

VIRGINIA DEPARTMENT OF MINES, MINERALS & ENERGY
VIRGINIA GAS AND OIL BOARD

Minutes and results of hearings, May 20, 2008

Board members present (Quorum was established): Ms. Dye, Mr. Harris, Ms. Quillen, and Mr. Prather.

Pursuant to Sections 45.1-361.9.B and 45.1-361.22.B of the Code of Virginia, the Virginia Gas and Oil Board conducted hearings commencing at 9 a.m. on Tuesday, May 20, 2008 at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Abingdon, Virginia. Actions taken by the Board are shown with each docket item:

1. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit R (-2), Prater District, Buchanan County, Virginia. Docket Number VGOB-08-0318-2161. Continued from April.
In the R (-2) 80-acre unit, the applicant controls 98.0% of the coal and gas interests, and seeks to pool the remaining 2.0% of the interests. Unleased acreage subject to pooling totals 1.6 net acres in one tract having 15 unleased claimants. There are conflicting claimants subject to escrow. An application for permit to drill the unit has been submitted. **This petition was approved by the Board.**

2. A petition from CNX Gas Company, LLC for re-pooling of coalbed methane unit VP8SGU3, Prater and South Grundy Districts, Buchanan County, Virginia. Docket Number VGOB-06-0321-1598-01. Continued from April.
In the VP8SGU3 4,549.54-acre unit, the applicant controls 99.97% of the coal and 99.94% of the gas interests, and seeks to pool the remaining 0.06% of the gas interests. Unleased coal acreage subject to pooling totals 1.2 net acres in one tract having one unleased claimant. Unleased gas acreage subject to pooling totals 2.7 net acres in one tract having one unleased claimant. There are conflicting claimants and unlocated owners subject to escrow. Several pre-existing wells already serve the unit. **After review the item dies for lack of a motion or other action by the Board.**

3. A petition from Range Resources-Pine Mountain Inc. for establishment of a 320 acre drilling unit for drilling of horizontal conventional gas wells, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-08-0415-2213. Continued from April.
The applicant is seeking to establish a provisional 320-acre square drilling unit for a horizontal conventional gas well. Requested relief would include provisions for drilling of horizontal wells into any of several conventional horizons, and the payment of royalties to all owners within the unit according to their percentage interests in the unit. **This petition was approved by the Board.**

4. A petition from Range Resources-Pine Mountain, Inc. for pooling of coalbed methane Unit 73AD, Prater District, Buchanan County, Virginia. Docket Number VGOB-08-0415-2216. Continued from April.

In the (Haysi-53-CBM) 73AD 58.77-acre coalbed methane unit, the applicant controls 98.19822550% of the coalbed methane interests and 87.230% of the gas interests. The applicant seeks to pool the remaining 1.80177450% of the coalbed methane interests and 12.770% of the gas interests. Unleased coalbed methane acreage subject to pooling totals 1.05891289 net acres in one tract having twenty-eight claimants. Unleased gas acreage subject to pooling totals 7.5050 net acres in one tract having two claimants. Of the unleased, there are seven unknowns subject to escrow. An application for permit to drill the unit has been submitted. **This petition was approved by the Board.**

5. A petition from CNX Gas Company LLC for disbursement of funds from escrow and authorization for direct payments of royalties on tract 4B, Unit DD-3, Hurricane District, Buchanan County, Virginia. Docket Number VGOB-01-0515-0893-01.

Conflicting owners within Oakwood Field Unit DD-3 have reached a resolution and royalty split agreement regarding Coalbed Methane Tract 4B under Section 45.1-361.22(5) of the Gas and Oil Act. Pine Mountain Oil & Gas Inc. (currently Range Resources – Pine Mountain, Inc.) has released their claim to the undivided 1/9 interest owned by Jack & Elizabeth Fletcher (in Unit DD-3 only), whereby 100% of the royalty currently being held in escrow, due to previous conflicting royalty ownership with Pine Mountain Oil and Gas Inc. (Currently Range Resources – Pine Mountain, Inc.) should be paid entirely to Jack and Elizabeth Fletcher and is not subject to a royalty division agreement. **This petition was approved by the Board.**

6. A petition from CNX Gas Company LLC for disbursement of funds from escrow and authorization for direct payments of royalties on a portion of Tract 5 and all of Tract 6, Unit T-28, Garden District, Buchanan County, Virginia. Docket Number VGOB-97-0218-0565-01.

