

OIL AND GAS CONSERVATION BOARD HEARING

**Spacing and Establishment of Drilling Units
for the
Early Grove Gas Field
Scott and Washington Counties**

**August 10, 1988
Gate City, Virginia
Board of Supervisors Room**

88

I. NOTIFICATION

A) Newspaper Notification

B) Publication in the Virginia Registrar



O. GENE DISHNER
DIRECTOR

COMMONWEALTH of VIRGINIA

Department of Mines, Minerals and Energy

Division of Gas and Oil

P. O. Box 1416

Abingdon, Virginia 24210

(703) 628-8115

Byron T. Fulmer

State Oil and Gas Inspector

July 12, 1988

Mr. Richard A. Counts
Counts & McClanahan
Executive Park Place
1999 E. Stone Drive
Suite 304
Kingsport, TN 37660

RE: Application for Spacing
Early Grove Field, Scott & Washington Counties
Penn Virginia Resources Corporation

Dear Mr. Counts:

Your application for spacing dated June 28, 1988, on behalf of Penn Virginia Resources Corporation, has been received.

In response to your request you will find the attached "Notice of Hearing". This notice is being placed in the Bristol Newspaper on Sunday, July 17, 1988. You will note that this hearing will be held on Wednesday, August 10, 1988 at 9:30 a.m. in the Board of Supervisor's room in the lower level of the public library in Gate City, Virginia.

Should you have any questions, do not hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Byron T. Fulmer".

Byron T. Fulmer
State Oil & Gas Inspector

dld

Attachment

cc: Mr. William Kelly
Mr. Joseph Johnson
Mr. Benny Wampler
Mr. James Bunn
Mr. Mike Lepchitz
Mr. Russell Wayland
Mr. Robert Whisonant

O. GENE DISHNER
DIRECTOR



COMMONWEALTH of VIRGINIA

Department of Mines, Minerals and Energy

Division of Gas and Oil

P. O. Box 1416

Abingdon, Virginia 24210

(703) 628-8115

Byron T. Fulmer

State Oil and Gas Inspector

VIRGINIA DEPARTMENT OF MINES, MINERALS AND ENERGY
DIVISION OF GAS AND OIL
NOTICE OF HEARING
SPACING

Pursuant to Section 45.1-301 of the Code of Virginia, the Virginia Oil and Gas Conservation Board hereby gives notice that a public hearing will be held on Wednesday, August 10, 1988, at 9:30 a.m. in the Board of Supervisor's room in the lower level of the public library located in Gate City, Virginia.

The purpose of the hearing is to hear arguments and evidence concerning the request of Penn Virginia Resource Corporation for establishment of drilling units and final spacing for wells proposed to be located in the Early Grove Gas Field.

The area to be considered is bounded on the east from Fowler Branch in Scott County and on the west to approximately the East Fork in Washington County. To the north, the field is bounded by the North Fork of the Holston River and to the south the field parallels Route 618. The field is located in Scott and Washington Counties.

Information pertaining to the area being considered for spacing by the Oil and Gas Conservation Board can be viewed by interested parties at the Division of Gas and Oil at 230 Beverly Drive, Abingdon, Virginia from 8:00 a.m. to 5:00 p.m., Monday through Friday. For additional information concerning the hearing, please contact the Division of Gas and Oil at 703 628-8115.

PLEASE READ REVERSE SIDE

	Date/Time Filed with Registrar of Regulations	Document Number
NOTICE OF MEETING		
		Date of Publication in Virginia Register

DO NOT WRITE ABOVE THIS LINE

Under the provisions of the Code of Virginia, the notice of the following meeting is hereby given.

Virginia Oil & Gas Conservation Board

(agency, board, commission, etc.)

will meet on Wednesday August 10, 1988 9:30 A.M.
(Day) (Date) (Time)

at Board of Supervisor's Room, Scott County, Lower Level, Public Library
Gate City, Virginia
(Location)

Location accessible to handicapped Interpreter for deaf provided if requested

Brief, general description of the nature of the meeting and business to be conducted.

The purpose of the hearing is to hear arguments and evidence presented upon the application of Penn Virginia Resource Corporation for establishment of drilling units and final spacing for well work applications in the Early Grove Gas Field of Scott and Washington Counties.

Additional information may be obtained from:

Division of Gas and Oil

(Name)

P. O. Box 1416, 230 Beverly Drive

(Address)

Abingdon, VA F 24210

(703) 628-8115

(Area Code and Telephone Number)

(Telecommunications Number for the Deaf)

II. Filing of Petition for Spacing in the Early Grove Field

COUNTS & McCLANAHAN

ATTORNEYS AT LAW

EXECUTIVE PARK PLACE
1999 E. STONE DRIVE, SUITE 304
KINGSPORT, TN 37660

RICHARD A. COUNTS
ADMITTED IN VA
ELIZABETH A. McCLANAHAN
ADMITTED IN KY, TN AND VA

Telephone
Area Code 615
378-4999
Telex "Easy Link"
#62003211

HAND DELIVERED

June 28, 1988



Mr. Joseph Johnson, Chairman
Virginia Oil and Gas Conservation Board
c/o Mr. Byron T. Fulmer
State Oil and Gas Inspector
Department of Mines, Minerals and Energy
Division of Gas and Oil
P. O. Box 1416
Abingdon, Virginia 24210

Re: Application for Permanent Spacing
Early Grove Field
Scott and Washington Counties, Virginia
Our File No. 1542-MR-005

Dear Mr. Johnson:

Enclosed is Penn Virginia Resources Corporation's Application for Special Field Guidelines covering the Early Grove Field in Scott and Washington Counties.

By letter of even date, PVRC is also requesting that the Board pool the interests underlying the unit proposed for Well 8809 and located within the Early Grove Field. Pursuant to Va. Code Ann. § 45.1-302(A) (Supp. 1988), I would request that the Board consider the referenced request for spacing in conjunction with PVRC's request for the pooling of Well No. 8809.

Please do not hesitate to call me if you need further information regarding this application.

Very truly yours,

Richard A. Counts

RAC:taj

Enclosures

Mr. Joseph Johnson
June 28, 1988
Page 2

cc: Byron T. Fulmer
C. B. Slemp
William W. Kelly, Jr.
Christine F. Ryan
Carlton A. Hibbard

[letters:fulmer.1]

BEFORE THE VIRGINIA OIL AND GAS CONSERVATION BOARD

APPLICANT: PENN VIRGINIA RESOURCES)
CORPORATION)
RELIEF SOUGHT: SPACING)
LEGAL SCOTT AND WASHINGTON COUNTIES) CAUSE NO. _____
DESCRIPTION: (SEE EXHIBIT A FOR A MORE)
SPECIFIC DESCRIPTION.))

A P P L I C A T I O N

1. Parties.

1.1 Applicant herein is Penn Virginia Resources Corporation, whose address for the purposes hereof is P. O. Box 386, Duffield, Virginia 24244, Telephone: (703) 431-2831. The attorney for Applicant is Richard A. Counts, One Executive Park Place, 1999 East Stone Drive, Suite 304, Kingsport, Tennessee 37660, Telephone: (615) 378-4999.

1.2 Applicant is the owner of the right to develop and produce oil and gas from the Little Valley and Price formations within the Early Grove Field and underlying the lands described in Exhibit A attached hereto and made a part hereof and to appropriate the oil and gas produced therefrom.

2. Allegation of Facts.

2.1 By prior order dated September 1, 1983, the Oil and Gas Conservation Commission, predecessor to the Oil and Gas Conservation Board, established provisional drilling units, being more or less 80 acres in size, in the lands involved herein, as described in Exhibit A attached hereto, for wells drilled to a total depth of not more than 300 feet below the base of the Mississippian within the Early Grove Field.

2.2 Since the date of entry of the order described in paragraph 2.1, above, additional development within the Little Valley and Price formations within the Early Grove Field has provided sufficient data necessary to determine the ultimate spacing of wells for such pool in the lands involved herein. Such data shows that the lands involved here are wholly or substantially underlain by the Little Valley and Price formations within the Early Grove Field, as a common accumulation of hydrocarbons, being predominately gas productive, separate and distinct from and not in communication with any other common accumulation of oil and/or gas, and that the maximum area within the Little Valley and Price formations within the Early Grove Field underlying the lands involved herein that can be efficiently and economically drained by one well is approximately 90 acres.

2.3 In the interest of preventing the waste of oil and gas, avoiding the drilling of unnecessary wells and protecting correlative rights, the boundaries of the Little Valley and Price formations within the Early Grove Field of gas should be established so as to cover and include the lands involved herein, and proper sized and shaped drilling units, with designated areas within which wells may be drilled on such units,

should be established on a permanent basis for such pool in such lands, which should be 90-acre drilling units (plus a tolerance of 15%, more or less).

3. Legal Authority. The relief sought by this Application is authorized by Va. Code Ann. § 45.1-301 (1987).

4. Relief Sought: Applicant requests the Oil and Gas Conservation Board to enter an order as follows:

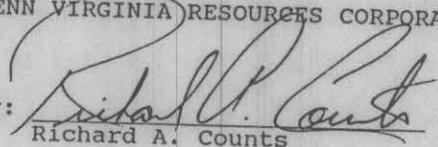
(I) Issuing Special Field Guidelines covering the Little Valley and Price formations within the Early Grove Field, which Special Field Guidelines shall provide for 90-acre drilling units (plus a tolerance of 15%, more or less), as necessary to conform with boundary lines to the extent practicable and to facilitate the orderly development of the Little Valley and Price formations within the Early Grove Field;

(II) Establishing the boundaries of the Little Valley and Price formations within the Early Grove Field of gas so as to cover and include the lands described in Exhibit A attached hereto and made a part hereof and establishing on a permanent basis proper sized and shaped drilling units, with designated areas within which wells may be drilled on such units, within such lands for such pool, which units should be formed as 90-acre drilling units (plus a tolerance of 15%, more or less); and

(III) Granting such other and further relief as may be proper based upon the evidence presented at the hearing herein.

DATED this 28th day of June, 1988.

PENN VIRGINIA RESOURCES CORPORATION

By: 
Richard A. Counts

Of the Firm:

COUNTS & McCLANAHAN
One Executive Park Place
1999 E. Stone Drive
Suite 304
Kingsport, Tennessee 37660
Telephone: (615) 378-4999

ATTORNEYS FOR APPLICANT

[misc:apl-spcg:slg:060388]

**III. Previous Provisional Orders and Units entered for the
Early Grove Field**

Pursuant to Section 45.1-301(B) of the Virginia Oil and Gas Act, the Virginia Oil and Gas Conservation Commission does hereby issue the following order for establishment of provisional drilling units in Scott and Washington Counties in an area known as the Early Grove Gas Field.

PROVISIONAL DRILLING UNIT ORDER FOR SHALLOW GAS WELLS

800-
? } Unless on approval in advance from the Commission, all wells drilled to produce natural gas from depths shallower than the base of the Mississippian, with a total depth of not more than 300 feet below the base of the Mississippian, shall not be located closer than 1,200 feet from any existing well or proposed well work permit. Boundaries of each of the drilling units shall conform, to the greatest extent practicable, to existing boundary lines or pre-existing unit boundary lines to assure to the greatest extent possible the inclusion of all property owners into drilling units. For the purpose of this Commission order units should contain, more or less, eighty (80) acres within each unit and to the extent practicable be of uniform size and shape. In no case shall proposed wells be located less than 500 feet from the boundary of the unit. This order shall remain in effect pending the obtaining of information necessary to determine the ultimate spacing of wells for the pool. All wells shall be drilled in such a manner as to prevent the escape of oil or gas out of one strata to any other strata or the waste of oil or gas.

By order of the Oil and Gas Conservation Commission this first day of September 1983.

John M. Goldsmith, Jr., Chairman
Russell Wayland, Commissioner
Robert Whisonant, Commissioner

BY: Tom Fulmer
Principal Executive of the Staff to the Commission

IV. Questions to be considered by the Board from evidence presented in the hearing.

✓ 1. The area to be included in the order: _____
Exhibit A

✓ 2. The acreage to be embraced within each drilling drilling unit and the shape thereof: _____
90 Acres ± 15% Tolerance

? 3. The area within which wells may be drilled on each unit: _____
close to center

? 4. The minimum distance from the nearest outside boundary of the drilling unit or another well at which a well may be drilled: _____

*Request
for continuation
of 500'
+ tolerance
of 800'*

V. Evidence to be considered by the Board

1. The surface property and property lines of the lands underlain by the pool: irregular

2. The plan of well spacing then being employed or proposed for the pool: 2000'

1800'
minimum

3. The depth at which production from the pool has been found:

Both
Little Valley
and
Pricer

4. The nature and character of the producing formation or formations and whether the substances produced or sought are gas and oil:

Fracturing of Reservoir
Breached.

Source Bed? Devonian Shale.

5. The maximum area which may be drained efficiently and economically by one well: _____

40 Acres.

6. Any other available geological or scientific data pertaining to the pool which may be of probative value to the Board in determining the proper spacing of wells and establishing units: _____

OIL AND GAS CONSERVATION BOARD HEARING

**Forced Pooling Hearing for Proposed Well No. 8809
by
Penn Virginia Resources Corporation
Early Grove Gas Field**

**August 10, 1988
Gate City, Virginia
Board of Supervisors Room**

I. Notification



O. GENE DISHNER
DIRECTOR

COMMONWEALTH of VIRGINIA

Department of Mines, Minerals and Energy
Division of Gas and Oil
P. O. Box 1416
Abingdon, Virginia 24210
(703) 628-8115

Byron T. Fulmer
State Oil and Gas Inspector

July 12, 1988

Mr. Richard A. Counts
Counts & McClanahan
Executive Park Place
1999 E. Stone Drive
Suite 304
Kingsport, TN 37660

RE: Application For Pooling
Penn Virginia Resources Corporation
Well Number 8809
Scott County, Virginia

Dear Mr. Counts:

Your application for pooling of the above referenced well dated June 28, 1988, on behalf of Penn Virginia Resources Corporation, has been received.

In response to your request, please find attached a "Notice of Hearing". This notice is being mailed, on this date, to all parties listed in the application and is being published in the Bristol Newspaper on Sunday, July 17, 1988, in order to afford proper notice to parties for which we have insufficient addresses to notify by certified mail.

Should you have any questions, do not hesitate to call.

Sincerely,

Byron T. Fulmer
State Oil & Gas Inspector

↙ BTF:dld

Attachment

cc: See attached list

The following persons have been notified by copy of this letter of the pending hearing

- ✓ Mr. Bill Kelly, Penn Virginia Resources Corporation
- Mr. Joseph Johnson, Chairman, Conservation Board
- Mr. Benny Wampler, Member, Conservation Board
- ✓ Dr. Robert Whisonant, Member, Conservation Board
- Mr. Russell Wayland, Member, Conservation Board
- Mr. James O. Bunn, Member, Conservation Board
- Mr. Mike Lepchitz, Assistant Attorney General
- ✓ Harold B. & Jenny C. Miller, Oil & Gas Royalty Owner
- ✓ Lucille V. & Gordon L. Pullon, Oil & Gas Royalty Owner
- ✓ Charles Q. & Linda S. Pullon, Oil & Gas Royalty Owner (not)
- ✓ Carl W. Miller, Oil & Gas Royalty Owner (not)
- ✓ Doyle B. & Ernestine D. Marsh, Oil & Gas Royalty Owner
- ✓ Woodrow & Ruby Barker, Oil & Gas Royalty Owner
- ✓ Donald E. & Sharon Bonkosky, Oil & Gas Royalty Owner
- ✓ Ronald E. & Sandra Bonkosky, Oil & Gas Royalty Owner
- ✓ Shirley D. Grubbs, Oil & Gas Royalty Owner
- ✓ Paul & Wilma Derting, Oil & Gas Royalty Owner
- ✓ Fannie L. Barker, Oil & Gas Royalty Owner
- ✓ Nina G. Large, Oil & Gas Royalty Owner
- ✓ Anna G. & Jack Love, Oil & Gas Royalty Owner
- ✓ Richard & Gloria McKeehan, Oil & Gas Royalty Owner
- ✓ Tessie S. Barker, Oil & Gas Royalty Owner
- ✓ Bonnie & James Jeralds, Oil & Gas Royalty Owner
- ✓ Audrey Cline, Oil & Gas Royalty Owner
- ✓ Virgie & Marvin Dunn, Oil & Gas Royalty Owner
- ✓ Charmie D. Sams, Oil & Gas Royalty Owner
- ✓ Hilda A. Pye, Oil & Gas Royalty Owner
- ✓ Evelyn J. Wexler, Oil & Gas Royalty Owner
- ✓ Francis Carter, Oil & Gas Royalty Owner
- ✓ Mary E. Strawn, Oil & Gas Royalty Owner (not rec)
- ✓ Mr. R. M. Ketner, Department of Transportation
- ✓ Gilbert Baker, Oil & Gas Royalty Owner of Neighboring Tract
- ✓ Judy A. Baker, Oil & Gas Royalty Owner of Neighboring Tract
- ✓ Goldie Hensley, Oil & Gas Royalty Owner of Neighboring Tract



O GENE DISHNER
DIRECTOR

COMMONWEALTH of VIRGINIA

Department of Mines, Minerals and Energy

Division of Gas and Oil

P. O. Box 1416

Abingdon, Virginia 24210

(703) 628-8115

Byron T. Fulmer

State Oil and Gas Inspector

VIRGINIA DEPARTMENT OF MINES, MINERALS AND ENERGY
DIVISION OF GAS AND OIL
NOTICE OF HEARING
POOLING

Pursuant to Section 45.1-302 of the Code of Virginia, the Virginia Oil and Gas Conservation Board hereby gives notice that a hearing will be held on Wednesday, August 10, 1988, at 1:30 p.m. in the Board of Supervisor's room in the lower level of the public library located in Gate City, Virginia.

