

VIRGINIA;

BEFORE THE VIRGINIA GAS AND OIL BOARD

DOCKET NO: 94-0517-0447

REPORT OF THE BOARD

NOTICE OF EXPIRATION/TERMINATION OF VIRGINIA GAS AND OIL BOARD (herein "Board") ORDERS IN VGOB DOCKET NO. 94-0517-0447 FOR THE POOLING OF INTERESTS IN A DRILLING UNIT TO BE SERVED BY PROPOSED WELL VC-3174 LOCATED IN THE NORA COALBED GAS FIELD, TRACT PO-148/T-313, DUTY QUADRANGLE, ERVINTON MAGISTERIAL DISTRICT, DICKENSON COUNTY VIRGINIA (the "Subject Lands" are more particularly described on Exhibit 'A', attached hereto and made a part hereof.

1. This **Notice of Expiration/Termination** is entered by the Board after hearing upon its own motion for the purpose of providing notice that the Board orders in the above-styled docket number which are more particularly set forth and described in Paragraph 2 hereof expired and became terminated by their own terms on June 2, 1995 except for any cash sums becoming payable thereunder.
2. **Findings:** The Board finds that:
 - (a) In VGOB Docket No. 94-0517-0447, the Board entered a pooling order pursuant to Va. Code 45.1-361.21 and 45.1-361.22 on June 2, 1994 for the pooling of a 58.77-acre coalbed methane gas drilling unit to be served by proposed well No. VC-3174 (herein "Pooling Order"). The Pooling Order was recorded with the Clerk of the Circuit Court of Dickenson County, Virginia in Deed Book 301 at Page 144 on June 16, 1994. Paragraph 14 of the Pooling Order provided that Equitable Resources Exploration n/k/a Equitable Resources Energy Company (herein "Unit Operator") was to commence operations for the drilling of the well in the pooled drilling unit within 365 days from the date of the entry of the Pooling Order, i.e., by June 2, 1995. The Pooling Order further provided that if Unit Operator did not commence operations for the drilling of said well within 365 days from the entry of the Pooling Order, then the Pooling Order would terminate, except for any cash sums becoming payable thereunder.
 - (b) In VGOB Docket No. 94-0517-0447, on October 26, 1994 the Board entered its Supplemental Order Regarding Elections for the pooled Drilling Unit to be served by proposed Well VC-3174 (herein "Supplemental Order") which Supplemental Order was recorded on November 10, 1994 with the Clerk of the Circuit Court of Dickenson County at Deed Book 305 at Page 100.
 - (c) The Unit Operator did not commence operations for the drilling of the well which was to serve the pooled drilling unit within 365 days from the entry of the Pooling Order; therefore on June 2, 1995 the Pooling Order and the Supplemental Order terminated by their own terms.
3. **Order:** By this Order which is to be recorded with the Clerk of the Circuit Court of Dickenson County, Virginia, the Board gives notice that the Pooling Order and the Supplemental Order expired and terminated by their own terms on June 2, 1995 except for any cash sums becoming payable thereunder. Notwithstanding the fact that the Pooling Order and the Supplemental Order heretofore expired and terminated on June 2, 1995, any funds heretofore paid by the Unit Operator into the escrow account created by the Pooling Order and/or the Supplemental Order shall be held by the Escrow Agent for the exclusive use of, and sole benefit of the persons 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 Va. Code 45.1-361.21.D.
4. **Mailing of Order:** The Unit Operator under the captioned order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim was pooled by the Pooling Order and whose interest or claim was subject to escrow whose address is known.

5. **Conclusion:** Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Done and executed this 23rd day of October, 1997, by the Chairman of the Virginia Gas and Oil Board.

Benny R. Wampler
Chairman, Benny R. Wampler

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 23rd day of October, 1997, 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 7/31/98

Done and performed this 23rd day of October, 1997 by Order of this Board.