Conflicting owners within the Oakwood Field Unit T-28 have reached a resolution and royalty split agreement regarding a portion of Coalbed Methane Tract 5 and all of Coalbed Methane Tract 6 under Section 45.1-361.22(5) of the Gas and Oil Act. Yukon Pocahontas Coal Co., LLP, Buchanan Coal Co., LLP, Sayers-Pocahontas Coal Co., LLP, Plum Creek Timberlands, L.P., and Harold Webb, Harman Webb, John Webb, and Ruby W. Wells; Hugh MacRae Land Trust and Consolidation Coal Company, have entered into royalty split agreements(s). **This petition was approved by the Board.**

7. A petition from CNX Gas Company LLC for disbursement of funds from escrow and authorization for direct payments of royalties on a portion of Tract 2C, Unit AA-9, South Grundy District, Buchanan County, Virginia. Docket Number VGOB-91-0430-0116-03.

Conflicting owners within the Oakwood Field Unit AA-9 have reached a resolution and royalty split agreement regarding a portion of Coalbed Methane Tract 2C under Section 45.1-361.22(5) of the Gas and Oil Act. Harrison-Wyatt, LLC and Sue Edwards, Judy Fuller, Mary June Shortridge Arms, and Geraldine, O'Quinn, have entered into royalty split agreements. **This petition was approved by the Board.**
8. A petition from CNX Gas Company LLC for disbursement of funds from escrow and authorization for direct payment of royalties on a portion of Tracts 1B and 1C, Unit AA-8, South Grundy District, Buchanan County, Virginia. Docket Number VGOB-90-1010-0032-04

Conflicting owners within the Oakwood Field Unit AA-8 have reached a resolution and royalty split agreement regarding a portion of Coalbed Methane Tract 1B and Tract 1C under Section 45.1-361.22(5) of the Gas and Oil Act. Harrison-Wyatt, LLC and Sue Edwards, Judy Fuller, Mary June Shortridge Arms, Geraldine O'Quinn, and Janice S. Ball have entered into royalty split agreements. **This petition was approved by the Board.**
9. A petition from CNX Gas Company LLC for disbursement of funds from escrow and authorization for direct payment of royalties on a portion of Tracts 2B and 2C, Unit BB-8, South Grundy District, Buchanan County, Virginia. Docket Number VGOB-90-1010-0033-04.

Conflicting owners within the Oakwood Field Unit BB-8 have reached a resolution and royalty split agreement regarding a portion of Coalbed Methane Tract 2B and Tract 2C under Section 45.1-361.22(5) of the Gas and Oil Act. Harrison-Wyatt, LLC and Sue Edwards, Judy Fuller, Mary June Shortridge Arms, Geraldine O'Quinn, and Janice S. Ball have entered into royalty split agreements. **This petition was approved by the Board.**
10. A petition from CNX Gas Company LLC for disbursement of funds from escrow and authorization for direct payment of royalties on a portion of Tract 1 and all of Tract 9, Unit U-28, Garden District, Buchanan County, Virginia. Docket Number VGOB-97-0218-0564-01.

Conflicting owners within the Oakwood Field Unit U-28 have reached a resolution and royalty split agreement regarding a portion of Coalbed Methane Tract 1 and all of Tract 9 under Section 45.1-361.22(5) of the Gas and Oil Act. Yukon Pocahontas Coal Co., LLP, Buchanan Coal Co., LLP, Sayers-Pocahontas Coal Co., LLP, Plum Creek Timberlands, L.P., and Harold Webb, Harman Webb, John Webb, and Ruby W. Wells; Hugh MacRae Land Trust and Consolidation Coal Company, have entered into royalty split agreements(s). **This petition was approved by the Board.**

11. A petition from CNX Gas Company LLC for disbursement of funds from escrow and authorization for direct payment of royalties on a portion of Tract 2, Unit U-27, Garden District, Buchanan County, Virginia. Docket Number VGOB-97-0218-0563-02.