The purpose of the hearing is for parties to present evidence concerning the request for pooling by Penn Virginia Resources Corporation on the proposed well work application for well 8809 in Scott County, Virginia.

The names of those parties affected by such application are on file with the Division of Gas and Oil at 230 Beverly Drive, Abingdon, Virginia. The file is available for public examination from 8:00 a.m. to 5:00 p.m., Monday through Friday.

For additional information concerning the hearing, please contact the Division of Gas and Oil at 703 628-8115.

**II. Filing of Petition for Force Pooling on Proposed
Well No. 8809**

COUNTS & McCLANAHAN

ATTORNEYS AT LAW

EXECUTIVE PARK PLACE
1999 E. STONE DRIVE, SUITE 304
KINGSPORT, TN 37660

RICHARD A. COUNTS
ADMITTED IN VA
ELIZABETH A. McCLANAHAN
ADMITTED IN KY, TN AND VA

Telephone
Area Code 615
378-4999
Telex "Easy Link"
#62003211

HAND DELIVERED

June 28, 1988

Mr. Joseph Johnson, Chairman
Virginia Oil and Gas Conservation Board
c/o Mr. Byron T. Fulmer
State Oil and Gas Inspector
Department of Mines, Minerals and Energy
Division of Gas and Oil
P. O. Box 1416
Abingdon, Virginia 24210

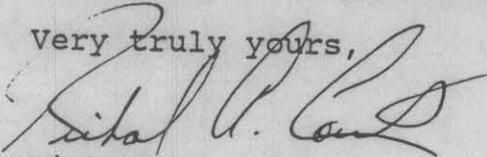
Re: Application for Pooling
Penn Virginia Resources Corporation Well No. 8809
Scott County, Virginia
Our File No. 1542-MR-004

Dear Mr. Johnson:

Enclosed is Penn Virginia Resources Corporation's Application for the pooling of Well No. 8809 in Scott County, Virginia. PVRC is in the process of preparing its application for well work permit for Well 8809 and will forward this application to the Inspector with the next five (5) days.

Please do not hesitate to call me if you need further information regarding this application.

Very truly yours,



Richard A. Counts

RAC:taj

Enclosures

cc: Byron T. Fulmer
C. B. Slemp
William W. Kelly, Jr.
Christine F. Ryan
Carlton A. Hibbard

[letters:fulmer.2]



BEFORE THE VIRGINIA OIL AND GAS CONSERVATION BOARD

APPLICANT: PENN VIRGINIA RESOURCES)
CORPORATION)
RELIEF SOUGHT: POOLING)
LEGAL) CAUSE NO. _____
DESCRIPTION: SCOTT COUNTY)
(SEE EXHIBIT A FOR A MORE)
SPECIFIC DESCRIPTION.))

A P P L I C A T I O N

1. Parties.

1.1 Applicant herein is Penn Virginia Resources Corporation, whose address for the purposes hereof is P. O. Box 386, Duffield, Virginia 24244, Telephone: (703) 431-2831. The attorney for Applicant is Richard A. Counts, One Executive Park Place, 1999 East Stone Drive, Suite 304, Kingsport, Tennessee 37660, Telephone: (615) 378-4999.

1.2 Applicant is the owner of the right to develop and produce oil and gas from the Little Valley and Price formations within the Early Grove Field and underlying the lands described on Exhibit A attached hereto and made a part hereof and to appropriate the oil and gas produced therefrom.

1.3 The names and last-known address of each well operator named as a party herein are set forth in Exhibit B attached hereto and made a part hereof. Each of the individuals named in Exhibit B is being made a party if living, if any such individual is deceased, then the unknown heirs, executors, administrators, devisees, trustees and assigns, both immediate and remote, of any such deceased individual are made parties herein. Each of the entities listed in Exhibit B that is a corporation is being made a party if such entity continues to have legal existence, and if any such corporation is dissolved, then the unknown successors, trustees and assigns, both immediate and remote, of such dissolved corporation are made parties herein. Each of the entities listed in Exhibit B that is an unincorporated association is being made a party if such entity continues to have legal existence, and if any such unincorporated association is dissolved or otherwise not in existence, then the unknown successors, trustees and assigns, both immediate and remote, of such unincorporated association are made parties herein.

2. Allegation of Facts.

2.1 By order dated September 1, 1983, the Board has established a provisional 80-acre (more or less) drilling unit in the lands involved herein, as described on Exhibit A attached hereto, for the Little Valley and Price formations within the Early Grove Field. There is pending an application before the Board to establish permanent 90-acre drilling units (plus a tolerance of 15%, more or less) in such lands for the Early Grove Field.

2.2 Applicant has proposed a plan of development and operation of the Little Valley and Price formations within the Early Grove Field in the drilling unit involved herein and has proposed to commence development and operation of such unit by a well under such plan in the lands involved herein so as to produce oil and gas from the Early Grove Field.

2.3 Applicant has exercised due diligence to locate each of the parties named herein and has made a bona fide effort to reach an agreement with such parties as to pooling their interests for the development and operation of the drilling unit involved herein. The parties named herein are well operators who have not agreed with Applicant to pool their interests for the development and operation of the drilling unit covered hereby. Therefore, the interests of such well operators in the Little Valley and Price formations within the Early Grove Field in the drilling unit involved herein should be pooled for the development and operation thereof.

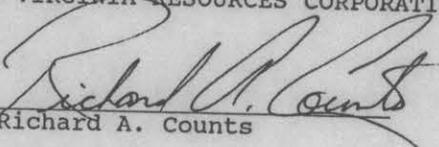
2.4 Applicant has also applied for the issuance of Special Field Guidelines covering the Little Valley and Price formations within the Early Grove Field, which Special Field Guidelines will provide for 90-acre drilling units (plus a tolerance of 15%, more or less).

3. Legal Authority. The relief sought by this Application is authorized by Va. Code Ann. § 45.1-302 (1987).

4. Relief Sought: Applicant requests the Oil and Gas Conservation Board to enter an order pooling the interests of the well operators in the Little Valley and Price formations within the Early Grove Field in the drilling unit described in paragraph 2.1, above, and (I) authorizing the drilling and operation of a well for the production of oil and gas from the pooled acreage; (II) designating Applicant as the well operator authorized to drill and operate such well; (III) prescribing the time and manner in which all other well operators may elect to participate in the operation of such well or to exercise their rights of election under the applicable statutes; (IV) providing that all reasonable costs and expenses of drilling, completing, equipping, operating, plugging and abandoning such well shall be borne, and all production therefrom shared, by all participating operators in the proportion which the acreage in the pooled tracts owned or under lease to each participating operator bears to the total acreage in such unit; (V) providing to non-leasing landowners, if any, in such unit reasonable access to the unit records of the production and transportation of oil and gas collected or gathered by the inspector; and (VI) making provision for the payment of all reasonable costs of the operation, including a reasonable supervision fee, by all operators who elect to be participating operators.

DATED this 28th day of June, 1988.

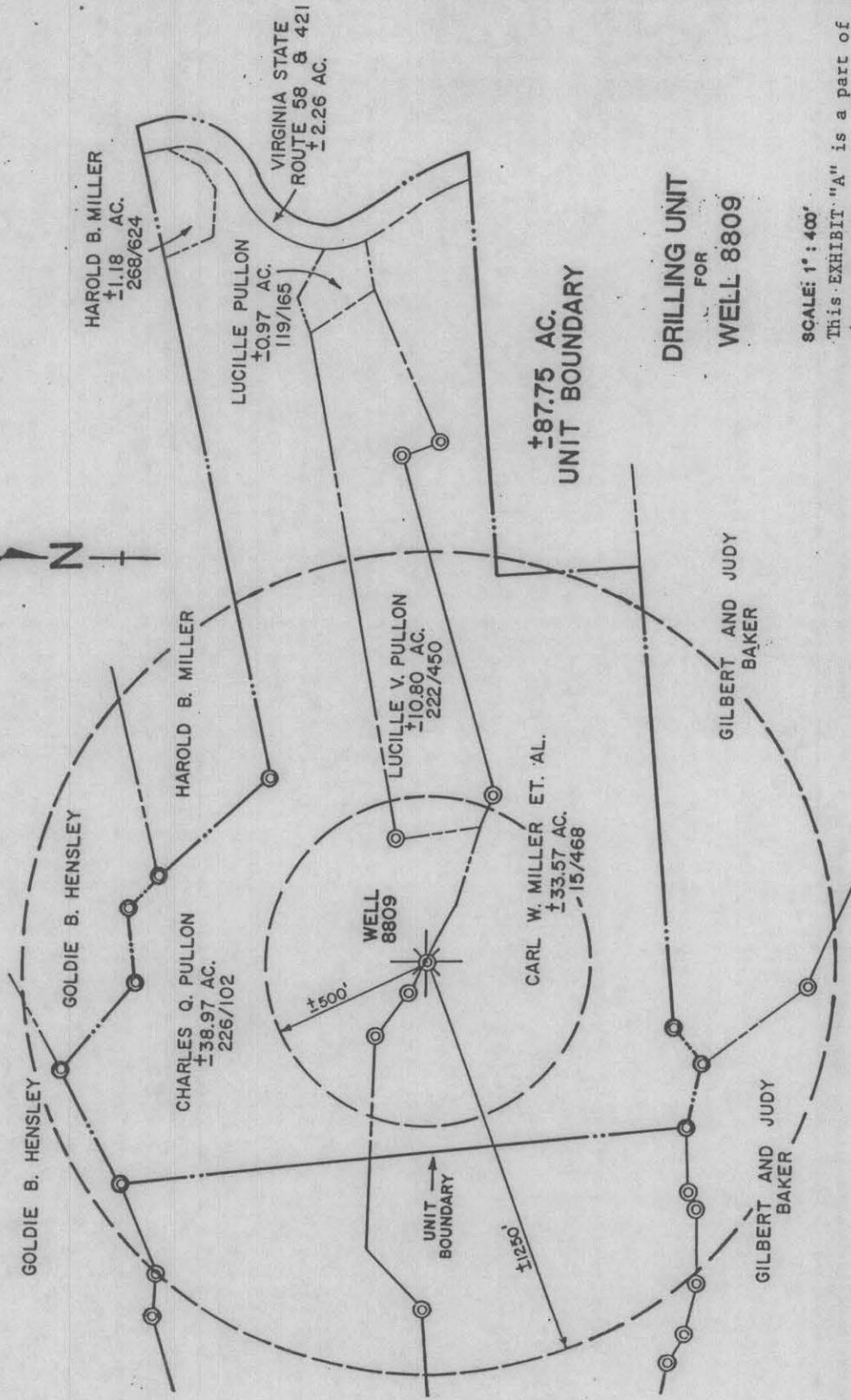
PENN VIRGINIA RESOURCES CORPORATION

By: 
Richard A. Counts

Of the Firm:
COUNTS & McCLANAHAN
One Executive Park Place
1999 E. Stone Drive
Suite 304
Kingsport, Tennessee 37660
Telephone: (615) 378-4999

ATTORNEYS FOR APPLICANT

[misc:apl-mndo / wsp 062888]



±87.75 AC.
UNIT BOUNDARY

DRILLING UNIT
FOR
WELL 8809

SCALE: 1" = 400'
This EXHIBIT "A" is a part of
the same land as described in
the Scott County, Virginia Tax
Commissioner's Office as
3cc-22-588

EXHIBIT B

Donald E. Bonkosky
Route 1, Box 1196
Delano, CA 93215

Woodrow Barker
2614 Baycrest Drive
Nassau Bay, TX 77058

Gale Miller Heirs
Route 3
Bristol, VA 24201

Nile Miller Heirs
Route 3
Bristol, VA 24201

Oscar Johnson Heirs
Route 3
Bristol, VA 24201

Elise Johnson Heirs
Route 3
Bristol, VA 24201

Mary Johnson Heirs
Route 3
Bristol, VA 24201

Department of Transportation
R.M. Kotney

{ 5.84 Acres
Approximately 6%
FOREE Pooled

2.26

III. Application for 8809

Form 2, Sheet 1 (Reverse)

Well Name 8809
Date May 5, 1988

NOTICE AND APPLICATION FOR A WELL WORK PERMIT

Take notice that, pursuant to Code of Virginia, Section 45.1-311, the undersigned well operator proposes to file or has filed this Notice and Application for a well work permit with the Virginia Oil and Gas Inspector under Code of Virginia, Section 45.1-311, with respect to a well on the Carl W. Miller tract of 146.00 acres, more or less, in the Fulkerson District, Scott County, Virginia.

Attached is a copy of the well plat required to be filed with this Notice and Application. The Notice and Application show the well work that is to be done and the well plat shows the location (or proposed location) of the well.

If the proposed well work is to drill a well, an operations plan is also attached. It shows the intended method of spoil placement, and contains a stabilization and drainage plan, including a map of the project area indicating the area to be disturbed. The drainage and stabilization plan meets the minimum requirements of the current Virginia Erosion and Sediment Control Handbook adopted by the Virginia Soil and Water Conservation Commission pursuant to the Code of Virginia, Section 21-59.4.

You have the right to file an objection to the proposed well work within fifteen (15) days from the receipt of this notice, pursuant to Section 45.1-313.D of the Code of Virginia.

Section 45.1-313.D "Any person receiving actual or constructive notice of an application for a well work permit, within (15) fifteen days from receipt of such notice, shall file with the inspector any objection which he may have to the proposed location...."

Written objections shall state specifically the ground(s) of the objection.

After receipt of an objection, an informal fact finding hearing will be scheduled pursuant to Section 45.1-315 of the Code of Virginia.

Section 45.1-315.A "If objections are filed by an person entitled to notice of the well work for which a permit is sought, the inspector shall fix a time and place for an informal fact finding hearing, not less than twenty nor more than thirty days after the original filing of the application, at which hearing such objections will be considered...."

OBJECTIONS MUST BE FILED WITH
Division of Gas and Oil
Virginia Oil and Gas Inspector
P. O. Box 1416
Abingdon, VA 24210

Well Operator Penn Virginia Resources Corp.

Designated Agent William W. Kelly, Jr.

Address P.O. Box 386, Duffield, VA 24244

Address Same as operator

Telephone Number (703) 431-2831

Telephone Number (703) 431-2831

Virginia Oil and Gas Inspector
P. O. Box 1416
Abingdon, VA 24210

PERSONS RECEIVING OFFICIAL NOTICE OF WELL WORK APPLICATIONS

List such persons by name and address. If additional space is needed, add sheets with the title, "Supplemental Sheet for Persons Receiving Official Notice of Well Work Application," and indicate the category for each person or group.

SURFACE OWNER(S) AT WELL LOCATION SITE

Carl W. Miller et.al.
P.O. Box 651
Bristol, VA 24203

COAL AND OTHER MINERAL OWNER(S), LESSEE(S) AND OPERATOR(S) AT THE LOCATION SITE AND ON NEIGHBORING TRACTS WITHIN 500' OF WELL:

N/A

OIL AND GAS ROYALTY OWNER(S)

*See Attached Sheet

COAL OPERATOR(S) WHO HAVE AN OPERATIONS PLAN REGISTERED WITH THE DIVISION OF MINES:

N/A

OIL ROYALTY OWNER(S) WITHIN 500' AND GAS ROYALTY OWNER(S) WITHIN 1250' OF NEIGHBORING TRACTS BUT NOT INCLUDED IN THE DRILLING UNIT:

*See Attached Sheet

COAL OPERATOR(S) WITH AN OPERATIONS PLAN REGISTERED WITH THE DIVISION OF MINES WITHIN 500' OF THE WELL:

N/A

COAL OPERATOR(S) WHO HAVE APPLIED FOR OR OBTAINED A MINING OR PROSPECTING PERMIT FROM THE DIVISION OF MINES WITHIN 500' OF THE WELL:

N/A

COAL OWNER(S), LESSEE(S) AND OPERATOR(S) AT THE WELL LOCATION SITE AND ON NEIGHBORING TRACTS WITHIN 500' OF THE WELL:

N/A

GENERAL DESCRIPTIONWELL TYPE: Oil / Gas / Enhanced Recovery / Waste Disposal / If "Gas", Production / Underground Storage /Exempt by Code of Virginia Section 45.1-300.B.1 from general oil and gas conservation law: Yes / No / If "NO" submit map showing unit boundaries and distance between wells and boundaryExploratory well: Yes / No /LOCATIONQUADRANGLE: Mendota DISTRICT: Fulkerson COUNTY: Scott WATERSHED: Ketron Branch
8,700 FT. S. OF LATITUDE 36° 40' 00" 3,075 FT. W. OF LONGITUDE 82° 20' 00"

The underground well operator is entitled to operate a well for oil and gas or other purposes at the above location under a deed / lease / other contract / dated May 23, 19 77, to the undersigned well operator from which document, if recorded, is recorded in the office of the Clerk in the County Commission of Scott County, Virginia in Deed Book 301 at page 584.

A PERMIT IS REQUESTED AS FOLLOWS:

Drill / Deepen / Redrill / Stimulate / Plug off old formation / Perforate new formation /
Plug / Replug /
Other physical changes in well (specify) N/A

The well work is planned as shown in this Notice and Application and Appendix and other attachments.

