

V I R G I N I A:

BEFORE THE VIRGINIA GAS AND OIL BOARD

Application of ANR Production Company  
for Exception to Statewide Spacing on  
Well Number V8#10, 20008, VGOB 0326-90 in the  
Lipps Magisterial District of  
Wise County, Virginia

This cause came on this 21st day of May, 1991, upon application of ANR Production Company requesting a variance from statewide spacing requirements in Section 45.1-361.17 of the Code of Virginia for Well Number V8#10, 20008, VGOB Number 0326-90, located in the Lipps Magisterial District of Wise County, Virginia. ANR Production Company requests this Board's consent to drill Well Number V8#10, 20008, closer than 2,208.33 feet to ANR Production Company Well Number U8#26, 20007. ANR Production Company was represented by Richard Counts, Esquire, 2550 East Stone Drive, Kingsport, TN 37662.

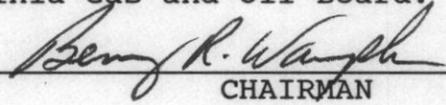
The Board, having heard the testimony and reviewed the exhibits of ANR Production Company, finds as follows:

1. ANR Production Company has previously permitted Well Number U8#26, 20007, in the Lipps Magisterial District of Wise County.
2. ANR Production Company proposes to permit Well Number V8#10, 20008 at a location within 2,208.33 feet of the previously permitted ANR Well Number U8#26, 20007. ANR Production Company has demonstrated to the satisfaction of the Board that due to topographical considerations and the Environmental Impact Study performed by the U. S. Forest Service, the proposed well location represents an appropriate drill site.

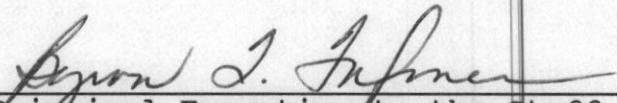
3. Without the exception to statewide spacing, it is unlikely that this well will be drilled. In this case, an exception to statewide spacing is necessary to prevent all forms of hydrocarbon waste.

Accordingly, it is the Order of this Board that ANR Production Company be allowed to permit Well Number V8#10, 20008, within 2,208.33 feet of previously permitted ANR Well Number U8#26, 20007.

Done and executed this 3rd day of June, 1991, by a majority of the Virginia Gas and Oil Board.

  
CHAIRMAN

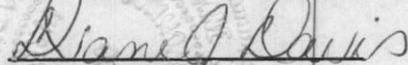
Done and performed this 3rd day of June, 1991.

  
Principal Executive to the Staff  
Virginia Gas and Oil Board

Meenah Bond  
25% COTTON FIBER

State of Virginia  
County of Washington

Acknowledged on this 3rd day of June, 1991,  
personally before me a notary public in and for the State of Virginia  
appeared Benny Wampler, being duly sworn did depose and say that he is  
Chairman of the Virginia Gas and Oil Board, that he executed the same and  
was authorized to do so.



Diane Davis  
Notary Public  
My commission expires 9/23/92

State of Virginia  
County of Washington

Acknowledged on this 3rd day of June, 1991,  
personally before me a notary public in and for the State of Virginia  
appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is  
Principal Executive to the Staff of the Virginia Gas and Oil Board, that he  
executed the same and was authorized to do so.



Diane Davis  
Notary Public  
My commission expires 9/23/92