

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: Equitable Production Company

DIVISION OF GAS AND OIL
DOCKET NO. VGOB 89-0126-0009-27

RELIEF SOUGHT: MODIFICATION OF NORA COALBED GAS UNIT NOS.: BV-41 (VCI-538743).

AFFECTED UNITS: (See Attached Exhibit A)

APPLICATION

1. **Applicant and its counsel:** Applicant is **Equitable Production Company** 1710 Pennsylvania Ave., Charleston, West Virginia, 25302, (800) 926-1759. Applicant's Counsel is James E. Kaiser 220 Broad Street, Suite 210, Kingsport, TN 37660 (423) 578-3838.

2. **Relief sought:** (1) Modification of the Nora Coalbed Methane Gas Field Rules, to allow one additional coalbed gas well to be drilled within each of the 58.77 acre Nora Units identified above. (2) For an administrative order providing that additional well permits may be issued in the Nora Field after this application is filed and while it is pending.

3. **Legal authority:** 4 VAC 25-160-50 and § 45.1-361.20 of the Code of Virginia.

4. **Proposed provisions of order sought:** That one additional coalbed methane gas well may be drilled in each of the above referenced Nora Units; that the second well be located at least 600 feet from the nearest coalbed methane well; (and that production/royalties from each coalbed methane well drilled in the said Units shall continue to be allocated solely to the owners and claimants of and to the coalbed methane within the Unit in which the well is located.)

5. **Type of wells and field:** Coalbed methane frac wells within the portion of the Nora Coalbed Gas Field described above, and as depicted in the attached Exhibit A.

6. **Formations subject to application:** All coal beds and coal seams including all Pennsylvania aged coals from the top of the Raven, but not limited to Jawbone, Greasy Creek, C-Seam, War Creek, Beckley, Lower Horsepen, X-Seam, Poca 6, Poca 5, Poca 3, Poca 2, and any unnamed coal seams and other associated formations known as the Nora Coalbed Gas Field.

7. **Description of interest/claim of persons being notified:** Coalbed methane.

8. **Estimated ultimate recovery in each Nora Unit identified above:** 525 MMCF

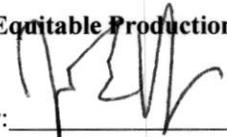
9. **Plat:** See Exhibit A annexed hereto.

10. **The boundaries and acreage affected:** see Exhibit A annexed hereto.

11. **Attestation:** The foregoing application to the best of my knowledge, information and belief is true and correct.

Equitable Production Company

By: _____


James E. Kaiser
220 Broad Street, Suite 210
Kingsport, TN 37660
(423) 578-3838

AFFIDAVIT OF DUE OF DILIGENCE

**COMMONWEALTH OF VIRGINIA
COUNTY OF DICKENSON**

I, James E. Kaiser, after being duly sworn upon oath, state as follows:

1. I am responsible for the notification process required by VA. Code Ann. § 45.1-361.19 and VR 480-05-22.2 § 4.
2. That Equitable Production Company has exercised due diligence in attempting to locate and notice all owners and claimants who are unleased and/or who were not previously pooled by prior order(s) of the Virginia Gas and Oil Board regarding **the Nora Coalbed Gas Field**, all as required by Va. Code Ann. § 45.1-361.19 and VR 480-05-22.2.
3. That on **April 18, 2008** a true and correct copy of the Notice of Hearing with Exhibits will be mailed, via certified mail return receipt requested, to all owners and claimants listed in Exhibit B for whom mailing addresses were then available.
4. That Equitable Production Company will continue to exercise due diligence in attempting to locate and identify the names and/or addresses of any unknown of unlocatable parties and, if located or identified, will notify them of Equitable Production Company's application.

I have read the foregoing, and the information given above is true and correct to the best of my knowledge and belief.



James E. Kaiser
Counsel for
Equitable Production Company

ACKNOWLEDGMENT

STATE OF TENNESSEE

COUNTY OF SULLIVAN

TAKEN, SUBSCRIBED AND SWORN to before me this 18th day of
April, 2008.