OTHER INFORMATION AND SUBMISSIONSPERMIT FEE

Under Code of Virginia, Section 45.1-311.B, enclosed is a check or money order in the amount of \$100 payable to the TREASURER OF VIRGINIA.

WELL PLAT

Under Code of Virginia Section 45.1-312.C, the statement checked below applies to the well plat (Form 5) accompanying the application:

- The plat is new, under Code of Virginia Section 45.1-312.C.1
 The plat is a copy of an earlier plat, the original of which was submitted after July 1, 1982. This copy has been updated as necessary, under Code of Virginia Section 45.1-312.C.2.

WELL OPERATOR'S BOND

Under Code of Virginia Section 45.1-311.D, the statement checked below applies to the well operator's bond:

- A bond (Form 3 or 4) for this single well is submitted herewith.
 A bond for this single well has heretofore been accepted in connection with a well work application filed _____, 19 _____.
 Under Code of Virginia Section 45.1-311.D.2, a blanket bond (Form 3 or Form 4) is submitted herewith, for all of applicant's wells. The amount was cleared by the Inspector, subject to final approval hereby requested.
 Under Code of Virginia Section 45.1-311.D.2, a blanket bond for all applicant's wells has heretofore been accepted by the Inspector on or about July 15, 19 83.

Form 2, Sheet 2 (Reverse)

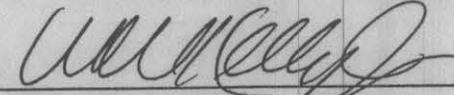
OPERATIONS PLAN

Under Code of Virginia Section 45.1-311.E, if this application is for a well work permit to drill, an operations plan accompanies the application.

REQUEST FOR A PERMIT IN LESS THAN 15 DAYS

Applicant does ___ / does not x / request a permit before the end of the 15-day notice provision under Code of Virginia 45.1-313.E.2.

Applicant: PENN VIRGINIA RESOURCES CORPORATION

By: 
WILLIAM W. KELLY, JR.
its VICE PRESIDENT - EXPLORATION

VERIFICATION

STATE OF VIRGINIA COUNTY OF SCOTT
ON THIS 5TH DAY OF MAY, 19 88, PERSONALLY
BEFORE ME, A NOTARY PUBLIC IN AND FOR THE COUNTY AND STATE AFORESAID, APPEARED WILLIAM W. KELLY, JR.,
WHO, BEING DULY SWORN, DID DEPOSE AND SAY THAT HE IS V.P. EXPLORATION OF PENN VIRGINIA RESOURCES CORP.
THE APPLICANT IN THE FOREGOING NOTICE AND APPLICATION FOR A WELL WORK PERMIT AND RELATED APPENDIX (IF ANY) AND OTHER
ACCOMPANYING DOCUMENTS; THAT HE EXECUTED THE SAME ON BEHALF OF THE APPLICANT, AND WAS AUTHORIZED TO DO SO; AND THAT THE
INFORMATION SET FORTH THEREIN TRUE AND CORRECT TO THE BEST OF HIS KNOWLEDGE AND BELIEF.

MY COMMISSION EXPIRES My Commission Expires January 24, 1992


NOTARY PUBLIC

APPENDIX TO NOTICE AND APPLICATION IF THE WELL WORK INVOLVES DRILLING, REDRILLING OR DEEPENING

NOTE: The data in this Appendix is only estimates. Actual data must be submitted on Form 16 (Report of Completion of Well Work).

DRILLING CONTRACTOR (If known) Clint Hurt & Associates
 ADDRESS P.O. Box 388, Elkview, WV 25071
 TELEPHONE (304) 344-2401
 GEOLOGICAL TARGET FORMATION Mississippian Price Formation
 DEPTH OF COMPLETED WELL 4350 FEET ACTUAL ESTIMATED / DRILLING RIG ROTARY CABLE TOOL

GEOLOGICAL DATA

	<u>DEPTH</u>	<u>THICKNESS</u>	<u>MINING IN AREA</u>			
			<u>MINE NAME</u>	<u>YES</u>	<u>NO</u>	<u>MINED OUT</u>
FRESH WATER:	Not Known					
SALT WATER:	N/A					
COAL SEAMS:	N/A					
OIL AND GAS:	3800-4100 4170-4200		<u>NAME</u> Little Valley Price			

THE DATA ON DEPTH OF STRATA IS BASED ON THE SOURCE(S) CHECKED BELOW:

Applicant's own drilling experience in area
 Information supplied by the coal operator in the area
 Information already in the possession of the Inspector
 Other (As follows) Seismic Interpretation

CASING AND TUBING PROGRAM

PRELIMINARY INFORMATION: Is the subject well underlaid by red shales? Yes No
 If yes, will a coal protection string be set to the red shales? Yes No

PROGRAM DETAILS:

CONDUCTOR: 13 3/8" ±30' Cemented to Surface

CASING CIRCULATED AND CEMENTED TO THE SURFACE:

9 5/8" ±800' Cemented to Surface

COAL PROTECTION CASING SET UNDER THE SPECIAL RULE OF CODE OF VIRGINIA SECTION 45.1-334.B:

N/A

OTHER CASING AND TUBING LEFT IN THE WELL:

7" Intermediate Casing ±3550' Cemented over deep water zones
 4½" Production Casing ±4350' Cemented over pay zones

OTHER CASING USED IN DRILLING BUT NOT LEFT IN THE WELL:

N/A

Well Name: 8809
Date: June 9, 1988

PROOF OF NOTICE OF WELL WORK APPLICATION

The undersigned well operator, applicant in a Notice and Application for a Well Work Permit heretofore filed with the Inspector on July 1, 1988, respecting the well numbered above, submits the following proof of the statutory notice required by Code of Virginia, Section 45.1-313.E for the persons named in the Notice and Application as entitled to notice.

X Certified mail return receipt(s) for the following person(s):

- Gilbert Baker
- Judy A. Baker
- Donald Bonkosky
- Commonwealth of Virginia
- Lucille Pullon

X Statement(s) of No Objection (Form 7) for the following person(s):

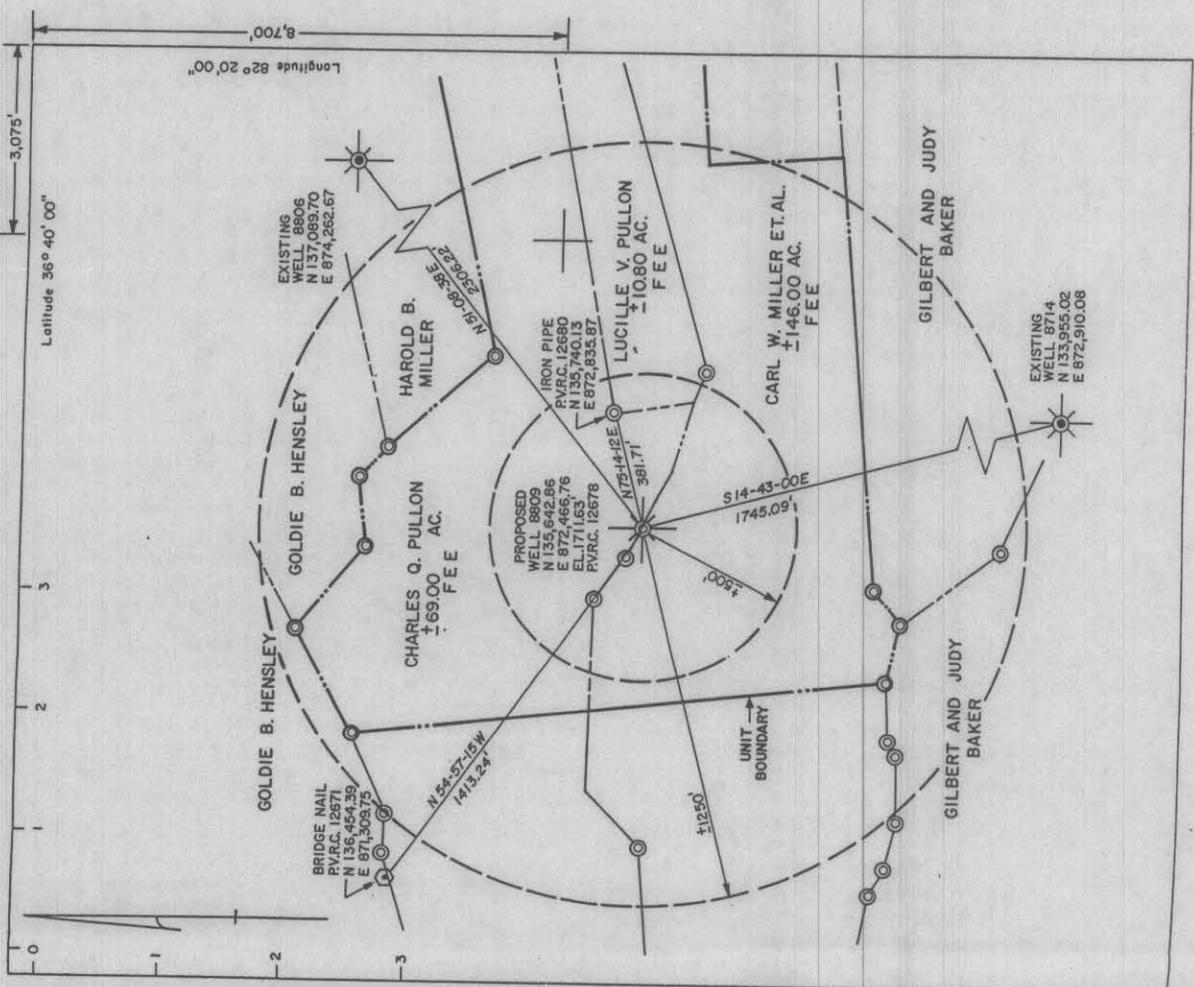
- | | | | |
|------------------|-------------------|------------------|--------------------|
| Fannie L. Barker | Paul Derting | Richard McKeehan | Mary Bileen Strawn |
| Tessie S. Barker | Virgie Dunn | Doyle B. Marsh | Evelyn J. Wexler |
| Woodrow Barker | Shirley Grubbs | Harold B. Miller | |
| Ronald Bonkosky | Goldie Henlsey | Hilda A. Pye | |
| Francis Carter | Bonnie Jerals | Charmie D. Sams | |
| Audrey Cline | Anna Genelle Love | | |

 Newspaper page of facsimile for affidavit of publication) showing Notice of Publication (Form 6) for the following person(s):

Well Operator: Penn Virginia Resources Corporation
Address: P.O. Box 386, Duffield, VA 24244
Telephone: (703) 431-2831

*Submit supplemental sheets if the space above is not sufficient

FORM 5 (Draft 07-09-82)



VIRGINIA OIL AND GAS INSPECTOR
 DEPARTMENT OF LABOR AND INDUSTRY
 DIVISION OF MINES
 219 Wood Avenue
 Big Stone Gap, Virginia 24219-1799
 Phone 703-523-0335



WELL PLAT

+ Denotes location of well on United States Topographic Maps, scale 1 to 24,000. Latitude and longitude lines are represented by border lines as shown.

This plat is new / updated

This plat is is not based on a mine coordinate system established for the areas of the well location.

Well operator PENN VIRGINIA RESOURCES CORPORATION

Address PO BOX 386 DUFFIELD, VA. 24244
 Farm CARL W. MILLER ET AL.
 Tract Acres 146.00 Lease No. 45-0993
 Elevation 1711.63'
 Quadrangle MENDOTA
 County SCOTT District FULKERSON
 Registered Engineer X Registration No. 11439
 Certified Land Surveyor Cert. No.
 File No. Drawing No.
 Date 5-2-88 Scale 1" = 400'

Certification of Well Plat

I, the undersigned, hereby certify that this plat is correct to the best of my knowledge and belief, and shows all the information required by law and the regulations of the Virginia Well Review Board.

Jack J. Tomback
 Registered Engineer or Certified Land Surveyor
 in Charge

PENN VIRGINIA RESOURCES CORPORATION

EROSION AND SEDIMENT CONTROL PLAN
WELL 8809

I. LOCATION

Penn Virginia Well 8809 is located in the Fulkerson District of Scott County. The location is southwest of Muddy Gap and is situated on the center line of a small spur ±2450 west of State Route 58. Surface elevation is 1711.63' with an existing ground slope of 1.3%. Surface and mineral rights are controlled by Carl W. Miller. Existing vegetation consists of some timber and scrub brush.

II. CONSTRUCTION - Erosion and Sediment Control

A. Well Site

1. The well site will be constructed for drilling purposes as shown in attachments. The approximate size of the site is two hundred feet by one hundred feet including a 12'x 180'x 6' pit area on the southwest side of site to contain all proper drilling fluids and runoff. In addition, an alternate pit area of 50' in diameter shall be constructed on the northwest side of site if necessary.
2. The drill site will be constructed in such a manner as to allow drainage toward the reserve pit.
3. Any useable top soil will be stripped and stock piled for later reclamation purposes.
4. No commercial wood is present on site.
5. After the drill site and pit areas are constructed, a 2'x 3' berm will be placed on the southeast side of the site to control runoff from the site. A diversion ditch will be constructed on the northwest and northeast side to divert natural drainage away from the site and filtered before entering back into natural drainage.
6. Due to the existing slope of the area, a fill area on the northeast and southeast side of the site will result after excavation. All scrub brush will be buried under the fill area. The entire fill area will be mulched with straw to prevent soil erosion. In addition, silt fencing or staked hay bales will be placed along the toe of the fill to prevent soil erosion.

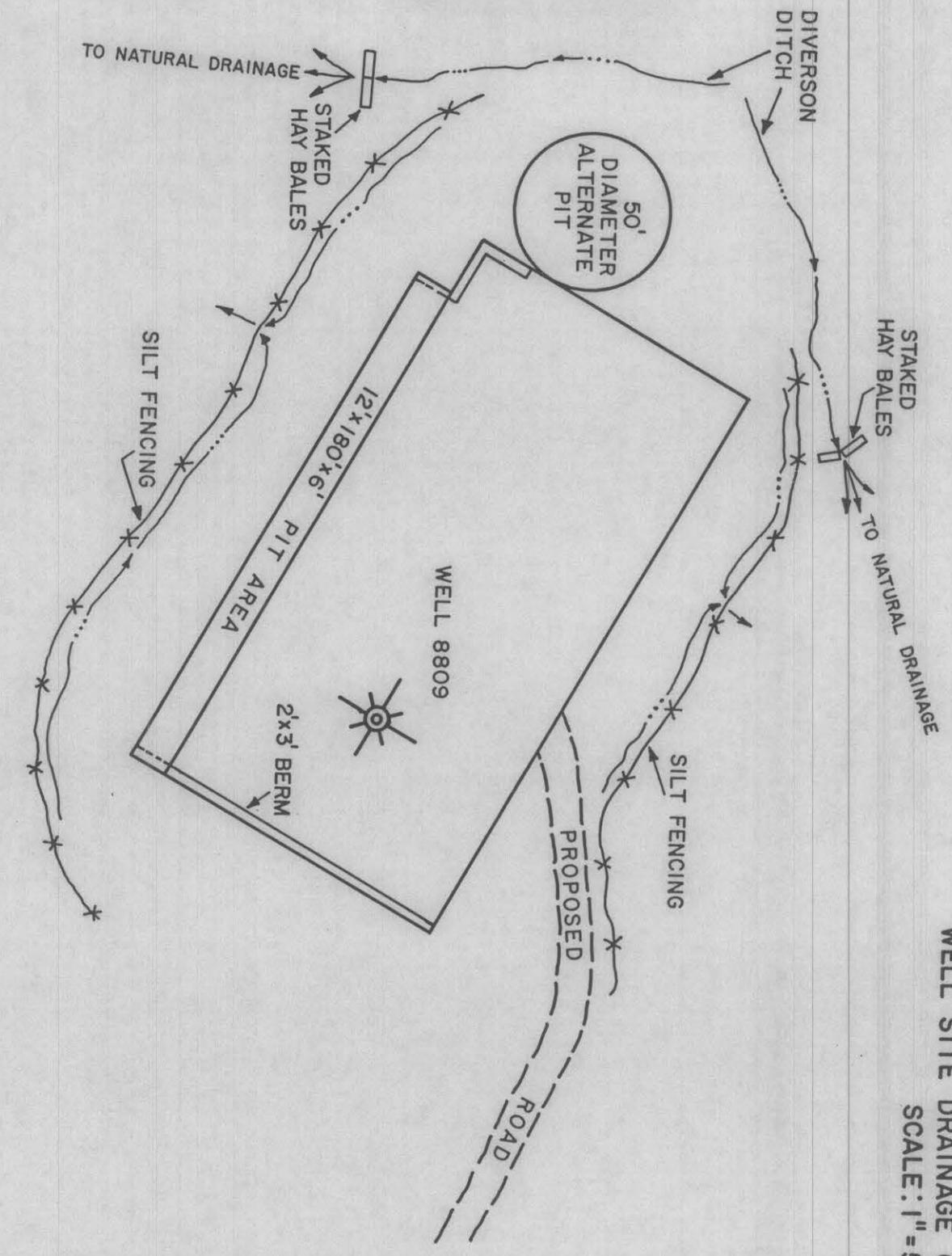
B. Access Road

1. Access to the well site is off State Route 58 onto an existing private road. The proposed access road will require an additional ±550' to be constructed from the existing road to the well site. This will be the only access utilized for transportation to the well site.