Conflicting owners within the Oakwood Field Unit U-27 have reached a resolution and royalty split agreement regarding a portion of Coalbed Methane Tract 2 under Section 45.1-361.22(5) of the Gas and Oil Act. Yukon Pocahontas Coal Co., LLP, Buchanan Coal Co., LLP, Sayers-Pocahontas Coal Co., LLP, Plum Creek Timberlands, L.P., and Harold Webb, Harman Webb, John Webb, and Ruby W. Wells have entered into royalty split agreements(s). **This petition was approved by the Board.**

12. A miscellaneous petition from Oryn Treadway Sheffield, Jr. Trust, requesting that owners of interest in the estate of Jessie mae Pobst (tracts 40 and 47) be allowed to participate in Unit VP8-SGU3, Hurricane, South Grundy and Prater Districts, Buchanan County, Virginia. Docket Number VGOB-08-0520-2219.

Applicant states that on August 7, 2007 he received a copy of Board Order VGOB-06-0321-1598 regarding his election options for tracts 40 and 47. According to the applicant, the first copy of the order was not readable as (4) 8 ½ x 11 were reduced to a single page. After contacting DGO, the applicant was provided a readable copy from CNX which he received on August 21, 2007. On September 7, 2007 two letters were mailed by the applicant to CNX informing them of the applicant's election to participate. The applicant has not received response from CNX nor allowed to participate as per their election. **Consideration of this petition was continued to June, 2008**

13. A petition from David L. Epling, Esc. on behalf of himself and Carol Epling McGlothlin appealing a decision by the Director of the Division of Gas and Oil regarding Informal Fact Finding Conference (IFFC) 20608. Docket Number VGOB-08-0520-2220.

This petition involves a dispute between Carol Epling McGlothlin and Chesapeake Appalachia, LLC and Gas operation 826640 (Pittston 2H). The Director issued a decision on March 28, 2008 stating in part: "correlative rights objections under § 45.1-361.35 C have been properly addressed by the Virginia Gas and Oil Board and the Division of Gas and Oil will take no further action regarding those objections. The permit application for proposed operations 826640 (Pittston 2H) will be assessed and issued according to standard DGO procedures." **The Director's Decision in IFFC 20608 was upheld by the Board.**

14. A petition from CNX Gas Company for pooling of coalbed methane unit A-16, North Grundy District, Buchanan County. Docket Number VGOB-08-0520-2221.

The Oakwood Coalbed Methane Field I, Unit A-16 encompasses 107 acres. In this unit, the applicant controls 77.34% of the coal and coalbed methane gas interests. The applicant seeks to pool the remaining 22.65% of the coal and coalbed methane gas interests. Unleased coal and coalbed methane acreage subject to pooling totals 24.24 net acres in two tract having

thirty two claimants. Of the unleased, there are no unknowns reflected that are subject to escrow. **Consideration of this petition was continued to June, 2008**

15. A petition from CNX Gas Company for creation of a drilling unit and pooling of conventional gas unit A16CV, North Grundy District, Buchanan County. Docket Number VGOB-08-0520-2222.

This petition seeks to create a 112.69 acre drilling unit and force pooling of interests associated with a conventional gas Unit A-16CV. The well would be drilled to an approximate depth of 6,795 feet and include an estimated unit production of 400 MMCF. The applicant controls 60.35% of the oil and gas interests and seeks to pool the remaining 39.65% of oil and gas interests. Unleased acreage subject to pooling totals 44.6 +/- net acres in two tracts having thirty two claimants. Of the thirty two claimants, twenty eight are reflected as having Oil Gas and Coalbed Methane leased to others. There are no unknowns or unlocated claimants reflected that are subject to this escrow. **Consideration of this petition was continued to June, 2008**.