Byron Thomas Fulmer
Byron Thomas Fulmer
Principal Executive to the Staff
Of the Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 23rd day of October, 1995, personally appeared 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 Davis
Notary Public

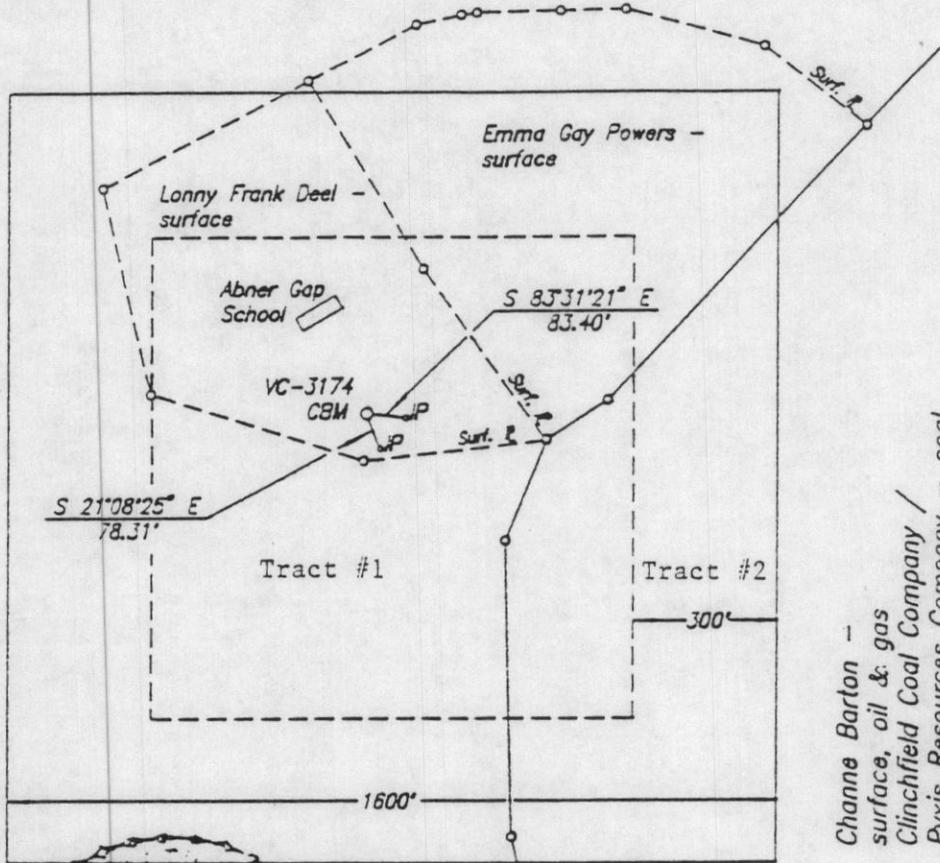
My Commission expires 09/30/2001

WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER VC-3174
TRACT NO. PG-148 / T-13 ELEVATION 1854.51 QUADRANGLE Duty
COUNTY Dickenson DISTRICT Erwin SCALE 1" = 400' DATE 1-28-1994

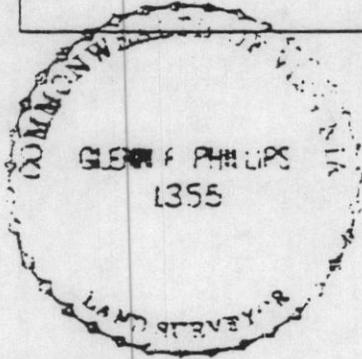
This Plat is a new plat X, an updated plat , or a final location plat .
+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

Glenn H. Phillips



Lease No. PO-148 / T-313
 John Kiser Heirs
 1874.41 Acres
 Clinchfield Coal Company /
 Pyxis Resources Company -
 Pine Mountain Oil & Gas, Inc.
 Gas 45.47 Ac. 77.37%

Channe Barton -
 surface, oil & gas
 Clinchfield Coal Company /
 Pyxis Resources Company - coal
 59.5 Acres
 Gas 13.30 Ac. 22.63%



Well elevation determined by trigonometric leveling from BM MGD 227

Area of Unit = 58.77 Ac.

Well Coordinates: (VA St. Plane S. Zone, Calculated from CCC coordinates)
 N 307,314 E 920,612

Well Coordinates: (Clinchfield Coal Co.)
 N 7,033.24 E 52,845.01

WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER VC-3174
 TRACT NO. PO-148 / T-313 ELEVATION 1654.51 QUADRANGLE Duty
 COUNTY Dickenson DISTRICT Ervinton SCALE 1" = 400' DATE 1-26-1994

This Plat is a new plat X; 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.

Handwritten signature

Form DGO-GO-7

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, 10-27, 1997. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 1:51 o'clock PM, after payment of \$ tax imposed by Sec. 58.1-802.

Original returned this date to: Diane Davis

TESTE: JOE TATE, CLERK
 BY: Joe D. Meade CLERK