2. The existing access road has a sufficient rock base. The proposed access road will require 2" crusher run for a sufficient rock base. The entire access road to the well site will be maintained and additional 2" crusher run will be added as needed.
3. The entire access road will be maintained to promote proper drainage while following the natural grade of the land where possible. Straw bales will be staked where needed to retain sediment.
4. The junction of the access road and State Route 58 will have a sufficient rock base. The ingress and egress into the location will be maintained with 2" crusher run, as needed, to adequately handle expected traffic.

III. RECLAMATION

Once drilling and completion operations have ceased, all pit and runoff fluids will be removed and disposed of as per state approval. Pits will be filled with berm material and all trash will be disposed of in a proper manner. The location will be reclaimed and landscaped, to the extent possible, to approximate original condition with the exception of the area needed for production facilities. All sediment control material will be left in place until revegetation has occurred.



WELL SITE DRAINAGE CONTROL PLAN
 SCALE: 1" = 50'

Muddy Gap Sch.

BM T 186

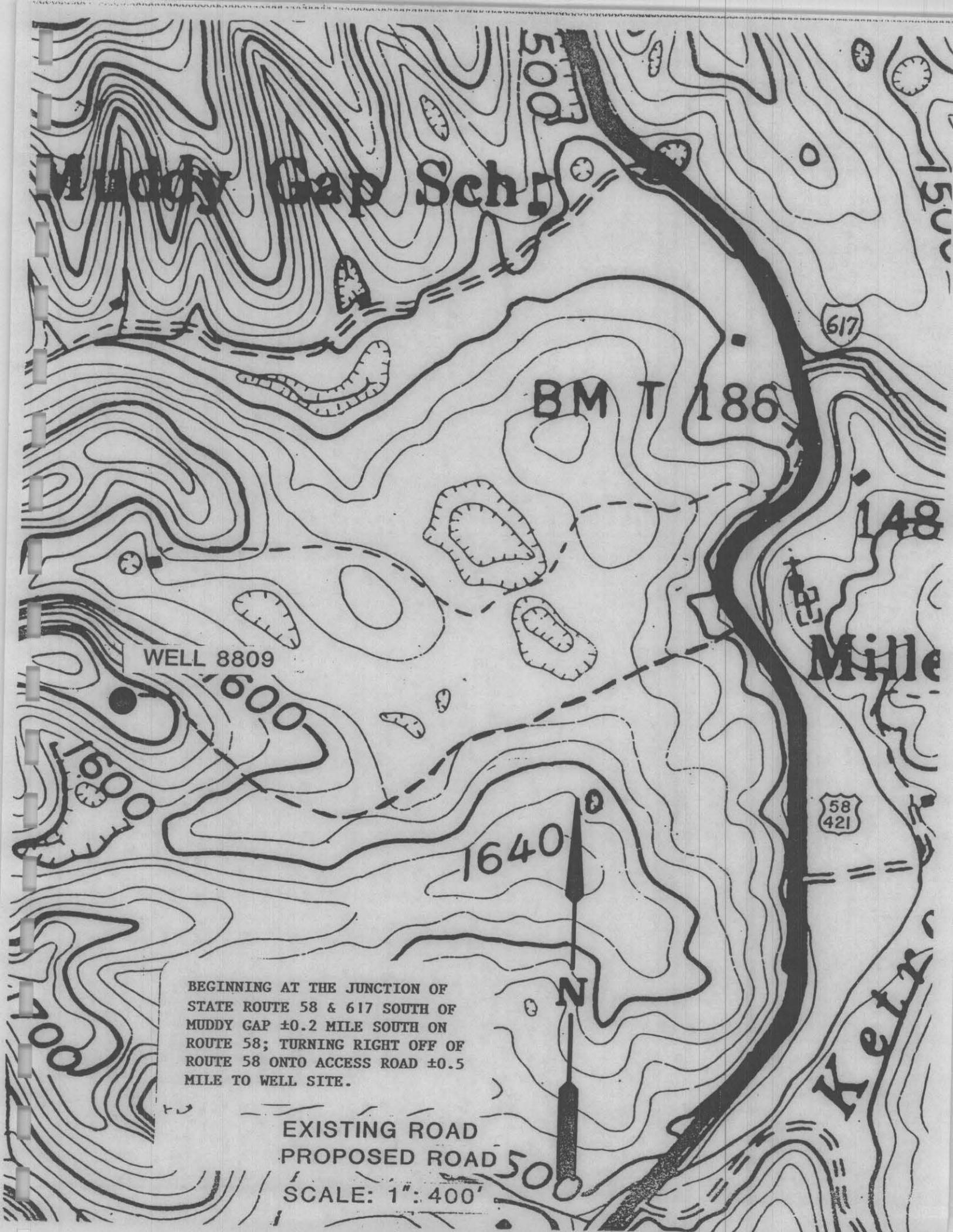
WELL 8809

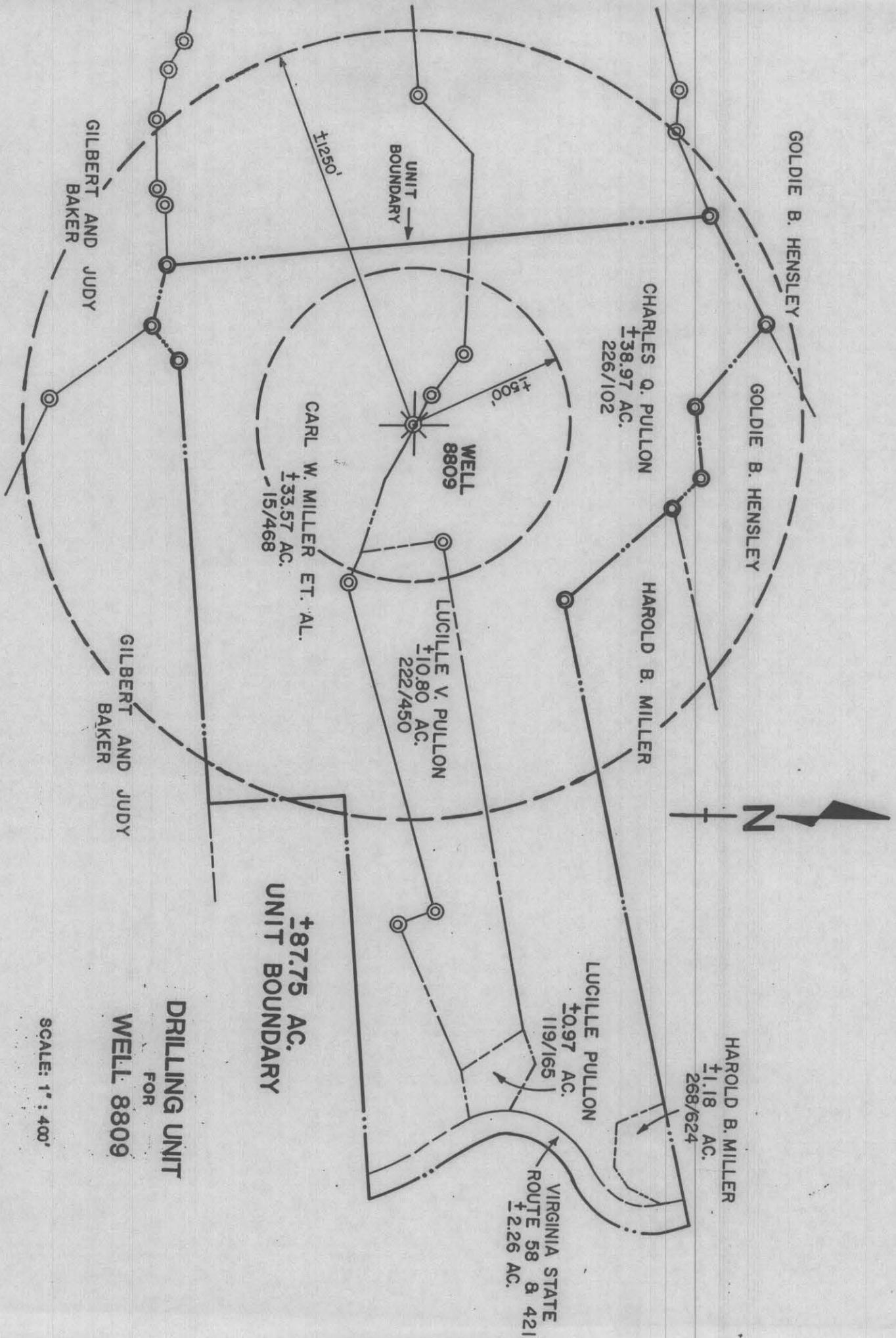
Mille

58
421

BEGINNING AT THE JUNCTION OF
STATE ROUTE 58 & 617 SOUTH OF
MUDDY GAP ± 0.2 MILE SOUTH ON
ROUTE 58; TURNING RIGHT OFF OF
ROUTE 58 ONTO ACCESS ROAD ± 0.5
MILE TO WELL SITE.

EXISTING ROAD
PROPOSED ROAD
SCALE: 1" : 400'





GOLDIE B. HENSLEY

GOLDIE B. HENSLEY

CHARLES Q. PULLON
±38.97 AC.
226/102

HAROLD B. MILLER

HAROLD B. MILLER
±1.18 AC.
268/624

LUCILLE PULLON
±0.97 AC.
119/165

VIRGINIA STATE
ROUTE 58 & 421
±2.26 AC.

WELL
8809

LUCILLE V. PULLON
±10.80 AC.
222/450

CARL W. MILLER ET. AL.
±33.57 AC.
15/468

±87.75 AC.
UNIT BOUNDARY

GILBERT AND JUDY
BAKER

GILBERT AND JUDY
BAKER

DRILLING UNIT
FOR
WELL 8809

SCALE: 1" = 400'

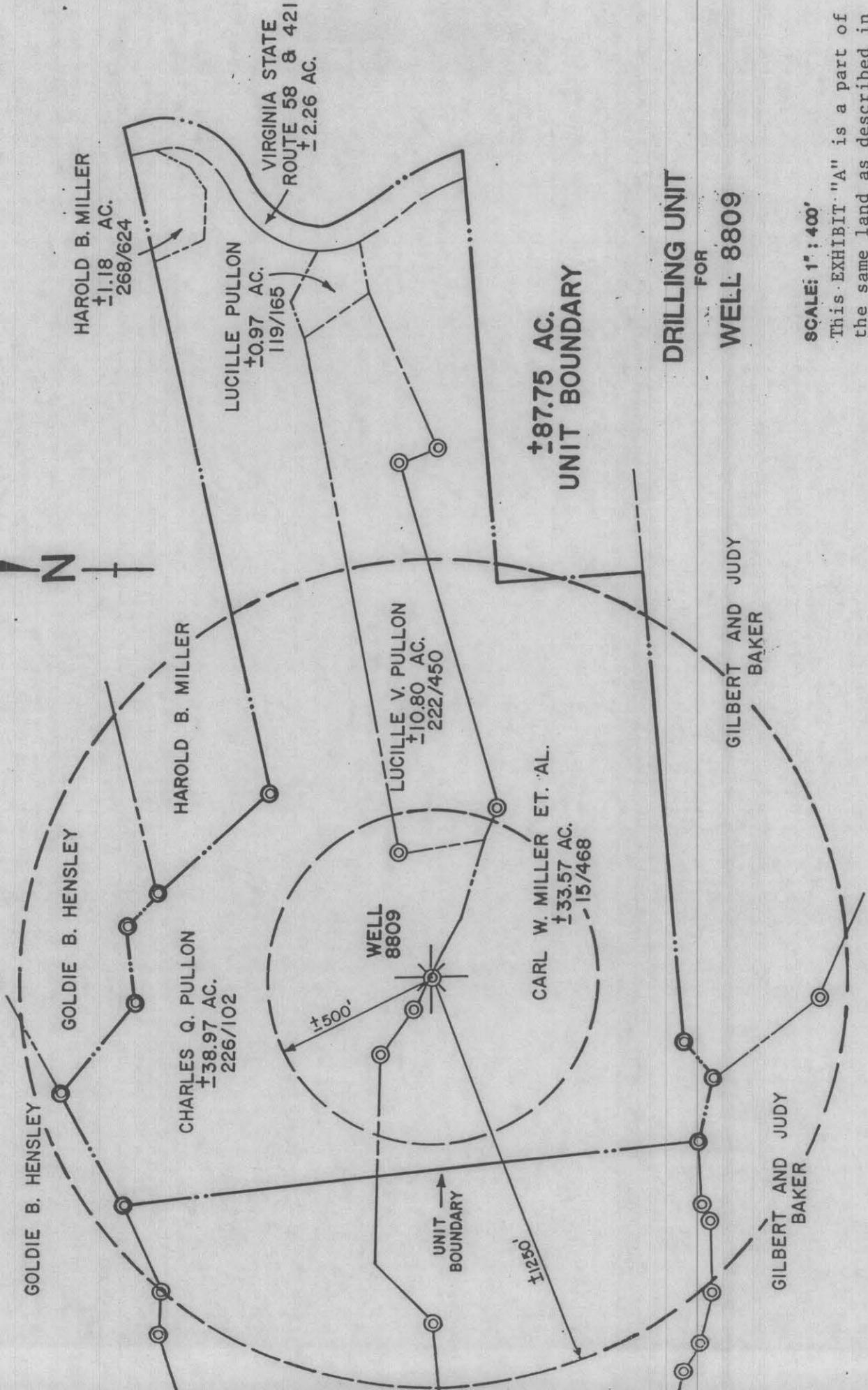
UNIT
BOUNDARY

±1250'

±500'



EXHIBIT "A"



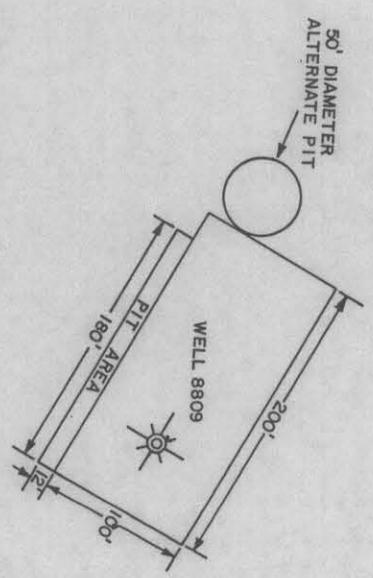
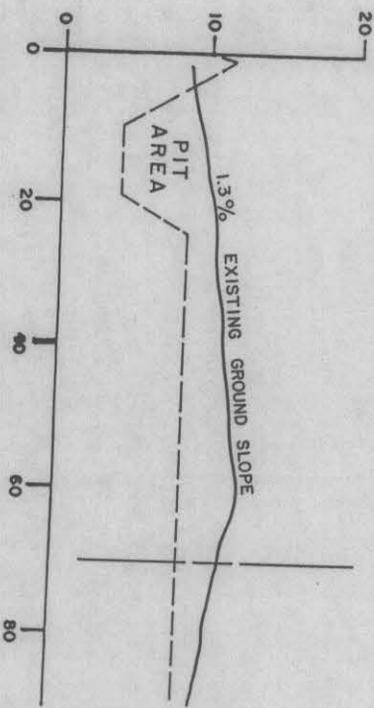
DRILLING UNIT

FOR

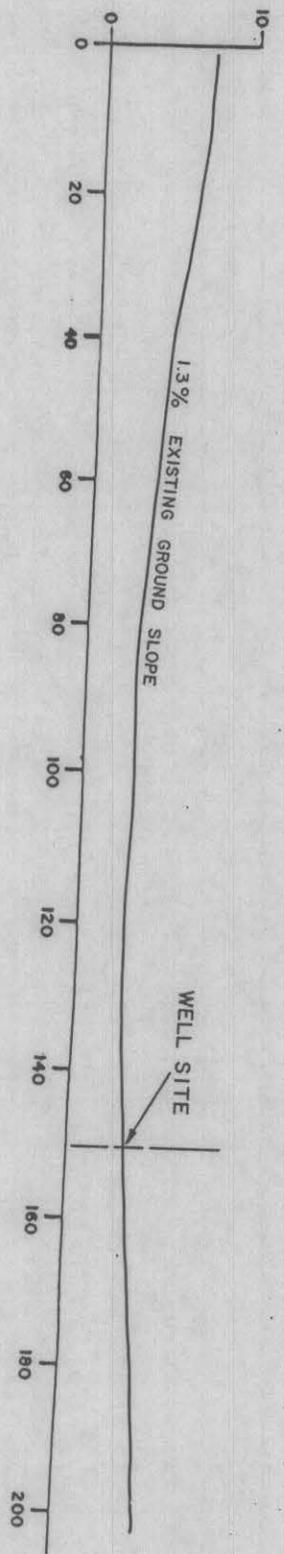
WELL 8809

SCALE: 1" = 400'

This EXHIBIT "A" is a part of the same land as described in the Scott County, Virginia Tax Commissioner's Office as 3cc-22-588



PROPOSED WELL SITE
NO. 8809
EL. 1711.63'
SCALE: 1" = 100'



IV. Suggested questions to consider for determination for a determination for a force pooling order.

✓1. What is the reason for a request for force pooling?_____

✓2. Has the applicant exhausted all remedies to accomplish a voluntary unit agreement?_____

✓3. What parties have not been leased by the applicant?_____

✓4. What would be the cost of drilling, completing, and producing the well(estimated)?_____

② 5. What would be the estimated lifting cost of the well based on the per day estimated production?_____

2-5 yrs
?

