box 458  
Big Rock, VA 24603

Wellmore Energy Co.  
c/o Brian Sullivan  
1005 Glenway  
Bristol, VA 24202

Buchanan Realty  
c/o John Irvin  
4710 Hunterwood Circle  
Richmond, TX 77469

Chesapeake Appalachia  
Attn: Lester Zitkus  
PO Box 96-0277  
Oklahoma City, OK 73196-0277

Wanda Kay Brown  
PO Box 607  
Greenville, TN 37744

Patricia Musick Hatfield  
608 Sherwood Drive  
Marion, VA 24354

**BEFORE THE VIRGINIA GAS AND OIL BOARD**

**APPLICANT: Appalachian Energy Inc.**

**DIVISION OF GAS AND OIL  
DOCKET NO. 89-0126-0009-61**

**RELIEF SOUGHT: MODIFICATION OF  
NORA COALBED GAS FIELD**

**AFFECTED UNITS: Multiple (See Attached Exhibit A)**

**NOTICE OF HEARING**

**HEARING DATE: February 16, 2010**

**PLACE: Conference Center at the Russell County Office Facility  
Lebanon, Virginia**

**TIME: 9:00 a.m.**

**COMMONWEALTH OF VIRGINIA:**

**To:** See Exhibit "B" attached hereto:

1. **Applicant and its counsel:** Applicant is Appalachian Energy Inc., P.O. Box 2406, Abingdon, Virginia, 24212-2406, (276) 619-4880. Applicant's Counsel is James E. Kaiser, 220 Broad Street, Suite 210, Kingsport, TN 37660, (423) 578-3838.

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

3. **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..

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, War Creek, Middle Horsepen, Upper Horsepen, Middle Seaboard, Upper Seaboard, Tiller, Raven, Aily, Kenedy, Lower Banner, Poca 9, Poca 8, Poca 6, Poca 5, Poca 4, Poca 3, Poca 1, 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:** 625 MMCF

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

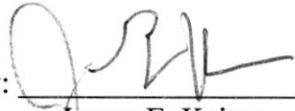
10. **The boundaries and acreage affected:** See Exhibit A annexed hereto.

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 159, Lebanon, Virginia 24266, (276) 514-9650 or the Applicant at the address shown below.

Appalachian Energy Inc.

By: 

James E. Kaiser

220 Broad Street, Suite 210

Kingsport, TN 37660

(423) 578-3838

NOTICE OF HEARING BEFORE THE DEPARTMENT OF MINES, MINERALS &  
ENERGY, DIVISION OF GAS AND OIL  
Docket Number VGOB-89-0126-0009-61

Unit Numbers: **D-94; D-95; D-96; E-94; E-95; E-96; F-94; F-95; F-96; F-97; F-98; G-95; G-96; G-97; G-98; & G-99.**

To: All persons, their known and unknown heirs, executors, administrators, devisees, assigns and successors, owning an interest in the gas, oil, coal or minerals underlying the following Unit Numbers: **D-94:** being 60-acre unit in Nora CBM field. Center of said unit is 6000' NW of intersection of State Route 83 & Buchanan County Route 3055 and center of said unit is 9750' WNW of intersection of State Route 83 & 642, **G-96:** being 60-acre unit in Nora CBM Field. Center of said unit is 2800' NW of intersection of SR 83 & Buch Co Route 3055 and 4300' W of intersection of SR 83 & 642, **G-97:** being 60-acre unit in Nora CBM Field. Center of said unit is 300' NE of intersection of SR 83 & Buch Co Route 3055 and 3300' NW of intersection of SR 83 and 642; **G-98:** being 60-acre unit in Nora CBM Field. Center of said unit is 4100' NE of intersection of Buch Co Route 3055 and SR 83 and 1700' NW of intersection of SR's 83 & 642. in the North Grundy District of Buchanan County, Virginia.

NOTICE IS HEREBY GIVEN that Appalachian Energy Inc., P.O. Box 2406, Abingdon, Virginia, 24212-2406, is requesting that the Virginia Gas and Oil Board (hereinafter "Board") modify the Nora Coalbed Methane Field Rule to allow for an additional wells to be drilled in Units **D-94; D-95; D-96; E-94; E-95; E-96; F-94; F-95; F-96; F-97; F-98; G-95; G-96; G-97; G-98; & G-99** all containing approximately 58.77 acres, located in the above-referenced area.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence before the Board at 9:00 a.m. on February 16, 2010 at the Conference Center at the Russell County Office Facility, Lebanon, Virginia.