Susan Peterson, Notary

My commission expires: November 12, 2008.

BEFORE THE VIRGINIA GAS AND OIL BOARD

**APPLICANT: Equitable Production Company DIVISION OF GAS AND OIL
DOCKET NO. 89-0126-0009-27**

**RELIEF SOUGHT: MODIFICATION OF
NORA COALBED GAS FIELD**

AFFECTED UNITS: Multiple (See Attached Exhibit A)

NOTICE OF HEARING

HEARING DATE: May 20, 2008
**PLACE: Southwest Virginia Higher Education Center
Campus of Virginia Highlands Community College
Abingdon, Virginia**
TIME: 9:00 a.m.

COMMONWEALTH OF VIRGINIA:

To: See Exhibit "B" attached hereto:

1. **Applicant and its counsel:** Applicant is Equitable Production Company, 1710 Pennsylvania Ave., Charleston, West Virginia, 25302, (800) 926-1759. Applicant's Counsel is James E. Kaiser, 220 Broad Street, Suite 210, Kingsport, TN 37660, (423) 578-3838.
2. **Relief sought:** (1) Modification of the Nora Coalbed Methane Gas Field Rules, to allow one additional coalbed gas well to be drilled within each of the 58.77 acre Nora Units identified above. (2) For an administrative order providing that additional well permits may be issued in the Nora Field after this application is filed and while it is pending.
3. **Legal authority:** 4 VAC 25-160-50 and § 45.1-361.20 of the Code of Virginia.
4. **Proposed provisions of order sought:** That one additional coalbed methane gas well may be drilled in each of the above referenced Nora Units; that the second well be located at least 600 feet from the nearest coalbed methane well; (and that production/royalties from each coalbed methane well drilled in the said Units shall continue to be allocated solely to the owners and claimants of and to the coalbed methane within the Unit in which the well is located.)



5. **Type of wells and field:** Coalbed methane frac wells within the portion of the Nora Coalbed Gas Field described above, and as depicted in the attached Exhibit A.

6. **Formations subject to application:** All coal beds and coal seams including all Pennsylvania aged coals from the top of the Raven, but not limited to: Jawbone, Greasy Creek, C-Seam, War Creek, Beckley, Lower Horsepen, X-Seam, Poca 6, Poca 5, Poca 3, Poca 2, and any unnamed coal seams and other associated formations known as the Nora Coalbed Gas Field.

7. **Description of interest/claim of persons being notified:** Coalbed methane.

8. **Estimated ultimate recovery in each Nora Unit identified above:** 475 MMCF

9. **Plat:** See Exhibit A annexed hereto.

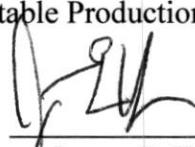
10. **The boundaries and acreage affected:** See Exhibit A annexed hereto.

11. **Attestation:** The foregoing notice to the best of my knowledge, information and belief is true and correct.

NOTICE IS FURTHER GIVEN that this cause has been set for hearing and the taking of evidence at the time and place first stated above and that notice will be published as required by law and the Rules of the Virginia Gas and Oil Board.