16. A petition from CNX Gas Company for pooling of coalbed methane unit BB-9, Hurricane and Prater Districts, Buchanan County. Docket Number VGOB-08-0520-2223.

This petition seeks the force pooling of interests associated with an 80 acre Oakwood Coalbed Methane Gas Field I Unit, BB-9. The applicant controls 100.0% of the coal and 95.5% of the oil and gas interests. The applicant seeks to pool the remaining 4.5% of oil and gas interests. Unleased acreage subject to pooling totals 3.6 +/- net acres in one tract having thirty two claimants. There are no unknowns or unlocated claimants reflected that are subject to this escrow. **This petition was approved by the Board.**

17. A petition from CNX Gas Company for creation of a drilling unit and pooling of conventional gas unit 25314, Garden District, Buchanan County. Docket Number VGOB-08-0520-2224.

This petition seeks to create a 112.69 acre drilling unit and force pooling of interests associated with a conventional gas well unit 25314. The target production formations include those from the base of the Pennsylvanian down through the Devonian shales. The well would be drilled to an approximate depth of 6,250 feet and include an estimated unit production of 400 MMCF. The applicant controls 97.32% of the oil and gas interests and seeks to pool the remaining 2.68% of oil and gas interests. Unleased acreage subject to pooling totals 3.0 +/- net acres in one tract having one or more claimants. The one remaining claimant is reflected as having heirs of unknown address(s) and has not yet been located, subject to this escrow. **This petition was approved by the Board.**

18. A petition from CNX Gas Company for creation of a drilling unit and pooling of conventional gas unit 25616, New Garden District, Russell County. Docket Number VGOB-08-0520-2225.

This petition seeks to create a 112.69 acre drilling unit and force pooling of interests associated with established Middle Ridge Field Unit (AV-120) and new conventional gas unit 25616. The target production formations include those from the base of the Pennsylvanian down through the Devonian shales. The well would be drilled to an approximate depth of 7,503 feet and include an estimated unit production of 400 MMCF. The applicant controls 86.63% of the oil and gas interests and seeks to pool the remaining 13.37% of oil and gas interests. Unleased acreage subject to pooling totals 15.07 +/- net acres in three tracts (1F, 1G, and 1J) having seven claimants. There are no unknowns or unlocated claimants reflected that are subject to this escrow. **This petition was approved by the Board.**

19. A petition from CNX Gas Company to correct testimony and re-record order to allow for escrowing of unit P(-2), Prater District, Buchanan County, Virginia. Docket Number VGOB-06-0718-1668.

This petition seeks a modification of an order entered 11/15/2006 to correct the tract identifications Exhibit B-3 for unit P (-2). The correction is to show a conflict in Tract 1 and to allow the Board's designated operator for the said unit to escrow funds regarding Tract 1 with the Board's escrow agent. Specifically, in the 11/15/2006 order, Exhibit B-3 identified Garden Reality Corp. as owning all minerals, when it should have stated that Garden Realty Corp. owned the coal and John Pobst, et al. owned the Oil and Gas in this 74.22 acre tract. The new list of Conflicting Owners/Claimants that require escrow includes the one tract of 74.22 acres (92.77% of the 80 acre tract) and nine claimants. There are no unknowns or unlocated claimants reflected that are subject to this escrow. **This petition was approved by the Board.**

20. A petition from Oryn Treadway Sheffield, Jr. Trust requesting a reduction of the allowable costs for participating in unit VP8-SGU3, Hurricane, South Grundy and Prater Districts, Buchanan County, Virginia. Docket Number VGOB-08-0520-2226.