All interested persons may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. For further information, contact the Virginia Gas and Oil Board, State Gas and Oil Inspector, Department of Mines, Minerals and Energy, Division of Gas and Oil, P.O. Box 159, Lebanon, Virginia, 24266, (276) 415-9650 or the Applicant at the address shown above.



**APPALACHIAN ENERGY, INC.**



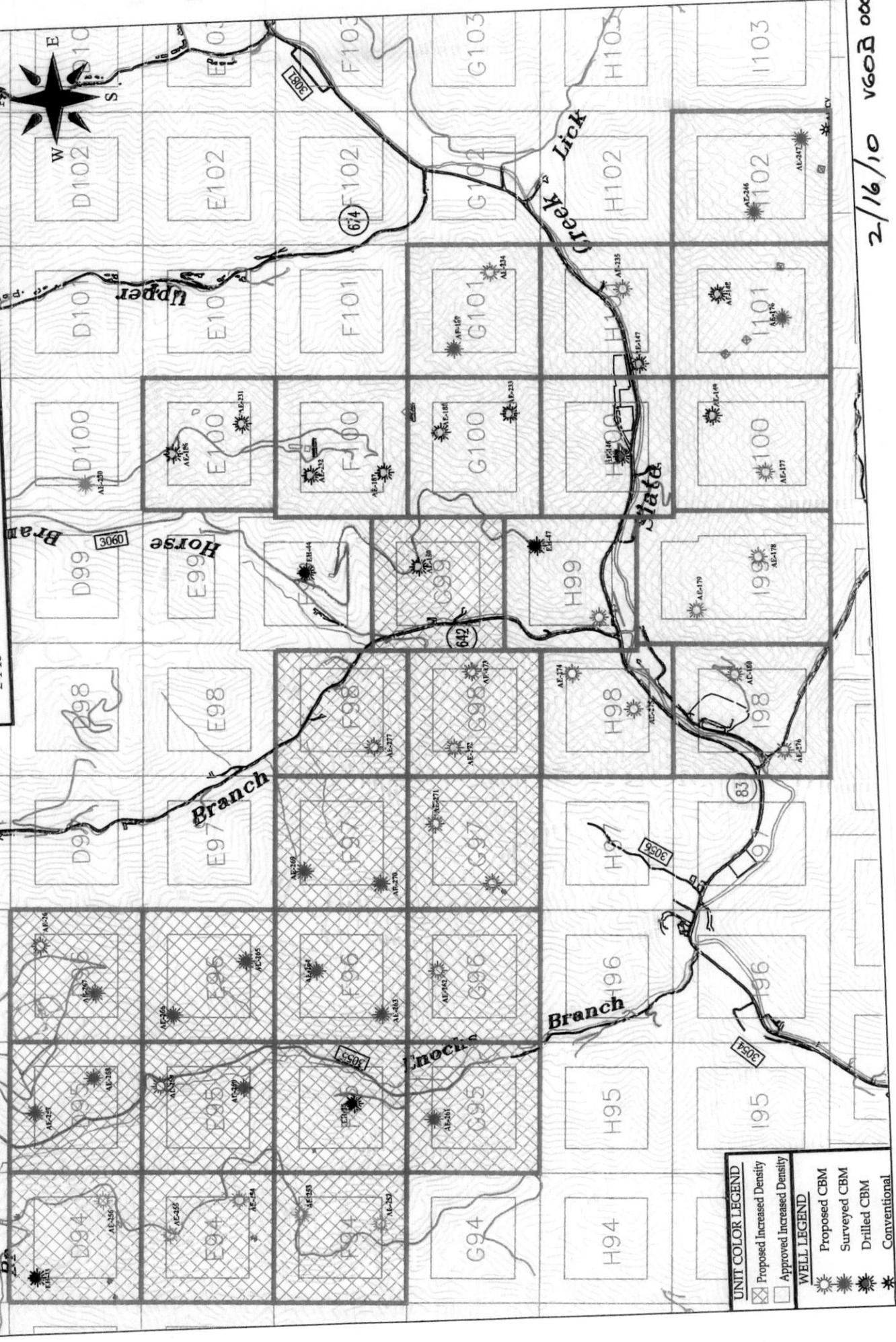
**LBL & ASSOCIATES, PC**  
**SURVEYORS - ENGINEERS**  
 CONSTRUCTION - ENERGY - ENVIRONMENTAL - MINING  
 2400 Virginia Avenue, Richards, VA 24641  
 276-596-9646 (FAX: 276-596-9736)

