

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: EQT Production Company DIVISION OF GAS AND OIL
DOCKET NO. VGOB 89-0126-0009-71

RELIEF SOUGHT: MODIFICATION OF NORA COALBED GAS UNIT NOS:
77AP (VC-531475), 78AP (VC-537305), 79AP (VC-536630), 80AP (VC-537307).

AFFECTED UNITS: (See Attached Exhibit A)

APPLICATION

1. Applicant and its counsel: Applicant is **EQT 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.

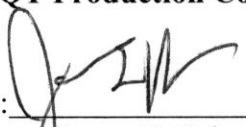
4. Proposed provisions of order sought: That one additional coalbed methane gas well may be drilled in each of the above referenced Nora Units; that the second well be located at least 600 feet from the nearest coalbed methane well; (and that production/royalties from each coalbed methane well drilled 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:** 225 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.

EOT Production Company

By: 

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

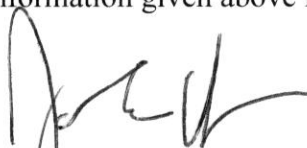
AFFIDAVIT OF DUE OF DILIGENCE

COMMONWEALTH OF VIRGINIA COUNTY OF RUSSELL

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 EQT 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 **September 17, 2010** 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 EQT 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 EQT 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
EQT Production Company