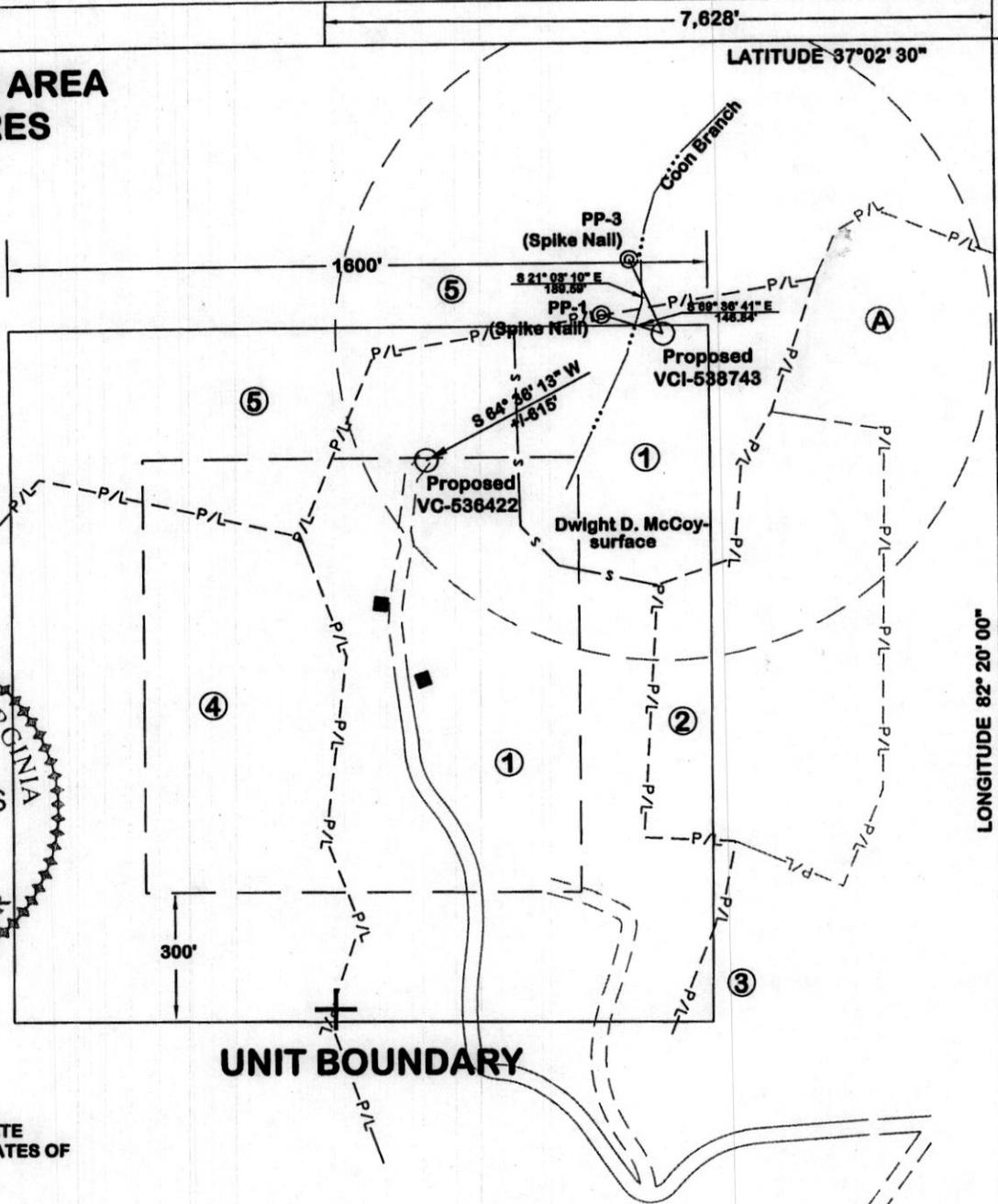
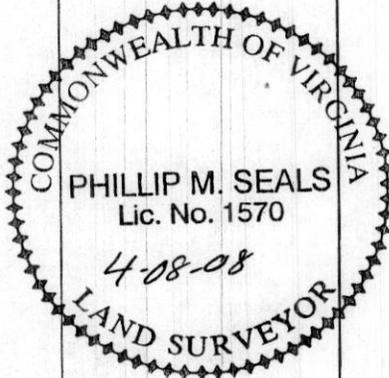
NOTICE IS FURTHER GIVEN that you may attend this hearing, with or without an attorney, and offer evidence or state any comments you have. For further information or a copy of the application and any exhibits thereto, you may contact the Virginia Gas and Oil Board, State Oil and Gas Inspector, Department of Mines, Minerals and Energy, Division of Gas and Oil, P.O. Box 1416, Abingdon, Virginia 24410, (276) 676-5423 or the Applicant at the address shown below.

