

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: EQUITABLE RESOURCES EXPLORATION, ) DIVISION OF GAS  
a division of EQUITABLE ) AND OIL DOCKET NO.  
RESOURCES EXPLORATION ) VGOB-92/11/17-0289  
)  
RELIEF SOUGHT: POOLING )  
)  
LOCATION: SEE EXHIBIT "A" )  
)  
WELL NUMBER: V-2328 )  
)  
LEGAL )  
DESCRIPTION: VICC MINERAL TRACT WI-204 )  
LIPPS DISTRICT )  
COEBURN QUADRANGLE )  
WISE COUNTY, VIRGINIA )

NOTICE OF HEARING

HEARING DATE: November 17, 1992  
PLACE: 4H Center  
Route 609, Hillman Highway  
Abingdon, Virginia

TIME: 9:00 a.m.

COMMONWEALTH OF VIRGINIA: To all persons owning an interest in the oil and gas, in and underlying the unit surrounding Well Number V-2328 as described on Exhibit "A" to the Application, which is attached to this Notice, in Wise County, Virginia (hereinafter "Subject Lands") and adjacent lands, and in particular to the following person, their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote:

See attached Exhibit B.

NOTICE IS HEREBY GIVEN that the Applicant is requesting that the Virginia Oil and Gas Board (hereinafter "Board") issue an order pooling all the rights, interests, and estates of the above named persons pursuant to Virginia Code Ann. § 45.1-361.1 *et seq.* in regard to the drilling, development and production of oil and gas from drilling Unit V-2328, containing approximately 125.66 acres, located on the above-referenced oil and gas tracts on the Coeburn Quadrangle, 2.2 miles from State Routes 652 and 650, on the waters of Toms Creek in Lipps District of Wise County, Virginia. Applicant requests that the Board issue an order providing as follows:

- a. Pooling all the interests and estates of the persons named herein and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, for the drilling, development and production of oil and gas from the subject drilling unit for the Subject Formations underlying and comprised of the Subject Lands;
- b. Establishing a procedure whereby each person named herein shall have the right to elect (1) to assign or lease his oil and gas interest in the subject drilling unit to the designated operator; (2) to enter into a voluntary agreement with the designated operator to share in the operation (including the sharing in all reasonable costs of the drilling of the well and development of the unit) at a rate of payment mutually agreed to by the person making the election hereunder and the designated operator herein or (3) to share in the operation of the well as a nonparticipating operator on a carried basis after the proceeds allocable to such person's share equal the following:
  - In the case of a leased tract, 300 percent of the share of the costs allocable to such person's interest; or
  - In the case of an unleased tract, 200 percent of the share of such costs allocable to such person's interest;
- c. Providing that any person named herein who does not make a timely written election under the terms of the Order to be entered herein shall be deemed to have leased his oil and gas interest in the subject drilling unit to the operator designated herein at a rate to be established by the Board;
- d. Designating Applicant, EREX, as Operator; providing that the operator shall have right to drill, develop, produce, market and sell oil and gas produced from the subject drilling unit; granting the operator the right to market and sell oil and gas produced from the subject drilling unit which is attributable to the conflicting claims and interest pooled herein; providing that the operator shall have an operator's lien on the oil and gas estate and rights owned or claimed by the persons named herein in the subject drilling unit; and granting the operator the

right to drill at any legal or specially permitted location on the subject drilling unit;

- e. Making any necessary provision for the escrow of funds pursuant to Va. Code Ann. § 45.1-361.21;
- f. Providing that the order to be entered herein shall expire one (1) year from the date of its issuance if operations for the development of the subject drilling unit have not commenced by said date; but further providing that if operations have commenced during said one year period, then said order shall remain in effect for so long as operations continue on the subject drilling unit;
- g. Providing that the conduct of operations on any tract in the subject drilling unit shall be deemed to be the conduct of operations on all tracts in the drilling unit; and providing that the production allocated to any tract in the pooled drilling unit shall be in the same proportion as the acreage of that tract bears to the total acreage in the drilling unit; and
- h. Granting such other relief as is merited by the evidence and is just and equitable, whether or not such relief has specifically requested herein.

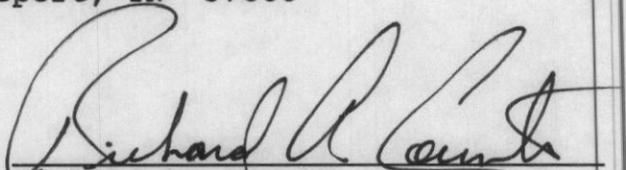
NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence before the Board at 9:00 a.m. on November 17, 1992 at the 4H Center, Route 609, Hillman Highway, in Abingdon, Virginia and that notice will be published as required by the law and the rules of the Board.

NOTICE IS FURTHER GIVEN that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. The Board rules require that any written objections you wish to file must be filed with the Board at least 10 days before the hearing. 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 1416, Abingdon, Virginia, 24210, (703) 676-5423 or the Applicant at the address shown below.

DATED this 19th day of October, 1992.