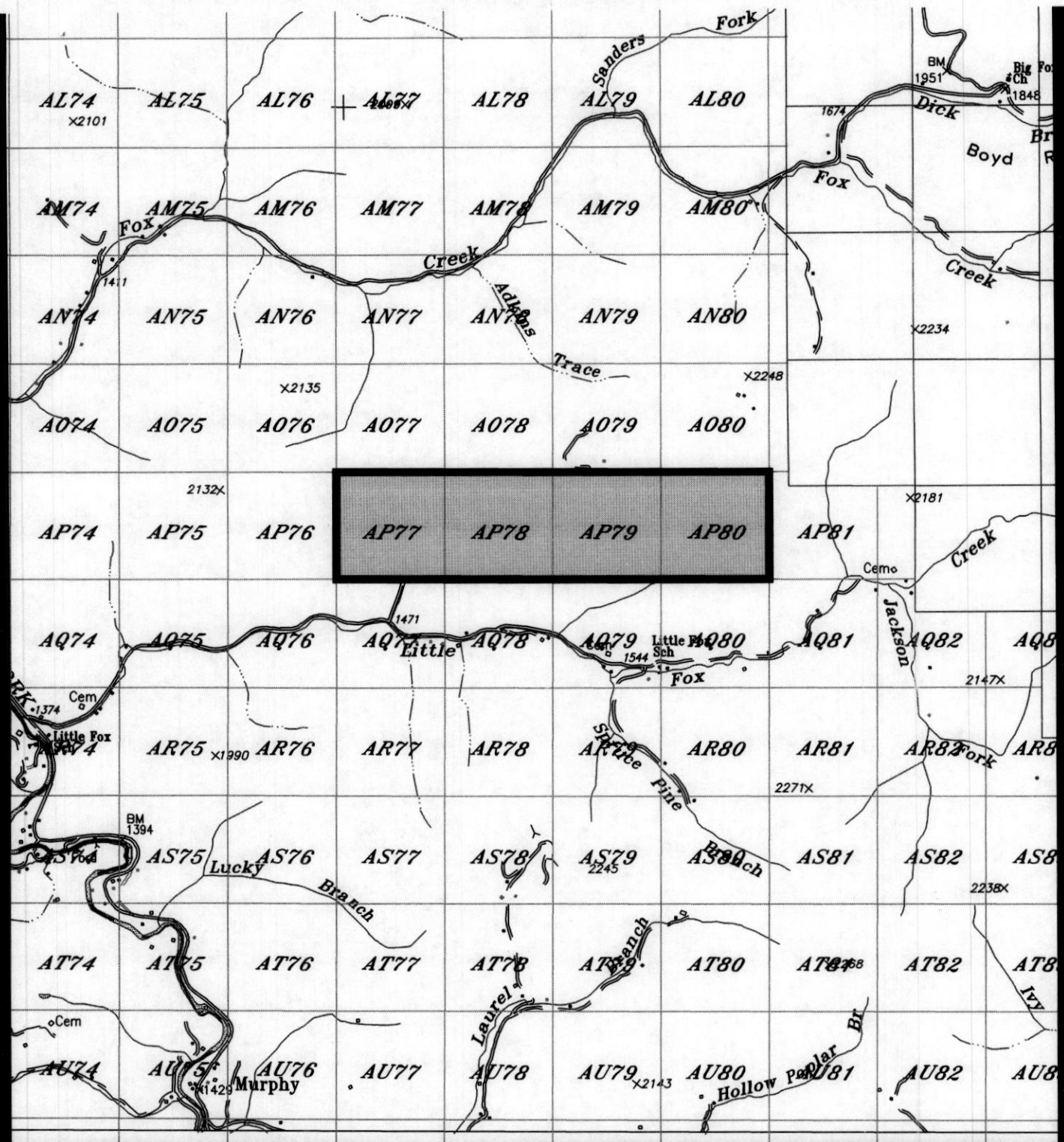


EXHIBIT A
EQT PRODUCTION COMPANY
INCREASED DENSITY DRILLING, NORA FIELD

SCALE: 1" = 2000'

Date: October 19, 2009



"Exhibit B"
Increased Density

Range Resources-Pine Mountain, Inc
ATTN: Jerry Grantham
P. O. Box 2136
Abingdon, VA 24212

ACIN, LLC
ATTN: John Mooney
5260 Irwin Road
Huntington, WV 25705

Chesapeake Appalachia, L.L.C., Lessee
ATTN: Mike Rossiter
6100 N Western Avenue
Oklahoma City, OK 73118

Hurley Ratliff (Life Estate)
1058 Willie Road
Vansant, VA 24656

Barbara Crouse &
Junior Crouse (w/h)
1104 Twin Branch road
Grundy, VA 24614
Remainderman

Linda Duty &
Kermit Duty (w/h)
2584 Hobbs Branch Road
Grundy, VA 24614
Remainderman

Patrica Compton, widow
8240 Beatrice Street
Westland, MI 48185-1870

Bobby Owens &
Molly Owens (h/w)
P.O. Box 11
Haysi, VA 24256

Joseph Dewayne Tiller
3443 Combs Ridge Road
Honaker, VA 24260

Range Resources – Pine Mountain, Inc.

- Request modification to Nora Coalbed Field Rules – Increased Density: Unit 70BE
- Request for spacing variance from existing well 702586 in Unit 70-BD
- Result of drilling issues associated with conventional horizontal well 530100
- Plugging plan (partial plug back) and well modification to be submitted to DGO for approval after Board approval for increased density & spacing variance
- Proposed action plan allows for reasonable salvage of well bore and promotes prevention of resource waste while protecting correlative rights

