

Virginia Department of Mines, Minerals and Energy

Virginia Gas and Oil Board

Minutes and results of hearing, February 15, 2005

Board members present: Ms. Barber, Mr. Brent, Mr. Harris, Mr. Wampler

The Virginia Gas and Oil Board considered a petition from prevailing plaintiffs and parties to royalty split agreements for disbursement of funds escrowed on their behalf, Unit S-17, Hurricane District, Buchanan Co. Docket Number 98-0120-0617-01. Continued from January.

This unit contains tracts that are subject to a recent Virginia Supreme Court decision determining ownership of coalbed methane gas. The item was carried forward in order to add other claimants who have negotiated royalty split agreements. Disbursement was approved.

The Virginia Gas and Oil Board considered a petition from prevailing plaintiffs and parties to royalty split agreements for disbursement of funds escrowed on their behalf, Unit T-17, South Grundy District, Buchanan Co. Docket Number 92-1117-0284-01. Continued from January.

This unit contains tracts that are subject to a recent Virginia Supreme Court decision determining ownership of coalbed methane gas. The item was carried forward in order to add other claimants who have negotiated royalty split agreements. Disbursement was approved.

The Virginia Gas and Oil Board considered a petition from prevailing plaintiffs and parties to royalty split agreements for disbursement of funds escrowed on their behalf, Unit W-20, Garden District, Buchanan Co. Docket Number 92-0721-0240-01. Continued from January.

This unit contains tracts that are subject to a recent Virginia Supreme Court decision determining ownership of coalbed methane gas. The item was carried forward in order to add other claimants who have negotiated royalty split agreements. Disbursement was approved.

The Virginia Gas and Oil Board considered a petition from prevailing plaintiffs for disbursement of funds escrowed on their behalf, Unit S-15, Hurricane District, Buchanan Co. Docket Number 92-0721-0237-01. Continued from January.

This unit contains tracts that are subject to a recent Virginia Supreme Court decision determining ownership of coalbed methane gas. The item was carried forward in order to address potential owners who were listed in previous orders but who were not included in disbursement requests. Disbursement was approved.

The Virginia Gas and Oil Board considered a petition from prevailing plaintiffs and parties to royalty split agreements for disbursement of funds escrowed on their behalf, Unit T-15, Hurricane District, Buchanan Co. Docket Number 92-0721-0236-01. Continued from January.

This unit contains tracts that are subject to a recent Virginia Supreme Court decision determining ownership of coalbed methane gas. The item was carried forward in order to add other claimants who have negotiated royalty split agreements, and in order to address potential owners who were listed in previous orders but who were not included in disbursement requests. Disbursement was approved.

The Virginia Gas and Oil Board considered a petition from prevailing plaintiffs and parties to royalty split agreements for disbursement of funds escrowed on their behalf, Unit T-16, Hurricane District, Buchanan Co. Docket Number 92-1117-0283-01. Continued from January.

This unit contains tracts that are subject to a recent Virginia Supreme Court decision determining ownership of coalbed methane gas. The item was carried forward in order to address potential owners who were listed in previous orders but who were not included in disbursement requests. Disbursement was approved.

The Virginia Gas and Oil Board considered a petition from prevailing plaintiffs for disbursement of funds escrowed on their behalf, Unit U-19, Hurricane District, Buchanan Co. Docket Number 94-1024-0475-01. Continued from January.

This unit contains tracts that are subject to a recent Virginia Supreme Court decision determining ownership of coalbed methane gas. The item was carried forward because the unit operator (Ratliff Gas Company) has not provided the required unit accounting. Carried forward to March hearing in order to receive testimony from unit operator.

The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of coalbed methane unit BD-120, New Garden District, Russell County, Virginia. Docket Number VGOB-05-0215-1398.

In the BD-120 58.74-acre unit, the applicant controls 93.2% of the coal interests and 83.2% of the gas interests, and seeks to pool the remaining 6.8% of the coal interests and 16.8% of the gas interests. Unleased coal acreage subject to pooling totals 4.0 net acres in one tract with one unleased owner, and gas acreage subject to pooling totals 9.9 net acres in 10 tracts with 23 unleased owners. There are conflicting claimants and unlocated owners subject to escrow, and conflicting claimants subject to existing royalty split agreements. A permit to drill was issued on 1/21/05. Pooling was approved.

The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of coalbed methane unit BF-98, Hurricane District, Buchanan County, Virginia. Docket Number VGOB-05-0215-1399.

In the BF-98 58.78-acre unit, the applicant controls 100% of the coal interests and 83.8% of the gas interests, and seeks to pool the remaining 16.2% of the gas interests. Unleased gas acreage subject to pooling totals 9.5 net acres in four tracts with 10 unleased owners. There are conflicting claimants and unknown owners subject to escrow, and conflicting claimants subject to existing royalty split agreements. A permit to drill was issued on 1/19/05. Pooling was approved.

The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of coalbed methane unit BF-102, Hurricane District, Buchanan County, Virginia. Docket Number VGOB-05-0215-1400.

In the BF-102 58.77-acre unit, the applicant controls 100% of the coal interests and 91.2% of the gas interests, and seeks to pool the remaining 8.8% of the gas interests. Unleased gas acreage subject to pooling totals 5.2 net acres in three tracts with 24 unleased owners. There are conflicting claimants and unknown owners subject to escrow. A permit to drill was issued on 9/22/04 and a well has been drilled. Pooling was approved.

The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of coalbed methane unit BG-103, Hurricane & New Garden Districts, Buchanan & Russell Counties, Virginia. Docket Number VGOB-05-0215-1401.

