

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD



APPLICANT: EQUITABLE RESOURCES EXPLORATION)
A Division of Equitable Resources)
Energy Company)

RELIEF SOUGHT: (1) ESTABLISHMENT OF THE DRILLING)
UNIT DESCRIBED IN EXHIBIT "A")
HERETO AND SERVED BY WELL NO.)
V-2536 (herein "Subject)
Drilling Unit") PURSUANT TO)
\$ 45.1-361.20, CODE OF)
VIRGINIA, AND (2) POOLING OF)
INTERESTS IN SUBJECT DRILLING)
UNIT PURSUANT TO \$ 45.1-361.21,)
CODE OF VIRGINIA, FOR THE)
PRODUCTION OF CONVENTIONAL OIL)
AND/OR GAS FROM SUBJECT FORMATIONS)
(herein referred to as "Oil and/or)
Gas"))

VIRGINIA GAS AND OIL BOARD
DOCKET NO.
VGOB 93-0216-0331

LEGAL DESCRIPTION:)
DRILLING UNIT SERVED BY WELL NUMBERED)
V-2536 TO BE DRILLED IN THE LOCATION)
DEPICTED ON EXHIBIT A HERETO, PVRC "AUDREY)
CLARK, et al" MINERAL TRACT TK-746)
FLAT GAP QUADRANGLE,)
GLADEVILLE MAGISTERIAL DISTRICT,)
WISE COUNTY, VIRGINIA)
(the "Subject Lands" are more)
particularly described on Exhibit)
"A", attached hereto and made a)
part hereof))

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on April 20, 1993, Ratliff Hall, Southwest Virginia Education 4-H Center, Abingdon, Virginia.

2. Appearances: Douglas S. Tweed, of the firm Hunter, Smith and Davis, appeared for the Applicant; Jerious H. Clark and Audrey Clark appeared pro se and advised the Board they had retained Don Earls to represent them in this matter; and in addition to making an appearance in his own behalf, Jerious Clark indicated he also represented Audrey Clark, Sheila Lynn Clark and Eva L. Hunsuker; Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.

3. Jurisdiction and Notice: Pursuant to \$ 45.1-361.1 et seq., Virginia Code, 1950 as amended, the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas or oil owner, coal owner, or mineral owner having an interest in Subject Drilling Unit underlying and comprised of Subject Lands; (2) has given notice to those parties so identified (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies,

businesses, trusts, joint ventures or other legal entities) entitled by § 45.1-361.19, Virginia Code, 1950 as amended, to notice of this application; and (3) that the persons set forth in Exhibit B hereto have been identified by applicant as owners of gas or oil, coal or mineral interests underlying Subject Drilling Unit, including those who have not heretofore leased or voluntarily agreed to lease their interests. Further, the Board has caused notice of this hearing to be published as required by § 45.1-361.19.B, Virginia Code, 1950 as amended. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: None.

5. Dismissals: None.

6. Relief Requested: Applicant requests (1) that pursuant to § 45.1-361.20, Code of Virginia, 1950, as amended, the Board establish Subject Drilling Unit to be served by Well No. V-2536; (2) that pursuant to § 45.1-361.21, Code of Virginia, 1950 as amended, the Board pool the rights and interests of the known and unknown persons listed in Exhibit B hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, in and to the Gas and/or Oil for the drilling and operation, including production, of Oil and/or Gas produced from the Subject Drilling Unit established for all non-coalbed formations from the surface to the total depth drilled of 5,050 feet, and all areas between, including, but not limited to the Devonian Shale, Berea, Sunbury, Weir, Big Lime, Maxon and Ravencliff formations (herein "Subject Formations") underlying and comprised of the Subject Lands, (hereafter sometimes collectively identified and referred to as "well development and/or operation in the Subject Drilling Unit"); and, (3) that the Board designate Applicant as Unit Operator.

7. Relief Granted: The requested relief in this cause be and hereby is granted and: (1) Pursuant to § 45.1-361.20, Code of Virginia, 1950 as amended, the Board hereby establishes Subject Drilling Unit; (2) pursuant to § 45.1-361.21.C.3, Code of Virginia, 1950 as amended, Equitable Resources Exploration. (hereafter "Unit Operator") is designated as the Operator authorized to drill and operate the well in the Subject Drilling Unit to produce Oil and/or Gas from Subject Formations, subject to the permit provisions contained in § 45.1-361.27 et seq., Code of Virginia, 1950 as amended, to § 480-05-22.1 et seq., Gas and Oil Regulations and to § 480-05-22.2 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time; and (3) the Gas and/or Oil rights and interests in and to the Gas in Subject Drilling Unit of the known and unknown persons listed on Exhibit B, attached hereto and made a part hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, leased or unleased, be and hereby are pooled in the Subject Formations in the Subject Drilling Unit underlying and comprised of the Subject Lands.

