

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

DOCKET NOS: 94-0920-0474 AND 95-0221-0492

REPORT OF THE BOARD

NOTICE OF EXPIRATION/TERMINATION OF VIRGINIA GAS AND OIL BOARD (herein "Board") ORDERS IN VGOB DOCKET NO. 94-0920-0474 AND 95-0221-0492 FOR THE POOLING OF INTERESTS IN A DRILLING UNIT TO BE SERVED BY PROPOSED WELL VC-3225 LOCATED IN THE ROARING FORK COALBED METHANE GAS FIELD, PENN VIRGINIA RESOURCES CORPORATION TRACT 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.

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 numbers which are more particularly set forth and described in Paragraph 2 hereof expired and became terminated by their own terms on November 9, 1995 except for any cash sums become payable thereunder.
2. **Findings:** The Board finds that:
 - (a) In VGOB Docket No. 94-0920-0474, the Board entered a pooling order pursuant to Va. Code 45.1-361.21 and 45.1-361.22 on November 9, 1994 for the pooling of an 80-acre coalbed methane gas drilling unit located in the Roaring Fork Coalbed Methane Gas Field to be served by proposed well No. VC-3225 (herein "Original Pooling Order"). The Original Pooling Order was recorded with the Clerk of the Circuit Court of Wise County, Virginia in Deed Book 790 at Page 670 on November 10, 1994. Paragraph 14 of the Original 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 Original Pooling Order, i.e., November 9, 1995. The Original 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 Original Pooling Order, then the Original Pooling Order would terminate, except for any cash sums becoming payable thereunder.
 - (b) In VGOB Docket No. 95-0221-0492, the Board entered an order modifying the Original Pooling Order (herein "Modification Order") on April 7, 1995 and recorded same with the Clerk of the Circuit Court of Wise County, Virginia in Deed Book 799, Page 356 on April 11, 1995. Paragraph 14 of the Modification Order likewise required the Unit Operator to commence operations for the drilling of the well which was to serve the pooled drilling unit within 365 days from November 9, 1994, i.e., by November 9, 1995. The Modification Order further provided that if the Unit Operator did not so commence operations for the drilling of said well by November 9, 1995, then the Original Pooling Order and the Modification Order would terminate, except for any cash sums becoming payable thereunder.
 - (c) In VGOB Docket No. 95-0221-0492, on August 24, 1995 the Board entered its Supplemental Order Regarding Elections for the pooled Drilling Unit to be served by proposed Well VC-3225 (herein "Supplemental Order") which Supplemental Order was recorded on August 29, 1995 with the Clerk of the Circuit Court of Wise County at Deed Book 808 at Page 569.
 - (d) 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 Original Pooling Order; therefore on November 9, 1995 the Original Pooling Order, the Modification 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 Wise County, Virginia, the Board gives notice that the Original Pooling Order, the Modification Order and the Supplemental Order expired and terminated by their own terms on November 9, 1995 except for any cash sums becoming payable thereunder. Notwithstanding the fact that the Original Pooling Order, the Modification Order and the Supplemental Order

heretofore expired and terminated on November 9, 1995, any funds heretofore paid by the Unit Operator into the escrow account created by the Original Pooling Order, the Modification 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 Original Pooling Order and/or the Modification 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.


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
Notary Public

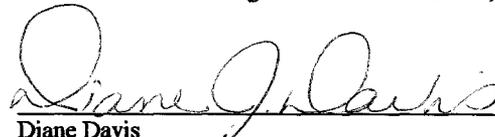
My Commission expires 7/31/98

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


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

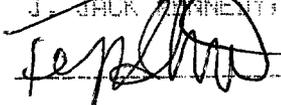
STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

