

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EQUITABLE RESOURCES	)	DIVISION OF
	EXPLORATION, a Division of	)	GAS AND OIL
	Equitable Resources Energy	)	
	Company, a West Virginia	)	DOCKET NO.
	Corporation,	)	VGOB 94-1024-0482
		)	
RELIEF SOUGHT:	EXCEPTION TO	)	
	STATEWIDE SPACING	)	
	LIMITATIONS PRESCRIBED	)	
	BY VIRGINIA CODE ANN.	)	
	§ 45.1-361.17(A)(2)	)	
		)	
LEGAL DESCRIPTION:		)	
		)	
	WELL NUMBER V-3399	)	
	HAYSI QUADRANGLE	)	
	SANDLICK MAGISTERIAL DISTRICT	)	
	DICKENSON COUNTY, VIRGINIA	)	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This cause came on for hearing before the Virginia Gas and Oil Board (hereinafter "Board") at 9:00 a.m. on October 24, 1994, at the Rhododrendron Restaurant, Breaks Interstate Park, Breaks, Virginia.

2. Appearances: Mark A. Swartz of Kay, Casto, Chaney, Love & Wise appeared for the Applicant; and Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.

3. Notice and Jurisdiction: The Board finds that it has jurisdiction over the subject matter. The Board also finds that the applicant has exercised due diligence to locate and provide notice to all persons/companies entitled to notice of this proceeding.

4. Relief Requested: Applicant requests an exception to statewide spacing requirements set forth in Section 45.1-361.17 of the Code of Virginia for Well Number V-3399 for the development and operation of Non-coalbed Methane Gas (herein "Conventional Gas") from the Lee Sands, Ravencliff, Maxon, Big Lime, Weir, Coffee Shale, Berea and Devonian Shale formations ("Subject Formations"). The Applicant requests the Board's consent to drill Well Number V-3399 2,191.79 feet from Well Number V-2266.

5. Amendment: None.

6. Reasons Relief Should be Granted: Evidence presented on behalf of the Applicant shows, and the Board finds, that based on the deposition of the common sources of supply anticipated between surface and total depth projected to be drilled, the proposed location exception represents the optimum location to recover commercially productive Conventional Gas from Subject Formations underlying the drilling and spacing unit depicted in Exhibit A hereto (herein "Subject Drilling Unit").

A qualified engineer testified that the location exception was necessary due to the geological probability of success in the Russell Fork fault trapping mechanism, and to minimize the risk of a dry hole, and that the granting of the location exception was in the best interest of

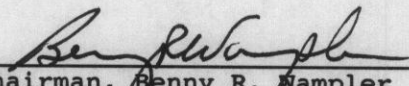
preventing waste, protecting correlative rights and maximizing recovery of Conventional Gas underlying Subject Drilling Unit.

7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number V-3399 2,191.79 feet from Equitable Well V-2266 at the location depicted on Exhibit A hereto.

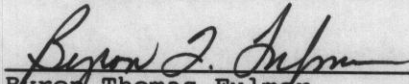
8. Findings: That the well location exception, in accordance with the foregoing, is necessary to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.

9. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 5th day of December, 1994, by a majority of the Virginia Gas and Oil Board.

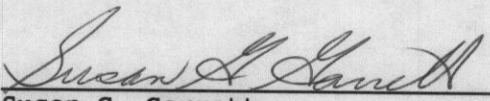

Chairman, Benny R. Wampler

DONE AND PERFORMED this 5th day of December, 1994, by Order of this Board.


Byron Thomas Fulmer
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

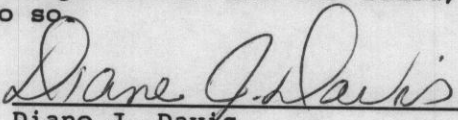
Acknowledged on this 5th day of December, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