Map View of Nora CBM Field Increased Density Drilling Previously Board Approved

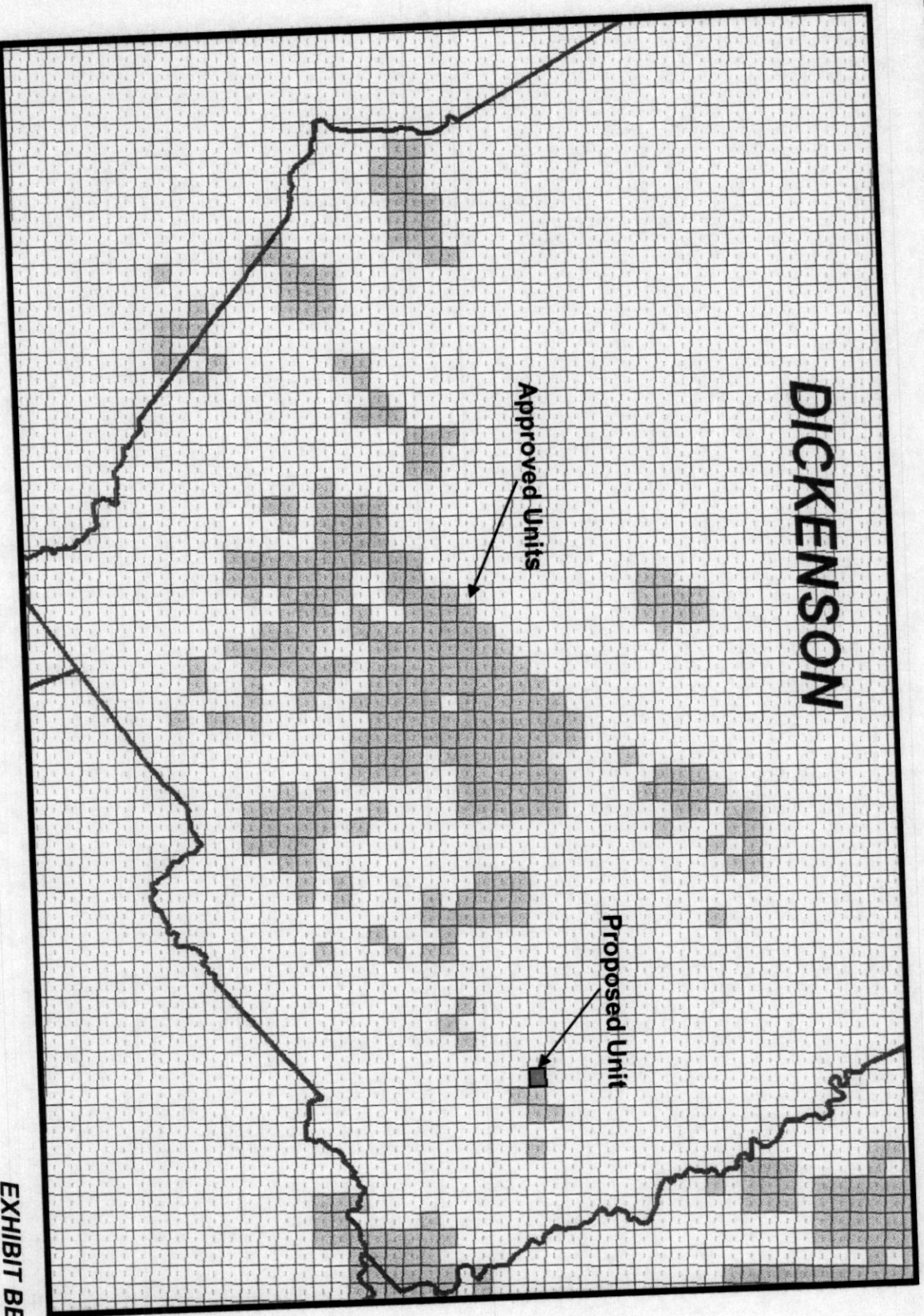
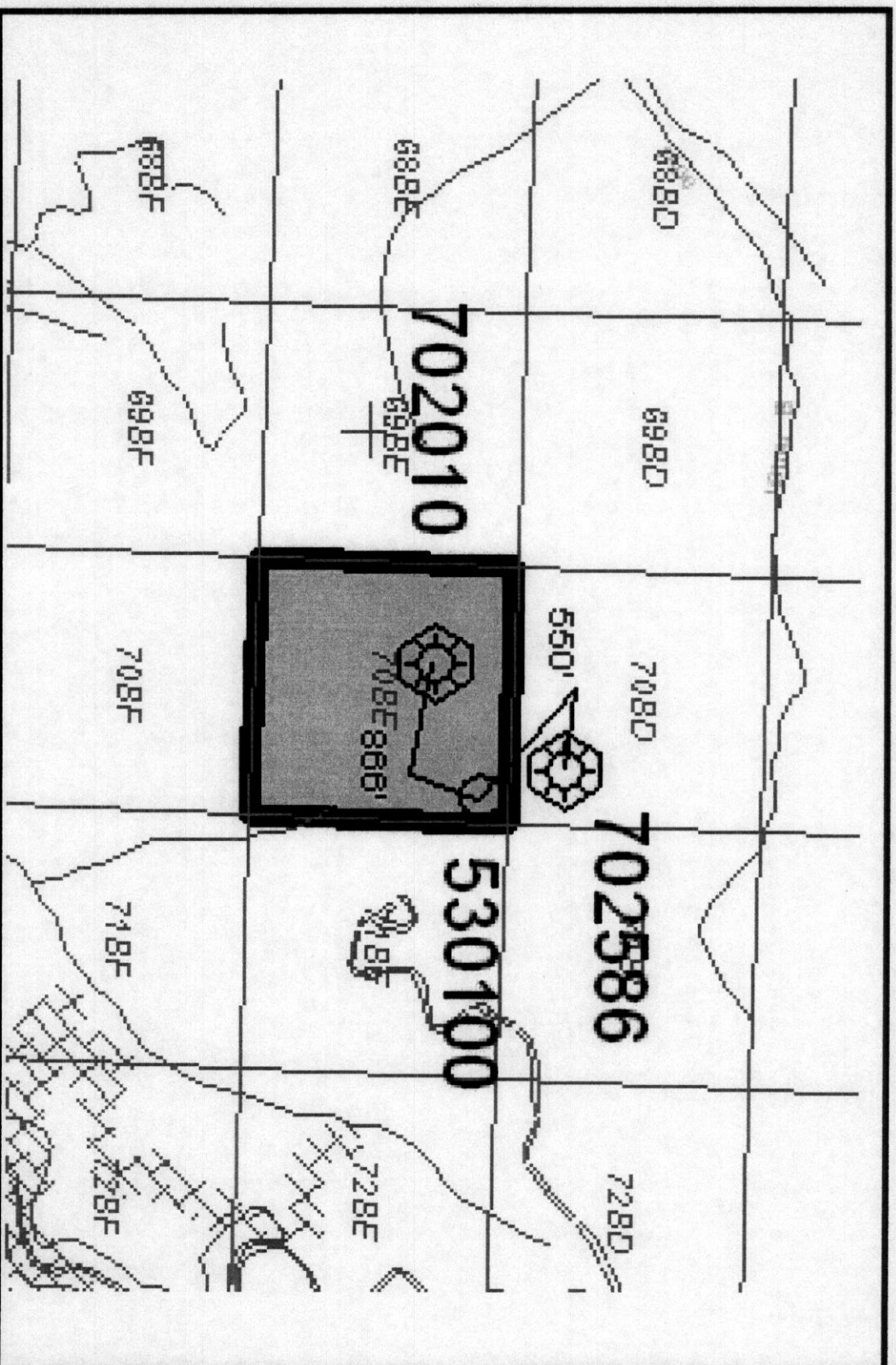