6. What is the estimated length of time to pay out on the proposed well? _____

V. Questions to be determined by the Board for a Forced Pooling Order:

1. Whether to authorize the drilling and operation of a well for the production of oil and gas from the pooled acreage?
2. Who is to be the designated well operator authorized to drill and operate the well?
3. What will be the time and manner in which all other well operators may elect to participate in the operations of the well or to exercise their rights of election as a non-participating operator?
- ✓ 4. What will be the reasonable costs and expenses of drilling, completing, equipping, operating, plugging and abandoning of the well and that such cost shall be borne, and all production therefrom shared, by participating operators in the proportion which the acreage in the pooled tracts owned or under lease to each participating operator bears to the total acreage in the unit?
5. How to provide to non-leasing landowners in a unit reasonable access to the unit records of the production and transportation of oil or gas collected or gathered by the Inspector?
6. What provisions are to be made for the payment of all reasonable costs of the operation, including a reasonable supervision fee, by all operators who elect to be participating operators?

VI. Non-Participating Operators- Electives under the Law

1. He may select to sell his oil or gas interest or leasehold interest to the participating operators on a reasonable basis and for a reasonable consideration which, if not agreed upon, may be submitted by the non-participating well operator to the Oil and Gas Conservation Board for a binding determination.

2. He may elect to share in the operation of the well on a carried basis as a carried operator under the following conditions:

In the event any participating operator in any portion of the pooling unit shall, pursuant to the terms of a drilling order, drill and operate, or pay the costs of drilling and operating, a well for the benefit of a carried operator, the carried operator shall be entitled to the share of production from the tracts pooled accruing to his interest, exclusive of any royalty or overriding royalty reserved in any leases assignments thereof or agreements relating thereto of such tracts, but only after the proceeds allocable to his share equal:

- A) 300% (percent) of the share of such costs allocable to the interest of the carried operator of a leased tract or portion thereof
- or
- B) In the case of an unleased tract or portion thereof, a reasonable percentage not to exceed 200% (percent) of the share of such costs allocable to the interests of the carried operator.

OIL AND GAS CONSERVATION BOARD HEARING

**Spacing and Establishment of Drilling Units
for the
Stones River Field
Lee County**

**August 11, 1988
Pennington Gap, Virginia
Old Dominion Power Bldg.**

I. NOTIFICATION

A) Newspaper Notification

B) Publication in the Virginia Registrar



O. GENE DISHNER
DIRECTOR

COMMONWEALTH of VIRGINIA

Department of Mines, Minerals and Energy

Division of Gas and Oil

P. O. Box 1416

Abingdon, Virginia 24210

(703) 628-8115

July 14, 1988

Byron T. Fulmer
State Oil and Gas Inspector

Mr. Richard A. Counts
Counts & McClanahan
Executive Park Place
1999 E. Stone Drive
Suite 304
Kingsport, TN 37660

RE: Application for Spacing
Stones River Field, Lee County
Penn Virginia Resources Corporation

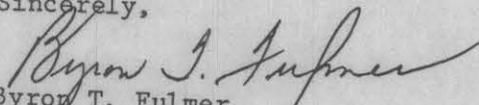
Dear Mr. Counts:

Your application for spacing dated July 5, 1988, on behalf of Penn Virginia Resources Corporation, has been received.

In response to your request you will find the attached "Notice of Hearing". This notice is being placed in the Kingsport Times News on Sunday, July 17, 1988. You will note that this hearing will be held on Thursday, August 11, 1988 at 9:30 a.m. in the conference room of the Old Dominion Power Building at 105 East Morgan Avenue, Pennington Gap, Virginia.

Should you have any questions, do not hesitate to call.

Sincerely,


Byron T. Fulmer
State Oil & Gas Inspector

dld

Attachment

cc: Mr. William Kelly
Mr. Joseph Johnson
Mr. Benny Wampler
Mr. James Bunn
Mr. Mike Lepchitz
Mr. Russell Wayland
Mr. Robert Whisonant

O. GENE DISHNER
DIRECTOR



COMMONWEALTH of VIRGINIA

Department of Mines, Minerals and Energy

Division of Gas and Oil

P. O. Box 1416

Abingdon, Virginia 24210

(703) 628-8115

Byron T. Fulmer

State Oil and Gas Inspector

DEPARTMENT OF MINES, MINERALS AND ENERGY
DIVISION OF GAS AND OIL
NOTICE OF HEARING
SPACING

Pursuant to Section 45.1-301 of the Code of Virginia, the Virginia Oil and Gas Conservation Board hereby gives notice that a public hearing will be held on Thursday, August 11, 1988, at 9:30 a.m. in the conference room of the Old Dominion Power Building at 105 East Morgan Avenue, Pennington Gap, Virginia.

The purpose of the hearing is to hear arguments and evidence concerning the request of Penn Virginia Resources Corporation for establishment of drilling units and final spacing for wells proposed to be located in the Stone's River Field, Lee County, Virginia.

The area to be considered by the Board is bounded on the north by the Poor Valley Ridge and on the west by Lick Branch. To the south the area is bounded by the Virginia-Tennessee state line to approximately Blue Hollow at 661 and then swings northwest along the flood plain of the Powell River to approximately 4000' northeast of Flanery Bridge. The eastern boundary is approximately 4000' east of Flanery bridge in a northwest direction to Poor Valley Ridge.

Information pertaining to the area being considered by the Virginia Oil and Gas Conservation Board at this hearing is available for viewing by interested parties at the Division of Gas and Oil, 230 Beverly Drive, Abingdon, Virginia, from 8 A.M. to 5 P.M., Monday through Friday. For more information contact the Division of Gas and Oil at 703 628-8115.

PLEASE READ REVERSE SIDE

NOTICE OF MEETING	Date/Time Filed with Registrar of Regulations	Document Number
		Date of Publication in Virginia Register

DO NOT WRITE ABOVE THIS LINE

Under the provisions of the Code of Virginia, the notice of the following meeting is hereby given.

Virginia Oil & Gas Conservation Board

(agency, board, commission, etc.)

will meet on Thursday August 11, 1988 9:30 a.m.
(Day) (Date) (Time)

at Conference room of the Old Dominion Power Building,
(Location)

105 E. Morgan Avenue, Pennington Gap, VA

Location accessible to handicapped Interpreter for deaf provided if requested

Brief, general description of the nature of the meeting and business to be conducted.

The purpose of the hearing is to hear arguments and evidence presented upon the application of Penn Virginia Resource Corporation for establishment of drilling units and final spacing for well work applications in the Stones River Field in Lee County, Virginia.

Additional information may be obtained from:

Division of Gas and Oil

(Name)

P. O. Box 1416, 230 Beverly Drive

(Address)

Abingdon, VA 24210

(703) 628-8115

(Area Code and Telephone Number)

(Telecommunications Number for the Deaf)

Virginia Code Commission - Registrar of Regulations - P. O. Box 3-AG - Richmond, VA. 2320
Form RRO6

II. Filing of Petition for Spacing in the Stones River Field

COUNTS & McCLANAHAN

ATTORNEYS AT LAW

EXECUTIVE PARK PLACE
1999 E. STONE DRIVE, SUITE 304
KINGSPORT, TN 37660

RICHARD A. COUNTS
ADMITTED IN VA
ELIZABETH A. McCLANAHAN
ADMITTED IN KY, TN AND VA

Telephone
Area Code 615
378-4999
Telex "Easy Link"
#62003211

HAND DELIVERED

July 5, 1988

Mr. Joseph Johnson, Chairman
Virginia Oil and Gas Conservation Board
c/o Mr. Byron T. Fulmer
State Oil and Gas Inspector
Department of Mines, Minerals and Energy
Division of Gas and Oil
P. O. Box 1416
Abingdon, Virginia 24210

Re: Application for Spacing
Stones River Field
Lee County, Virginia
Our File No. 1542-MR-007

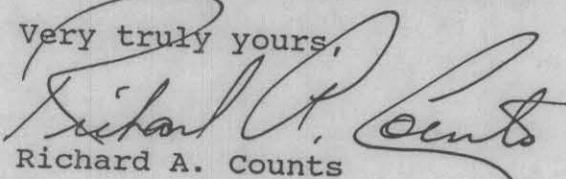
Dear Mr. Johnson:

Enclosed is Penn Virginia Resources Corporation's Application for spacing covering the Stones River Field in Lee County, Virginia.

By letter of even date, PVRC is also requesting that the Board pool the interests underlying the unit proposed for Well 8810 and located within the Stones River Field. Pursuant to Va. Code Ann. § 45.1-302(A) (Supp. 1988), I would request that the Board consider the referenced request for spacing in conjunction with PVRC's request for the pooling of Well No. 8810.

Please do not hesitate to call me if you need further information regarding this application.

Very truly yours,


Richard A. Counts

RAC:taj

Enclosures

BEFORE THE VIRGINIA OIL AND GAS CONSERVATION BOARD

APPLICANT: PENN VIRGINIA RESOURCES CORPORATION)
RELIEF SOUGHT: SPACING)
LEGAL DESCRIPTION: LEE COUNTY)
(SEE EXHIBIT A FOR A MORE)
SPECIFIC DESCRIPTION.))

CAUSE NO. _____

A P P L I C A T I O N

1. Parties.

1.1 Applicant herein is Penn Virginia Resources Corporation, whose address for the purposes hereof is P. O. Box 386, Duffield, Virginia 24244, Telephone: (703) 431-2831. The attorney for Applicant is Richard A. Counts, One Executive Park Place, 1999 East Stone Drive, Suite 304, Kingsport, Tennessee 37660, Telephone: (615) 378-4999.

1.2 Applicant is the owner of the right to develop and produce oil and gas from the Stones River formation within the Rose Hill Field and underlying the lands described in Exhibit A attached hereto and made a part hereof and to appropriate the oil and gas produced therefrom.

2. Allegation of Facts.

2.1 Applicant has acquired sufficient data necessary to determine the spacing of wells for the Stones River formation within the Rose Hill Field. Such data shows that the lands involved here are wholly or substantially underlain by the Stones River formation within the Rose Hill Field, as a common accumulation of hydrocarbons, being predominately gas productive, separate and distinct from and not in communication with any other common accumulation of oil and/or gas, and that the maximum area within the Stones River formation within the Rose Hill Field underlying the lands involved herein that can be efficiently and economically drained by one (1) well is approximately 240 acres.

2.2 In the interest of preventing the waste of oil and gas, avoiding the drilling of unnecessary wells and protecting correlative rights, the boundaries of the Stones River formation within the Rose Hill Field of gas should be established so as to cover and include the lands involved herein, and proper sized and shaped drilling units, with designated areas within which wells may be drilled on such units, should be established for such pool in such lands, which should be 240-acre drilling units (plus a tolerance of 15%, more or less).

3. Legal Authority. The relief sought by this Application is authorized by Va. Code Ann. § 45.1-301 (1987).

4. Relief Sought: Applicant requests the Oil and Gas Conservation Board to enter an order as follows:

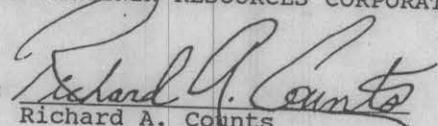
(I) Approving spacing covering the Stones River formation within the Rose Hill Field, which order shall provide for 240-acre drilling units (plus a tolerance of 15%, ~~more or less~~), as necessary to conform with boundary lines to the extent practicable and to facilitate the orderly development of the Stones River formation within the Rose Hill Field;

(II) Establishing the boundaries of the Stones River formation within the Rose Hill Field of gas so as to cover and include the lands described in Exhibit A attached hereto and made a part hereof and establishing proper sized and shaped drilling units, with designated areas within which wells may be drilled on such units, within such lands for such pool, which units should be formed as 240-acre drilling units (plus a tolerance of 15%, ~~more or less~~); and

(III) Granting such other and further relief as may be proper based upon the evidence presented at the hearing herein.

DATED this 5th day of July, 1988.

PENN VIRGINIA RESOURCES CORPORATION

By: 
Richard A. Counts

Of the Firm:

COUNTS & McCLANAHAN
One Executive Park Place
1999 E. Stone Drive
Suite 304
Kingsport, Tennessee 37660
Telephone: (615) 378-4999

ATTORNEYS FOR APPLICANT

[misc:apl-spcg.lee / wsp 071388]

**III. Previous Provisional Orders and Units entered for the
Stones River Field**

VIRGINIA OIL AND GAS CONSERVATION COMMISSION PROVISIONAL DRILLING
UNIT ORDERS

PROVISIONAL DRILLING UNIT ORDER FOR SHALLOW OIL WELLS IN LEE COUNTY,
VIRGINIA

Unless on approval in advance from the Commission, all wells drilled for crude oil down to the Mid-Ordovician Unconformity or the Dot Formation, whichever occurs first, shall not be located closer than 1,000 feet from any existing well or proposed well work permit. Boundaries of each of the drilling units shall conform, to the greatest extent practicable, to existing boundary lines or pre-existing unit boundary lines to assure to the greatest extent possible the inclusion of all property owners into drilling units. For the purpose of this Commission Order, all units should contain, more or less, twenty (20) acres within each unit. In no case shall proposed wells be located less than 350 feet from the boundary of the unit. All wells shall be drilled in such a manner as to prevent the escape of oil or gas out of one strata to any other strata or the waste of oil or gas.

Commission Order Dated July 27, 1983

PROVISIONAL DRILLING UNIT ORDER FOR DEEP OIL WELLS IN LEE COUNTY,
VIRGINIA

For wells drilled below the Mid-Ordovician Unconformity, the minimum spacing shall be 1,320 feet between existing wells or proposed well work permits. Boundaries of each of the drilling units shall conform to the greatest extent practicable to existing boundary lines or pre-existing unit boundary lines to assure to the greatest extent possible the inclusion of all property owners into drilling units. Pending the attaining of additional information, the Commission feels at this time that all units proposed for wells to be drilled below the Mid-Ordovician Unconformity shall contain, more or less, forty (40) acres. In no case shall proposed wells be located less than 500 feet from the boundary of the unit. All wells shall be drilled in such a manner as to prevent the escape of oil or gas out of one strata to any other strata or the waste of oil or gas.

IV. Questions to be considered by the Board from evidence presented in the hearing.

1. The area to be included in the order: _____

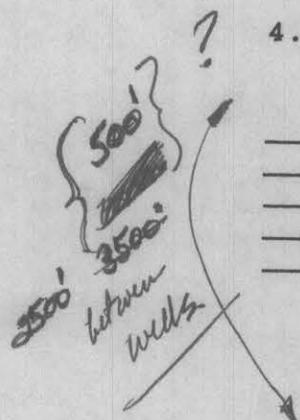
exhibit
A.

2. The acreage to be embraced within each drilling unit and the shape thereof: _____

Total acres owned by PVCC
2,100 ACS

? 3. The area within which wells may be drilled on each unit: _____

4. The minimum distance from the nearest outside boundary of the drilling unit or another well at which a well may be drilled: _____



Distance between wells?

How is the Stone River Geological compared to the Trenton and Knox.

Formation Pressure.

① Proximity
② Resemblance of other wells.

V. Evidence to be considered by the Board

1. The surface property and property lines of the lands underlain by the pool: _____

2. The plan of well spacing then being employed or proposed for the pool: _____

3. The depth at which production from the pool has been found: _____

4. The nature and character of the producing formation or formations and whether the substances produced or sought are gas and oil: _____

5. The maximum area which may be drained efficiently and economically by one well: _____

6. Any other available geological or scientific data pertaining to the pool which may be of probative value to the Board in determining the proper spacing of wells and establishing units: _____

OIL AND GAS CONSERVATION BOARD HEARING

**Forced Pooling Hearing for Proposed Well No. 8810
by
Penn Virginia Resources Corporation
Stones River Field**

**August 11, 1988
Pennington Gap, Virginia
Old Dominion Power Bldg.**

I. Notification

O. GENE DISHNER
DIRECTOR



COMMONWEALTH of VIRGINIA

Department of Mines, Minerals and Energy
Division of Gas and Oil
P. O. Box 1416
Abingdon, Virginia 24210
(703) 628-8115

Byron T. Fulmer
State Oil and Gas Inspector

July 14, 1988

Mr. Richard A. Counts
Counts & McClanahan
Executive Park Place
1999 E. Stone Drive
Suite 304
Kingsport, TN 37660

RE: Application For Pooling
Penn Virginia Resources Corporation
Well Number 8810
Lee County, Virginia

Dear Mr. Counts:

Your application for pooling of the above referenced well dated July 5, 1988, on behalf of Penn Virginia Resources Corporation, has been received.

In response to your request, please find attached a "Notice of Hearing". This notice is being mailed, on this date, to all parties listed in the application.

Should you have any questions, do not hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Byron T. Fulmer".