**EXHIBIT A A**  
**SLATE CREEK PROSPECT**  
**PROPOSED INCREASED DENSITY DRILLING**  
**FEBRUARY 2010 DOCKET**

DRAWING NAME:  
 AE\_Inc\_Density\_Slate Creek

SCALE:  
 1" = 1500'

DATE:  
 2-4-10



**UNIT COLOR LEGEND**

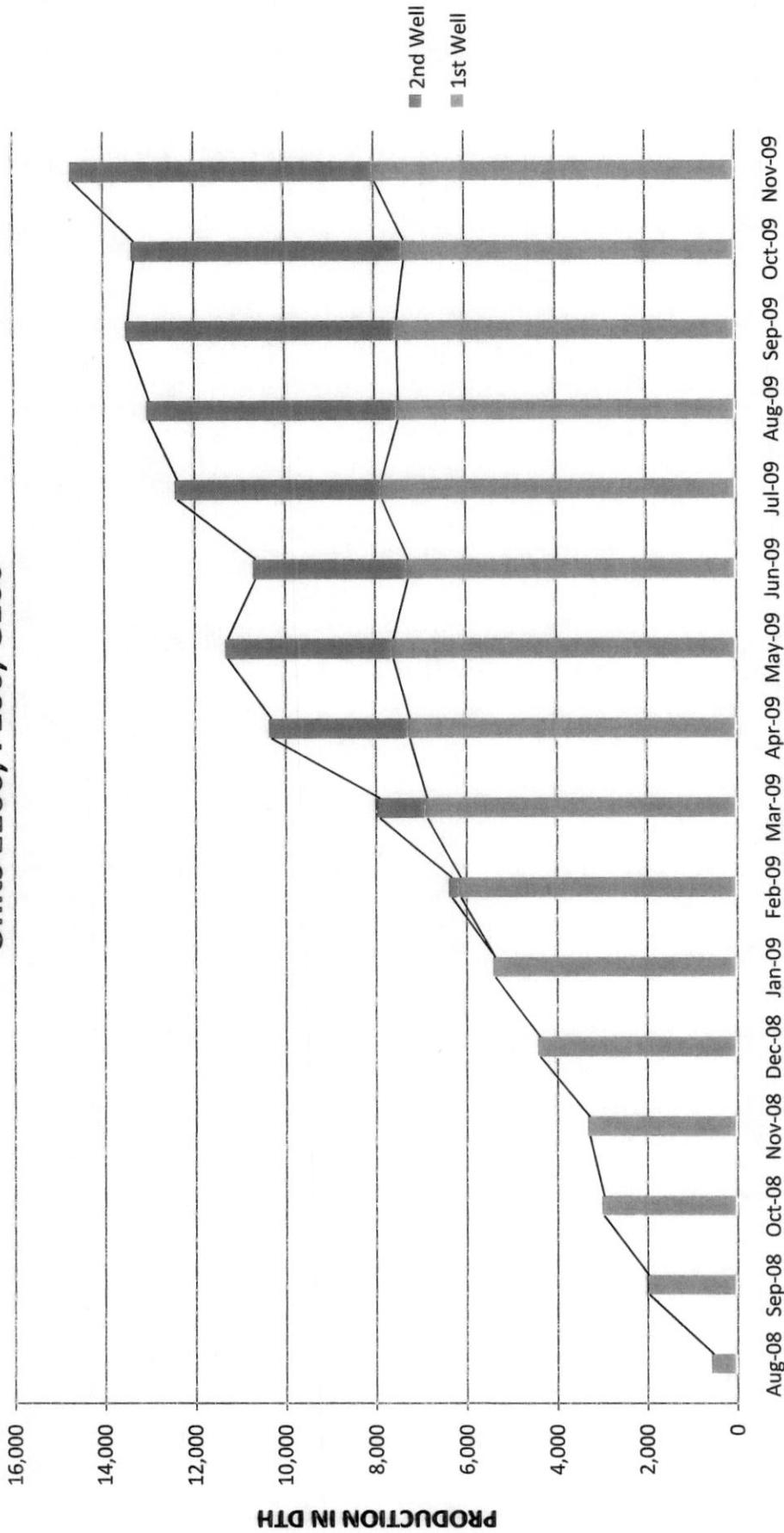
- Proposed Increased Density
- Approved Increased Density