This petition seeks a cost reduction regarding the VP8-SGU3 Coalbed Methane GOB unit. The petitioner states "All of the wells...used for production of the coalbed methane were drilled and paid for prior to the pooling of the GOB unit. **Consideration of this petition was continued to June, 2008.**

21. A petition from Equitable Production Company for pooling of coalbed methane unit 62-ANand well VC-537011, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-08-0520-2227.
- This petition seeks the force pooling of interests associated with a 58.77 acre Nora Coalbed Methane Gas Unit, 62-AN, and well VC-537011. The applicant controls 100.0% of the coal and 99.4% of the oil and gas interests. The applicant seeks to pool the remaining 0.6% of oil and gas interests. Unleased acreage subject to pooling totals 0.35 +/- net acres in one tract having two claimants. There are no unknowns or unlocated claimants reflected that are subject to this escrow. **This petition was approved by the Board.**
22. A petition from Equitable Production Company for pooling of coalbed methane unit 41 BV, Kenady District, Dickenson County, Virginia. Docket Number VGOB-08-0520-2228.
- This petition seeks the force pooling of interests associated with a 58.77 acre Nora Coalbed Methane Gas Unit, 41-BV, and two wells VC-536422 and VCI-538743. The applicant controls 100.0% of the coal and 56.079% of the oil and gas interests. The applicant seeks to pool the remaining 43.92% of oil and gas interests. Unleased acreage subject to pooling totals 25.81 +/- net acres in five tracts having twenty three unleased claimants. There are three unknowns or unlocated claimants reflected that are subject to this escrow. **This petition was approved by the Board.**
23. A petition from Equitable Production Company for pooling of coalbed methane unit AV 73, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-08-0520-2229.
- This petition seeks the force pooling of interests associated with a 58.77 acre Nora Coalbed Methane Gas Unit, AV-73, and well VC-539797. The applicant controls 100.0% of the coal and 77.31% of the oil and gas interests. The applicant seeks to pool the remaining 22.69% of oil and gas interests. Unleased acreage subject to pooling totals 13.33 +/- net acres in two of six tracts having eight unleased claimants. There are no unknowns or unlocated claimants reflected that are subject to this escrow. **This petition was approved by the Board.**
24. A petition from Equitable Production Company for creation of a drilling unit and pooling of conventional gas unit V-536100, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-08-0520-2230.
- This petition seeks the force pooling of interests associated with a 112.69 acre conventional gas well V-536100 (24-I-88). The applicant controls 95.21% of the oil and gas interests and seeks to pool the remaining 4.79%. Unleased acreage subject to pooling totals 5.4 +/- net acres in one tract having one unleased claimant. There are no unknowns or unlocated claimants reflected that are subject to this escrow. **This petition was approved by the Board.**

25. A petition from Equitable Production Company for pooling of 320-acre provisional horizontal drilling unit served by well VH-539578, Gladeville District, Wise County, Virginia. Docket Number VGOB-08-0520-2231.
- This petition seeks the force pooling of interests associated with a 320 acre horizontal drilling unit associated with gas well VH-539578. The applicant controls 98.89% of the oil and gas interests and seeks to pool the remaining 1.11%. Unleased acreage subject to pooling totals 4.9 +/- net acres in three tracts having nine unleased claimant. There are no unknowns or unlocated claimants reflected that are subject to this escrow. **This petition was approved by the Board.**
26. A petition from Equitable Production Company for pooling of 320-acre provisional horizontal drilling unit served by well VH-133748, Lipps District, Wise County, Virginia. Docket Number VGOB-08-0520-2232.
- This petition seeks the force pooling of interests associated with a 320 acre horizontal drilling unit associated with gas well VH-133748. The applicant controls 97.10% of the oil and gas interests and seeks to pool the remaining 2.90%. Unleased acreage subject to pooling totals 9.3 +/- net acres in one tract having one unleased claimant. There are no unknowns or unlocated claimants reflected that are subject to this escrow. **This petition was approved by the Board.**
27. A petition from Equitable Production Company for establishment of a 235.08-acre unit for drilling of horizontal coalbed methane gas wells, Town of Clinchco, Dickenson County, Virginia. Docket Number 08-0520-2233.
- This petition seeks the establishment of a provisional 235.08 acre drilling unit for the drilling of horizontal coalbed methane gas wells. The first such well is **VCH-539906** proposed in the northwest corner of the unit between the 300 feet interior window and the 3,733 x 3,733 feet unit perimeter. The provisional unit is to be established with a 300 feet interior window with a 600 feet standoff from horizontal well bores in adjacent units. **This petition was approved by the Board.**
28. A petition from Equitable Production Company for establishment of a 235.08-acre unit for the drilling of horizontal coalbed methane gas wells, Town of Clinchco, Dickenson County, Virginia. Docket Number VGOB-08-0520-2234.
- This petition seeks the establishment of a provisional 235.08 acre drilling unit for the drilling of horizontal coalbed methane gas wells. The first such well is **VCH-539907** proposed in the northwest corner of the unit inside the 300 feet interior window and the 3,733 x 3,733 feet unit perimeter. **This petition was approved by the Board.**