Byron T. Fulmer
State Oil & Gas Inspector

BTF:dld

Attachment

cc: See attached list

Application For Pooling
Notice of Hearing
July 14, 1988
Page -2-

The following persons have been notified by copy of this letter of the pending hearing

Mr. Bill Kelly, Penn Virginia Resources Corporation
Mr. Joseph Johnson, Chairman, Conservation Board
Mr. Benny Wampler, Member, Conservation Board
Dr. Robert Whisonant, Member, Conservation Board
Mr. Russell Wayland, Member, Conservation Board
Mr. James O. Bunn, Member, Conservation Board
Mr. Mike Lepchitz, Assistant Attorney General

The following are Oil and Gas Royalty Owners
Claude Davis, Loraine G., James L. and Carolyn G. Davis
Ruth Lee
J. D. King and Lillian V. King
Virgil C. Taylor and Susan H. Taylor
Billy Joe and Maurice Hopkins
Rex and Wilda Ingle
Oliver and Clytie Lee
James R. Burke
H. Ronnie and Sandra Montgomery
Edwin and Hope Combs
Shirley E. Gaines, a/k/a Shirley Doyle
Roy S. and Barbara Garrett
George & Sallie Conn
William and Doris West
Walton and Mae Bounds
George and Margaret West
Mary E. West
Grace Dorsey
Thomas and Grace Foxwell
Walton & Diane Alder
John and Linda Alder, Jr.
Steve Carter
John and Louelin Sheller
Fred and Marie Martin
Katherine Oveson
Johnny and Martha Duck
H. Graydon Carroll
Sam and Cathy Humphreys
Lula Alder
Oda Nance
William Kelly

O. GENE DISHNER
DIRECTOR



COMMONWEALTH of VIRGINIA

Department of Mines, Minerals and Energy

Division of Gas and Oil

P. O. Box 1416

Abingdon, Virginia 24210

(703) 628-8115

Byron T. Fulmer
State Oil and Gas Inspector

VIRGINIA DEPARTMENT OF MINES, MINERALS AND ENERGY
DIVISION OF GAS AND OIL
NOTICE OF HEARING
POOLING

Pursuant to Section 45.1-302 of the Code of Virginia the Virginia Oil and Gas Conservation Board hereby gives notice that a hearing will be held on Thursday, August 11, 1988, at 1:30 p.m. in the conference room of the Old Dominion Power Building at 105 East Morgan Avenue, Pennington Gap, Virginia.

The purpose of the hearing is for parties to present evidence concerning the request for pooling by Penn Virginia Resources Corporation on the proposed well work application for well 8810 in Lee County, Virginia.

The names of those parties affected by such application are on file with the Division of Gas and Oil at 230 Beverly Drive, Abingdon, Virginia. The file is available for public examination from 8:00 a.m. to 5:00 p.m., Monday through Friday.

For additional information concerning the hearing, please contact the Division of Gas and Oil at 703 628-8115.

**II. Filing of Petition for Force Pooling on Proposed
Well No. 8810**

COUNTS & McCLANAHAN

ATTORNEYS AT LAW

EXECUTIVE PARK PLACE
1999 E. STONE DRIVE, SUITE 304
KINGSPORT, TN 37660

RICHARD A. COUNTS
ADMITTED IN VA
ELIZABETH A. McCLANAHAN
ADMITTED IN KY, TN AND VA

Telephone
Area Code 615
378-4999
Telex "Easy Link"
#62003211

HAND DELIVERED

July 5, 1988

Mr. Joseph Johnson, Chairman
Virginia Oil and Gas Conservation Board
c/o Mr. Byron T. Fulmer
State Oil and Gas Inspector
Department of Mines, Minerals and Energy
Division of Gas and Oil
P. O. Box 1416
Abingdon, Virginia 24210

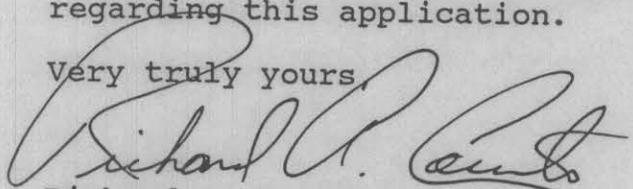
Re: Application for Pooling
Penn Virginia Resources Corporation Well No. 8810
Lee County, Virginia
Our File No. 1542-MR-006

Dear Mr. Johnson:

Enclosed is Penn Virginia Resources Corporation's Application for the pooling of Well No. 8810 in Lee County, Virginia.

Please do not hesitate to call me if you need further information regarding this application.

Very truly yours


Richard A. Counts

RAC:wsp

Enclosures

cc: Byron T. Fulmer
C. B. Slemp
William W. Kelly, Jr.
Christine F. Ryan
Carlton A. Hibbard

[letters:johnson.1]

BEFORE THE VIRGINIA OIL AND GAS CONSERVATION BOARD

APPLICANT: PENN VIRGINIA RESOURCES)
CORPORATION)

RELIEF SOUGHT: POOLING)

LEGAL)

DESCRIPTION: LEE COUNTY)
(SEE EXHIBIT A FOR A MORE)
SPECIFIC DESCRIPTION.))

CAUSE NO. _____

A P P L I C A T I O N

1. Parties.

1.1 Applicant herein is Penn Virginia Resources Corporation, whose address for the purposes hereof is P. O. Box 386, Duffield, Virginia 24244, Telephone: (703) 431-2831. The attorney for Applicant is Richard A. Counts, One Executive Park Place, 1999 East Stone Drive, Suite 304, Kingsport, Tennessee 37660, Telephone: (615) 378-4999.

1.2 Applicant is the owner of the right to develop and produce oil and gas from the Stones River formation within the Rose Hill Field and underlying the lands described on Exhibit A attached hereto and made a part hereof and to appropriate the oil and gas produced therefrom.

1.3 The names and last-known address of each well operator named as a party herein are set forth in Exhibit B attached hereto and made a part hereof. Each of the individuals named in Exhibit B is being made a party if living, if any such individual is deceased, then the unknown heirs, executors, administrators, devisees, trustees and assigns, both immediate and remote, of any such deceased individual are made parties herein. Each of the entities listed in Exhibit B that is a corporation is being made a party if such entity continues to have legal existence, and if any such corporation is dissolved, then the unknown successors, trustees and assigns, both immediate and remote, of such dissolved corporation are made parties herein. Each of the entities listed in Exhibit B that is an unincorporated association is being made a party if such entity continues to have legal existence, and if any such unincorporated association is dissolved or otherwise not in existence, then the unknown successors, trustees and assigns, both immediate and remote, of such unincorporated association are made parties herein.

2. Allegation of Facts.

2.1 There is pending an application before the Board to establish 240-acre drilling units (plus a tolerance of 15%, more or less) covering the Stones River formation within the Rose Hill Field.

2.2 Applicant has proposed a plan of development and operation of the Stones River formation within the Rose Hill Field in the drilling unit involved herein and has proposed to commence development and operation of such unit by a well under such plan in the lands involved herein so as to produce oil and gas from the Rose Hill Field.

2.3 Applicant has exercised due diligence to locate each of the parties named herein and has made a bona fide effort to reach an agreement with such parties as to pooling their interests for the development and operation of the drilling unit involved herein. The

parties named herein are well operators who have not agreed with Applicant to pool their interests for the development and operation of the drilling unit covered hereby. Therefore, the interests of such well operators in the Stones River formation within the Rose Hill Field in the drilling unit involved herein should be pooled for the development and operation thereof.

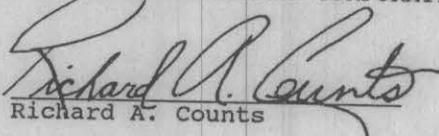
2.4 Applicant has also applied for spacing covering the Stones River formation within the Rose Hill Field, which will provide for 240-acre drilling units (plus a tolerance of 15%, more or less).

3. Legal Authority. The relief sought by this Application is authorized by Va. Code Ann. § 45.1-302 (1987).

4. Relief Sought: Applicant requests the Oil and Gas Conservation Board to enter an order pooling the interests of the well operators in the Stones River formation within the Rose Hill Field in the drilling unit described in paragraph 2.1, above, and (I) authorizing the drilling and operation of a well for the production of oil and gas from the pooled acreage; (II) designating Applicant as the well operator authorized to drill and operate such well; (III) prescribing the time and manner in which all other well operators may elect to participate in the operation of such well or to exercise their rights of election under the applicable statutes; (IV) providing that all reasonable costs and expenses of drilling, completing, equipping, operating, plugging and abandoning such well shall be borne, and all production therefrom shared, by all participating operators in the proportion which the acreage in the pooled tracts owned or under lease to each participating operator bears to the total acreage in such unit; (V) providing to non-leasing landowners, if any, in such unit reasonable access to the unit records of the production and transportation of oil and gas collected or gathered by the inspector; and (VI) making provision for the payment of all reasonable costs of the operation, including a reasonable supervision fee, by all operators who elect to be participating operators.

DATED this 5th day of July, 1988.

PENN VIRGINIA RESOURCES CORPORATION

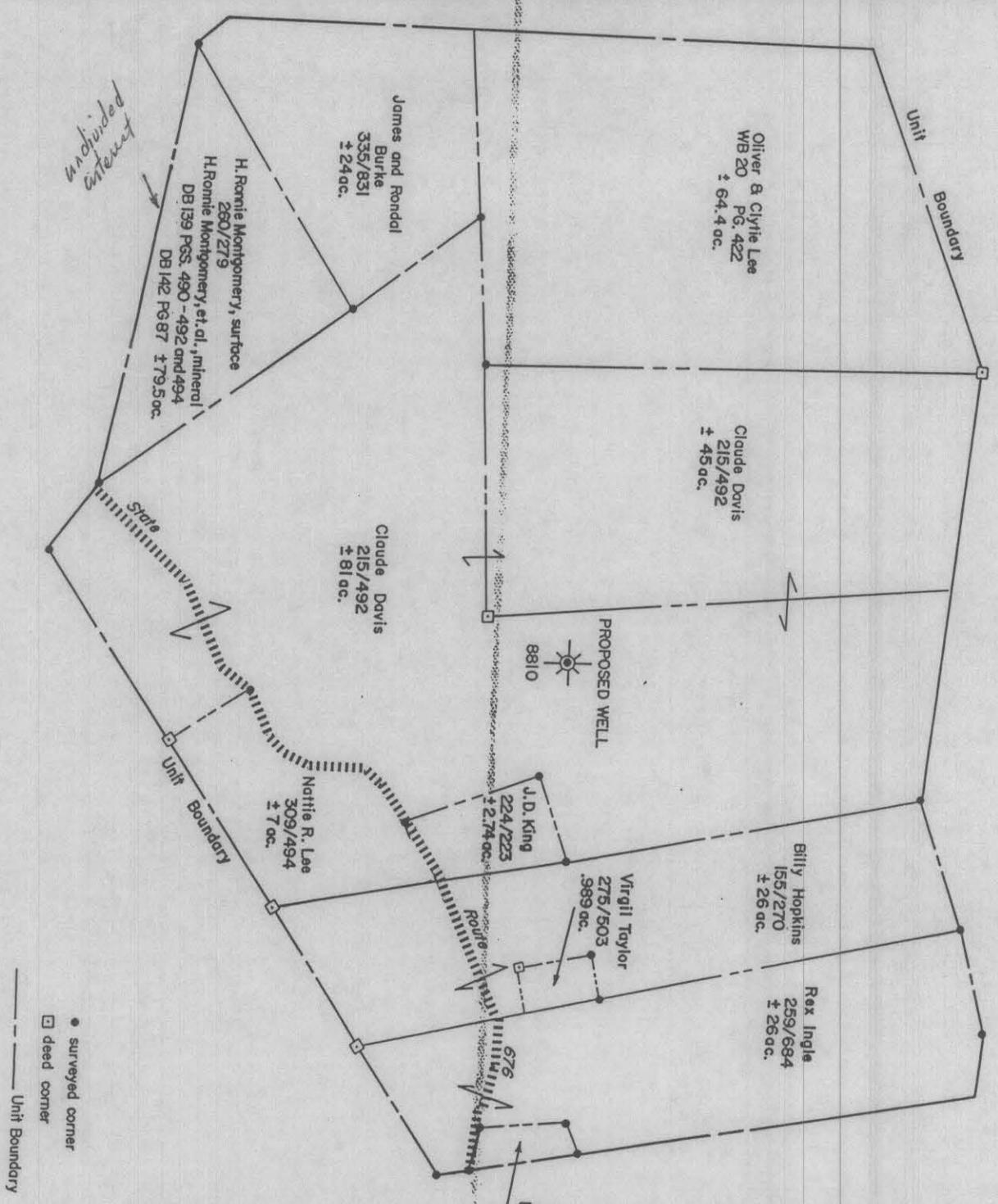
By: 
Richard A. Counts

Of the Firm:

COUNTS & McCLANAHAN
One Executive Park Place
1999 E. Stone Drive
Suite 304
Kingsport, Tennessee 37660
Telephone: (615) 378-4999

ATTORNEYS FOR APPLICANT

[misc:apl-pol.lee / wsp 071388]



● surveyed corner
 □ deed corner
 --- Unit Boundary

Unit Map for well 8810 Revised
 ± 242 acres total
 Scale 1" = 400'

*98%
2% unleased*



EXHIBIT B

{ Roy Sherman Garrett
Address Unknown

✓ Steve Carter *Leased*
610 Blackstone V.G.C.
Meriden, Connecticut 06450

✓ John and LouElin Sheller *Leased*
627 N. Pinehurst Ave.
Salisbury, Maryland 21801

✓ Fred and Marie Martin *Leased*
38 Old Farm Road
Darien, Connecticut 06820

{ H. Graydon Carroll
Route 1, Box 28
Joaquin, Texas 75954

*12th May
17th May
24th May*

{ Sam and Cathy Humphreys
4200 Texas Commerce Towers
Houston, Texas 77002

{ Ida Nance
c/o Stella Brown
Route 3, Box 137
Highway 122
Bedford, Virginia 24523

[misc:exh.b / wsp 062888]



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
1401 EAST BROAD STREET
RICHMOND, 23219

RAY D. PETHTEL
COMMISSIONER

C. O. LEIGH
MAINTENANCE ENGINEER

October 22, 1987

Penn Virginia Resources Corp.
Oil/Gas Well Work Permit Release
Well No. 8712 and 8713
Lee County/Bristol District

Mr. Frank S. Stacy, Landman
Penn Virginia Resources Corp.
P. O. Box 386
Duffield, Virginia 24244

Dear Mr. Stacy:

This is in response to your letters of September 15 and October 19 requesting VDOT's endorsement of "No objection" well work release forms and for procedural guidance in obtaining oil and gas leases from the state.

First, VDOT has no objection to the oil and gas inspector's issuance of well work permit numbers 8712 and 8713. You will find the endorsed forms attached.

Secondly, if you insist, we can proceed with a formal lease offering to the highest bidder. No doubt some money can be made in lease trading, but the leverage enjoyed will be short lived.

As I previously explained, the state's minerals management plan encourages natural resource discovery and production by limiting the life of any lease to no more than five years, unless the land is in production.

Accordingly, the state would prefer to defer offering of leases at this time, and await a "pooling order" when you have a producing well generating proportional acreage royalties, less production cost.

Should you or your staff have any questions, please call me at (804) 786-2810.

Sincerely,

R. M. Kethner, III
Permit and Truck Weight Manager

Attachments (2)

cc: Mr. David R. Gehr
Mr. G. W. Alexander
Mr. C. O. Leigh
Mr. J. L. Corley

Mr. R. L. Fink
Mr. J. P. Hughes
Mr. R. J. Smiley
Mr. Don Levan - Division of Mineral Resources,
Charlottesville, VA

AUGUST 9, 1988
 WELL NO. 8810
 A F E
 STONES RIVER / KNOX WELL
 ROSE HILL PROSPECT

	<u>COMPLETED WELL COST</u>	<u>DRY HOLE COST</u>
INTANGIBLE DRILLING COSTS		
Permits, Surveying & Title Work	30,000.00	30,000.00
Road & Site Preparation	10,000.00	10,000.00
Contract Drilling - Footage	64,000.00	64,000.00
- Day Rate	15,000.00	15,000.00
- Moving Charges		
Mud & Chemicals	7,000.00	5,000.00
Completion Rigs & Related Equipment	17,000.00	2,000.00
Labor	15,000.00	6,000.00
Logging & Testing	15,000.00	15,000.00
Cementing	10,000.00	6,000.00
Frac. Acid & Perforation	40,000.00	
Other Equipment Rentals	13,000.00	10,000.00
Other Services	9,000.00	5,000.00
Drilling Overhead	<u>3,000.00</u>	<u>3,000.00</u>
TOTAL INTANGIBLE DRILLING COSTS	248,000.00	171,000.00
TANGIBLE EQUIPMENT COSTS		
Casing	26,000.00	12,000.00
Tubing, Rods & Pump	6,000.00	
Well Head Equipment	1,000.00	
Labor	1,000.00	1,000.00
Separators & Storage Tanks		
Gathering Line & Meter		
TOTAL TANGIBLE EQUIPMENT	34,000.00	13,000.00
TOTAL COSTS	<u>282,000.00</u>	<u>184,000.00</u>

*LIFT Cost =
 (post drilling cost)*

September 15, 1987

Mr. R. M. Ketner
Dept. of Transportation
1401 East Broad Street
Richmond, VA 23219

RE: Well #8712, Woodway #1, Lee County, Virginia

Dear Mr. Ketner:

I am forwarding a copy of a unit map, topographic map, title information and "No Objection" form regarding the captioned well unit which concerns fee title on mineral rights underlying public roadways, which under the Byrd Act, is vested in the Department of Transportation, Commonwealth of Virginia. Please consider this a request for an oil and gas lease and include it with documents from us already in your possession regarding these requests. We will be notifying you of future wells which involve state owned minerals underlying roadways by mail or telephone and will be forwarding the necessary documents for your examination.

In order that we might further substantiate a basis of proof of "due dilligence" in attempting to lease mineral rights under public roadways, and also to provide a routine system of handling future lease attempts on roadway properties, please review the following summary of our understanding of your instructions:

1. No further lease forms will be necessary since the state has our lease form and will use its own form when executing leases.

2. Delivery to your office of a well plat, topographical map, title information and "Statement of No Objection to a Well Work Permit" will constitute an "attempt to lease" and provide the basis of "due dilligence" in future force pooling actions.

Please confirm or correct the above summary at your earliest convenience.

