

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: EQUITABLE RESOURCES)	DIVISION OF
EXPLORATION)	GAS AND OIL
)	DOCKET NO.
RELIEF SOUGHT: EXCEPTION TO)	VGOB-93-0119-0320
STATEWIDE SPACING)	
LIMITATIONS PRESCRIBED)	
BY VIRGINIA CODE ANN.)	
§ 45.1-361.17(A)(2))	
)	
LEGAL DESCRIPTION:)	
)	
WELL NUMBER V-2671)	
PVRC TRACT NO. TK-38)	
APPALACHIA QUADRANGLE)	
RICHMOND MAGISTERIAL DISTRICT)	
WISE COUNTY, VIRGINIA)	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This cause came on for hearing before the Virginia Gas and Oil Board (hereinafter "Board") at 9:00 a.m. on January 20, 1993, at the Southwest Virginia 4-H Center, Abingdon, Virginia.
2. Appearances: Richard A. Counts, Attorney, appeared for the Applicant, and Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.
3. Notice and Jurisdiction: The Board finds that it has jurisdiction over the subject matter. The Board also finds that the applicant has exercised due diligence to locate and provide notice to all persons/companies entitled to notice of this proceeding.
4. Relief Requested: Applicant requests an exception to statewide spacing requirements set forth in Section 45.1-361.17 of the Code of Virginia for EREX Well Number V-2671 for the production of conventional gas from the surface to total depth drilled of 5700 feet and all areas in between, including, but not limited to the Devonian Shales: Berea, Weir, Ravencliff, Maxon and Big Lime Formations, all in accordance with Applicant's well work permit. The Applicant requests the Board's consent to drill Well Number V-2671 closer than 2640 feet to EREX Well Number 2672.
5. Amendment: None.
6. Reasons Relief Should be Granted: Evidence presented on behalf of the Applicant shows, and the Board finds, that based on the deposition of the common sources of supply anticipated between surface and total depth projected to be drilled, the proposed location exception represents the optimum location to recover commercially productive hydrocarbons underlying the drilling and spacing unit.

A qualified landsman testified that the location exception was necessary due to environmental constraints, accommodation of other mineral interests and effective land management practices.

A qualified petroleum geologist testified that the granting of the location exception was in the best interest of preventing waste,

A qualified petroleum geologist testified that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of hydrocarbons underlying the drilling and spacing unit.

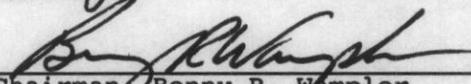
A qualified mining engineer testified that the granting of the location exception was necessary for mine safety and, in order to accommodate present as well as future mine operations. The mining engineer also testified that the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of hydrocarbons underlying the drilling and spacing unit.

7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number V-2671 within 2181.81 feet of Well Number V-2672.

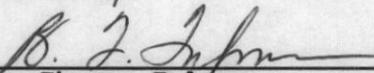
8. Findings: That the well location exception, in accordance with the foregoing, is necessary to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.

9. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 5th day of February, 1993, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

DONE AND PERFORMED this 5th day of February, 1993, by Order of this Board.


Byron Thomas Fulmer
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 5th day of February, 1993, personally before me a notary public in and for the Commonwealth 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.


Susan G. Garrett
Notary Public
My commission expires 7/31/94

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 5th day of February, 1993, personally before me a notary public in and for the Commonwealth 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.

Susan G. Garrett
Susan G. Garrett
Notary Public
My commission expires 7/31/94