

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EQUITABLE RESOURCES ENERGY COMPANY, a West Virginia Corporation	VIRGINIA GAS AND OIL BOARD
RELIEF SOUGHT:	MODIFICATION OF: (1) VIRGINIA OIL AND GAS CONSERVATION BOARD (OGCB) ORDER NO. 3-90 ENTERED MAY 18, 1990 AND VIRGINIA GAS AND OIL BOARD (VGOB) ORDER NOS. 93-0216-0325 ENTERED APRIL 5, 1993 and 93-0316- 0348 ENTERED OCTOBER 23, 1993 (herein collectively "Oakwood I Order"); (2) VGOB ORDER NOS. 91-1119-0162 ENTERED MAY 28, 1992, 93-0216-0336/93-0316-0349 ENTERED JUNE 23, 1993, AND 93-0316-0348 ENTERED OCTOBER 23, 1993 (herein collectively "Oakwood II Order"); AND (3) OGCB ORDER NO. 9-89 ENTERED MARCH 20, 1989 and VGOB Order No. 89-0126-0009-01 ENTERED DECEMBER 2, 1996 (herein collectively "Nora Order") FOR THE PURPOSE OF REDEFINING THE BOUNDARY LYING BETWEEN COALBED METHANE FIELD CREATED BY THE NORA ORDER (herein "Nora Field") AND THE COALBED METHANE GAS FIELDS CREATED BY THE OAKWOOD I ORDER (herein "Oakwood I Field") AND BY THE OAKWOOD II ORDER (herein "Oakwood II Field") TO EXCLUDE THE AREA IN BUCHANAN COUNTY, VIRGINIA, DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B (herein "Subject Lands") FROM THE OAKWOOD I FIELD AND FROM THE OAKWOOD II FIELD AND TO INCLUDE SUBJECT LANDS WITHIN THE NORA FIELD AND FURTHER TO ESTABLISH DRILLING UNITS WITHIN THE AREA DEPICTED IN EXHIBIT A WHICH ARE CONSISTENT WITH THOSE ESTABLISHED BY THE NORA ORDER FOR THE NORA FIELD	DOCKET NUMBER VGOB 93-0316-0348-01
LEGAL DESCRIPTION:	SUBJECT LANDS ARE DESCRIBED IN EXHIBIT A HERETO AND ARE DEPICTED IN EXHIBIT B HERETO	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (herein "Board") at 9:00 a.m. on September 17, 1996, Dickenson Conference Room, Southwest Virginia 4-H Center, Abingdon, Virginia.

2. Appearances: James E. Kaiser of Hunter, Smith & Davis appeared for the Applicant, and Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.

3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon Applicant's representations to the Board, the Board also finds that the Applicant has given notice to each gas or oil owner, coal owner, or mineral owner within the Subject Lands (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code §§ 45.1-361.19 and 45.1-361.20 to notice of this application.

4. Amendments: None.

5. Dismissals: None.

6. Relief Requested: Applicant seeks to modify the coalbed methane gas fields established by the Nora Order, the Oakwood I Order and the Oakwood II Order with respect to their applicability to Subject Lands to: (1) exclude the Subject Lands from the Oakwood I Field and from the Oakwood II Field (2) include the Subject Lands within the Nora Field, and (3) establish drilling units within the Subject Lands consistent with those established by the Nora Order.

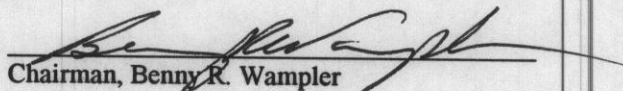
7. Relief Granted: Available data and the evidence adduced at the hearing show that the Pool underlying the Subject Lands has the same characteristics as, and a similar nature to, the Pool underlying the Nora Field, and that the Subject Lands should be treated as a common coalbed methane pool or reservoir, subject to the field rules established by the Nora Order; therefore, the requested relief in this cause be and hereby is granted, and, pursuant to Va. Code §45.1-361.20 the Oakwood I Order, the Oakwood II Order and the Nora Order are modified and amended in the following respects:

- a. Paragraphs 7.a. 1. And 7.c. of VGOB Order No. 93-0316-0348, are modified to less and except, i.e., exclude, the Subject Lands.
- b. Commencing on the effective date of this Order, the Subject Lands shall no longer be a part of the Oakwood I Field or of the Oakwood II Field, but rather Subject Lands shall be incorporated into and become a part of the Nora Field.
- c. Consistent with the Nora Order, drilling units are established within and for the Subject Lands as depicted on Exhibit B hereto.

8. Conclusion: Therefore, the relief considered in accordance with the terms and provisions set forth in Paragraph 7 above be and hereby is granted and IT IS SO ORDERED.

9. Effective Date: This Order shall be effective as of September 17, 1996.

DONE AND EXECUTED this 19th day of December, 1996, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

DONE AND PERFORMED this 19th day of January, 1996, by Order of this Board.

Byron T. Fulmer
Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 19th day of December, 1996, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Susan G. Garrett
Susan G. Garrett
Notary Public

My commission expires: 07/31/98

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 19th day of December, 1996, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive t the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis
Diane J. Davis
Notary Public

My commission expires 9/30/97

EXHIBIT A
LEGAL DESCRIPTION OF SUBJECT LANDS

BEGINNING at latitude $37^{\circ} 07' 30''$ longitude $82^{\circ} 07' 30''$ being the S W corner of Unit FF1, thence north to the N W corner of Unit DD1, thence west to S W corner of Unit CC0, thence north to S W corner of Unit BB0, thence west to S W corner of Unit BB-1, thence north to N W corner of Unit BB-1, thence west to S W corner of Unit AA-2, thence north N W corner of Unit W-2, thence west to S W corner of Unit V-4, thence south to S W corner of Unit FF-4, thence east to point of BEGINNING.