**WELL LEGEND**

- Proposed CBM
- Surveyed CBM
- Drilled CBM
- Conventional

2/16/10 V60D 0007-6

### Graph Depicting The Benefits of Increased Density Drilling Nora Coalbed Methane Gas Field Units E100, F100, G100



\*Production Volumes as reported to DMME

TIME IN MONTHS

UNIT NUMBER	WELL NUMBER	TURN IN LINE (TIL) DATE	CUMULATIVE PRODUCTION AS OF NOVEMBER 2009
G100	AE-188	8/19/2008	24,942
F100	AE-232	8/30/2008	23,215
E100	AE-186	9/2/2008	43,655
G100	AE-233	2/20/2009	18,015
E100	AE-231	4/1/2009	16,385
F100	AE-187	4/2/2009	5,634
<b>TOTAL PRODUCTION</b>			<b>131,846</b>

\*Production Volumes as reported to DMME DGO

**EXHIBIT DD**

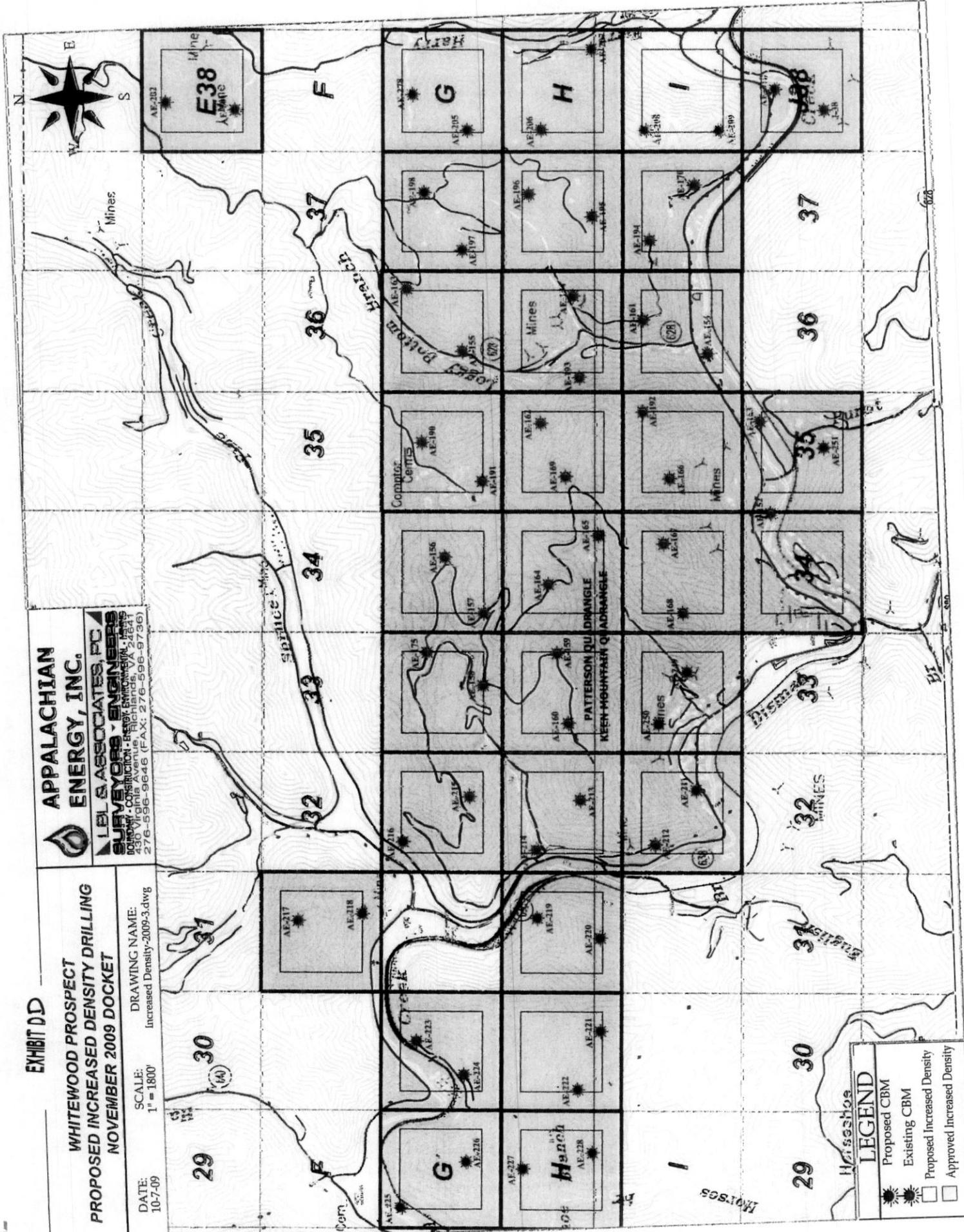
**WHITEWOOD PROSPECT  
PROPOSED INCREASED DENSITY DRILLING  
NOVEMBER 2009 DOCKET**

