

Virginia Department of Mines, Minerals and Energy
Virginia Gas and Oil Board

Minutes and results of hearing, August 19, 2003

Board Members Present: Mr. Brent, Mr. McIntyre, Mr. Mitchell, Mr. Ratliff, Mr. Wampler

1. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of a coalbed methane unit AW-102, Hurricane District, Buchanan County, Virginia. VGOB-03-0819-1165.

In the AW-102 unit, the operator controls 100% of the coalbed methane interests and 99.5% of the gas interests, and seeks to pool the remaining 0.5% of the gas interests. Unleased gas acreage subject to pooling totals 0.36 net acres in three tracts with over 50 unleased owners. There are conflicting claimants and unlocated owners subject to escrow and conflicting claimants subject to existing royalty split agreements. A permit to drill the unit was issued on November 20, 2003. Continued to September at the request of the applicant.

2. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of a coalbed methane unit AZ-107, New Garden District, Russell County, Virginia. VGOB-03-0819-1166.

In the AZ-107 unit, the operator controls 98.8% of the coalbed methane and gas interests, and seeks to pool the remaining 1.2% of the interests. Unleased acreage subject to pooling totals 0.73 acres in two tracts with two unleased owners. There are no conflicting claimants or unlocated owners subject to escrow. A permit to drill the unit was issued on September 26, 2002. Pooling was approved.

3. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of a coalbed methane unit AZ-114, New Garden District, Russell County, Virginia. VGOB-03-0819-1167.

In the AZ-114 unit, the operator controls 95.1% of the coalbed methane interests and 92.2% of the gas interests, and seeks to pool the remaining 4.9% of the coalbed methane interests and 7.8% of the gas interests. Unleased coalbed methane acreage subject to pooling totals 2.9 net acres in two tracts with 10 owners, and gas acreage subject to pooling totals 4.6 net acres in three tracts with 11 unleased owners. There are conflicting claimants and unlocated owners subject to escrow and conflicting claimants subject to existing royalty split agreements. A permit to drill the unit was issued on May 22, 2002, and a well has been drilled and completed. Pooling was approved.

4. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of a coalbed methane unit BE-114, New Garden District, Russell County, Virginia. VGOB-03-0819-1168.

In the BE-114 unit, the operator controls 98.6% of the coalbed methane and gas interests, and seeks to pool the remaining 1.4% of the interests. Unleased acreage subject to pooling totals 0.8 acres in one tract with three unleased owners. There are no conflicting claimants but there are unlocated owners subject to escrow. A permit to drill the unit was issued on May 23, 2003. Pooling was approved.

5. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of a coalbed methane unit BF-115, New Garden District, Russell County, Virginia. VGOB-03-0819-1169.

In the BE-114 unit, the operator controls 97.9% of the coalbed methane and gas interests, and seeks to pool the remaining 7.72.1% of the interests. Unleased acreage subject to pooling totals 1.2 acres in one tract with three unleased owners. There are no conflicting claimants but there are unlocated owners subject to escrow. A permit to drill the unit was issued on June 18, 2003. Pooling was approved.

6. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of a coalbed methane unit BD-113, New Garden District, Russell County, Virginia. VGOB-03-0819-1170.

In the BD-113 unit, the operator controls 99.2% of the coalbed methane and gas interests, and seeks to pool the remaining 0.8% of the interests. Unleased acreage subject to pooling totals 0.5 acres in one tract with three unleased owners. There are no conflicting claimants but there are unlocated owners subject to escrow. A permit to drill the unit was issued on September 12, 2001, and a well has been drilled and completed. Pooling was approved.

7. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of a coalbed methane unit BB-108, New Garden District, Russell County, Virginia. VGOB-03-0819-1171.

In the BB-108 unit, the operator controls 98.1% of the coalbed methane and gas interests, and seeks to pool the remaining 1.9% of the interests. Unleased acreage subject to pooling totals 1.1 acres in two tracts with 19 unleased owners. There are no conflicting claimants but there are unlocated owners subject to escrow. No permit application has been filed. Pooling was approved.

8. The Virginia Gas and Oil Board considered a petition from Equitable Production Company for a well location exception for proposed well V-502682, Richmond District, Wise County, Virginia. VGOB-03-0819-1172.

The applicant seeks an exception in order to drill a conventional well closer to an existing well than allowed under statewide spacing. The well is to be 150 feet closer to existing gas well VAP133554 (shown on the application as 10012) than the 2500 feet mandated by spacing. The exception is needed to prevent loss of resources. A permit application has been submitted. The location exception was approved.

9. The Virginia Gas and Oil Board considered a petition from Equitable Production Company for pooling of a conventional gas unit V-535835, Rocky District, Lee County, Virginia. VGOB-03-0819-1173.

In the proposed V-535835 conventional gas unit, the applicant controls 98.2% of the Oil and gas interests, and seeks to pool the remaining 1.8% of the interests. Unleased acreage subject to pooling totals 2.0 net acres in four tracts having 19 unleased owner. There are no unlocated owners subject to escrow. A permit application has been submitted. Pooling was approved.

10. The Virginia Gas and Oil Board considered a petition from Equitable Production Company for pooling of a coalbed methane unit VC-535612, Ervinton District, Dickenson County, Virginia. VGOB-03-0819-1174.

In the VC-535612 unit, the operator controls 100% of the coalbed methane interests and 90.15% of the gas interests, and seeks to pool the remaining 9.85% of the gas interests. Unleased gas acreage subject to pooling totals 5.8 net acres in one tract with four unleased owners. There are conflicting claimants. No permit application has been filed. Pooling was approved.

11. The Virginia Gas and Oil Board considered a petition from Equitable Production Company for pooling of a conventional gas unit V-502675, Richmond District, Wise County, Virginia. VGOB-03-0819-1175.

In the proposed V-502675 conventional gas unit, the applicant controls 87.8% of the Oil and gas interests, and seeks to pool the remaining 12.2% of the interests. Unleased acreage subject to pooling totals 13.7 net acres in three tracts having three unleased owners. There are unlocated owners subject to escrow. A permit application has been submitted. Pooling was approved.

12. The Virginia Gas and Oil Board considered a petition from Columbia Natural Resources, Inc. for pooling of a conventional gas unit 825232 (PP-42), Knox District, Buchanan County, Virginia. VGOB-03-0819-1176.

In the proposed 825232 conventional gas unit, the applicant controls 72.4% of the Oil and gas interests, and seeks to pool the remaining 27.6% of the interests. Unleased acreage subject to pooling totals 31.1 net acres in one tract having one unleased owner. There are no unlocated owners subject to escrow. No permit application has been submitted. Pooling was approved.

13. The Virginia Gas and Oil Board considered a petition from Columbia Natural Resources, Inc. for pooling of a conventional gas unit 825196 (HY-17), Prater District, Buchanan County, Virginia. VGOB-03-0819-1177.

In the proposed 825196 conventional gas unit, the applicant controls 99.6% of the Oil and gas interests, and seeks to pool the remaining 0.4% of the interests. Unleased acreage subject to pooling totals 0.4 net acres in one tract having one unleased owner. There are no unlocated owners subject to escrow. No permit application has been submitted. Pooling was approved.

The deadline for filing of petitions to the Board for the September 2003 hearing is 5 p.m., August 15, 2003 with the hearing scheduled for 9 a.m. on Tuesday, September 16, 2003 at the Southwest Virginia Higher Education Center, Abingdon, Virginia.