29. A petition from Equitable Production Company for disbursement of funds from escrow and authorization for direct payment of royalties on Tract 3, Unit VC-501826, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-04-0120-1255-01.
- Conflicting owners within the 58.77 acre unit and well VC-501826 have reached a resolution and royalty split agreement regarding Coalbed Methane Tract 3 under Section 45.1-361.22(5) of the Gas and Oil Act. Pine Mountain Oil & Gas Inc. (currently Range Resources – Pine Mountain, Inc.) with William L Corn and Kimberly Corn, have agreed to a 75% / 25% permanent split of escrowed royalty and all future royalty on a portion of the 35 acre lease. **This petition was approved by the Board.**
30. A petition from Equitable Production Company for disbursement of funds from escrow and authorization for direct payment of royalties on Tract 3, Unit VC-2846, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-93-0316-0343-02.
- Conflicting owners within the 58.77 acre drill unit and well VC-2846 have reached a resolution and royalty split agreement regarding Coalbed Methane Tract 3 under Section 45.1-361.22(5) of the Gas and Oil Act. Pine Mountain Oil & Gas Inc. (currently Range Resources – Pine Mountain, Inc.) with Darrell O’Quinn and Jean O’Quinn, have agreed to a 75% / 25% permanent split of escrowed royalty and all future royalty on a portion of the 22 acre lease. **This petition was approved by the Board.**
31. A petition from Equitable Production Company for disbursement of funds from escrow and authorization for direct payment of royalties on Tract 2, Unit VC-505247, Kenady District, Dickenson County, Virginia. Docket Number VGOB-03-0415-1145-01.
- Conflicting owners within the 58.77 acre drill unit and well VC-505247 have reached a resolution and royalty split agreement regarding Coalbed Methane Tract 2 under Section 45.1-361.22(5) of the Gas and Oil Act. Pine Mountain Oil & Gas Inc. (currently Range Resources – Pine Mountain, Inc.) has waived its claim to the escrowed royalty proceeds related to specific parties of the Baker Heirs on this 346.46 tract. **This petition was approved by the Board.**
32. A petition from Equitable Production Company for modification of the Nora Coalbed Gas Field Rules to allow for drilling of an additional well in unit BV-41, Kenady District, Dickenson County, Virginia. Docket Number VGOB-89-0126-0009-27.
- The petition seeks a modification of the Nora Coalbed Gas Field rules and gas unit BV-41 (VCI-538743) to allow one additional coalbed gas well to be drilled within each of the 58.77 acre Nora Unit. **This petition was approved by the Board.**