DATE: 10-7-09  
SCALE: 1" = 1800'  
DRAWING NAME: Increased Density-2009-3.dwg



**APPALACHIAN  
ENERGY, INC.**

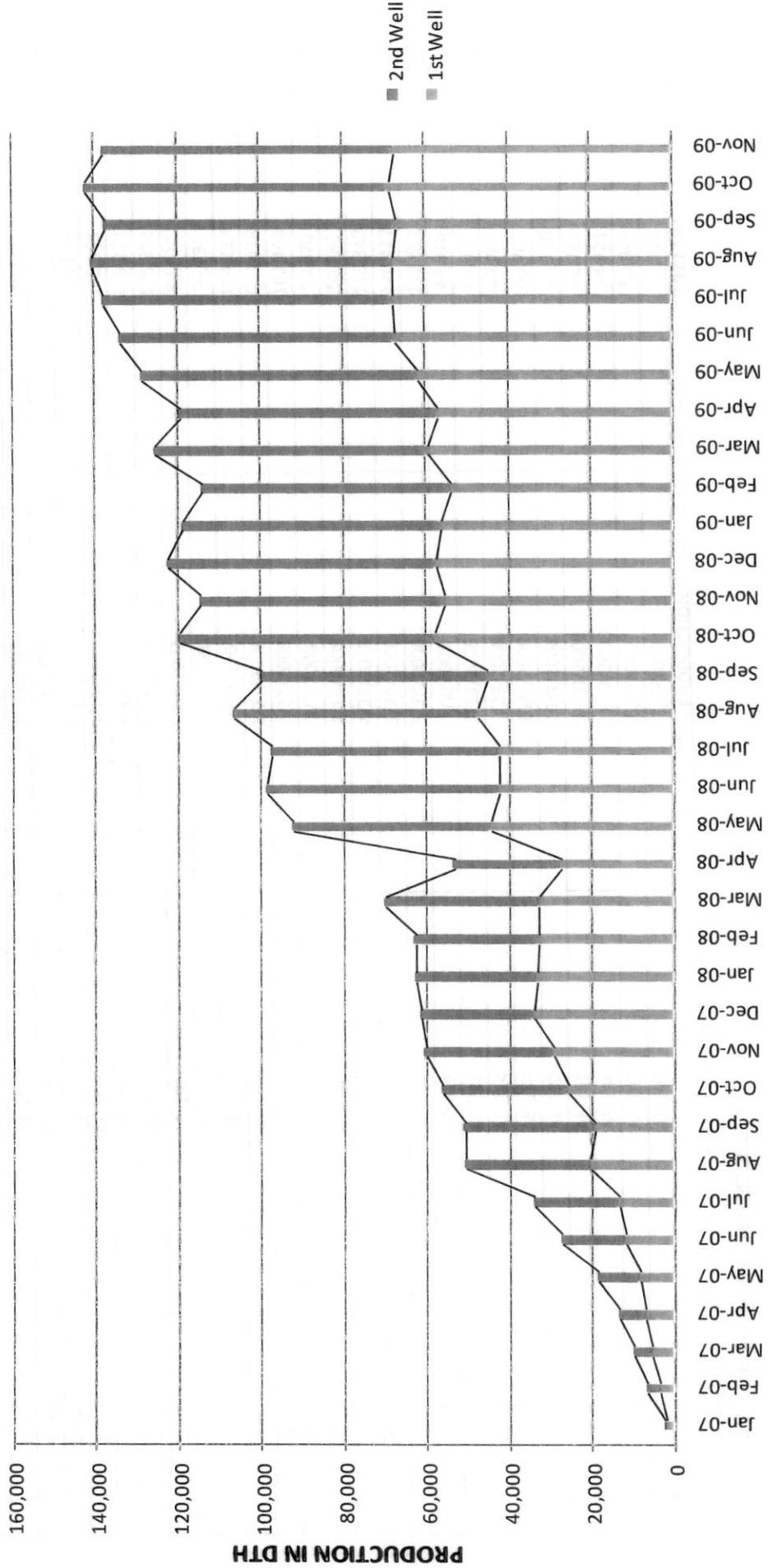
**LEBL & ASSOCIATES, PC  
SURVEYORS & ENGINEERS**  
REG. PROFESSIONAL ENGINEERS  
430 Virginia Avenue, Suite 204  
Martinsburg, WV 26151  
PHONE: 276-596-9646 (FAX: 276-596-9736)