Equitable Production Company

By: 

James E. Kaiser
220 Broad Street, Suite 210
Kingsport, TN 37660
(423) 578-3838

**TOTAL UNIT AREA
= 58.77 ACRES**



UNIT BOUNDARY

**PROPOSED VIRGINIA STATE
PLANE NAD 83 COORDINATES OF
WELL VCI-538743**

N 3,550,698.00
E 10,356,389.14

**PROPOSED LAT. & LONG.
(NAD 27 DECIMAL DEGREES)
OF WELL VCI-538743**

37.011182
82.359456

**PROPOSED CCC
COORDINATES OF
WELL VCI-538743**

S 32,319.31
E 6,995.69

NOTE:

PROPERTY INFORMATION PROVIDED BY EQUITABLE
PRODUCTION COMPANY.

ELEVATIONS WERE DETERMINED BY GPS & TRIGONOMETRIC
METHODS BASED ON BENCH MARK P-424.

WELL LOCATION PLAT (Nora Grid 41 BV)

COMPANY	EQUITABLE PRODUCTION CO.	WELL NAME OR NUMBER	VCI-538743
TRACT NO.	TL-223	QUADRANGLE	Nora
DISTRICT	Kenady		
WELL COORDINATES (VIRGINIA STATE PLANE 27)	N 269,822.72 E 873,404.93		
ELEVATION	2366.72	METHOD USED TO DETERMINE ELEVATION:	GPS & TRIG.
COUNTY	Dickenson	SCALE:	1" = 400'
		DATE	4-08-08
THIS PLAT IS A NEW PLAT <input checked="" type="checkbox"/> AN UPDATED PLAT <input type="checkbox"/> ; OR A FINAL LOCATION PLAT <input type="checkbox"/>			

+ DENOTES THE LOCATION OF A WELL ON UNITED STATES TOPOGRAPHIC MAPS, SCALE 1 TO 24,000,
LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY BORDER LINES AS SHOWN.

1012.78
Form DGO-GO-7
Rev. 1-98

Phillip M. Seals
LICENSED LAND SURVEYOR

(AFFIX SEAL)

32 5/20/08
Exhibit 18

EXHIBIT PL-1

Property Ownership Information for EPCO Well # VCI-538743

①

LEASE NO. 906889L/ TL-223
ELIJAH RASNICK TRACT 90
217.015 ACRES
STANDARD BANNER COAL CORP.-
coal (cbm)
UNLEASED
DWIGHT D. McCOY , et al.
oil & gas (cbm)
GAS 29.01 AC. 49.36%

②

LEASE NO. 906889L/ TL-223
ELIJAH RASNICK TRACT 90
217.015 ACRES
STANDARD BANNER COAL CORP.-
coal (cbm)
UNLEASED
DANNY E. & SANDRA LEE
PART OF 11 ACRES
oil & gas (cbm)
GAS 1.92 AC. 3.27%

③

LEASE NO. 906889L/ TL-223
ELIJAH RASNICK TRACT 88
107.00 ACRES
STANDARD BANNER COAL CORP.- coal (cbm)
UNLEASED
SPENCER D. & AUTUMN D. LEE
9.124 ACRES
oil & gas (cbm)
GAS 0.20 AC. 0.34%

④

LEASE NO. 906889L/ TL-223
ELIJAH RASNICK TRACT 90
217.015 ACRES-coal
D.E. SMITH TRACT
85.04 ACRES-oil & gas
STANDARD BANNER COAL CORP.-
coal, oil, gas & cbm
GAS 20.09 AC. 34.18%

⑤

LEASE NO. 906889L/ TL-223
ELIJAH RASNICK TRACT 90
217.015 ACRES-coal
ELIJAH RASNICK TRACT 38
173.19 ACRES-surface, oil & gas
STANDARD BANNER COAL CORP.-
surface, coal, oil, gas & cbm
WELLMORE ENERGY COMPANY, LLC. - coal operator
GAS 7.55 AC. 12.85%