We certainly appreciate your expedience in handling these unusual circumstances and look forward to further communications.

Sincerely,

Frank S. Stacy
Landman

klw

Enclosures

III. Application for 8810

Well Name 8810

Date JUNE 16, 1988

NOTICE AND APPLICATION FOR A WELL WORK PERMIT

Take notice that, pursuant to Code of Virginia, Section 45.1-311, the undersigned well operator proposes to file or has filed this Notice and Application for a well work permit with the Virginia Oil and Gas Inspector under Code of Virginia, Section 45.1-311, with respect to a well on the CLAUDE C. DAVIS tract of 81 acres, more or less, in the ROSE HILL District, LEE County, Virginia.

Attached is a copy of the well plat required to be filed with this Notice and Application. The Notice and Application show the well work that is to be done and the well plat shows the location (or proposed location) of the well.

If the proposed well work is to drill a well, an operations plan is also attached. It shows the intended method of spoil placement, and contains a stabilization and drainage plan, including a map of the project area indicating the area to be disturbed. The drainage and stabilization plan meets the minimum requirements of the current Virginia Erosion and Sediment Control Handbook adopted by the Virginia Soil and Water Conservation Commission pursuant to the Code of Virginia, Section 21-59.4.

You have the right to file an objection to the proposed well work within fifteen (15) days from the receipt of this notice, pursuant to Section 45.1-313.D of the Code of Virginia.

Section 45.1-313.D "Any person receiving actual or constructive notice of an application for a well work permit, within (15) fifteen days from receipt of such notice, shall file with the inspector any objection which he may have to the proposed location...."

Written objections shall state specifically the ground(s) of the objection.

After receipt of an objection, an informal fact finding hearing will be scheduled pursuant to Section 45.1-315 of the Code of Virginia.

Section 45.1-315.A "If objections are filed by a person entitled to notice of the well work for which a permit is sought, the inspector shall fix a time and place for an informal fact finding hearing, not less than twenty nor more than thirty days after the original filing of the application, at which hearing such objections will be considered...."

OBJECTIONS MUST BE FILED WITH
Division of Gas and Oil
Virginia Oil and Gas Inspector
P. O. Box 1416
Abingdon, VA 24210

Well Operator PENN VIRGINIA RESOURCES CORP.

Designated Agent WILLIAM W. KELLY, JR.

Address P.O. BOX 386, DUFFIELD, VA 24244

Address P.O. BOX 386, DUFFIELD, VA 24244

Telephone Number (703) 431-2831

Telephone Number (703) 431-2831

Virginia Oil and Gas Inspector
P. O. Box 1416
Abingdon, VA 24210

PERSONS RECEIVING OFFICIAL NOTICE OF WELL WORK APPLICATIONS

List such persons by name and address: If additional space is needed, add sheets with the title, "Supplemental Sheet for Persons Receiving Official Notice of Well Work Application," and indicate the category for each person or group.

SURFACE OWNER(S) AT WELL LOCATION SITE

Claude C. Davis & Wife Loraine G. Davis
James L. Davis and Carolyn G. Davis
Rt. 2, Box 91-A
Rose Hill, VA 24281

COAL AND OTHER MINERAL OWNER(S), LESSEE(S) AND OPERATOR(S) AT THE LOCATION SITE AND ON NEIGHBORING TRACTS WITHIN 500' OF WELL:

N/A

OIL AND GAS ROYALTY OWNER(S)

See Attached Sheet

COAL OPERATOR(S) WHO HAVE AN OPERATIONS PLAN REGISTERED WITH THE DIVISION OF MINES:

N/A

OIL ROYALTY OWNER(S) WITHIN 500' AND GAS ROYALTY OWNER(S) WITHIN 1250' OF NEIGHBORING TRACTS BUT NOT INCLUDED IN THE DRILLING UNIT:

N/A

COAL OPERATOR(S) WITH AN OPERATIONS PLAN REGISTERED WITH THE DIVISION OF MINES WITHIN 500' OF THE WELL:

N/A

COAL OPERATOR(S) WHO HAVE APPLIED FOR OR OBTAINED A MINING OR PROSPECTING PERMIT FROM THE DIVISION OF MINES WITHIN 500' OF THE WELL:

N/A

COAL OWNER(S), LESSEE(S) AND OPERATOR(S) AT THE WELL LOCATION SITE AND ON NEIGHBORING TRACTS WITHIN 500' OF THE WELL:

N/A

API NO. 45 - -

WELL NAME 8810

GENERAL DESCRIPTIONWELL TYPE: Oil ___ / Gas / Enhanced Recovery ___ / Waste Disposal ___ / If "Gas", Production / Underground Storage ___ /Exempt by Code of Virginia Section 45.1-300.B.1 from general oil and gas conservation law: Yes ___ / No / If "NO" submit map showing unit boundaries and distance between wells and boundaryExploratory well: Yes / No ___ /LOCATIONQUADRANGLE: Rose Hill DISTRICT: Rose Hill COUNTY: Lee WATERSHED: Yellow Creek
14,000 FT. S. OF LATITUDE 36° 42' 30" 7175 FT. W. OF LONGITUDE 83° 17' 30"The underground well operator is entitled to operate a well for oil and gas or other purposes at the above location under a deed ___ / lease / other contract ___ / dated January 28, 1980, to the undersigned well operator from which document, if recorded, is recorded in the office of the Clerk in the County Commission of Lee County, Virginia in Deed Books 298 & 338 at pages 115 & 825

A PERMIT IS REQUESTED AS FOLLOWS:

Drill / Deepen ___ / Redrill ___ / Stimulate / Plug off old formation ___ / Perforate new formation /
Plug / Replug ___ /
Other physical changes in well (specify) N/A

The well work is planned as shown in this Notice and Application and Appendix and other attachments.

OTHER INFORMATION AND SUBMISSIONSPERMIT FEEUnder Code of Virginia, Section 45.1-311.B, enclosed is a check or money order in the amount of \$100 payable to the TREASURER OF VIRGINIA.WELL PLAT

Under Code of Virginia Section 45.1-312.C, the statement checked below applies to the well plat (Form 5) accompanying the application:

- The plat is new, under Code of Virginia Section 45.1-312.C.1
 The plat is a copy of an earlier plat, the original of which was submitted after July 1, 1982. This copy has been updated as necessary, under Code of Virginia Section 45.1-312.C.2.

WELL OPERATOR'S BOND

Under Code of Virginia Section 45.1-311.D, the statement checked below applies to the well operator's bond:

- A bond (Form 3 or 4) for this single well is submitted herewith.
 A bond for this single well has heretofore been accepted in connection with a well work application filed _____, 19____.

Under Code of Virginia Section 45.1-311.D.2, a blanket bond (Form 3 or Form 4) is submitted herewith, for all of applicant's wells. The amount was cleared by the Inspector, subject to final approval hereby requested.

- Under Code of Virginia Section 45.1-311.D.2, a blanket bond for all applicant's wells has heretofore been accepted by the Inspector on or about July 15,, 19 83.

OPERATIONS PLAN

Under Code of Virginia Section 45.1-311.E, if this application is for a well work permit to drill, an operations plan accompanies the application.

REQUEST FOR A PERMIT IN LESS THAN 15 DAYS

Applicant does ___ / does not X / request a permit before the end of the 15-day notice provision under Code of Virginia 45.1-313.E.2.

Applicant: PENN VIRGINIA RESOURCES CORP.

By: *William W. Kelly, Jr.*
WILLIAM W. KELLY, JR.
Its VICE PRESIDENT - EXPLORATION

VERIFICATION

STATE OF VIRGINIA COUNTY OF SCOTT
ON THIS 16th DAY OF June, 19 88, PERSONALLY
BEFORE ME, A NOTARY PUBLIC IN AND FOR THE COUNTY AND STATE AFORESAID, APPEARED WILLIAM W. KELLY, JR.,
WHO, BEING DULY SWORN, DID DEPOSE AND SAY THAT HE IS V.P. - EXPLORATION OF PENN VIRGINIA RESOURCES CORP.
THE APPLICANT IN THE FOREGOING NOTICE AND APPLICATION FOR A WELL WORK PERMIT AND RELATED APPENDIX (IF ANY) AND OTHER
ACCOMPANYING DOCUMENTS; THAT HE EXECUTED THE SAME ON BEHALF OF THE APPLICANT, AND WAS AUTHORIZED TO DO SO; AND THAT THE
INFORMATION SET FORTH THEREIN TRUE AND CORRECT TO THE BEST OF HIS KNOWLEDGE AND BELIEF.

MY COMMISSION EXPIRES My Commission Expires January 24, 1992

Karen S. Kinder
NOTARY PUBLIC



APPENDIX TO NOTICE AND APPLICATION IF THE WELL WORK INVOLVES DRILLING, REDRILLING OR DEEPENING

NOTE: The data in this Appendix is only estimates. Actual data must be submitted on Form 16 (Report of Completion of Well Work).

DRILLING CONTRACTOR (If known) RAY RESOURCES DIVISION - GREAT WESTERN
 ADDRESS 600 Commerce Square, Charleston, WV 25301
 TELEPHONE (304) 344-8393
 GEOLOGICAL TARGET FORMATION KNOX, STONES RIVER
 DEPTH OF COMPLETED WELL 4150 FEET ACTUAL ESTIMATED / DRILLING RIG ROTARY CABLE TOOL

GEOLOGICAL DATA

FRESH WATER: NOT KNOWN

SALT WATER: NOT KNOWN

COAL SEAMS: N/A

MINE NAME	MINING IN AREA		
	YES	NO	MINED OUT

OIL AND GAS: STONES RIVER NAME ± 3300'
KNOX ± 4000'

THE DATA ON DEPTH OF STRATA IS BASED ON THE SOURCE(S) CHECKED BELOW:

- Applicant's own drilling experience in area
- Information supplied by the coal operator in the area
- Information already in the possession of the Inspector
- Other (As follows) SEISMIC EVALUATION

CASING AND TUBING PROGRAM

PRELIMINARY INFORMATION: Is the subject well underlaid by red shales? Yes No
 If yes, will a coal protection string be set to the red shales? Yes No

PROGRAM DETAILS:

CONDUCTOR: 20" ± 40' CEMENTED TO SURFACE

CASING CIRCULATED AND CEMENTED TO THE SURFACE:

13 3/8" SECONDARY CONDUCTOR ± 200' (OPTIONAL)
9 5/8" SURFACE ± 900'

COAL PROTECTION CASING SET UNDER THE SPECIAL RULE OF CODE OF VIRGINIA SECTION 45.1-334.B:

N/A

OTHER CASING AND TUBING LEFT IN THE WELL:

7" INTERMEDIATE ± 2200' (OPTIONAL) CEMENTED BACK INTO 9 5/8"
4 1/2" PRODUCTION ± 4100' CEMENTED BACK OVER PAY ZONES

OTHER CASING USED IN DRILLING BUT NOT LEFT IN THE WELL:

N/A

Well Name: 8810
 Date: June 16, 1988

PROOF OF NOTICE OF WELL WORK APPLICATION

The undersigned well operator, applicant in a Notice and Application for a Well Work Permit heretofore filed with the Inspector on July 1, 1988, respecting the well numbered above, submits the following proof of the statutory notice required by Code of Virginia, Section 45.1-313.E for the persons named in the Notice and Application as entitled to notice.

X Certified mail return receipt(s) for the following person(s):

H. Graydon Carroll Virgil C. Taylor
 Billy Joe Hopkins
 Sam Humphreys
 Oliver Lee
 Fred Martin
 Oda Nance

X Statement(s) of No Objection (Form 7) for the following person(s):

William West	Rex Ingle	James R. Burke
Mary E. West	Roy Sherman Garrett	Walton Bounds
George West	Thomas Foxwell	Walton Alder
Katherine Oveson	Johnny Duck	Lula Alder
H. Ronnie Montgomery	Claude Davis	John Alder, Jr.
Ruth Lee	George Conn	
J.D. King	Edwin Combs	

newspaper page of facsimile for affidavit of publication showing Notice of Publication (Form 6) for the following person(s):

Address Unknown - Shirley E. Gaines

Well Operator: Penn Virginia Resources Corporation

Address: P.O. Box 386, Duffield, VA 24244

Telephone: (703) 431-2831

PENN VIRGINIA RESOURCES CORPORATION

EROSION AND SEDIMENT CONTROL PLAN
WELL 8810

I. LOCATION

Penn Virginia Well 8810 is located in the Rose Hill District of Lee County. The location is east of Rose Hill community, approximately 5500' southwest of Henegartown and is situated on a hillside ±850' northwest of State Route 676. Surface elevation is 1707.30' with an existing ground slope of 4.0%. Surface and mineral rights are controlled by Claude Davis. Existing vegetation consists of scrub brush and pasture.

II. CONSTRUCTION - Erosion and Sediment Control

A. Well Site

1. The well site will be constructed for drilling purposes as shown in attachments. The approximate size of the site is two hundred feet by one hundred feet including a 12'x 90'x 6' reserve pit on the north side of site to contain drilling fluids and runoff. In addition, a 40'x 40'x 6' air pit, to contain cuttings from all air or foam drilling, will be placed on the southeast side of site.
2. The drill site will be constructed in such a manner as to allow drainage toward the reserve pit.
3. Any useable top soil will be stripped and stock piled for later reclamation purposes.
4. No commercial wood is present on site.
5. After the drill site and pit areas are constructed, a 2'x 3' berm will be placed on the northwest side and south side of the site to control runoff from the site. A diversion ditch will be constructed on the north side to divert natural drainage away from the site and filtered before entering back into natural drainage.
6. Due to the existing slope of the area, a fill area on the south side and northwest side of the site will result after excavation. All scrub brush will be buried under the fill area. The entire fill area will be mulched with straw to prevent soil erosion. In addition, silt fencing or staked hay bales will be placed along the toe of the fill to prevent soil erosion.

B. Access Road

1. Access to the well site is off State Route 676 onto a existing access road. The site is approximately 850 feet from the state highway.

2. The existing road has a sufficient rock base. The entire access road will be maintained and additional 2" crusher run will be added as needed.
3. The existing private road will be maintained to promote proper drainage while following the natural grade of the land where possible. Straw bales will be staked where needed to retain sediment.
4. It is anticipated that one culvert will be installed under the existing road. The culvert will be installed on a base of 2" crusher run and backfilled with compacted material. The cover over the culvert shall be equal to one half the diameter of the culvert.
5. The junction of the private road and State Route 676 will have a sufficient rock base. The ingress and egress into the location will be maintained with 2" crusher run, as needed, to adequately handle expected traffic.

III. RECLAMATION

Once drilling and completion operations have ceased, all pit and runoff fluids will be removed and disposed of as per state approval. Pits will be filled with berm material and all trash will be disposed of in a proper manner. The location will be reclaimed and landscaped, to the extent possible, to approximate original condition with the exception of the area needed for production facilities. All sediment control material will be left in place until revegetation has occurred.

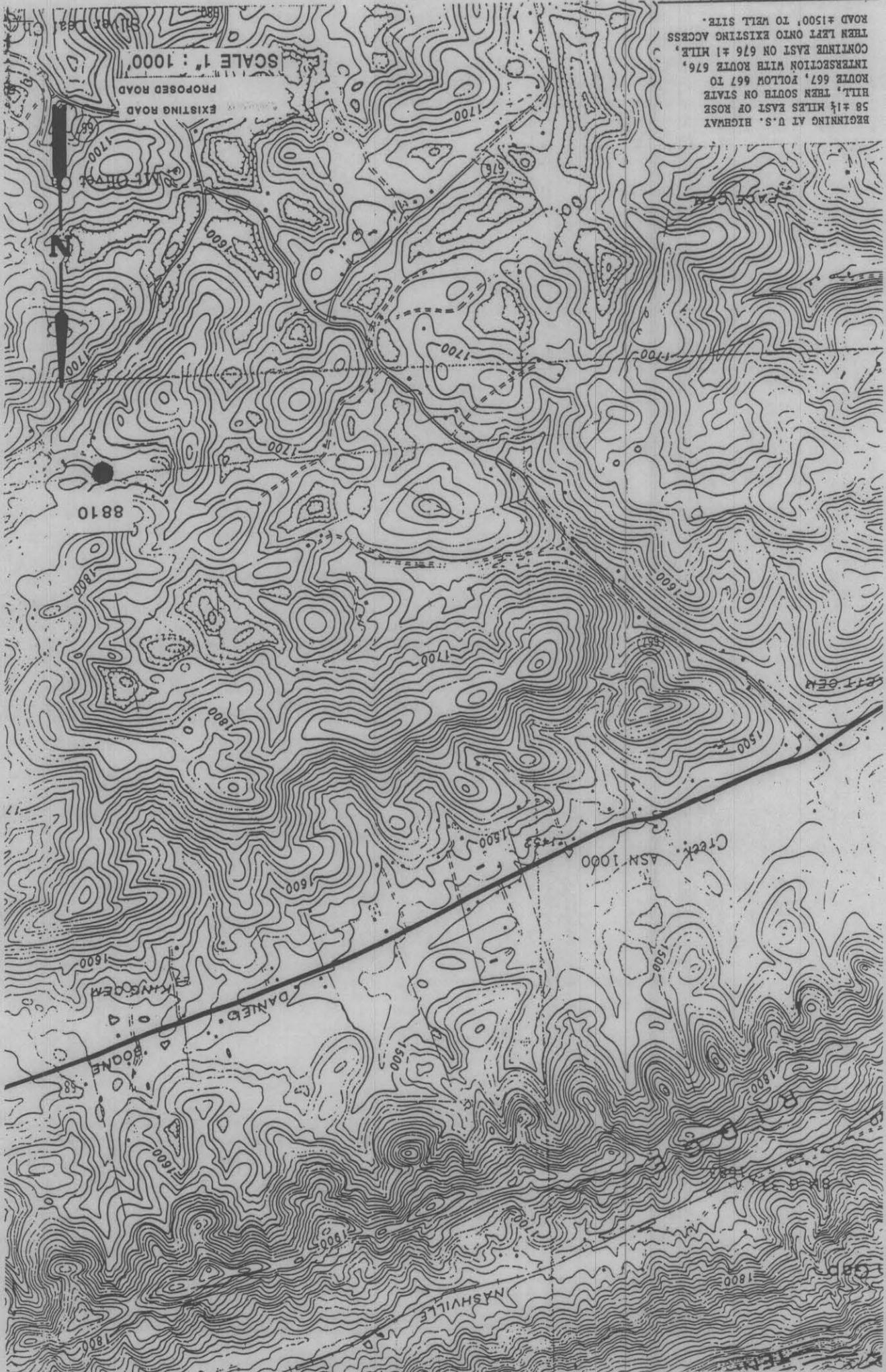
BEGINNING AT U.S. HIGHWAY
58 ± 1/4 MILES EAST OF ROSE
HILL, THEN SOUTH ON STATE
ROUTE 667, FOLLOW 667 TO
INTERSECTION WITH ROUTE 676,
CONTINUE EAST ON 676 ± 1 MILE,
THEN LEFT ONTO EXISTING ACCESS
ROAD ± 1500' TO WELL SITE.