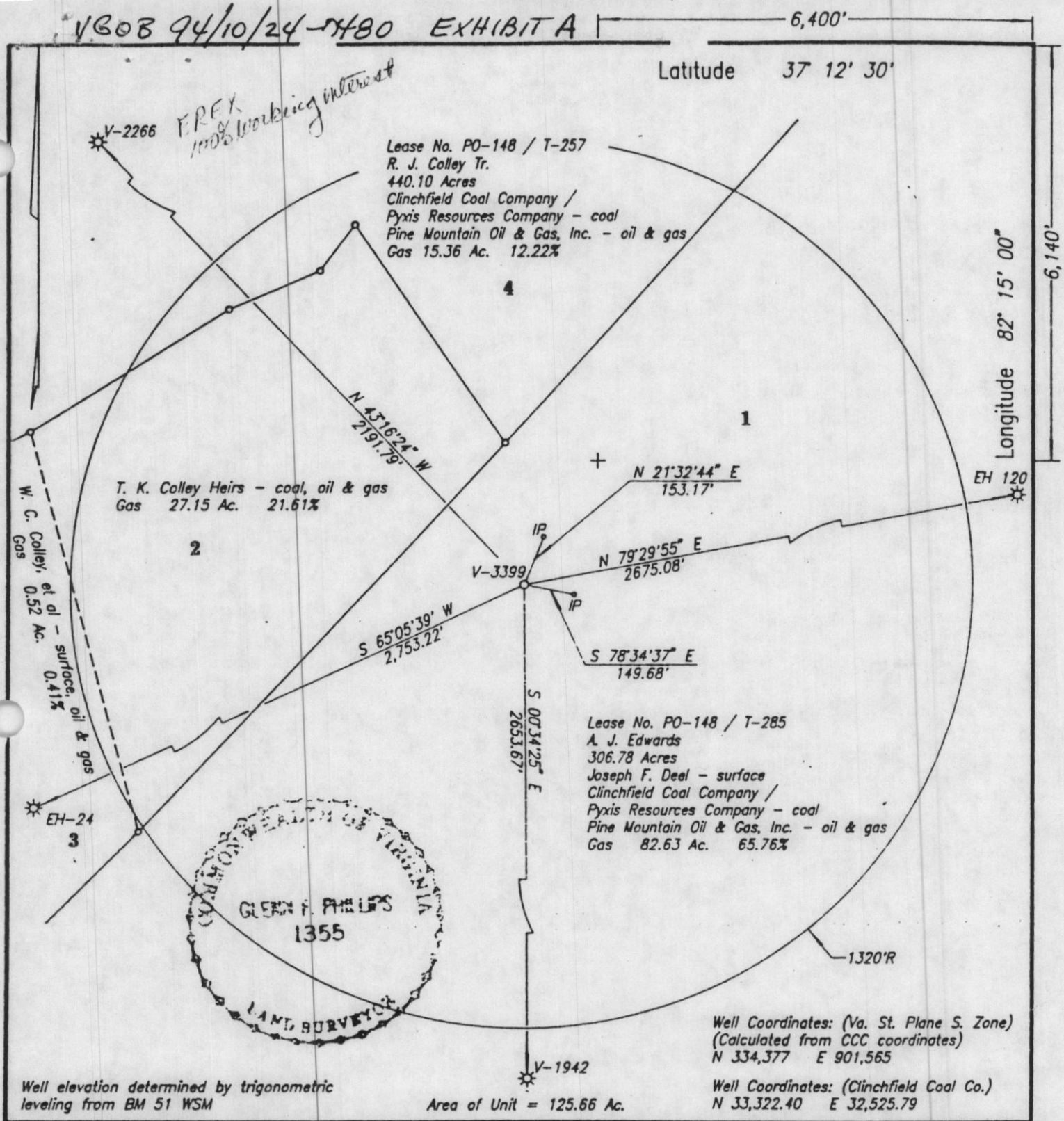
My commission expires 7/31/98

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 5th day of December, 1994, 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 to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires 9/30/97



WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER V-3399
TRACT NO. PO-148 / T-257 ELEVATION 1701.05 QUADRANGLE Haysi
COUNTY Dickenson DISTRICT Sandlick SCALE 1" = 400' DATE 9-01-1994
This Plat is a new plat x; an updated plat ; or a final location plat

+ 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.

Glen F. Phillips

Licensed Professional Engineer or Licensed Land Surveyor