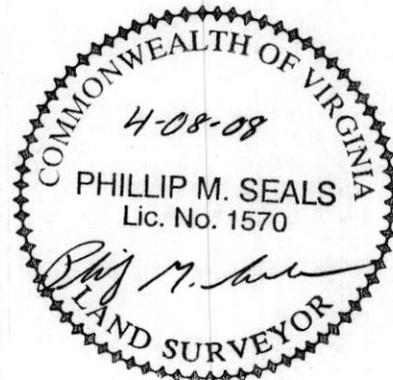


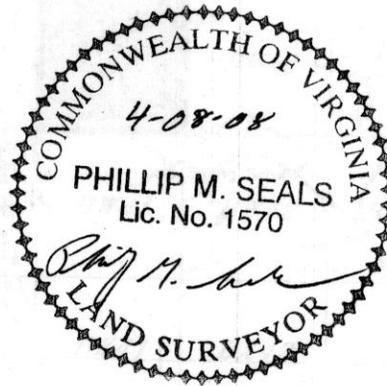
EXHIBIT PL-2

**Coal Ownership Supplement Sheet For EPCO Well # VCI-538743 Showing Coal
Ownership outside of the Unit Boundary and Within a 750 Ft. Radius of the Well Location**

Ⓐ

5747.00 ACRES

LEASE NO. 906889L/ TL-223
ELIJAH RASNICK T-88
107.00 ACRES
STANDARD BANNER COAL CORP.- coal (cbm)