EXHIBIT BB

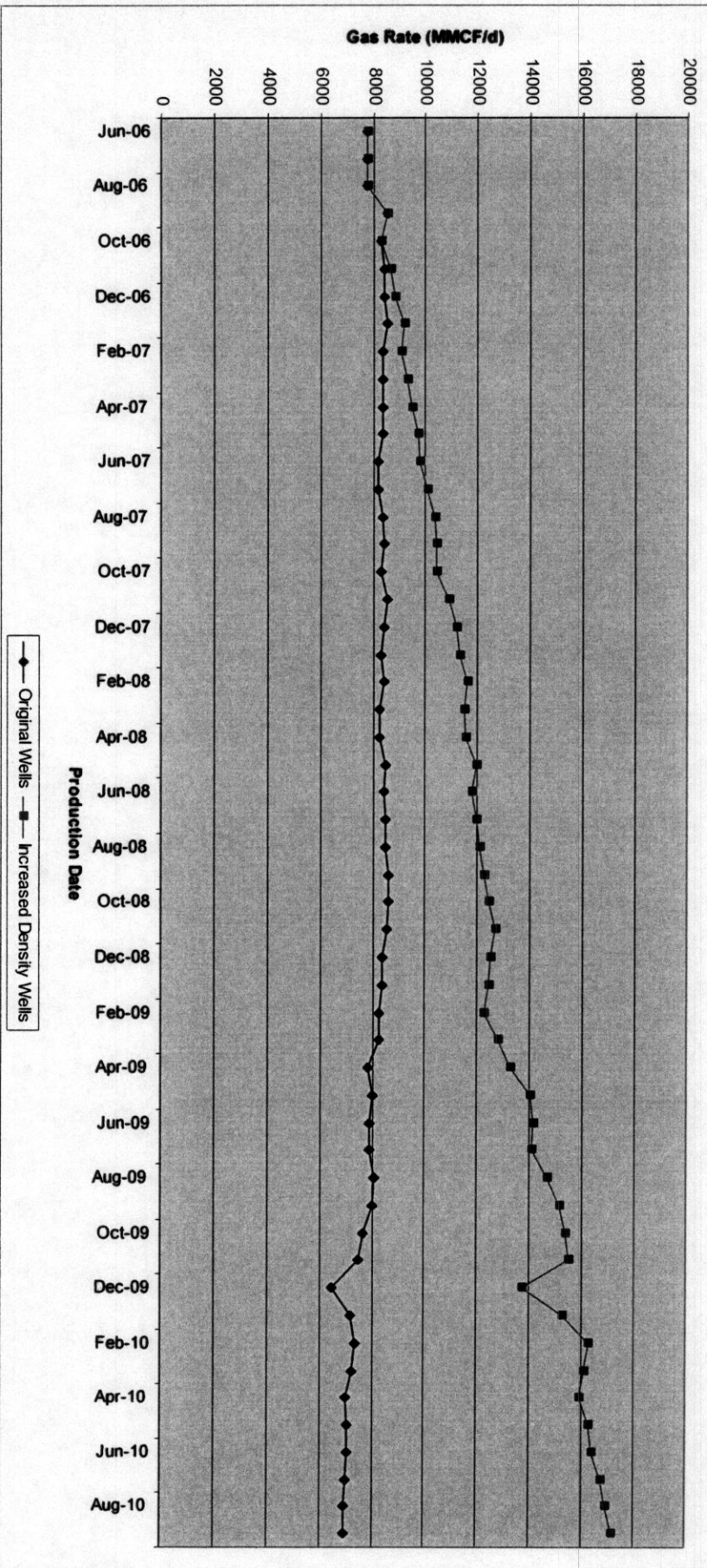
	A	B	C	D	E	F	G	H	I	J
10	688A	688B	688C	688D	688E	688F	688G	688H	688I	688J
9	698A	698B	698C	698D	698E	698F	698G	698H	698I	698J
8	708A	708B	708C	708D	708E	708F	708G	708H	708I	708J
7	718A	718B	718C	718D	718E	718F	718G	718H	718I	718J
6	728A	728B	728C	728D	728E	728F	728G	728H	728I	728J
5	738A	738B	738C	738D	738E	738F	738G	738H	738I	738J
4	748A	748B	748C	748D	748E	748F	748G	748H	748I	748J
3	758A	758B	758C	758D	758E	758F	758G	758H	758I	758J
2	768A	768B	768C	768D	768E	768F	768G	768H	768I	768J
1	778A	778B	778C	778D	778E	778F	778G	778H	778I	778J