**LEGEND**

- Proposed CBM
- Existing CBM
- Proposed Increased Density
- Approved Increased Density

### Graph Depicting The Benefits of Increased Density Drilling Oakwood #1 Coalbed Gas Field Units G30, G33, G34, G35, G36, H32, H33, H34, H35, I34, I35, I36, I37



\* Production volumes as reported to DMME DGO

BEFORE THE VIRGINIA GAS AND OIL BOARD



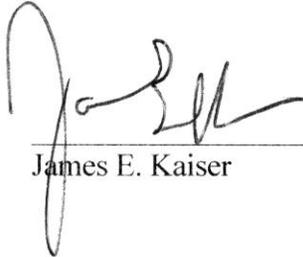
Applicant: Appalachian Energy, Inc. )  
)  
)  
Relief Sought: Modification of the Nora Coalbed Methane ) Docket No.  
Gas Field Rules, to allow more than one coalbed gas well ) VGOB-89-0126-0009-61  
to be drilled and an order providing additional well permits )  
)

AFFIDAVIT OF MAILING  
(CERTIFICATE OF SERVICE)

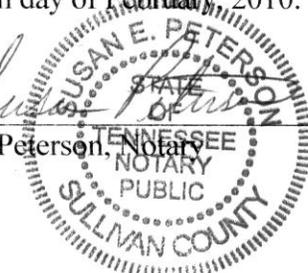
STATE OF TENNESSEE )  
)  
COUNTY OF SULLIVAN )

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 14th day of January, 2010, 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 February, 2010.

  
\_\_\_\_\_  
Susan Peterson, Notary  


My commission expires: October 24, 2012.

# Certificate of Publication



I, Jenay Tate, Publisher of The Coalfield Progress, a newspaper published twice a week on Tuesdays and Fridays in the City of Norton, in Wise County, State of Virginia, do hereby certify that the order of publication, copy of which is hereby attached, of

..... Public Notice .....  
Plaintiff

vs.

.....  
Defendant

was published for ..... 1 ..... issues ..... weeks,

beginning 1-19-10 ..... ending 1-19-10 .....

Publishers fee, \$ ..... 127.80 .....