33. A petition from Equitable Production Company for modification of the Nora Coalbed Gas Field Rules to allow for drilling of an additional well in unit BQ-54, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-89-0126-0009-28.
- The petition seeks a modification of the Nora Coalbed Gas Field rules and gas unit BQ-54 (VCI-536843) to allow one additional coalbed gas well to be drilled within each of the 58.77 acre Nora Unit. Estimated ultimate recovery is identified above 475 MMCF. **This petition was approved by the Board.**
34. A petition from Range Resources-Pine Mountain, Inc. for the establishment of a drilling unit and pooling of conventional gas well V-536706, Kenady District, Dickenson County, Virginia. Docket Number VGOB-08-0520-2235.
- The applicant is seeking to establish a 112.69 acre drilling unit and pooling of conventional gas well V-536706. The applicant controls 99.84% of the gas interests and seeks to pool the remaining 0.16%. Unleased acreage subject to pooling totals 0.28 +/- net acres in one tract (tract 3) having twenty five unleased claimants. There are sixteen unknowns or unlocated claimants reflected that are subject to this escrow. **This petition was approved by the Board.**
35. A petition from Range Resources-Pine Mountain, Inc. for the establishment of a drilling unit and pooling of conventional gas well V-530098, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-08-0520-2236.
- The applicant is seeking the establishment of a 112.69 acre conventional drilling unit and force pooling of certain interest to well V-530098. The applicant controls 72.39% of the gas interests and seeks to pool the remaining 27.61%. Unleased acreage subject to pooling totals 31.11 +/- net acres in one tract one unleased claimant. There is one unknown and unlocated claimant that is subject to escrow. **This petition was approved by the Board.**
36. A petition from Range Resources-Pine Mountain, Inc. to modify previously issued location exception for well V-536706, Kenady District, and Dickenson County, Virginia. Docket Number VGOB-08-0115-2125-01.
- The applicant is seeking to modify a previously issued location exception for well V-536706 within a 112.69 acre conventional unit. The applicant states the 2,500 feet minimum spacing under Virginia Code Section 45.1-361.17 (A) (2) is not feasible for there is no legal location accessible. Two EPC wells P-118 and P-130 lie, 2,377 and 2,140 feet respectively, northeast of the proposed well. **This petition was approved by the Board.**

The Virginia Gas and Oil Board heard public comments regarding Board matters immediately following the final docket item. Those comments included:

Public Comments Item 1

The board heard public comments from Mrs. Juanita Sneevwagt and Mrs. Gladice Counts on the following two items:

- (1) A request to the board to provide microphones with audio speakers so members of the general public attending the meeting can hear testimony given and questions from the board.
- (2) A challenge to Equitable Production Company on due diligence when attempting to identify surface owners and the notifications procedures. Both ladies gave testimony and an original notification document whereby they had incorrectly received notification for an individual, not part of their family heirs. They stated additional efforts in regard to due diligence would benefit all parties.

A representative of Equitable Production Company was present for the testimony. He thanked both ladies for making him and his company aware of the incorrect notification and stated he would look into and correct their address databank and repeat the notice to the individual (heirs) with the correct address.

Public Comments – Item 2

The board continued its discussion from April regarding limiting the docket items to be addressed by the board to not more than 35. Acting Chairman Harris opened a comment period of one month for the public and the board. Comments are to be submitted to the Division of Gas and Oil. These comments will be compiled and distributed to board members for their review at the June meeting and placed on the July docket for board consideration and action.

Information concerning the above docket items can be viewed from 8 a.m. to 5 p.m., Monday through Friday at the office of the Department of Mines, Minerals and Energy, Division of Gas and Oil, 230 Charwood Drive, Abingdon, Virginia. All questions concerning the agenda should be directed to the Division of Gas and Oil by telephoning 276-676-5423.

At future hearings, special accommodations for the disabled will be made available upon request. Anyone needing special accommodations for the June hearing should contact the Department of Mines, Minerals and Energy, Division of Gas and Oil at 276-676-5423 or call the Virginia Relay Center TTY/TDD 1-800-828-1120 or 1140 by June 10, 2008. The deadline for filing of petitions to the Board for the June 2008 hearing is 5 p.m., Friday, May 16, 2008 with the hearing scheduled for 9 a.m. on Tuesday, June 17, 2008 at the Southwest Virginia Higher Education Center, Abingdon, Virginia.