

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: EQUITABLE RESOURCES EXPLORATION, a)
division of Equitable Resources)
Energy Company)
RELIEF SOUGHT: POOLING OF INTERESTS IN DRILLING) VIRGINIA GAS AND
UNIT SERVED BY WELL NO. VC-3305) OIL BOARD
LOCATED IN THE NORA COALBED GAS)
FIELD II AND DEPICTED IN EXHIBIT) DOCKET NO.
A HERETO (herein "Subject Drilling) VGOB 96-0220-0535
Unit") PURSUANT TO VA. CODE)
§45.1-361.22 FOR THE PRODUCTION OF)
OCCLUDED NATURAL GAS FROM)
COALBEDS AND ROCK STRATA)
ASSOCIATED THEREWITH (herein)
collectively referred to as)
"Coalbed Methane Gas" or "Gas"))
LEGAL DESCRIPTION:)
DRILLING UNIT SERVED BY WELL)
NUMBER VC-3305 IN THE NORA COALBED)
GAS FIELD, E. L. KISER 261.48 ACRE)
TRACT, DUTY QUADRANGLE,)
CASTELWOOD MAGISTERIAL DISTRICT,)
RUSSELL COUNTY, VIRGINIA)
(the "Subject Lands" are more)
particularly depicted in)
Exhibit A attached hereto and)
made a part hereof))

REPORT OF THE BOARD

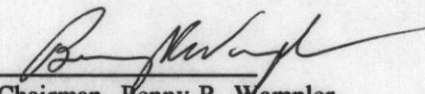
FINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on February 20, 1996, Ratliff Hall, Southwest Virginia Education 4-H Center, Abingdon, Virginia.
2. Appearances: James E. Kaiser of the firm Hunter, Smith & Davis appeared for the Applicant; Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.
3. Jurisdiction: Pursuant to Va. Code § 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter.
4. Relief Requested: Equitable Resources Exploration's application in this matter sought to have the Board: (1) pool the rights, interests and claims of the gas and/or oil owners in Subject Drilling Unit for the drilling and operation, including production thereof, from the pool defined as all Pennsylvanian aged coals from the top of the Raven, including all splits to the top of the red and green shales, including, but not limited to the Raven

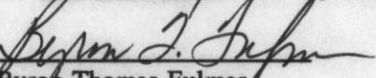
Jawbone, Upper Horsepen, Middle Horsepen, War Creek, Beckley, Lower Horsepen, Pocahontas No. 8, Pocahontas No. 4, Pocahontas No. 3, Pocahontas No. 1, and various unnamed coal seams, coalbeds and rock strata associated therewith ("Subject Formations") underlying and comprised of the lands depicted in Exhibit A hereto ("Subject Lands"); and (2) name the Applicant as the Operator of Subject Drilling Unit. At the hearing of this matter on February 20, 1996, Applicant advised the Board that it had reached voluntary lease agreements with all gas and/or oil owners in interest and asked that the Applicant be permitted to withdraw its Application for the compulsory pooling of Subject Drilling Unit.

5. Relief Granted: Based upon Applicant's representation that they have reached voluntary agreements with all gas owners in interest, the Board finds that the Application filed herein for the compulsory pooling of Subject Drilling Unit is moot, and therefore, grants Applicant's Motion to Withdraw same.

DONE AND EXECUTED this 29th day of February, 1996 by the Chairman in behalf of the Virginia Gas and Oil Board.

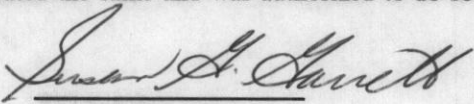

Chairman, Benny R. Wampler

DONE AND PERFORMED this 29th day of February, 1996 by Order of the Board.