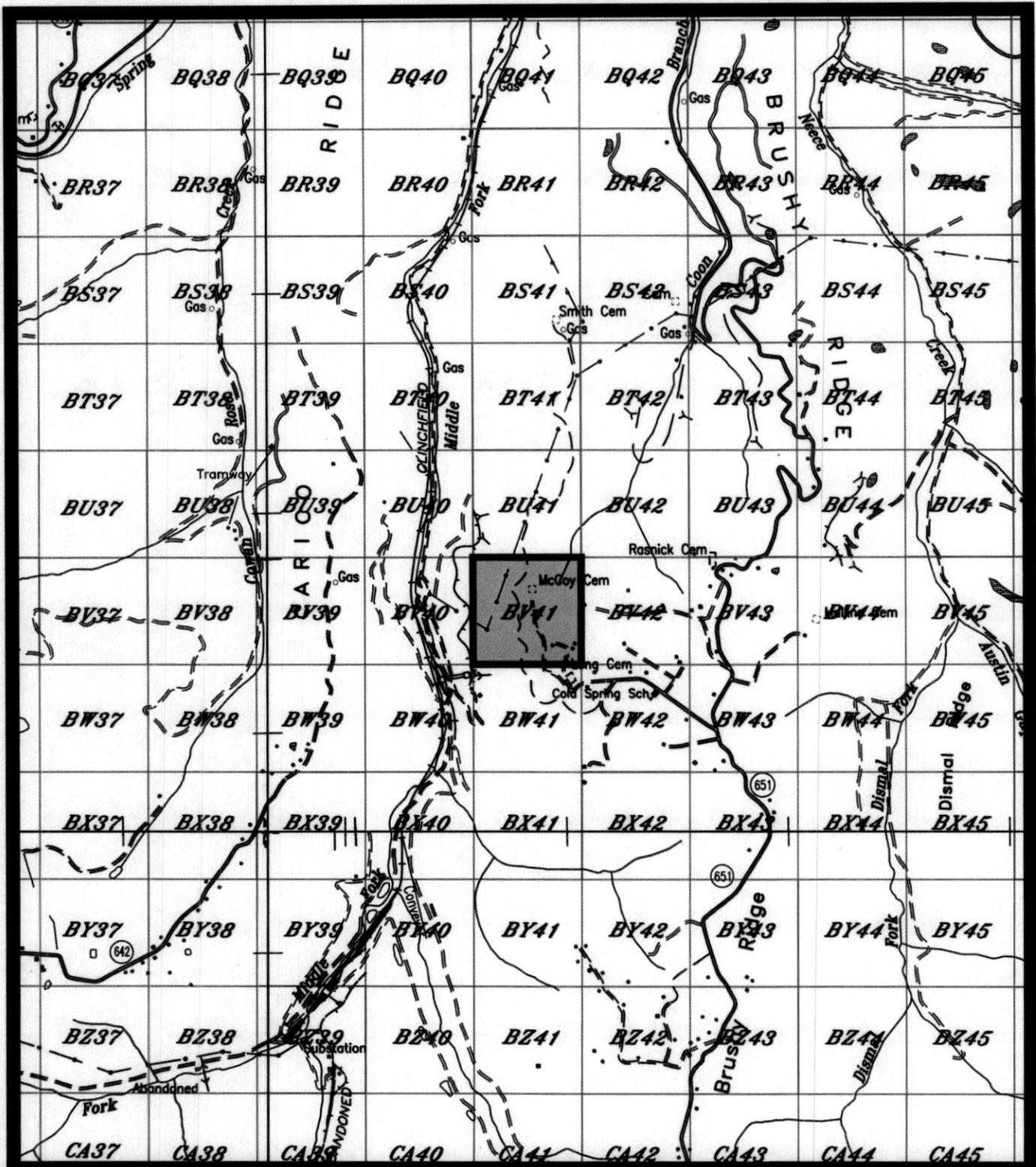


EXHIBIT A
NORA FIELD BV-41
MIDDLE FORK INCREASED DENSITY DRILLING

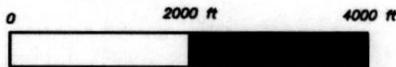


EXHIBIT "B"
Increased Density
Middle Fork (BV-41)

Rose Mary McCoy Sturgill
P.O. Box 3092
5258 Clearwater Road
Wise, VA 24293

James R. McCoy
1262 Tulip Circle
Sevierville, TN 37862

Dwight D. McCoy &
Bonnetta McCoy
489 Cold Springs Road
Nora, VA 24272

Norma McCoy McGill
1143 Hunters Lane, Lot 28
Nashville, TN 37207

Alice Kay McCoy Garrett
100 Kingston Road
Blountville, TN 37617

Harold G. McCoy &
Barbara A. McCoy
662 Cold Springs Road
Nora, VA 24272

Joreen Hammons
5707 W. Kesslers Crossing
Fredericksburg, VA 22407

Charles Kenneth McCoy &
Patricia A. McCoy
847 Cold Springs Road
Nora, VA 24272

Laura Gerlene McCoy Taylor
21014 Lovers Lane
Bristol, VA 24202-4228

James P. Herring and
Debra A. Herring
1431 E. State St. Lot #6
Bristol, TN 37620

EXHIBIT "B"
Increased Density
Middle Fork (BV-41)

Danny Kermit McCoy
21014 Lovers Lane
Bristol, VA 24202-4228

Pam Walker Day
1240 Flatwood Road NW
Ramsey, IND 47166

Arthur Jerry McCoy
847 Cold Springs Road
Nora, VA 24272

Ferrell Doug Reed &
Deirdre Leann Reed
P.O. Box 2007
Clintwood, VA 24228

Carlotta Reed Hawkins &
Ross E. Hawkin
Holly Brook Trailer # 10
Clintwood, VA 24228

Rita Reed Rose
P.O. Box 1631
Clintwood, VA 24228

Gina (Regina) Reed Patterson &
Ralph Patterson
P.O. Box 2003
Clintwood, VA 24228

Brownlow Grizzel
Rt. 1 Box 194
Nora, VA 24279

Mina Lois Summerton &
Robert Lowell Summerton
401 Vine Street
Ashland, OH 44805

Joyce Nell Phillips Cloud
989 N Arthur Street
Fresno, CA 93728

Ruth Phillips
201 Vine Street
Ashland, OH 44805

EXHIBIT "B"
Increased Density
Middle Fork (BV-41)

Larry Phillips &
Jeweleen Phillips
P.O. Box 366
Nora, VA 24279

Danny E. Lee &
Sandra Lee
594 Highland Road

Spencer D. Lee
Autumn D. Lee
478 Cold Spring Road
Nora, VA 24272

Standard Banner Coal Corp
c/o Mike Clisso
P.O. Drawer 750
Wise, VA 24293