..... Jenay Tate .....  
Publisher

NOTICE OF HEARING  
BEFORE THE DEPARTMENT  
OF MINES, MINERALS &  
ENERGY, DIVISION OF  
GAS AND OIL

Docket Number

VGOB-89-0126-0009-61

Unit Numbers: **D-94; D-95; D-96; E-94; E-95; E-96; F-94; F-95; F-96; F-97; F-98; G-95; G-96; G-97; G-98; & G-99.**

To: All persons, their known and unknown heirs, executors, administrators, devisees, assigns and successors, owning an interest in the gas, oil, coal or minerals underlying the following Unit Numbers: **D-94:** being 60-acre unit in Nora CBM field. Center of said unit is 6000' NW of intersection of State Route 83 & Buchanan County Route 3055 and center of said unit is 9750' WNW of intersection of State Route 83 & 642. **G-96:** being 60-acre unit in Nora CBM Field. Center of said unit is 2800' NW of intersection of SR 83 & Buch Co Route 3055 and 4300' W of intersection of SR 83 & 642. **G-97:** being 60-acre unit in Nora CBM Field. Center of said unit is 300' NE of intersection of SR 83 & Buch Co Route 3055 and 3300' NW of intersection of SR 83 and 642. **G-98:** being 60-acre unit in Nora CBM Field. Center of said unit is 4100' NE of intersection of Buch Co Route 3055 and SR 83 and 1700' NW of intersection of SR's 83 & 642 in the North Grundy District of Buchanan County, Virginia.

NOTICE IS HEREBY GIVEN that Appalachian Energy Inc., P.O. Box 2406, Abingdon, Virginia, 24212-2406, is requesting that the Virginia Gas and Oil Board (hereinafter "Board") modify the Nora Coalbed Methane Field Rule to allow for an additional wells to be drilled in Units **D-94; D-95; D-96; E-94; E-95; E-96; F-94; F-95; F-96; F-97; F-98; G-95; G-96; G-97; G-98; & G-99** all containing approximately 58.77 acres, located in the above-referenced area.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence before the Board at 9:00 a.m. on February 16, 2010 at the Conference Center at the Russell County Office Facility, Lebanon, Virginia.

All interested persons

Tracking

APPALACHIAN ENERGY, INC.  
NORA CBM FIELD - INCREASED DENSITY

Barbara Oakley 76882070/1-19-10  
440 Arlington Ave.  
Bristol, VA 24201

Genetta Looney  
PO Box 93 76881790/1-26-10  
Vansant, VA 24656

Caroline Kelly Maynard 76882063/1-26-10  
266 County Road 524  
Nacagdoches, TX 75961

Carol & Luis Rivera 76881783/1-21-10  
8518 Barrens Road  
Roanoke, VA 24019

Daphne Lowry 76882056/1-20-10  
49 Kingsbridge St.  
Bristol, TN 37620-2959

Linkous Yates  
PO Box 68  
Grundy, VA 24614

James M. Kelly, III 76882049/1-26-10  
12 Madrono Court  
Corte Madera, CA 94925

Larry Puckett 76881769/1-20-10  
246 Vine Place  
Stafford, VA 22554

Ann Wood Kelly 76882032/1-27-10  
PO Box 272  
Reedville, VA 22539

Glenn Thomas Yates 76881752/1-19-10  
142 Mill Lane  
Yorktown, VA 23692

Edith K. Bales, Et Al 76882025/1-22-10  
1940 Terwood Road  
Huntington Valley, PA 19006

Joyce Ann Bach 76881745/1-26-10  
PO Box 477  
West Liberty, KY 41472

Lowry Stuart Kelly, Jr. 76882018/1-27-10  
722 Sinyard Circle  
Hiram, GA 30141

Marling E. Potter 76881738/1-19-10  
341 Glenn Ave  
West Liberty, KY 41472

Minnie Kelly Hunt 76882001/1-19-10  
1106 Northshore Drive  
Sunset Beach, NC 28468

Edith F. Compton 76881721/1-27-10  
Rt. 5, Box 137  
Grundy, VA 24614

William Chilton Kelly 76881998/1-22-10  
6121 Lane Pl  
Downers Grove, IL 60516-1806

Alta Yates Cox 76881714/1-21-10  
1829 Elkins Branch Road  
Grundy, VA 24614

Elizabeth Whitman 76881981/1-26-10  
PO Box 126  
Keene, NY 12942

David & Marie Keene 76881707/1-19-10  
4734 Meadow Crossing Lane NE  
Roanoke, VA 24012

