

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 95-0919-0519
		)	
RELIEF SOUGHT:	EXCEPTION TO	)	
	STATEWIDE SPACING	)	
	LIMITATIONS PRESCRIBED	)	
	BY VIRGINIA CODE ANN.	)	
	§ 45.1-361.17(A)(2)	)	
		)	
LEGAL DESCRIPTION:		)	
		)	
	WELL NUMBER VAD-2374,	)	
	VICC TRACT NO. WI-202	)	
	COEBURN QUADRANGLE	)	
	LIPPS MAGISTERIAL DISTRICT	)	
	WISE 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 September 19, 1995, Ratliff Hall, Southwest Virginia Education 4-H Center, Abingdon, Virginia.

2. Appearances: James E. Kaiser of Hunter, Smith & Davis appeared for the Applicant.

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 VAD-2374 for the development and operation of Coalbed Methane Gas (herein "Coalbed Gas") and Non-coalbed Methane Gas (herein "Conventional Gas") from the surface to total depth drilled of 5,395 feet in the Mississippian and Devonian Age formations including the Base Lee Sands, Ravencliff, Maxon, Big Lime, Borden, Coffee Shale, Berea and Devonian Shales formations ("Subject Formations"). The Applicant requests the Board's consent to drill Well Number VAD-2374 2,374.350 feet from existing EREX Well Number P-94 at the location depicted on Exhibit A hereto.

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 (1) is within the interior window of the Nora Coal Bed Gas Field Unit in which it is located and is located at a point in said unit which is at least 300 feet from the outside boundary of said unit as required by Paragraph 2 of the Oil and Gas Conservation Board's order establishing Drilling Units for the Nora Coal Bed Gas Field in Dickenson, Wise, Russell and Buchanan Counties, Virginia entered March 20, 1989; and (2) as the location of a dual completion well, 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").

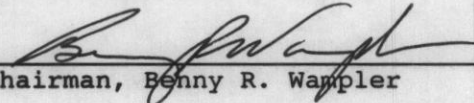
A qualified engineer testified that the location exception was necessary due to topographical considerations, and that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of Conventional Gas underlying Subject Drilling Unit.

7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number VAD-2374 2,374.35 feet from existing EREX Well P-94, all as depicted on Exhibit A hereto.

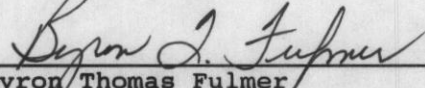
8. Findings: That the well location exception, in accordance with the foregoing, is necessary to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.

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

DONE AND EXECUTED this 3rd day of November, 1995, by a majority of the Virginia Gas and Oil Board.

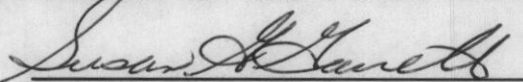

Chairman, Benny R. Wampler

DONE AND PERFORMED this 3rd day of November, 1995, 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 3rd day of November, 1995, 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

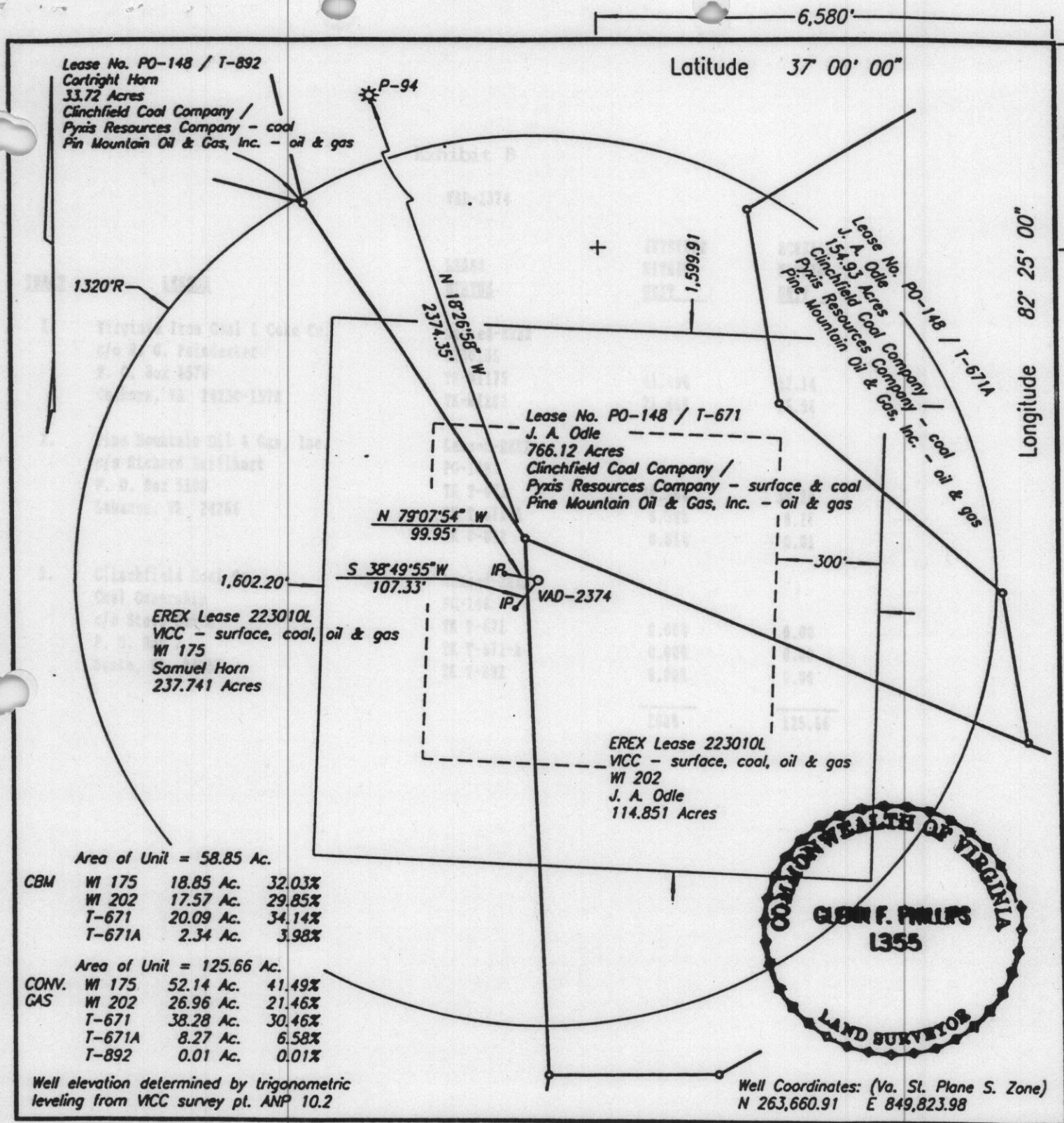
My commission expires 7/31/98

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 3rd day of November, 1995,
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
Diane J. Davis
Notary Public

My commission expires 9/30/97



WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER VAD-2374
TRACT NO. WI 202 ELEVATION 2236.08 QUADRANGLE Coeburn
COUNTY Wise DISTRICT Lipps SCALE 1" = 400' DATE 7-27-1995

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