EXHIBIT CC

Close up - Map View of Existing Well Locations Impacted



Increased Density Drilling Nora Field Thru 9-2010 Gross Volumes



Benefits of Increased Density Drilling

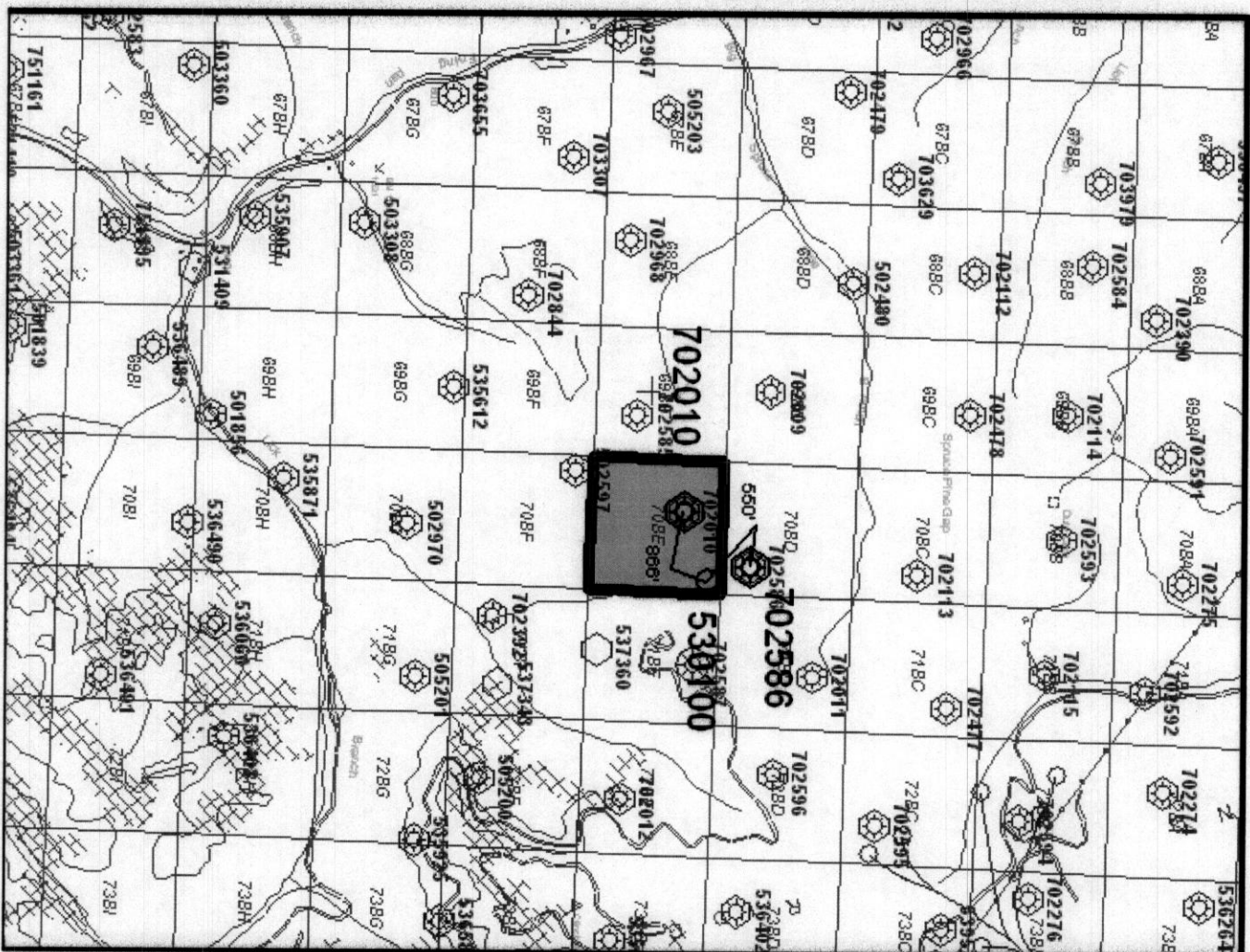
- Increase fracturing network promoting gas flow at low pressure
- Decrease de-watering time frame
- Increase recovery factor of reservoir
- Reservoir production achieved faster and more economical
- No significant negative impact to 1st well production, do generally see improvement in existing production