Equitable Resources Exploration,  
a division of Equitable Resources  
Energy Company  
Two Executive Park Place  
1989 East Stone Drive  
Kingsport, TN 37660

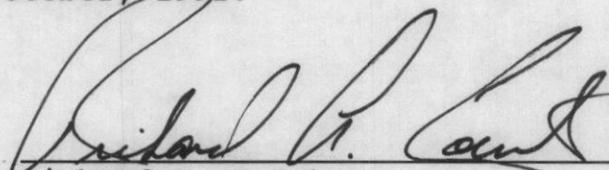
By:

  
Richard A. Counts  
2550 East Stone Drive, Suite 120  
Kingsport, TN 37662

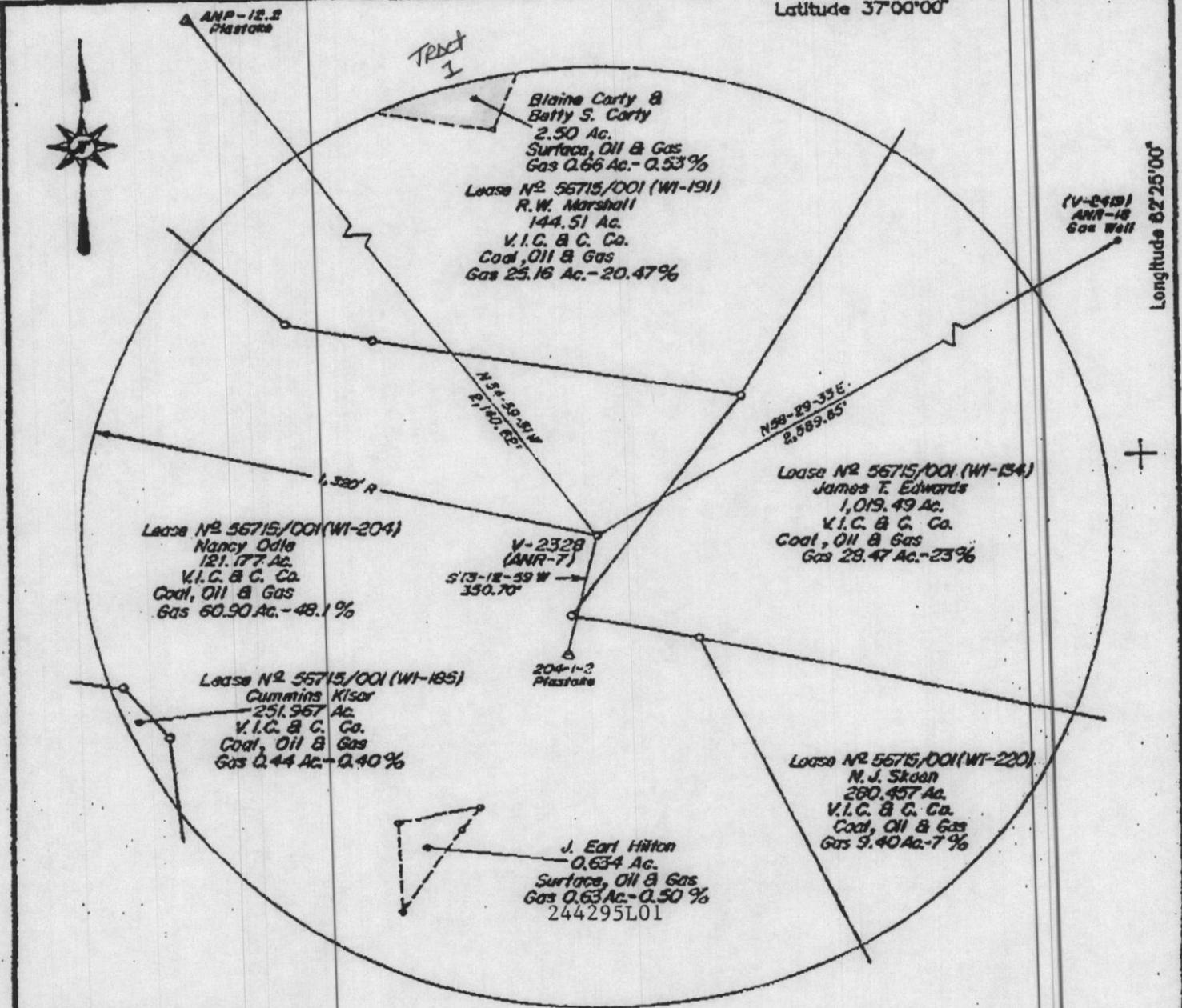
CERTIFICATE OF SERVICE

I, Richard A. Counts, of counsel for Equitable Resources Exploration, hereby certify that I have on this, the 19th day of October, 1992, caused the foregoing notice and application to be served upon the parties listed herein, at their address, by certified mail, return receipt requested.

Dated this 19th day of October, 1992.

  
Richard A. Counts  
Attorney-at-Law

517' →  
 Latitude 37°00'00"  
 Longitude 82°25'00"  
 6,914'



AREA OF UNIT - 125.68 AC.  
 Well Elevation determined by trigonometric leveling  
 from VICC Survey Mark No. ANP-12.1

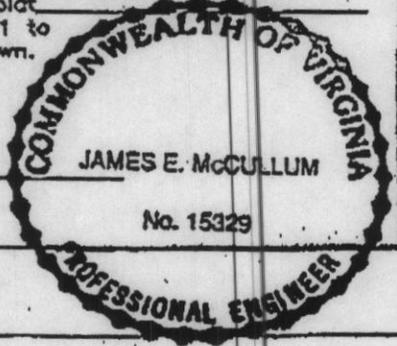
Well Coordinates (VA State Plane)  
 N 259,555.79' E 856,743.21'

WELL LOCATION MAP

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER V-2328 (ANR-7)  
 TRACT NO. WI-204 ELEVATION 2642.72' QUADRANGLE COFBURN  
 COUNTY WISE DISTRICT LIPPS SCALE 1"=400' DATE 10/13/92

This plat is a new plat \_\_\_\_\_; an updated plat \_\_\_\_\_; or a final 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 shown.

*James E. McCullum* 10/13/92  
 Licensed Professional Engineer or Licensed Land Surveyor



Form DGO-GO-7