



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) an exception to the statewide spacing limitations set forth in Va. Code § 45.1-361.17 for Well No. V-502356.
7. Relief Granted: The requested relief in this cause be and hereby is granted. The Board hereby grants Applicant consent to permit and drill proposed Well No. V-502356 1,830 feet from existing EPC Well No. V-2287 as depicted on the Plat attached hereto as Exhibit A;
8. Special Findings: The Board specifically and specially finds:
  - 8.1 Applicant claims ownership of Conventional Gas leases on 100 percent of Subject Drilling Unit, and the right to explore for, develop and produce Gas from same as well as from the reciprocal well, EPC Well Number V-2287;
  - 8.2 Applicant is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
  - 8.3 The proposed Well V-502356 is located on a surface, coal, oil and gas tract consisting of 3939.49 acres known as **Penn Virginia Resources Corporation Tract No. T.K. 1602**, and the surface, coal, gas and oil owner has consented to the proposed location for Well V-502356 that is depicted on the Plat attached hereto as Exhibit A;
  - 8.4 The Applicant testified that the granting of the application filed herein will not impact the correlative rights of any person;
  - 8.5 An exception to the well spacing requirements of Va. Code § 45.1-361.17 for Well V-502356 is necessary to efficiently drain a portion of the common sources of supply (reservoir) underlying Subject Drilling Unit, and the Board's granting of the requested location exception is in the best interest of preventing the waste of 300 million cubic feet of Conventional Gas underlying Subject Drilling Unit, and to generally effect the purposes of the Virginia Gas and Oil Act;
  - 8.6 Applicant proposes the drilling of Well No. V-502356 to a depth of 5,090 feet on the Subject Drilling Unit at the location depicted in Exhibit A to produce all the Mississippian and Devonian age formations including, but not limited to, the Base Lee Sands, Ravencliff, Maxon, Little Lime, Big Lime, Top Weir, Base Weir, Sunbury, Coffee Shale, Berea, Cleveland, Upper Huron, Middle Huron, Lower Huron, Olentangy ("Subject Formations");
  - 8.7 Applicant proposes to complete and operate Well V-502356 for the purpose of producing Conventional Gas;

8.8 Applicant proposes a location exception for Well V-502356 which well lies 1,830 feet from EPC Well Number V-2287. Applicant testifies that this location was previously permitted as a conventional well location, subsequently converted to a coalbed methane site which was not drilled and has now been reclaimed for use as a conventional well site as required pursuant to the applicable Environmental Impact Statement for Jefferson National Forest.

9. 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.

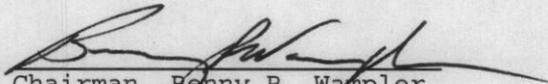
10. Availability of Unit Records: The Director shall provide all persons not subject to a lease with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).

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

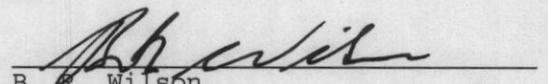
12. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code Ann. § 9-6.14:1 et seq. and Rule 2A of the Rules of the Virginia Supreme Court.

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

DONE AND EXECUTED this 15 day of October, 2002, by a majority of the Virginia Gas and Oil Board.

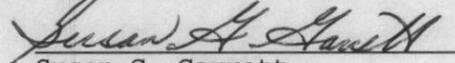
  
Chairman, Benny R. Wampler

DONE AND PERFORMED this 7<sup>th</sup> day of October, 2002, by Order of this Board.

  
B. R. Wilson  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA )  
COUNTY OF WISE )

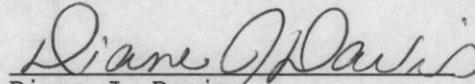
Acknowledged on this 1<sup>st</sup> day of October, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

  
Susan G. Garrett  
Notary Public

My commission expires July 31, 2006

STATE OF VIRGINIA )  
COUNTY OF WASHINGTON )

Acknowledged on this 7<sup>th</sup> day of October, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, 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  
Notary Public

