

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EQUITABLE RESOURCES )	DIVISION OF
	EXPLORATION, a Division of )	GAS AND OIL
	Equitable Resources Energy )	
	Company, a West Virginia )	DOCKET NO.
	Corporation )	VGOB 96-0220-0536
	)	
RELIEF SOUGHT:	EXCEPTION TO )	
	STATEWIDE SPACING )	
	LIMITATIONS PRESCRIBED )	
	BY VIRGINIA CODE ANN. )	
	§ 45.1-361.17(A)(2) )	
	)	
LEGAL DESCRIPTION:	)	
	)	
	WELL NUMBER V-3190, )	
	PVRC TRACT NO. 632 )	
	NORTON QUADRANGLE )	
	GLADEVILLE MAGISTERIAL DISTRICT )	
	WISE COUNTY, VIRGINIA )	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This cause initially came on for hearing before the Virginia Gas and Oil Board (hereinafter "Board") at 9:00 a.m. on February 20, 1996, at which time it was continued and then heard on March 19, 1996, Ratliff Hall, Southwest Virginia Education 4-H Center, Abingdon, Virginia.
2. Appearances: James E. Kaiser of Hunter, Smith & Davis 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 Well Number V-3190 for the development and operation of Non-coalbed Methane Gas (herein "Conventional Gas") from Well V-3190 for from the surface to total depth drilled of 5,675 feet in the Mississippian and Devonian Age formations including the Base Lee Sands, Ravencliff, Maxon, Big Lime, Borden, Coffee Shale, Berea, White Slate and Devonian Shale formations ("Subject Formations"). The Applicant requests the Board's consent to drill Well Number V-3190 2,010.09 feet from existing EREX Well Number V-2759 at the location depicted on Exhibit A hereto.
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 and upon the objections filed by the coal owner, Penn Virginia Coal Company, with respect to an agreeable location for Well V-3190, the proposed location represents the optimum location to recover commercially productive Conventional Gas from Subject Formations underlying the drilling and spacing unit depicted in Exhibit A hereto (herein "Subject Drilling Unit").

A qualified engineer testified that the location exception was necessary due to the coal owner's objections, and that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of Conventional Gas underlying Subject Drilling 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-3190 2,010.09 feet from existing EREX Well V-2759, all as depicted on Exhibit A hereto.

8. Findings: That the well location exception, in accordance with the foregoing, is necessary in order to avoid interference with coal mining operations and the recovery of coal owned by Penn Virginia Coal Company, and given the requirements of Va. Code Ann. § 45.1-361.17.B .3 and § 45.1-361.11.C.2, the well location exception is needed in order 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 15<sup>th</sup> day of April, 1996, by a majority of the Virginia Gas and Oil Board.

Benny R. Wampler  
Chairman, Benny R. Wampler

DONE AND PERFORMED this 15<sup>th</sup> day of April, 1996, by Order of this Board.

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

STATE OF VIRGINIA )  
COUNTY OF WISE )

Acknowledged on this 15<sup>th</sup> day of April, 1996, 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

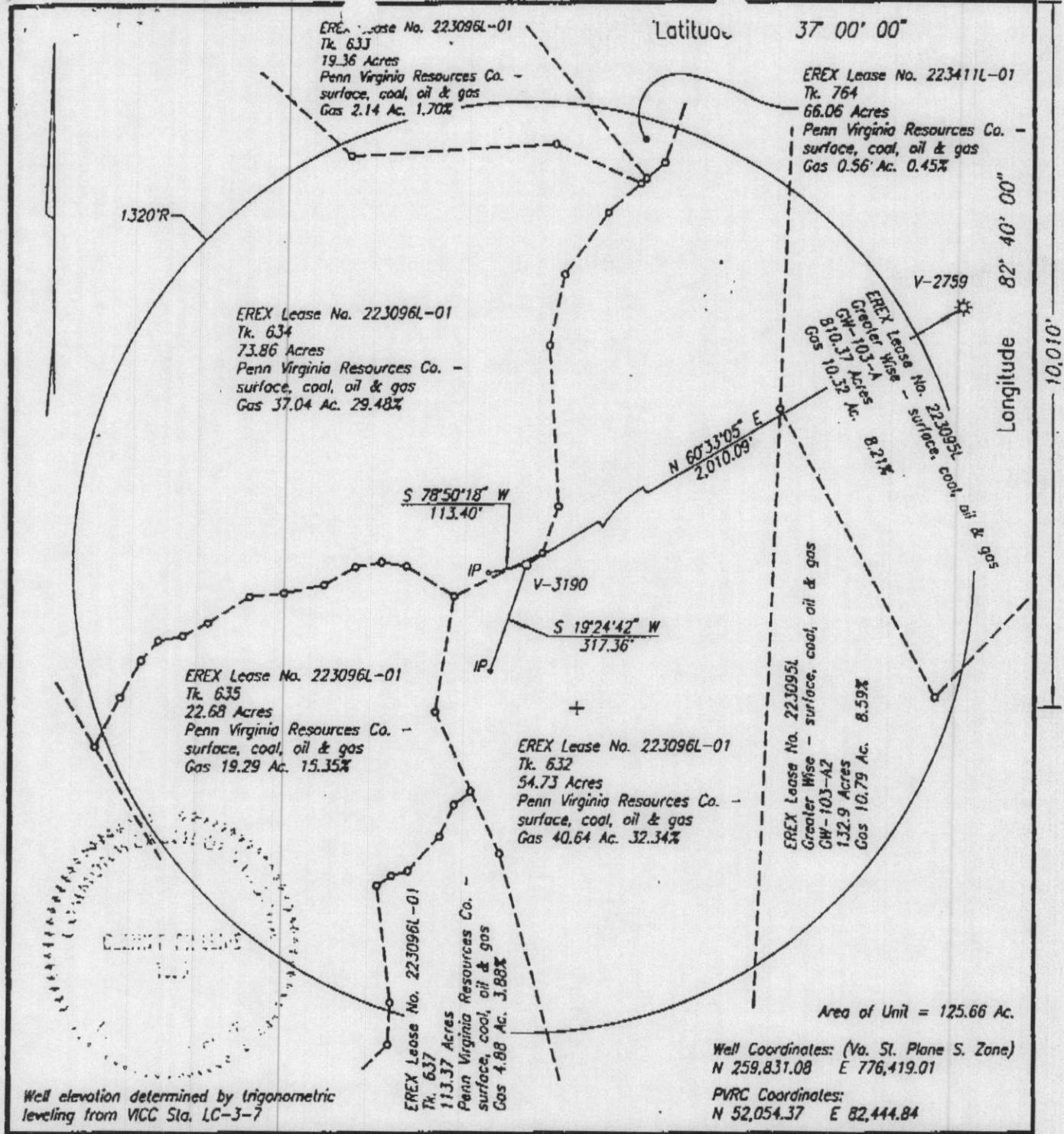
My commission expires 7/31/98

STATE OF VIRGINIA )  
COUNTY OF WASHINGTON )

Acknowledged on this 15<sup>th</sup> day of April, 1996,  
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



WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER V-3190  
 TRACT NO. Tk. 632 ELEVATION 2545.37 QUADRANGLE Norton  
 COUNTY Wise DISTRICT Gladeville SCALE 1" = 400' DATE 1-10-1996

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.

*Blair Phillips*  
 Licensed Professional Engineer or Licensed Land Surveyor