<u>Subject Formations</u>	<u>Unit Size</u>	<u>Permitted Well Location</u>	<u>Field and Well Classification</u>
Commencing at the surface to the total depth drilled of 5,050 feet, and all areas in between including, but not limited to the Devonian Shale, Berea, Sunbury, Weir, Big Lime, Maxon and	Approximately 125.66-acre circular drilling unit	V-2536 (See Exhibit A for location)	No applicable field rules; gas and oil well under Statewide Spacing §45.1-361.17 Code of Virginia, as amended

and Ravencliff
formations

For the Subject Drilling Unit
underlying and comprised of the Subject
Land Served by Well No. V-2536

Wise County, Virginia

8. Election and Election Period: Any owner named in Exhibit B who has not heretofore leased to the Operator and/or voluntarily agreed to pool their interests in and to the Gas or Oil in Subject Drilling Unit may elect one of the options set forth in Paragraph 9 below and must give written notice of his election of the option selected under Paragraph 9 herein to the designated Unit Operator at the address shown below within thirty (30) days from the date this Order is recorded in the county above named. A timely election shall be deemed to have been made if, on or before the last day of said 30-day period, such electing person has delivered his written election to the designated Unit Operator at the address shown below or has duly postmarked and placed its written election in first class United States mail, postage prepaid, addressed to the Unit Operator at the address shown below.

9. Election Options:

9.1 Option 1 - To Participate In The Development and Operation of the Drilling Unit: Any owner named in Exhibit B who has not leased to the Operator and/or voluntarily agreed to pool their interest in and to the Gas and/or Oil may elect to participate in the development and operation of the Subject Drilling Unit (hereafter "Participating Operator") by agreeing to pay the estimate of such Participating Operator's proportionate part of the actual and reasonable costs, including a reasonable supervision fee, of the well development and operation in the Subject Drilling Unit, as more particularly set forth in Virginia Gas and Oil Board Regulation VR 480-05-22.2, Section 10 (herein "Completed for Production Costs"). Further, a Participating Operator agrees to pay the estimate of such Participating Operator's proportionate part of the Estimated, Completed-for-Production Costs as set forth below to the Unit Operator within forty-five (45) days from the later of the date of mailing or the date of recording of this Order. The estimated Completed-for-Production Costs for the Subject Drilling Unit are as follows:

Estimated, Completed-for-Production Costs:

\$ 311,810.00

A Participating Operator's proportionate cost hereunder shall be that portion of said costs which the net mineral acres in the Subject Drilling Unit owned or claimed by such Participating Operator bears to the total number of mineral acres in Subject Drilling Unit. Provided, however, that in the event a Participating Operator elects to participate and fails or refuses to pay the estimate of his proportionate part of the Estimated, Completed-for-Production Costs as set forth above, all within the time set forth herein and in the manner prescribed in Paragraph 8 of this Order, then such Participating Operator shall be deemed to have elected not to participate and to have elected compensation in lieu of participation pursuant to Paragraph 9.2 herein.

- 9.2 Option 2 - To Receive A Cash Bonus Consideration: In lieu of participating in the development and operation of Subject Drilling Unit under Paragraph 9.1 above, any owner in Subject Drilling Unit who has not leased to the Operator and/or voluntarily agreed to pool their interests in and to the Gas and/or Oil may elect to accept a cash bonus consideration of \$5.00 per net mineral acre owned by such person, commencing upon entry of this Order and continuing annually until commencement of production from Subject Drilling Unit, and thereafter a royalty of 1/8th of 8/8ths [twelve and one-half percent (12.5%)] of the net proceeds received by the Unit Operator for the sale of the Gas or Oil produced from any well development covered by this Order multiplied by the gas or oil owner's percentage as set forth in Exhibit B [for purposes of this Order, net proceeds shall be actual proceeds received less post-production costs incurred downstream of the wellhead, including, but not limited to, gathering, compression, treating, transportation and marketing costs, whether performed by Unit Operator or a third person) as fair, reasonable and equitable compensation to be paid to said gas or oil owner. The initial cash bonus shall become due and owing when so elected and shall be tendered, paid or escrowed within sixty (60) days of recording of this Order. Thereafter, annual cash bonuses, if any, shall become due and owing on each anniversary of the date of recording of this order in the event production from Subject Drilling Unit has not theretofore commenced, and once due, shall be tendered, paid or escrowed within sixty (60) days of said anniversary date. Once the initial cash bonus and the annual cash bonuses, if any, are so paid or escrowed, said payment(s) shall be satisfaction in full for the right, interests, and claims of such electing gas or oil owner to the gas or oil produced from Subject Formation in the Subject Lands, except, however, for the 1/8th royalties due hereunder.

The election made under this Paragraph 9.2, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any well development and operation covered hereby and such electing person shall be deemed to and hereby does lease and assign its right, interests, and claims in and to the Gas and Oil produced from Subject Formation in the Subject Drilling Unit to the Unit Operator.