SCALE 1" : 1000'

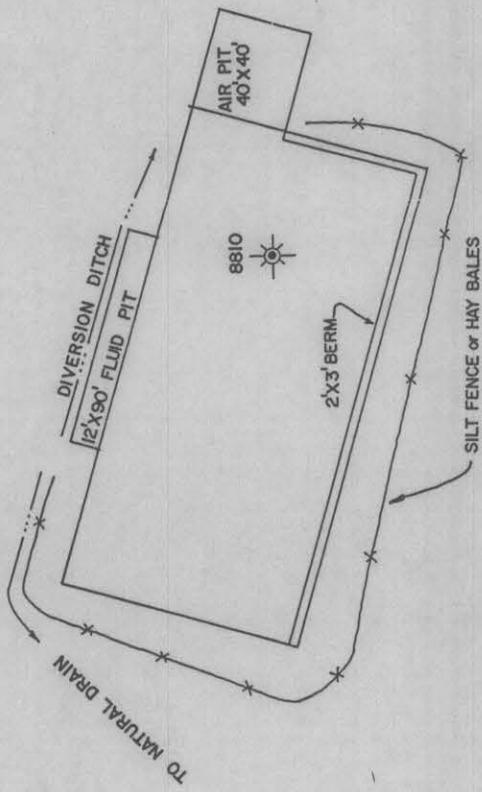
EXISTING ROAD
PROPOSED ROAD

N

8810



NORTH



Sediment Control Plan
for

Proposed Well Site 8810

SCALE _____ 1" = 50'

Date: 2/10/88 1988
 Operator's Well No. 8810

VIRGINIA OIL AND GAS INSPECTOR
 DEPARTMENT OF LABOR AND INDUSTRY
 DIVISION OF MINES
 219 Hood Avenue
 Big Stone Gap, Virginia 24219-1799
 Phone 703-523-0335

WELL PLAT

+ Denotes location of well on United States Topographic Maps, scale 1 to 24,000. Latitude and longitude lines are represented by border lines as shown.

This plat is new updated /

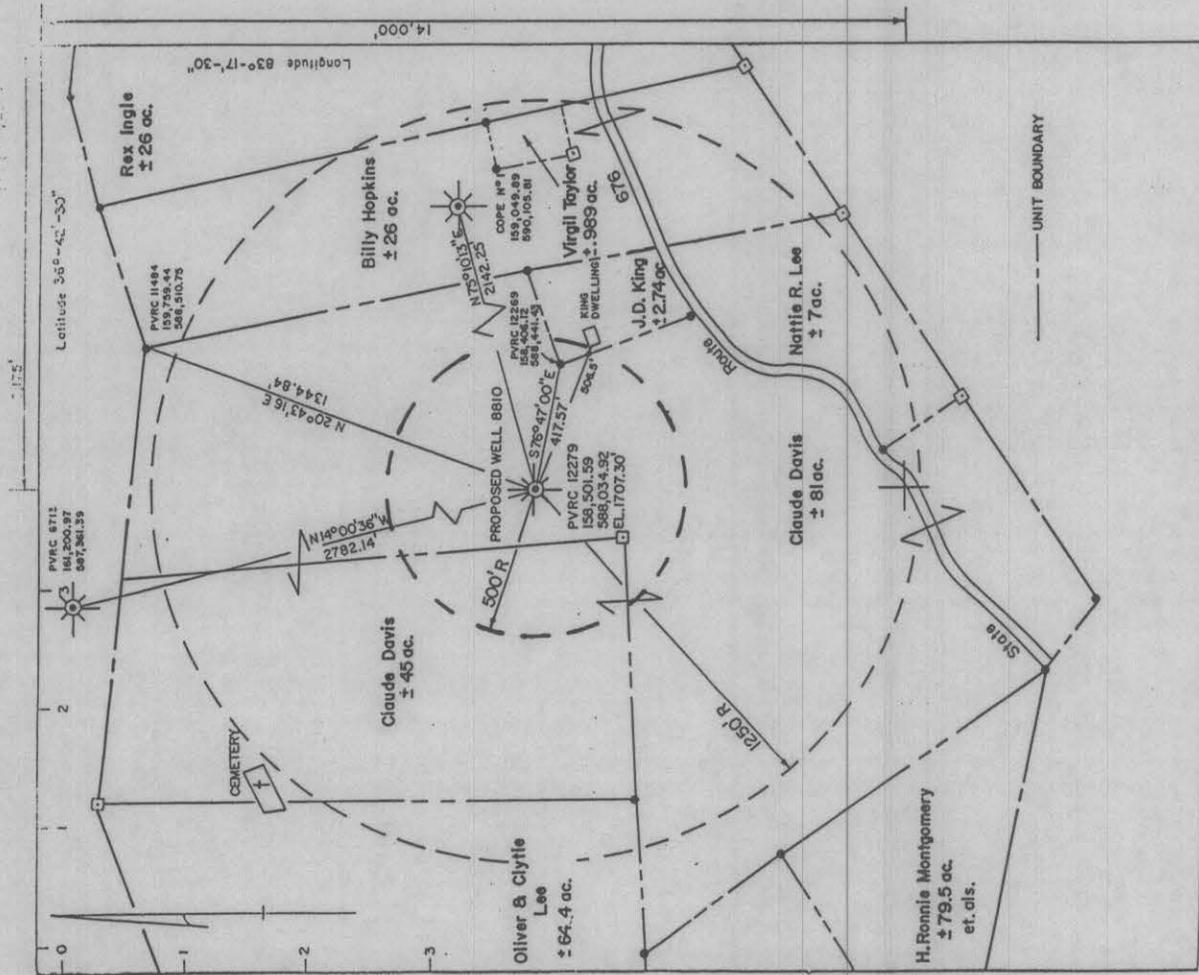
This plat is is not based on a mine coordinate system established for the areas of the well location.

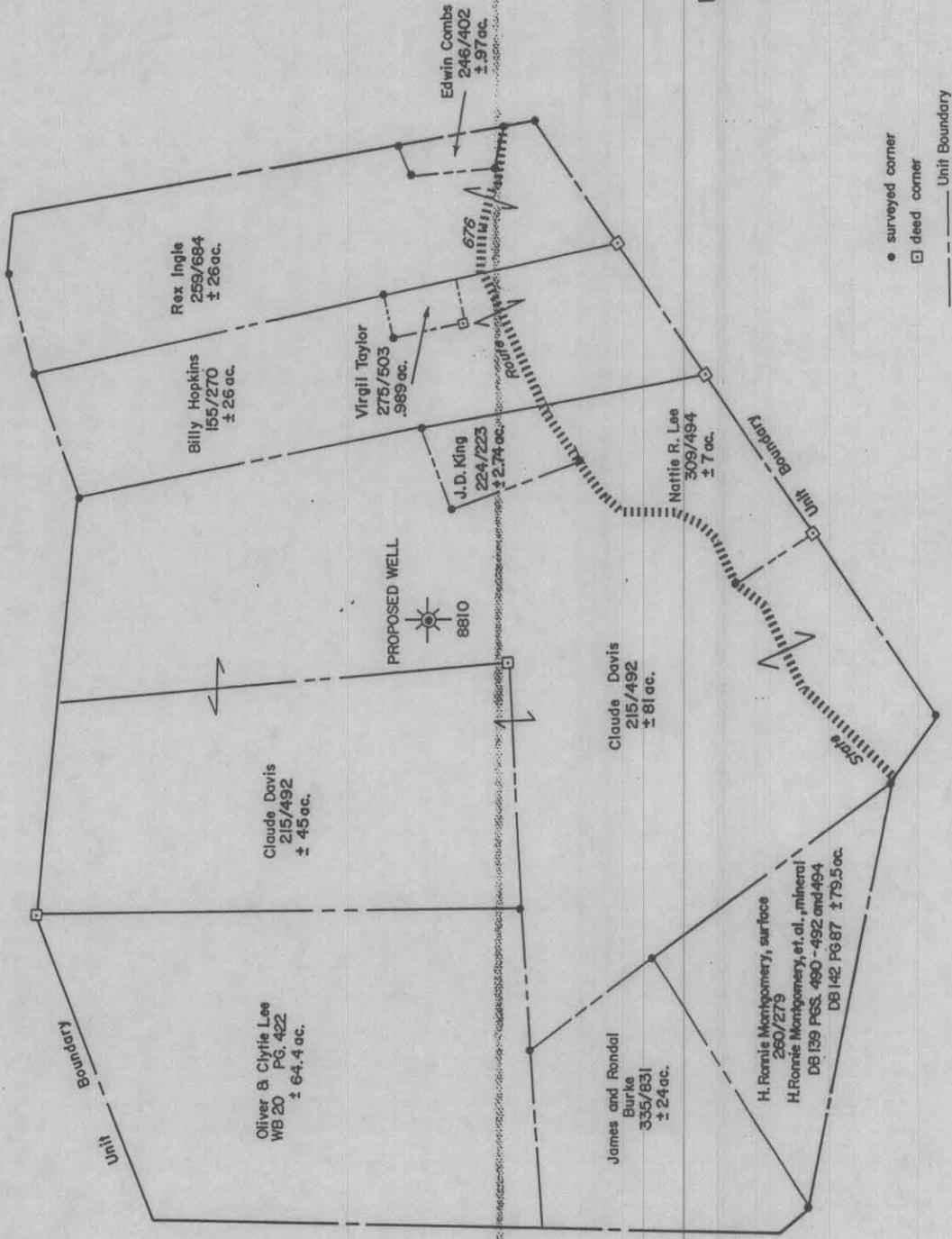
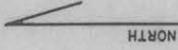
Well operator PENN VIRGINIA RESOURCES CORPORATION
 Address PO BOX 386 DUFFIELD, VIRGINIA
 Farm CLAUDE C. DAVIS
 Tract Acres ±81 Lease No.
 Elevation 1707.30'
 Quadrangle ROSE HILL
 County LEE District ROSE HILL
 Registered Engineer X Registration No. 11439
 Certified Land Surveyor Cert. No.
 File No. Drawing No.
 Date 2/10/88 Scale 1" = 400'

Certification of Well Plat

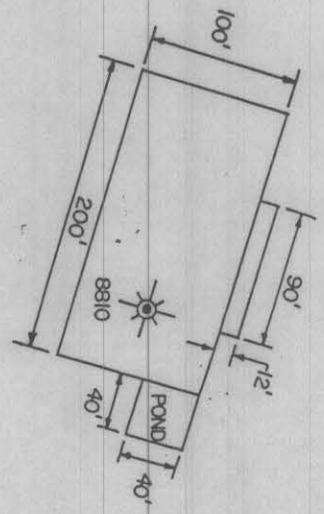
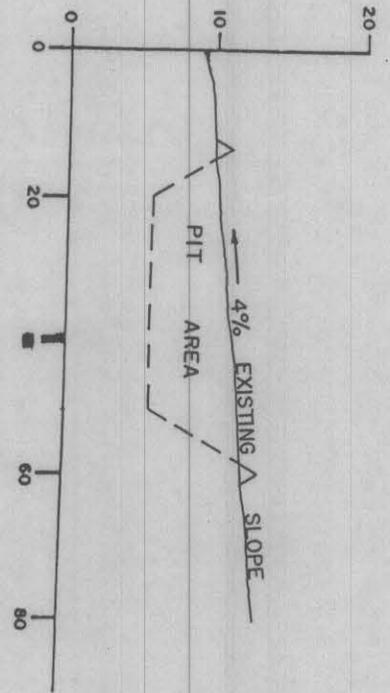
I, the undersigned, hereby certify that this plat is correct to the best of my knowledge and belief, and shows all the information required by law and the regulations of the Virginia Well Review Board.

Jack Pemberton
 Registered Engineer or Certified Land Surveyor
 in Charge

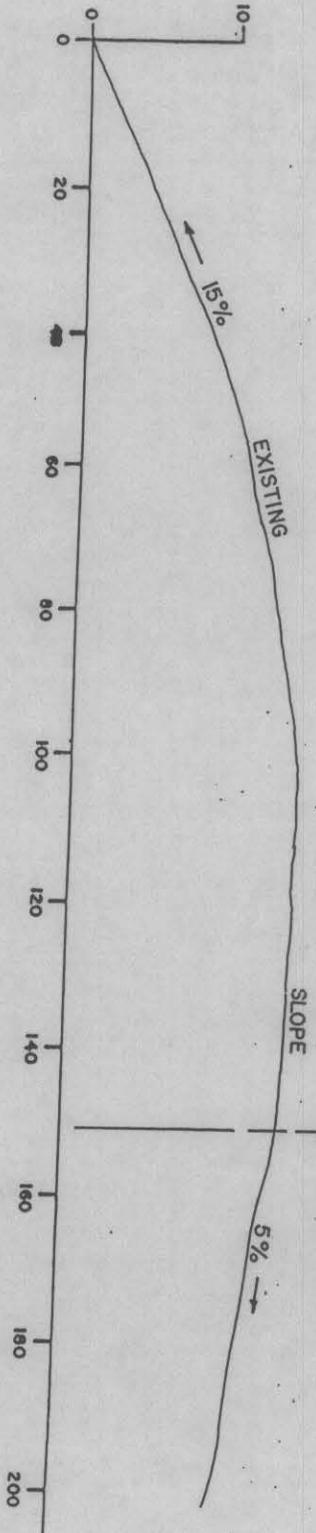




Unit Map for well 8810 Revised
± 242 acres total
Scale 1" = 400'



PROPOSED WELL SITE
NO. 8810
EL. 1707.30'
SCALE: 1" = 100'



IV. Suggested questions to consider for determination for a determination for a force pooling order.

non-participating

1. What is the reason for a request for force pooling? _____

Yes

2. Has the applicant exhausted all remedies to accomplish a voluntary unit agreement? _____

noted

3. What parties have not been leased by the applicant? _____

4. What would be the cost of drilling, completing, and producing the well (estimated)? _____

5. What would be the estimated lifting cost of the well based on the per day estimated production? _____

6. What is the estimated length of time to pay out on the proposed well? _____

V. Questions to be determined by the Board for a Forced Pooling Order:

1. Whether to authorize the drilling and operation of a well for the production of oil and gas from the pooled acreage?
2. Who is to be the designated well operator authorized to drill and operate the well?
3. What will be the time and manner in which all other well operators may elect to participate in the operations of the well or to exercise their rights of election as a non-participating operator?
4. What will be the reasonable costs and expenses of drilling, completing, equipping, operating, plugging and abandoning of the well and that such cost shall be borne, and all production therefrom shared, by participating operators in the proportion which the acreage in the pooled tracts owned or under lease to each participating operator bears to the total acreage in the unit?
5. How to provide to non-leasing landowners in a unit reasonable access to the unit records of the production and transportation of oil or gas collected or gathered by the Inspector?
6. What provisions are to be made for the payment of all reasonable costs of the operation, including a reasonable supervision fee, by all operators who elect to be participating operators?

VI. Non-Participating Operators- Electives under the Law

1. He may select to sell his oil or gas interest or leasehold interest to the participating operators on a reasonable basis and for a reasonable consideration which, if not agreed upon, may be submitted by the non-participating well operator to the Oil and Gas Conservation Board for a binding determination.

2. He may elect to share in the operation of the well on a carried basis as a carried operator under the following conditions:

In the event any participating operator in any portion of the pooling unit shall, pursuant to the terms of a drilling order, drill and operate, or pay the costs of drilling and operating, a well for the benefit of a carried operator, the carried operator shall be entitled to the share of production from the tracts pooled accruing to his interest, exclusive of any royalty or overriding royalty reserved in any leases assignments thereof or agreements relating thereto of such tracts, but only after the proceeds allocable to his share equal:

A) 300% (percent) of the share of such costs allocable to the interest of the carried operator of a leased tract or portion thereof

or

B) In the case of an unleased tract or portion thereof, a reasonable percentage not to exceed 200% (percent) of the share of such costs allocable to the interests of the carried operator.