Buford & Sue Yates 76881974/1-21-10  
1922 Elkins Branch Road  
Grundy, VA 24614

Clyde D. Looney 76881691/1-28-10  
4256 Willowdale Road  
Springfield, OH 45502

Lourena Yates 7688 1967/1-26-10  
1922 Elkins Branch Road  
Grundy, VA 24614

Shirley Ann Matney  
PO Box 153 7688 1950/1-21-10  
Vansant, VA 24656

Carl E. Looney  
PO Box 460  
Grundy, VA 24614

Cornelius Rife 7688 1936/1-21-10  
HC 61 Box 28  
Grundy, VA 24614

Dolly M. Yates 7688 1929/2-1-10  
1781 Shipley Ferry Road  
Kingsport, TN 37663

Ola Gay Fletcher 7688 1912/1-21-10  
PO Box 598  
Grundy, VA 24614

Brenda P. Tate 7688 1905/1-22-10  
2137 Harpoon Drive  
Stafford, VA 22554

Rhonda Gail Bingel  
246 Vine Place 7688 1899/1-20-10  
Stafford, VA 22554

Frances Loredith Yates 7688 1882/1-19-10  
1027 Caney Fork Road  
Big Rock, VA 24603-9546

Robin Renee Fletcher 7688 1875/1-19-10  
1027 Caney Fork Road  
Big Rock, VA 24603-9546

Harry Eugene Yates 7688 1868/1-20-10  
1030 Caney Fork Road  
Big Rock, VA 24603

Tommy Arthur Yates  
23127 Kestrel Drive 7688 1857/1-20-10  
Bristol, VA 24202

Marta L. McKenzie 7688 1684/1-21-10  
721 San Marino Drive  
Lady Lake, FL 32159

R. James Yates 7688 1679/1-26-10  
PO Box 728  
Coolridge, WV 25825

Linda Nancy Yates 7688 1660/1-21-10  
Route 5 Box 138  
Grundy, VA 24614

Jeffrey Yates 7688 1653/1-22-10  
PO Box 347  
Cedar Bluff, VA 24609

Rebecca Stiltner  
PO Box 397 7688 1646/1-21-10  
Big Rock, VA 24603

Annie C. White Estate  
Address Unknown

Alex Shortridge Heirs  
Sara Gentry, Agent 7688 1639/1-21-10  
109 Eagleridge Lane  
Bristol, VA 24202

Eagle Coal Corporation 7688 1622/1-19-10  
c/o Hess, Stewart & Campbell, PLLC  
PO Box 1060  
Huntington, WV 25713

The Runals Trust 7688 1615/1-19-10  
11453 Davis Road  
Middleville, MI 49333

Green Charles Heirs  
c/o John Baird 7688 1608/1-21-10  
PO Box 351  
Pikeville, KY 41502

John H. Belcher  
Agent for G. Belcher 7688 1592/1-19-10  
524 Maxfield Rd.  
Big Stone Gap, VA 24219

James Stewart Yates  
515 Dogwood Drive  
Liberty, NC 27298

76881844/1-19-10

Lawrence Jackson  
3005 Sunny Branch Drive  
Wilmington, NC 28411

76881837/1-21-10

Teddy Yates  
PO Box 416  
Big Rock, VA 24603

76881820/1-21-10

Leslie Musick  
Address Unknown

A.M. Ratliff Heirs  
Address Unknown

Wellmore Energy Co.  
c/o Bill Fuller  
PO Box 458  
Big Rock, VA 24603

76881813/1-21-10

Wellmore Energy Co.  
c/o Brian Sullivan  
1005 Glenway  
Bristol, VA 24202

76881806/1-19-10

Buchanan Realty  
c/o John Irvin  
4710 Hunterwood Circle  
Richmond, TX 77469

76881585/1-26-10

Chesapeake Appalachia  
Attn: Lester Zitkus  
PO Box 96-0277  
Oklahoma City, OK 73196-0277

76881578/1-26-10

Wanda Kay Brown  
PO Box 607  
Greenville, TN 37744

76881561/1-19-10

Patricia Musick Hatfield  
608 Sherwood Drive  
Marion, VA 24354

76881554/1-22-10