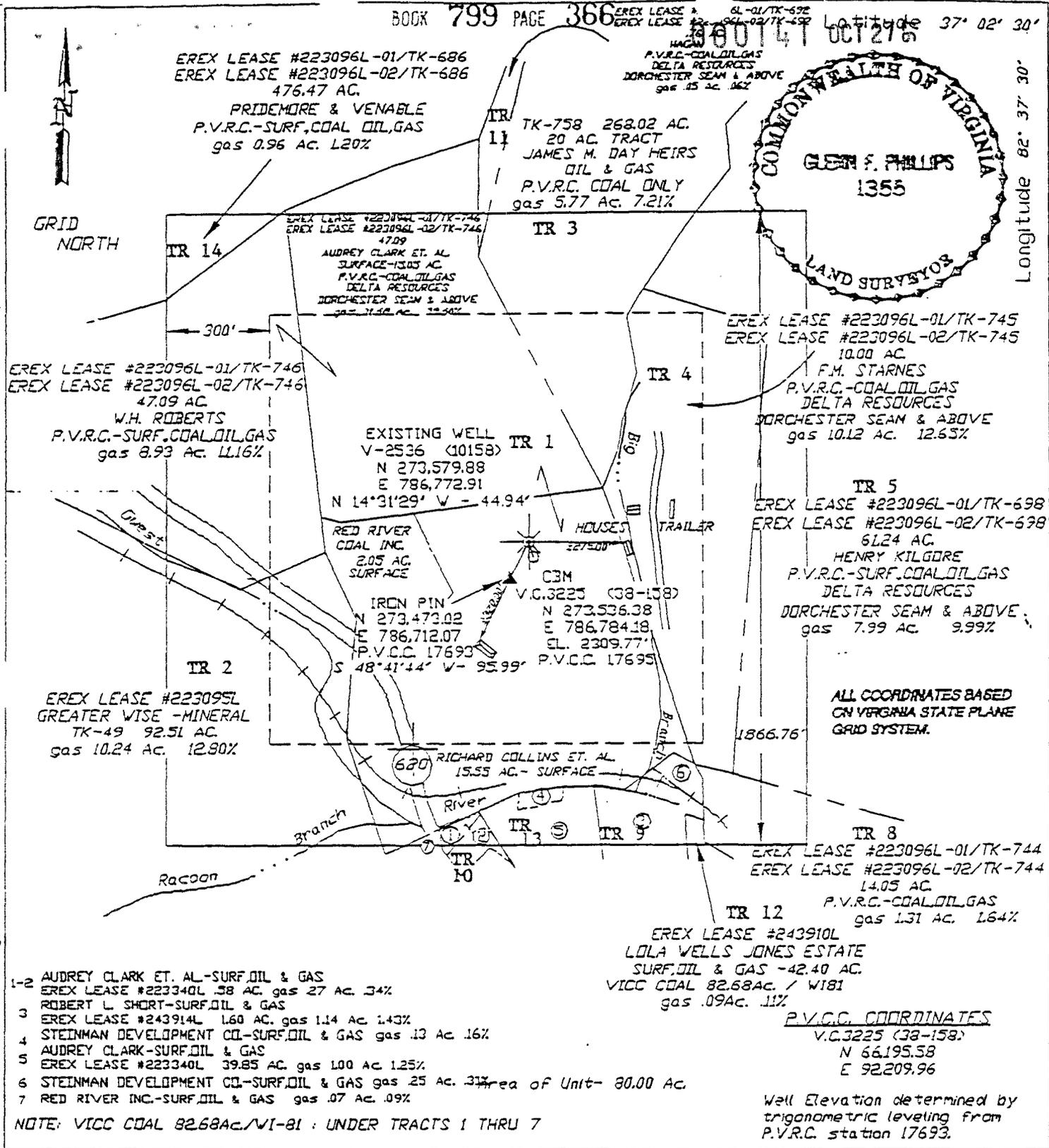
Acknowledged on this 23rd day of October, 1997, personally appeared before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane Davis
Notary Public

My Commission expires 9/30/2001

INSTRUMENT #970004359
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
OCTOBER 27, 1997 AT 03:16PM
J. JACK HANNEY, JR., CLERK

BY:  DEPUTY CLERK



WELL LOCATION PLAT

Company EQUITABLE RESOURCES EXPLORATION Well Name and Number VC-3225 (38-158)
 Tract No. 746 Elevation 2309.77' Quadrangle FLAT GAP
 County WISE District GLADEVILLE Scale: 1 = 400' Date 6-11-93
 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.

Glen F. Phillips (Affix Seal)
 Licensed Professional Engineer or Licensed Land Surveyor