- 9.3. Option 3 - To Share In The Development And Operation As A Non-Participating Person On A Carried Basis And To Receive Consideration In Lieu Of Cash: In lieu of participating in the development and operation of Subject Drilling Unit under Paragraph 9.1 above and in lieu of receiving a cash bonus consideration under Paragraph 9.2 above, any owner who has not leased to the Operator and/or voluntarily agreed to pool their interests in and to the Gas and/or Oil in Subject Drilling Unit may elect to share in the development and operation of Subject Drilling Unit on a carried basis (as a "Carried Well Operator") so that the proportionate part of the Completed-for-Production Costs hereby allocable to such Carried Well Operator's interest is charged against such Carried Well Operator's share of production from Subject Drilling Unit. Such Carried Well Operator's right, interests, and claims in and to the Gas and/or Oil in Subject Drilling Unit shall be deemed and hereby are assigned to the Unit Operator until the proceeds from the sale of such Carried Well Operator's share of production from Subject Drilling Unit (exclusive of any royalty, excess or overriding royalty, or other non-operating or non cost-bearing burden reserved in any lease, assignment thereof or agreement relating thereto covering such interest) equals three hundred percent (300%) for a leased interest or two hundred percent (200%) for an unleased interest (whichever is

applicable) of such Carried Well Operator's share of the Completed-for-Production Costs allocable to the interest of such Carried Well Operator. When the Unit Operator recoups and recovers from such Carried Well Operator's assigned interest the amounts provided for above, then, the assigned interest of such Carried Well Operator shall automatically revert back to such Carried Well Operator, and from and after such reversion, such Carried Well Operator shall be treated as if it had participated initially under Paragraph 9.1 above; and thereafter, such participating person shall be charged with and shall pay his proportionate part of all further costs of such well development.

The election made under this Paragraph 9.3, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any well development and operation covered hereby and such electing person shall be deemed to have and hereby does assign its right, interests, and claims in and to the Gas and/or Oil produced from Subject Formation in the Subject Drilling Unit to the Unit Operator for the period of time during which its interest is carried as above provided prior to its reversion back to such electing person.

10. Failure to Properly Elect: In the event a person fails to elect within the time, in the manner and in accordance with the terms of this Order or the alternatives set forth in Paragraph 9 above, then such person shall be deemed to have elected not to participate in the proposed development and operation of Subject Drilling Unit and shall be deemed, subject to any final legal determination of ownership, to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas and/or Oil the consideration provided in Paragraph 9.2 above for which its interest qualifies and shall be deemed to have leased and/or assigned his right, interests, and claims in and to Gas and Oil in the Subject Drilling Unit to the Unit Operator. Persons who fail to properly elect shall be deemed to have accepted the compensation and terms set forth herein at Paragraph 9.2 in satisfaction in full for the right, interests, and claims of such person in and to the Gas and/or Oil in the Subject Lands underlying Subject Drilling Unit.

11. Default By Participating Person: In the event a person elects to participate under Paragraph 9.1, but fails or refuses to pay, to secure the payment or to make an arrangement with the Unit Operator for the payment of such person's proportionate part of the Estimated Completed-for-Production costs as set forth herein, all within the time and in the manner as prescribed in this Order, then such person shall be deemed to have withdrawn his election to participate and shall be deemed to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas and/or Oil in Subject Drilling Unit the consideration provided in Paragraph 9.2 above for which his interest qualifies depending on the excess burdens attached to such interest. Whereupon, any cash bonus consideration due as a result of such deemed election shall be tendered, paid or escrowed by Unit Operator within sixty (60) days after the last day on which such defaulting person under this Order should have paid his proportionate part of such cost or should have made satisfactory arrangements for the payment thereof. When such cash bonus consideration is paid or escrowed, it shall be satisfaction in full for the right, interests, and claims of such person in and to the Gas and/or Oil underlying Subject Drilling Unit in the Subject Lands covered hereby, except, however, for any 1/8th royalties which would become due pursuant to Paragraph 9.2 hereof.

12. Assignment of Interest: In the event a person elects or fails to elect to do other than participate under Paragraph 9.1 above in the development and operation of the well in Subject Drilling Unit, then such person shall be deemed to have and shall have assigned unto Unit Operator of such person's right, interests, and claims in and to said well, in Subject Formations in Subject

Drilling Unit, and other share in and to Gas and/or Oil production to which such person may be entitled by reason of any election or deemed election hereunder in accordance with the provisions of this Order governing said elections.