Infill drilling from 2006 – 2010

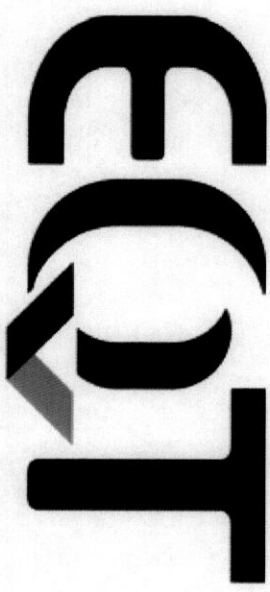
Production represents 176 units

EXHIBIT EE

This map for
information only, not
included with
presentation



Increased Density CBM Grids



Where energy meets innovation.SM

November 2010

AA.

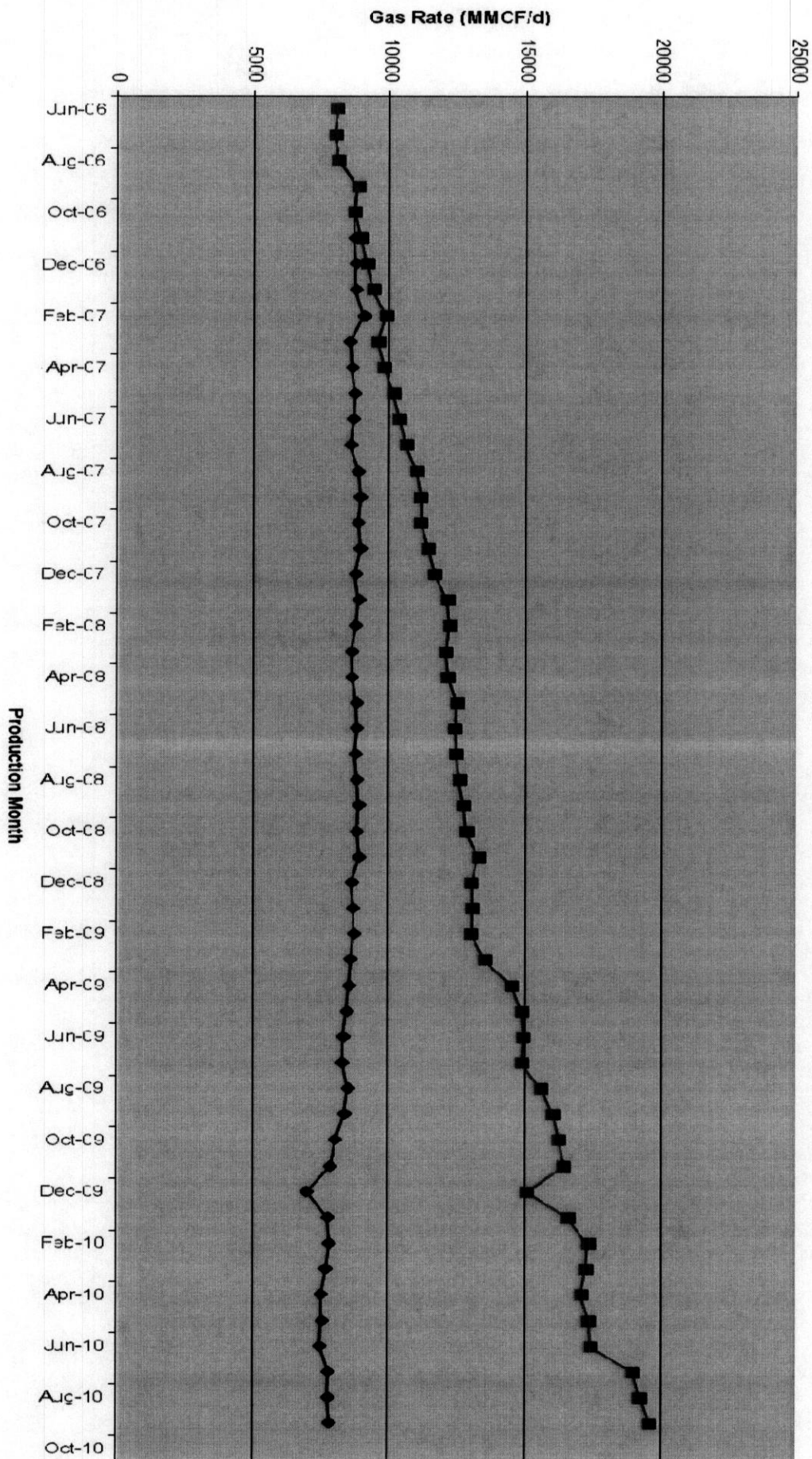
**Virginia CBM Increased Density Drilling/Production Summary
thru 9/30/2010**

