

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 95-1024-0525
		)	
RELIEF SOUGHT:	EXCEPTION TO	)	
	STATEWIDE SPACING	)	
	LIMITATIONS PRESCRIBED	)	
	BY VIRGINIA CODE ANN.	)	
	§ 45.1-361.17(A)(2)	)	
		)	
LEGAL DESCRIPTION:		)	
		)	
	WELL NUMBER V-2534,	)	
	PVRC TRACT NO. 689	)	
	FLAT GAP QUADRANGLE	)	
	GLADLEVILLE 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 October 24, 1995, Rhododendron Restaurant, Breaks Interstate Park, Breaks, Virginia.
2. Appearances: James E. Kaiser of Hunter, Smith & Davis appeared for the Applicant; 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 Va. Code § 45.1-361.17 for Well Number V-2534 for the development and operation of Non-coalbed Methane Gas (herein "Conventional Gas") from the surface to total depth drilled of 5,400 feet in the Mississippian and Devonian Age formations including the Base Lee Sands, Ravencliff, Maxon, Big Lime, Borden, Coffee Shale, Berea, White Slate and Devonian Shale formations ("Subject Formations"). The Applicant requests the Board's consent to drill Well Number V-2534 2,509.04 feet from existing EREX Well Number V-2420, and 2,020.18 feet from existing EREX well VPA 133734 (sometimes also identified as Well 10135 and identified in the Application and on the Plat as Well 10235) 10235, at the locations 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 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").

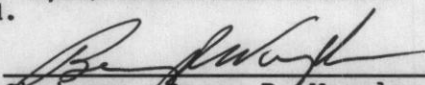
A qualified engineer testified that the location exception was necessary due to topographical considerations, and that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of Conventional Gas underlying Subject Drilling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

7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number V-2534 2,509.04 feet from existing EREX Well V-2420 and 2,020.18 feet from existing EREX well (sometimes also identified as Well 10135 and identified in the Application and on the Plat as Well 10235) 10235, all as depicted on Exhibit A hereto.

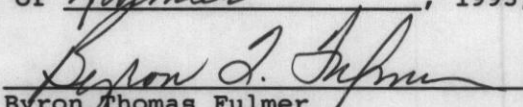
8. Findings: That the well location exception, in accordance with the foregoing, is necessary to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.

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

DONE AND EXECUTED this 15th day of November, 1995, by a majority of the Virginia Gas and Oil Board.

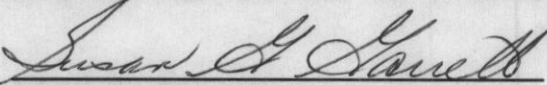

Chairman, Benny R. Wampler

DONE AND PERFORMED this 15th 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)

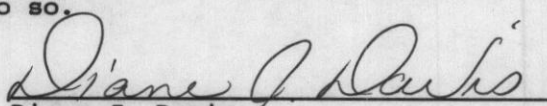
Acknowledged on this 15th day of November, 1995, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

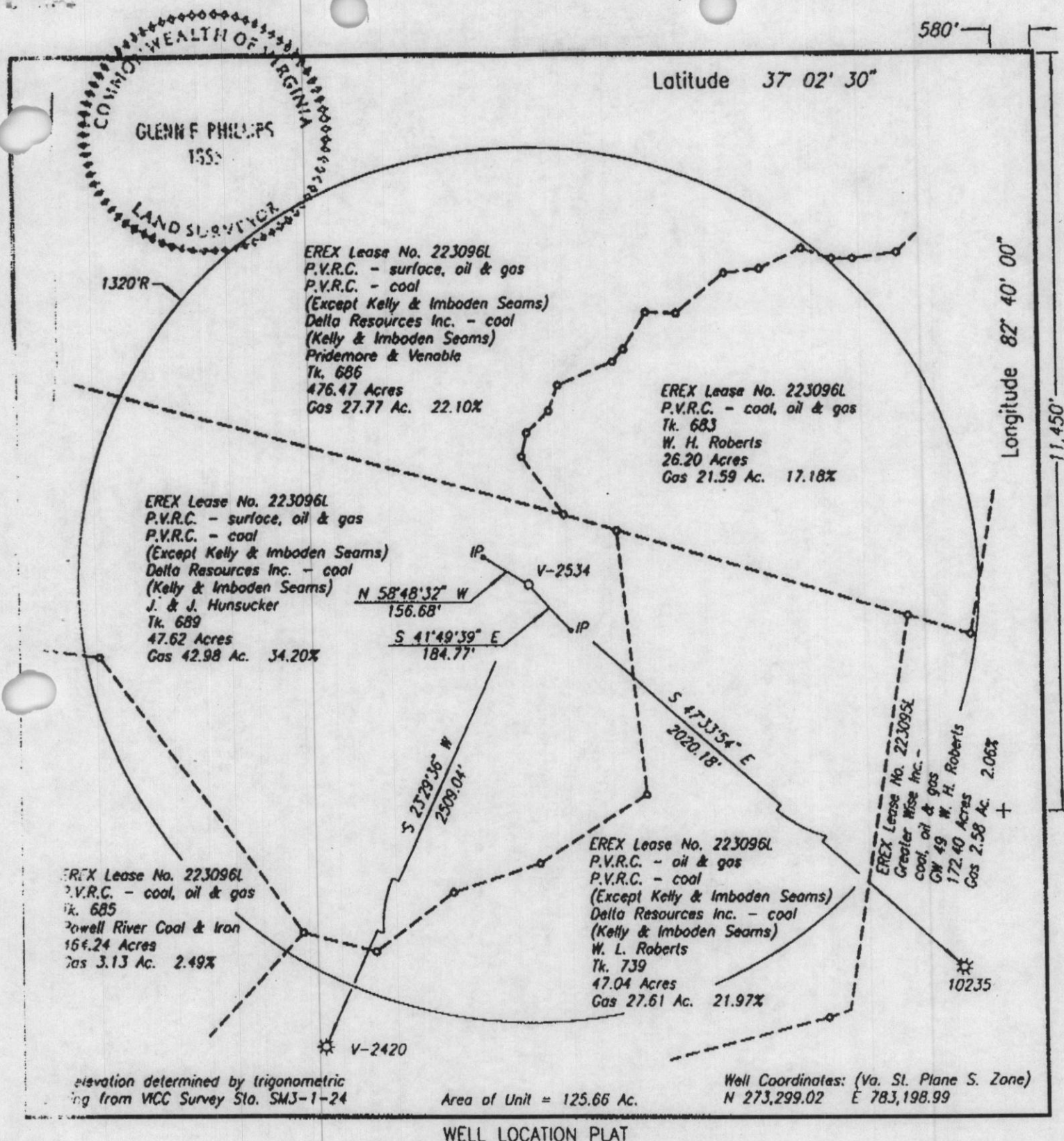
My commission expires 7/31/98

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 15th 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
Notary Public

My commission expires 9/30/97



WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER V-2534
TRACT NO. 689 ELEVATION 2,464.52 QUADRANGLE Flat Gap
COUNTY Wise DISTRICT Gladeville SCALE 1" = 400' DATE 9-18-1995
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.

Glenn F. Phillips

Licensed Professional Engineer or Licensed Land Surveyor