13. Unit Operator (or Operator): Equitable Resources Exploration be and hereby is designated as Unit Operator authorized to drill and operate Well No. V-2536 in Subject Formations in Subject Drilling Unit, all subject to the permit provisions contained in Section 45.1-361.27 et seq., Code of Virginia, 1950 as amended, §§ 480-05-22.1 et seq., Gas and Oil Regulations and §§ 480-05-22.2 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time, and all elections required by this Order shall be communicated to Unit Operator in writing at the address shown below:

Equitable Resource Exploration
P. O. Box 1983
Kingsport, TN 37662
Phone: (615) 224-3800
Fax: (615) 224-3892
Attn: Dennis R. Baker, Regulatory

14. Commencement of Operations: Unit Operator shall commence or cause to commence operations for the drilling of any well covered hereby within three hundred and sixty-five (365) days from the date of this Order and shall prosecute the same with due diligence. If Unit Operator shall not have so commenced and/or prosecuted, then this Order shall terminate, except for any cash sums becoming payable hereunder; otherwise, unless sooner terminated by Order of the Board, this Order shall expire at 12:00 P.M. on the date on which any well covered by this Order is permanently abandoned and plugged. However, in the event an appeal is taken from this Order, then the time between the filing of the Petition for Appeal and the final Order of the Circuit Court shall be excluded in calculating the one year period referenced herein.

15. Operator's Lien: Unit Operator, in addition to the other rights afforded hereunder, shall have a lien and a right of set off on the Gas and Oil rights and interests owned by any person subject hereto who elects to participate under Paragraph 9.1 in the Subject Drilling Unit to the extent that costs incurred in the drilling or operation on the Subject Drilling Unit are a charge against such person's interest. Such liens and right of set off shall be separable as to each separate person and shall remain liens until the Unit Operator drilling or operating any well covered hereby has been paid the full amounts due under the terms of this Order.

16. Escrow Provisions:

16.1 Escrow Account: By this Order, the Board instructs the Escrow Agent named herein or any successor named by the Board to establish an interest-bearing escrow account, (herein "the Escrow Account") to receive and account to the Board pursuant to its agreement for the escrowed funds hereafter described:

Tazewell National Bank
P. O. Box 909
Tazewell, VA 24651
(herein "Escrow Agent")

16.2. Escrow Provisions For Unknown or Unlocatable Persons: If any payment of bonus, royalty payment or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be located or is unknown, then such cash bonus, royalty payment, or other payment shall not be commingled with any funds of the Unit Operator and shall, pursuant to Section 45.1-361.21.D, Code of Virginia, 1950 as amended, and said sums shall be deposited by the Operator into the Escrow Account, commencing within sixty (60) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made,

by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with § 45.1-361.21.D., Code of Virginia, 1950 as amended.

17. Special Findings: The Board specifically and specially finds:
- 17.1 Applicant is a division of Equitable Resources Energy Company, a corporation duly authorized and qualified to transact business in the Commonwealth of Virginia;
- 17.2 Applicant claims ownership of gas leases on 89.094 percent of Subject Drilling Unit and the right to explore for, develop and produce gas and oil from same.
- 17.3 Applicant is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
- 17.4 Applicant has proposed the drilling of Well No. V-2536 on the Subject Drilling Unit to develop the pool of gas and oil in Subject Formations.
- 17.5 Set forth in Exhibit B is the name and last known address of each person of record identified by the Applicant as gas or oil, coal or mineral owners who may have an interest in the gas or oil in Subject Drilling Unit underlying and comprised of Subject Lands of which 10.906 percent remain unleased by or to the Operator.
- 17.6 Jerious Clark, representing himself, Audrey Clark, Sheila Lynn Clark and Eva L. Hunsucker, advised the Board that said Respondents had reached an understanding with the Applicant and that they were withdrawing any objections they might have to the application.
- 17.7 The proposed depth of Well No. V-2536 is 5,050 feet.
- 17.8 The estimated production over the life of the proposed well is 400 million cubic feet (mcf).
- 17.9 A well work permit for well V-2536 is currently pending before the Virginia Department of Mines, Minerals and Energy.
- 17.10 Applicant's evidence established that the fair, reasonable and equitable compensation to be paid to any person in lieu of the right to participate in any well covered hereby are those options provided in Paragraph 9 above.
- 17.11 The Subject Drilling Unit does not constitute an unreasonable or arbitrary exercise of Applicant's right to explore for or produce Gas.
- 17.12 The relief requested and granted is just and reasonable, is supported by substantial evidence and will afford each person in the Subject Drilling Unit the opportunity to recover or receive, without unnecessary expense, each person's just and fair share of the production of the gas and/or oil from Subject Drilling Unit. The granting of the Application and relief requested therein will ensure to the extent possible the greatest ultimate recovery of gas and oil, prevent or assist in preventing the various types of waste prohibited by statute and protect or assist in protecting the

correlative rights of all persons in the subject common sources of supply in the Subject Lands. Therefore, the Board is entering an Order granting the relief herein set forth.

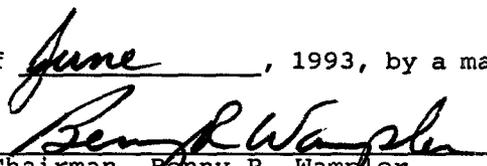
18. Mailing Of Order And Filing Of Affidavit: Applicant or its Attorney shall file an affidavit with the Secretary of the Board within sixty (60) days after the date of receipt of this Order stating that a true and correct copy of said Order was mailed within seven (7) days from the date of receipt of this Order to each person pooled by this Order whose address is known.

