

BEFORE THE STATE OIL AND GAS BOARD OF ALABAMA

**PURSUANT TO A DECISION RENDERED DURING A
REGULAR SESSION OF THE STATE OIL AND GAS
BOARD OF ALABAMA ON OCTOBER 6, 2000
THE FOLLOWING ORDER IS HEREBY PROMULGATED:**

IN RE: ORDER NO. 2000-168

DOCKET NO. 10-4-20008

THIS CAUSE came on for hearing before the State Oil and Gas Board of Alabama on the petition of RIVER GAS CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming a 40-acre unit to an 80-acre unit in the Blue Creek Coal Degasification Field, Tuscaloosa County, Alabama. The State Oil and Gas Board finds that due and proper notice of the hearing of said cause has been given in the manner and form and for the time required by law and the rules and regulations of this Board, and that the Board has full jurisdiction of this cause, and the Board being fully advised in the premises finds:

FINDINGS OF FACT

I.

That Petitioner is the Operator of the Chevron 34-05-31 Well, Permit No. 11770-C, located on a 40-acre unit consisting of the Southwest Quarter of the Northwest Quarter of Section 34, Township 17 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field.

II.

That in order to avoid the drilling of an unnecessary well, minimize the number of wells needed to produce coalseam gas, promote uniform spacing units in the area and avoid unnecessary surface disturbances, Petitioner requests that the above described 40-acre unit be reformed to an 80-acre unit consisting of the West Half of the Northwest Quarter of Section 34, Township 17 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field.

III.

That the mineral ownership in the proposed 80-acre unit for the Chevron 34-05-31 Well is diverse, and the owners of the mineral rights in said 80-acre unit have been notified of the requested unit reformation.

CONCLUSIONS OF LAW

IV.

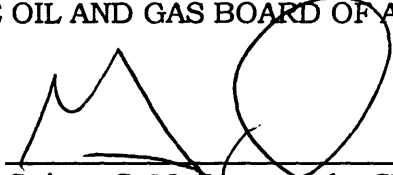
That granting the petition will prevent waste, promote the development of natural resources, avoid the drilling of unnecessary wells, and protect the coequal and correlative rights of all owners in the proposed unit.

Based on the Findings of Fact and Conclusions of Law set forth hereinabove, **IT IS THEREFORE, HEREBY ORDERED, ADJUDGED AND DECREED** by the State Oil and Gas Board of Alabama that the Petition be **GRANTED**. Said Petition is granted to approve the reformation of the unit for the Chevron 34-05-31 Well, Permit No. 11770-C, from a 40-acre unit to an 80-acre unit consisting of the West Half of the Northwest Quarter of Section 34, Township 17 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field.

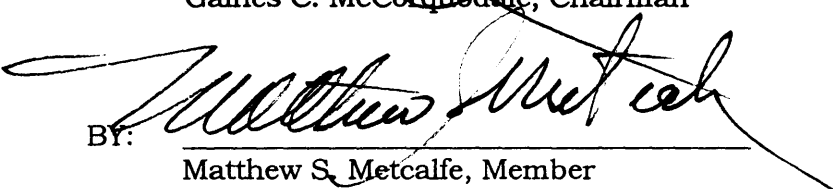
ORDERED this 6th day of October, 2000.

STATE OIL AND GAS BOARD OF ALABAMA

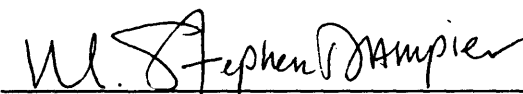
BY:


Gaines C. McCorquodale, Chairman

BY:


Matthew S. Metcalfe, Member

BY:


M. Stephen Dampier, Member

ATTEST:


Donald F. Oltz, Secretary