In the BG-103 58.76-acre unit, the applicant controls 100% of the coal interests and 98.7% of the gas interests, and seeks to pool the remaining 1.3% of the gas interests. Unleased gas acreage subject to pooling totals 0.8 net acres in two tracts with 26 unleased owners. There are conflicting claimants and unknown owners subject to escrow. A permit to drill was issued on 9/22/04 and a well has been drilled. Pooling was approved.

The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of coalbed methane unit BI-106, New Garden District, Russell County, Virginia. Docket Number VGOB-05-0215-1402.

In the BI-106 58.74-acre unit, the operator controls 99.9% of the coal and gas interests, and seeks to pool the remaining 0.1% of the interests. Unleased acreage subject to pooling totals 0.08 net acres in one tract with one unleased owner. There are no conflicting claimants or unlocated owners subject to escrow. No permit application has been submitted. Pooling was approved.

The Virginia Gas and Oil Board considered a petition from Equitable Production Company for pooling of coalbed methane unit VC-551130, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-05-0215-1403.

In the VC-551130 58.77-acre unit, the applicant controls 100% of the coal interests and 98.0% of the gas

interests, and seeks to pool the remaining 2.0% of the gas interests. Unleased gas acreage subject to pooling totals 1.2 net acres in one tract with one unleased owner. There are conflicting claimants and unknown owners subject to escrow. An application for a permit to drill the unit has been submitted. Pooling was approved.

The Virginia Gas and Oil Board considered a petition from Equitable Production Company for pooling of coalbed methane unit VC-536062, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-05-0215-1404.

In the VC-536062 58.77-acre unit, the applicant controls 100% of the coal interests and 95.2% of the gas interests, and seeks to pool the remaining 4.8% of the gas interests. Unleased gas acreage subject to pooling totals 2.8 net acres in two tracts with seven unleased owner. There are conflicting claimants subject to escrow. An application for a permit to drill the unit has been submitted. Pooling was approved.

The Virginia Gas and Oil Board considered a petition from Hard Rock Exploration, Inc. for pooling of conventional gas unit HRVAE #7, Garden District, Buchanan County, Virginia. Docket Number VGOB-05-0215-1405.

In the HRVAE #7 112.69-acre conventional gas unit, the applicant controls 80.2% of the oil and gas interests, and seeks to pool the remaining 19.8% of the interests. Unleased acreage subject to pooling totals 22.31 net acres in two tracts having seven unleased owners. There are no unlocated owners subject to escrow. No application for permit to drill the unit has been submitted. Pooling was approved.

The Virginia Gas and Oil Board considered a petition from Columbia Natural Resources LLC for a well location exception for proposed well 25207, Knox District, Buchanan County, Virginia. Docket Number VGOB-05-0215-1406.

The applicant seeks an exception in order to drill a conventional well closer to three existing wells than allowed under statewide spacing. The proposed well is to be 450 feet closer to existing CNR gas well CNR-25091, 234 feet closer to existing CNR well CNR-25070, and 177 feet closer to existing CNR well CNR-24729 than the 2500 feet mandated by spacing. The exception is needed to prevent loss of resources and to accommodate the mineral owner who has requested tighter spacing of wells. No permit application has been submitted. The location exception was approved.

The Virginia Gas and Oil Board considered a petition from Columbia Natural Resources LLC for a well location exception for proposed well 25209, Knox District, Buchanan County, Virginia. Docket Number VGOB-05-0215-1407.

The applicant seeks an exception in order to drill a conventional well closer to two existing wells than allowed under statewide spacing. The proposed well is to be 446 feet closer to existing CNR gas well CNR-24918 and 308 feet closer to existing CNR well CNR-24917 than the 2500 feet mandated by spacing. The exception is needed to prevent loss of resources and to accommodate the mineral owner who has requested tighter spacing of wells. No permit application has been submitted. . The location exception was approved.

The Virginia Gas and Oil Board considered a petition from Columbia Natural Resources LLC for a well location exception for proposed well 23858, Knox District, Buchanan County, Virginia. Docket Number VGOB-05-0215-1408.

The applicant seeks an exception in order to drill a conventional well closer to an existing well than allowed under statewide spacing. The proposed well is to be 281 feet closer to existing CNR gas well 23791 than the 2500 feet mandated by spacing. The exception is needed because of steep terrain at legal locations. No permit application has been submitted. . The location exception was approved.

The Virginia Gas and Oil Board considered a petition from Columbia Natural Resources LLC for a well location exception for proposed well 25155, Knox District, Buchanan County, Virginia. Docket Number VGOB-05-0215-1409.

The applicant seeks an exception in order to drill a conventional well closer to two existing wells than allowed under statewide spacing. The proposed well is to be 475 feet closer to existing CNR gas well 20658 and 296 feet closer to existing CNR well 20646 than the 2500 feet mandated by spacing. The exception is needed to prevent loss of resources at an infill location. No permit application has been submitted. . The location exception was approved.

The Board on its own motion will heard a request to transfer all previous orders assigned to Virginia Gas Company to the new operator, Appalachian Energy. Docket Number VGOB-05-0215-1411.

The name of Virginia Gas Company has been changed to Appalachian Energy Company. This petition requests a Board order recognizing that all obligations and duties previously assigned by the Board to Virginia Gas Company are to be transferred to Appalachian Energy. Transfer of orders was approved.

The deadline for filing of petitions to the Board for the March hearing is 5 p.m., Friday, February 11, 2005, with the hearing scheduled for 9 a.m. on Tuesday, March 15, 2005 at the Southwest Virginia Higher Education Center, Abingdon, Virginia.

| [DMME Home](#) | [DGO Home](#) | [Disclaimer](#) | [E-mail DGO](#) |