19. Availability of Unit Records: The Director shall provide all persons not subject to a lease with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).

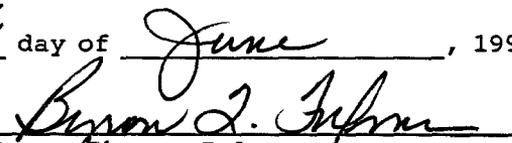
20. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

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

DONE AND EXECUTED this 16th day of June, 1993, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

DONE AND PERFORMED this 16th day of June, 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 16th day of June, 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 WASHINGTON)

Acknowledged on this 16th day of June, 1993, personally before me a notary public in and for the Commonwealth 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 J. Davis
Diane J. Davis
Notary Public

My commission expires 9/30/97

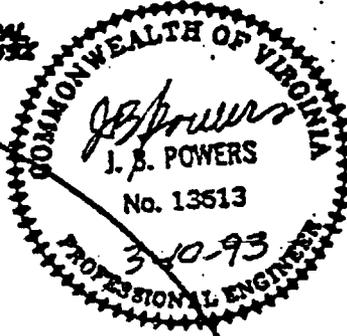
VIRGINIA: In the Clerk's Office of Wise Circuit Court June 18 1993
This deed was presented and upon the annexed Certificate of acknowledgement admitted to record at 10:12 A. M. The tax imposed by 58.54 1 of the Code has been paid in the amount of \$.00 Recorded in Deed Book 754 and Page 687
Teste: C. Gary Rakes, Clerk Herbert W. Smith Deputy Clerk

SCALED
9,300'

BOOK 754 PAGE 678

EREX LEASE #223092L Latitude 37° 02' 30"

Longitude 82° 37' 30"



EXISTING WELL
V-2535 (10152)
N 273,564.39
E 785,024.01

EREX LEASE #223092L
TK-696 476.47 AC
PRIDMORE & VENABLE
P.V.R.C. FEE
GAS 2.76 AC 220X

EREX LEASE #223092L
TK-698 76 AC
MADON
P.V.R.C. MINERAL
GAS 32 AC 432

TK-750 268.08 AC
20 AC TRACT
JAMES H. DAY HEIRS
OIL & GAS
P.V.R.C. COAL ONLY
GAS 12.30 AC 820X

EREX LEASE #223092L
TK-746 47.83
AUDREY CLARK ET. AL.
SURFACE-15.05 AC
P.V.R.C. MINERAL

EREX LEASE #223092L
TK-745 10.00 AC
F.N. STARNES
P.V.R.C. MINERAL
GAS 12.00 AC 7,362

EREX LEASE #223092L
TK-746 47.89 AC
V.H. ROBERTS
P.V.R.C. FEE
GAS 44.58 AC 35,432

PROPOSED WELL
V-2536 (10158)
N 273,579.39
E 786,771.98
EL 2310.75'
P.V.R.C. 16356

EREX LEASE #223092L
TK-498 61.24 AC
HENRY KILBRE
P.V.R.C. FEE
GAS 26.88 AC 21,352

RED RIVER
COAL AC
GAS AC
SURFACE

IRON PIN
N 273,569.80
E 786,826.22
P.V.R.C. 16557
S 79°58'24" E- 53.08'

ALL COORDINATES BASED
ON VIRGINIA STATE PLANE
GRID SYSTEM

EREX LEASE #223092L
GREATER VISE -MINERAL
TK-49 30.51 AC
GAS 15.05 AC 11,962

IRON PIN
N 273,461.35
E 786,726.06
P.V.R.C. 16358
S 21°15'25" V- 125.66'
JACOB COLLINS ET. AL.
15.88 AC - SURFACE

PROPOSED WELL
V-2533 (10326)
N 272,118.48
E 789,305.16

EREX LEASE #223092L
TK-744 14.05 AC
P.V.R.C. MINERAL
GAS 8.90 AC 2,312

- 1 JERDIUS HANSFORD CLARK ET. UX-JIL & GAS
EREX LEASE #244313L 1.80 AC gas 1.68 AC 134X
- 2 AUDREY CLARK ET. AL.-SURF,OIL & GAS
- 3 EREX LEASE #223340L .58 AC gas .58 AC 46X
- 4 OAKLEY MONROE ESTATE -SURF,OIL & GAS
2.50 AC gas 1.70 AC 135X
- 5 ROBERT L. SHORT-SURF,OIL & GAS
- 6 EREX LEASE #243914L 1.60 AC gas 1.60 AC 127X
- 7 STEDMAN DEVELOPMENT CO.-SURF,OIL & GAS gas .36 AC .05X
- 8 AUDREY CLARK-SURF,OIL & GAS
- 9 EREX LEASE #223340L .39.85 AC gas 4.22 AC 236X
- 10 STEDMAN DEVELOPMENT CO.-SURF,OIL & GAS gas .40 AC .32X
- 11 RED RIVER INC.-SURF,OIL & GAS gas .40 AC .32X

Area of Unit- 125.66 AC

Well Elevation determined by
trigonometric leveling from
P.V.R.C. station 15956.