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

COMMONWEALTH OF VIRGINIA)
COUNTY OF WISE)

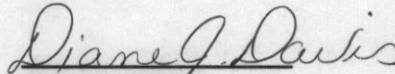
Acknowledged on this 29th day of February, 1996, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires 7/31/98

COMMONWEALTH OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 29th day of February 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 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

EREX LEASE PO-148
TRACT T-429
S.J. TILLER
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - COAL
PINE MOUNTAIN OIL AND GAS - OIL AND GAS
7.50 ACRES
CBM 5.03 ACRES 8%

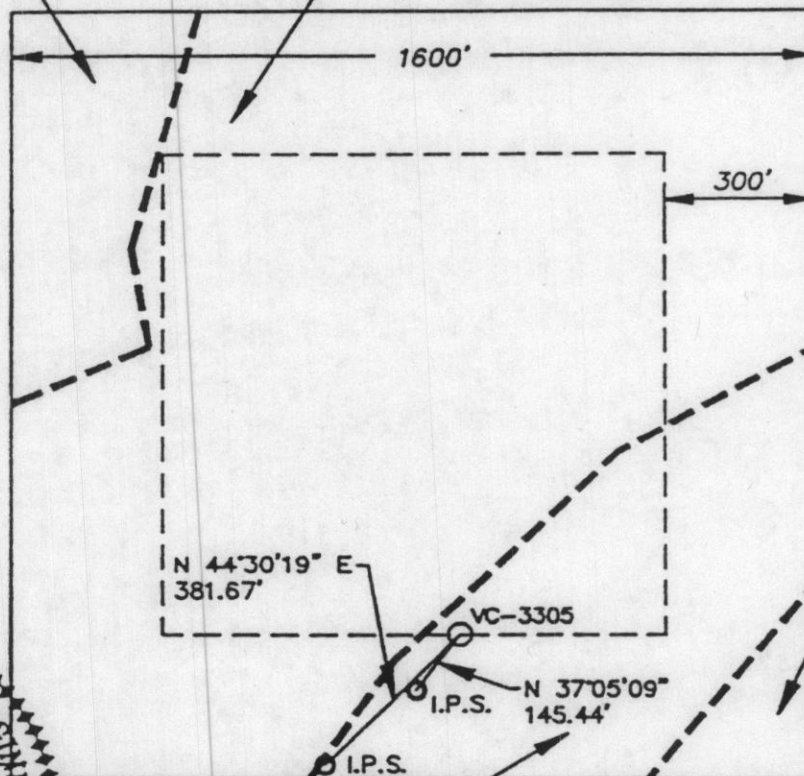
Tract #4

Tract #3
EREX LEASE PO-148
TRACT T-430
S.J. TILLER
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - SURFACE AND COAL
PINE MOUNTAIN OIL AND GAS - OIL AND GAS
164.31 ACRES
CBM 41.27 ACRES 71%

Latitude 37°02'30"

1200

Longitude 82°07'30"



EREX LEASE PO-1042
TRACT TC-214
E.L. KISER
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY - SURFACE AND COAL
261.48 ACRES

Tract #1

Tract #2
EREX LEASE PO-1042
TRACT TC-214
E.L. KISER
CLINCHFIELD COAL COMPANY/
PYXIS RESOURCES COMPANY
SURFACE AND COAL
261.48 ACRES

LEASE 243912L
G.W. KISER HEIRS
OIL AND GAS
31 ACRES
CBM 1.56 ACRES 2%

LEASE 243912L
G.W. KISER HEIRS - OIL AND GAS
34 ACRES
CBM 10.91 ACRES 19%

WELL COORDINATES:
VA. ST. PLANE S. ZONE NAD 27
(CALCULATED FROM CCC COORDINATES)
N 277,401.23 E 932,395.12
Well Coordinates: (Clinchfield Coal Co.)
S 22,399.10 E 65,582.50

— SURFACE LINE
— NON-SURVEYED MINERAL LINE

Elevation determined by trigonometric observation

CCC Sta. Ridge and CCC Sta. Barn

Area of Unit = 58.77 Ac.

WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NO. VC-3305
TRACT NO. TC-214 ELEVATION: 2513.20' QUADRANGLE: DUTY, VA
COUNTY: RUSSELL DISTRICT: CASTLEWOOD SCALE: 1"=400' DATE: 5/1/95
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 250,000, latitude and the longitude lines being represented by border lines as shown.
Prepared By Tuck Engineering Project # S95-1900.7.

Kenneth E. Sorrels
Licensed Professional Engineer or Licensed Land Surveyor