	Number of Wells Drilled	Cumulative Production (MMCF)	Rate (MMCF/d)
2006	16	1,503	1.001
2007	35	2,057	7.25
2008	22	931	7.68
2009	87	2,522	10.51
2010	21	230	9.41
Total	181	7,243	35.85

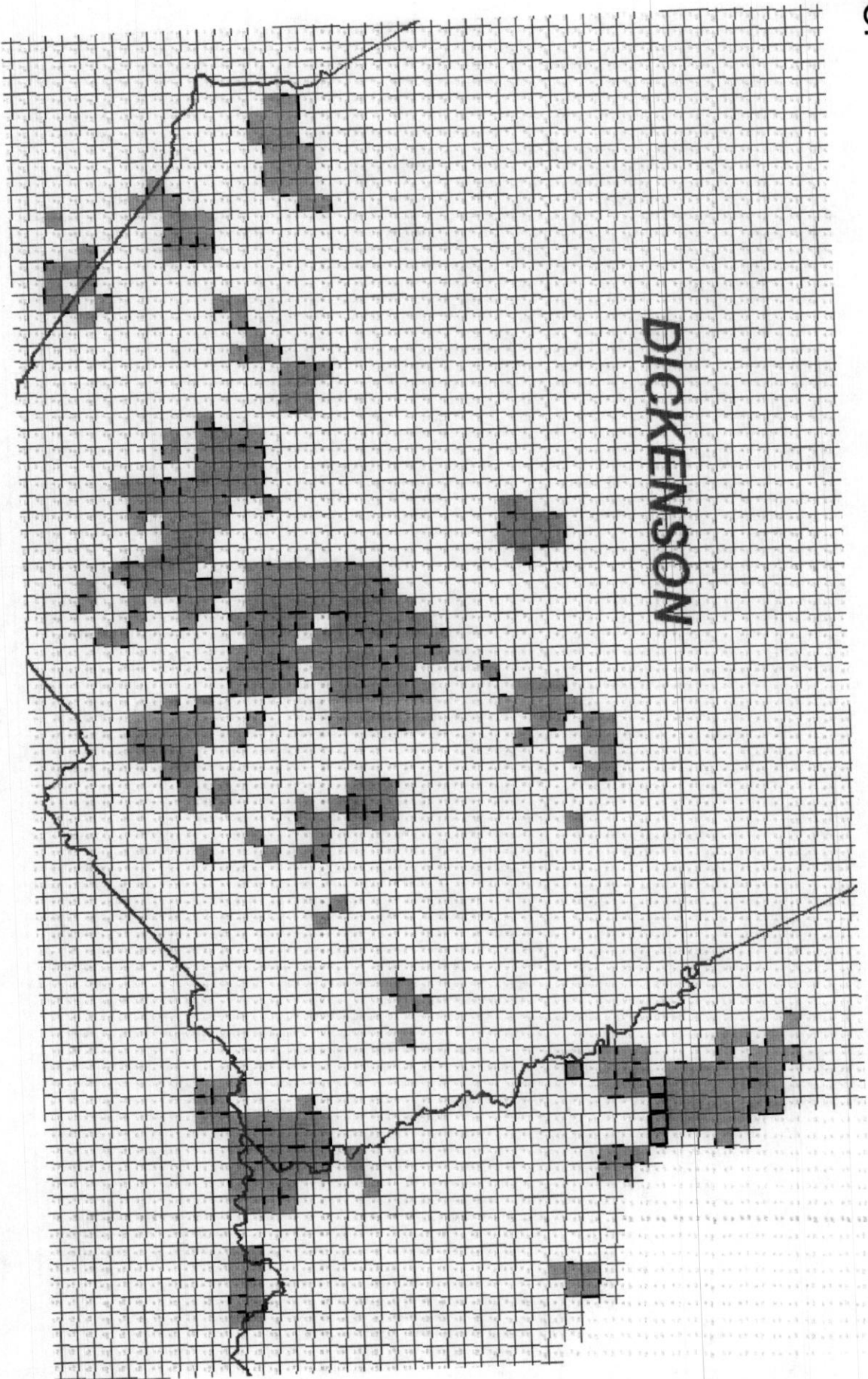
(11/16/2010)

BB.