WELL LOCATION PLAT

Revised
Exhibit A

Company EQUITABLE RESOURCES EXPLORATION Well Name and Number V-2536 (10158)
 Tract No. 746 Elevation 2310.75' Quadrangle FLAT GAP
 County VISE District GLADEVILLE Scale: 1 = 400' Date 3-10-93
 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.

J.B. POWERS

(Affix Seal)

Licensed Professional Engineer or Licensed Land Surveyor

EXHIBIT "B"
V-2536Revision #2
VGOB-93/02/16-0331

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
1.	Jerious H. Clark Rita Ann Clark Route # 1, Box 862 Norton, Virginia 24273	Leased-EREX Lse #244313L	1.34%	1.68
2.	Audrey Clark	Leased-EREX	.23	.29
3.	Route # 1, Box 862	223340L		
and	Norton, Virginia 24273	(Life Estate)		
4.				
	Jerious H. Clark Rita Ann Clark Route # 1, Box 862 Norton, Virginia 24273	Unleased (Remainderman)	.0767	.097
	Sheila Lynn Clark Route # 1, Box 862 Norton, Virginia 24273	Unleased (Remainderman)	.0767	.097
	Eva L. Hunsucker Jerry Hunsucker Route # 1, Box 1400 Williston, Florida 32696	Unleased (Remainderman)	.0766	.096
5.	Mike Minnix unknown	Unleased	.3375	.425
	Oakley Wayne Minnix unknown	Unleased	.3375	.425
	Cathy Minnix unknown	Unleased	.3375	.425
	Sissy Minnix unknown	Unleased	.3375	.425
6.	Robert L. Short Route # 12, Box 435-C Greeneville, Tennessee 37743	Leased-EREX Lse. #243914L	1.27	1.6

EXHIBIT "B"

V-2536

Revision #2
VGOB-93/02/16-0331

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
7.	Steinman Development Co. Attn: Jim Sykes P. O. Box 249 Norton, Virginia 24273	Leased-EREX 244435L-01	.05	.06
8.	Audrey Clark Route 1, Box 862 Norton, Virginia 24273	Leased-EREX Lse. # 223340L	3.36	4.22
9.	Steinman Development Company Attn: Jim Sykes P. O. Box 249 Norton, VA 24273	Leased-EREX 244435L-01	.32	.40
10.	Red River Coal Co. ATTN: James M. Thomas P. O. Box 668 Norton, VA 24273	Leased-EREX Lse. # 223142L-01	.32	.40
11.	<u>Heirs of Lola Wells Jones</u>			
	Carolyn Sue Smith Route 3, Box 43T3 Castlewood, VA 24224	Leased-EREX 243910L01	.008339	.010609
	Betty B. Frazer 1653 Gayle Drive Lexington, KY 40505	Leased-EREX 243910L02	.020847	.026326
	Donald Peters P. O. Box 1153 Coeburn, VA 24230	Leased-EREX 243910L03	.008339	.010609
	Joe Peters Route HC05, Box 76 Coeburn, VA 24230	Leased-EREX 243910L04	.008339	.010609
	Wilma L. Marshall Route 1, Box 578-A Norton, VA 24273	Leased-EREX 243910L05	.01501	.018992
	Lena Dean Route 1, Box 1036-A Norton, VA 24273	Leased-EREX 243910L06	.01501	.018992

EXHIBIT "B"

V-2536

Revision #2
VGOB-93/02/16-0331

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Glen Gardner Route 1, Box 1035-F Norton, VA 24273	Leased-EREX 243910L07	.01501	.018992
	Banis P. Hill Route 1, Box 1034-K Norton, VA 24273	Leased-EREX 243910L08	.01501	.018992
	Jeffrey Wayne Peters 1814 Gate City Highway Bristol, VA 24201	Leased-EREX 243910L09	.002085	.00275
	Dwight Richard Peters 319 Heritage Drive Bristol, VA 24201	Leased-EREX 243910L10	.002085	.00275
	James M. Hall a/k/a Melvin Hall P. O. Box 155 Wise, VA 24293	Leased-EREX 243910L11	.0416944	.052524
	Billie Dale P. O. Box 1272 Wise, VA 24293	Leased-EREX 243910L12	.01501	.018992
	Gary E. Peters 118 Downes Street Hampton, VA 23663	Leased-EREX 243910L14	.002085	.00275
	Hansford Mullins Route 2, Box 612 Wise, VA 24293	Unleased	.45425	.57095
	Prudy Mullins Kilgore Route 2, Box 277 Wise, VA 24293	Leased-EREX 243910L15	.0938125	.118015
	Jeanette Mullins Craft Route 2, Box 282 Wise, VA 24293	Leased-EREX 243910L16	.0938125	.118015
	Moselle M. Hunsucker P. O. Box 454 Norton, VA 24273	Leased-EREX 243910L17	.0938125	.118015
	Grace M. Bentley Unknown	Unleased	.0938125	.118015