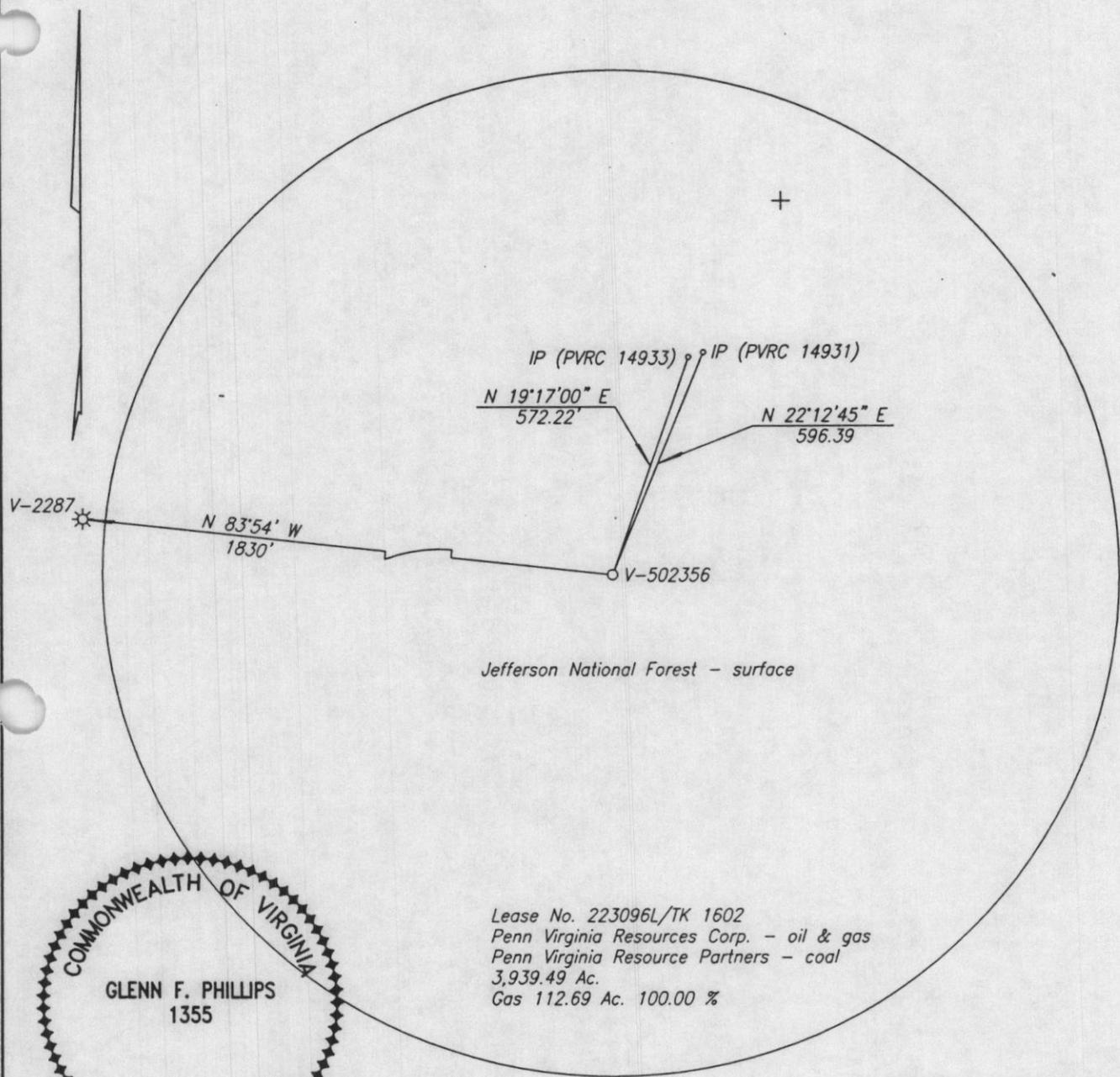
My commission expires September 30, 2005

5,400'

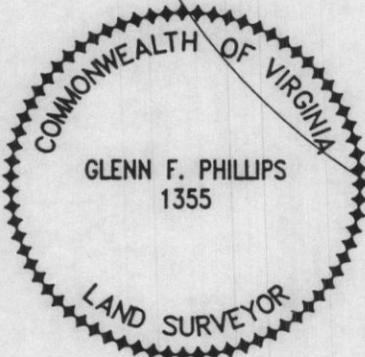
Latitude 36° 55' 00"

3,350'

Longitude 82° 25' 00"



Jefferson National Forest - surface



Lease No. 223096L/TK 1602  
Penn Virginia Resources Corp. - oil & gas  
Penn Virginia Resource Partners - coal  
3,939.49 Ac.  
Gas 112.69 Ac. 100.00 %

Well Coordinates: (VA St. Plane S. Zone,  
Calculated from PVRC coordinates)  
N 233,025 E 849,717

Well elevation determined by trigonometric  
leveling from PVRC 14934

Area of Unit = 112.69 Ac.

Well Coordinates: (PVRC)  
N 28,433.29 E 156,844.64

WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER V-502356  
TRACT NO. TK. 1602 ELEVATION 2090.80' QUADRANGLE Coeburn  
COUNTY Wise DISTRICT Lipps SCALE 1" = 400' DATE 6-06-2002

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 F. Phillips  
Licensed Professional Engineer or Licensed Land Surveyor

**EXHIBIT "B"**  
**V-505256**  
**LOCATION EXCEPTION**

Pine Mountain Oil & Gas, Inc.  
448 N.E. Main Street  
P.O. Box 5100  
Lebanon, VA 24266  
Attn: Richard Brillhart

Pyxis Resources  
P.O. Box 7  
Dante, VA 24237  
Attn: Larry Cline