EQT Increased Density Drilling Nora Field Thru 9-2010 Gross Volumes



(11/16/2010)



■ November 2010
■ Previously Approved

(11/10/2010)

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November 2010

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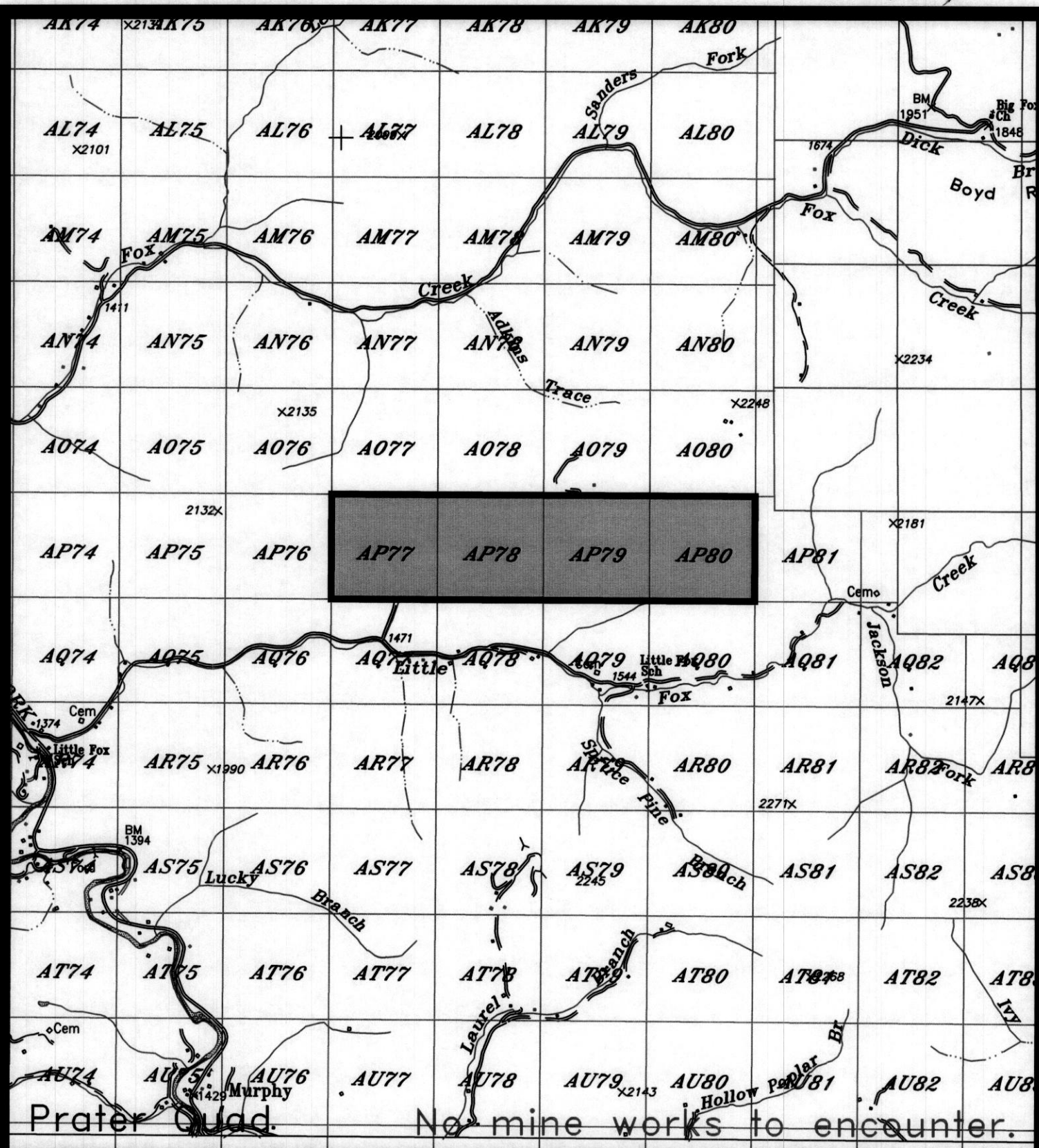


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EQT PRODUCTION COMPANY
INCREASED DENSITY DRILLING, NORA FIELD

SCALE: 1" = 2000'

Date: November 16, 2010