EXHIBIT "B"

V-2536

Revision #2
VGOB-93/02/16-0331

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Edison Gardner 6540 Starnes Road Watauga, TX 76148	Unleased	.037525	.047219
	Kyle Gardner Route 2, Box 59 Wise, VA 24293	Unleased	.037525	.047219
	Mildred Honeycutt Baker 721 Stoner Drive Anderson, IN 46011	Unleased	.037525	.047219
	Margaret Honeycutt Shubert 1355 S. 9th Street Noblesville, IN 46060-3750	Unleased	.037525	.047219
	Alva Gardner Sturgill Route 1, Box 309 Pound, VA 24279	Unleased	.07505	.094438
	Emerson Gardner Box 387 Pound, VA 24279	Unleased	.07505	.094438
	Ada Dingus 10401 Oakton Road Chesterfield, VA 23832	Unleased	.0416944	.052524
	Lonnie R. Hall 103 Thelma Road Oak Ridge, TN 37830	Unleased	.0416944	.052524
	Edward B. Hall Route 2, Box 134 Clinton, TN 37716	Unleased	.0416944	.052524
	Ernest Hall Box 283 McConnell, WV 25633	Unleased	.0416944	.052524
	Roy E. Hall 203 Lake Shawnee Powhatan, VA 23139	Unleased	.013898	.017595
	Muriel Dingus 9606 Bright Hope Road Chesterfield, VA 23832	Unleased	.013898	.017595

EXHIBIT "B"

V-2536

Revision #2

VGOB-93/02/16-0331

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	George C. Hall 1103 Anna Street Poplarville, MS 39470	Unleased	.013898	.017595
	Doyle Frazer Box 783 Lynch, KY 40855	Unleased	.020847	.026326
	Stuart E. Hall, Jr. 3816 Vienna Drive Knoxville, TN 37912	Unleased	.013898	.017595
	Jeanne Jennings 2405 Monterey Road Knoxville, TN 37912	Unleased	.013898	.017595
	Brenda Pruitt 1313 9th Ave, SE Decatur, AL 35601-4229	Unleased	.013898	.017595
	Rita P. Dotson 379 Buckingham Rd. Gray, TN 37615	Unleased	.008339	.010609
	Theresa M. Peters Route 1 Bristol, VA 24201	Leased-EREX 243910L13	.002085	.00275
12.	Penn Virginia Resources Attn: Ralph Tomlinson P. O. Box 386 Duffield, Virginia 24244-0386	Leased-EREX Lse. # 223096L TK-744	2.31	2.90
13.	Penn Virginia Resources Attn: Ralph Tomlinson P. O. Box 386 Duffield, Virginia 24244-0386	Leased-EREX Lse. # 223096L TK-698	21.39	26.88
14.	Penn Virginia Resources Attn: Ralph Tomlinson P. O. Box 386 Duffield, Virginia 24244-0386	Leased-EREX Lse. # 223096L TK-745	7.96	10.00

EXHIBIT "B"
V-2536Revision #2
VGOB-93/02/16-0331

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
15.	Maudie Day Kilgore, Widow P. O. Box 2438 Wise, VA 24293	Unleased	.0102	1.2817
	Jim Day and Pam Day, H/W 151 Kingston Circle Coppell, TX 75019	Unleased	.0102	1.2817
	Clarence Robinette, Widower Route 2, Box 74 Wise, VA 24293	Unleased	.004	.50264
	Goldie Stidham, Widow 311 Walnut Street Noblesville, IN 46060	Unleased	.004	.50264
	Ronnie Robinette and Gail Robinette, H/W 7804 Autumn Wood Drive Orlando, FL 32825	Unleased	.004	.50264
	R. E. Thacker and Helen Thacker, H/W 223 Steephill Road Blountville, TN 37617	Unleased	.004	.50264
	Willie Robinette and Thelma Robinette, H/W Route 1, Box 739 Norton, VA 24273	Leased-EREX 244433L-01	.00135	.169641
	Ruth Robinette Smith, Widow Route 1, Box 739 Norton, VA 24273	Unleased	.00135	.169641
	Homer Robinette Estate Unknown	Unleased	.00135	.169641
	Burton Day Estate Unknown	Unleased	.0205	2.56603
	Mabel Addington and Harold Addington, H/W Route 2, Box 177 St. Stephens Church, VA 23148	Unleased	.0016	.201056

EXHIBIT "B"

V-2536

Revision #2

VGOB-93/02/16-0331

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Lora Carter and Laxter Carter, H/W Route 1, Box 412A Hague, VA 22169	Unleased	.0016	.201056
	Katherine White, Widow 101 Durbin Way Vine Grove, KY 40175	Unleased Life Estate	0.00	0.00
	Lois Miller and Harold Miller, H/W 101 Durbin Way Vine Grove, KY 40175	Unleased Remainderman	.0006	.075396
	Ray White, Widower 22102 Loretta Road Woodhaven, MI 48183	Unleased Remainderman	.0006	.075396
	Anita Brooks, Widow 2701 West Water Ave. Apt. 1404 Tampa, FL 33614	Unleased Remainderman	.0006	.075396
	James Ralph White and Gloria White, H/W 694 Dudley Pike Ft. Mitchell, KY 41017	Unleased Remainderman	.0006	.075396
	Clova Kincer and Bobby Kincer, H/W 110 Harry Wise Road Lawrenceburg, KY 40342	Unleased Remainderman	.0006	.075396
	Della White, Widow HC 87, Box 2286 Kona, KY 41829	Unleased Life Estate	0.00	0.00
	Hazel Craft and Johnny Craft, H/W HC 87, Box 2394 Kona, KY 41829	Unleased Remainderman	.0016	.201056
	John White and Carolyn White, H/W HC 87, Box 2286 Kona, KY 41829	Unleased Remainderman	.0016	.201056

EXHIBIT "B"

V-2536

Revision #2
VGOB-93/02/16-0331

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Maggie White, Widow Route 1, Box 31 Jenkins, KY 41537	Unleased	.0033	.414678
	Phyliss Chisenhall, Widow Lot #16, Village Trailer Court Norton, VA 24273	Unleased	.0006	.075396
	Jackie Chisenhall and Cherryl Chisenhall, H/W 2012 Rawlings Street Richmond, VA 23231	Unleased	.0006	.075396
	Miles Chisenhall and Wanda Chisenhall, H/W 8950 S. Quaker Road Quinton, VA 23141	Leased-EREX 244433L-02	.0006	.075396
	Leroy Chisenhall and Carolyn Chisenhall, H/W 4602 Carpenter Road Richmond, VA 23222	Unleased	.0006	.075396
	Georgia Chisenhall, Widow Route 2, Box 43 Wise, VA 24293	Unleased	.0002	.025132
	Randy Chisenhall and Gwen Chisenhall, H/W Route 2, Box 43 Wise, VA 24293	Unleased	.0005	.06283
	Dana Chisenhall, Single Route 2, Box 43 Wise, VA 24293	Unleased	.0005	.06283
	Terry Chisenhall and Regina Chisenhall, H/W #7 Idlewild Trailer Park Wise, VA 24293	Unleased	.0005	.06283
	Robbie Chisenhall and Cynthia Chisenhall, H/W Route 2, Box 43 Wise, VA 2429	Unleased	.0005	.06283

EXHIBIT "B"

V-2536

Revision #2

VGOB-93/02/16-0331

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Regina Chisenhall, Single Route 2, Box 43 Wise, VA 24293	Unleased	.0005	.06283
	Melissa Ann Chisenhall Long and Derik Long, H/W 1931 N. Cleveland Street Apt. #602 Arlington, VA 22201	Unleased	.0005	.06283
	Willa Iris Sexton and Ernest E. Sexton, H/W 7103 John Adams Way Valley Station, KY 40272	Unleased	.0007	.087962
	Oma King and James King, H/W 219 W. Marshall Ave. Elkton, VA 22827	Unleased	.0007	.087962
	Arbutus Anderson and Don Anderson, H/W Route 5, 5921K Chattsworth, GA 30705	Unleased	.0007	.087962
	Leslie White, Single Box 92 McRoberts, KY 41835	Unleased	.0007	.087962
16.	Penn Virginia Resources Attn: Ralph Tomlinson P. O. Box 386 Duffield, Virginia 24244-0386	Leased-EREX Lse. # 223096L TK-692	.49	.62
17.	Penn Virginia Resources Attn: Ralph Tomlinson P. O. Box 386 Duffield, Virginia 24244-0386	Leased-EREX Lse. # 223096L TK-686	2.20	2.76

EXHIBIT "B"

V-2536

Revision #2

VGOB-93/02/16-0331

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
18.	Penn Virginia Resources Attn: Ralph Tomlinson P. O. Box 386 Duffield, Virginia 24244-0386	Leased-EREX Lse. # 223096L TK-746	35.43	44.52
19.	Greater Wise, Inc. Attn: James M. Thomas, President P. O. Box 668 Norton, Virginia 24273	Leased-EREX Lse. # 223095L TK-49	11.97	15.05
TOTAL			100.00%	125.66
Percentage of Unit Leased			89.094%	
Percentage of Unit Unleased			10.906%	
Acreage Leased in Unit				111.96
Acreage Unleased in Unit				13.70