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### 2008 SOOGA MEMBERSHIP MEETING SCHEDULED FOR APRIL 17, 2008

7:00PM to 9:00PM  
Social Hour 6:00PM  
Comfort Inn, Marietta, Ohio  

**TENTATIVE AGENDA**

Scott Kell– (DMRM) Ohio Division of Mineral Resources Management  
Charlie Burd– (IOGA) West Virginia Legislation Update  
Rhonda Reda– (OOGEEP) Update on Value Study  
Gene Huck– (SOOGA) Paul Fulton Fund Awards  
Wes Mossor– (SOOGA) Membership Update  
Paul Fulton Research Papers  
More detailed information to be mailed.

### PAUL FULTON RESEARCH AWARD RECIPIENTS

The Paul Fulton Research Award Recipients will give a 5-10 minute summary of their research papers at the Spring Membership Meeting. The participants are pictured and the topic of their paper is listed below.

Pictured L-R  
Jordan Slavin– Evaluation of Remote Monitoring Equipment in Appalachian Basin  
Chike Akah– Best Practices Analysis for Coal bed Methane Production in Appalachian Basin.  
Carter Shaver– Predicting Inflow Performance for Oil Wells.  
Clint Perkins– Comparative Study of Slick Water Fracture Treatments vs. Sand Water Fracture Treatments.  
Not pictured: Corey Tunnell– Analysis of Marcellus Shale Play in the Appalachian Basin.

***SOOGA’S 30TH ANNIVERSARY***
Hello Everyone,

Welcome to the February Insider, this issue promises to be as informative as any that I can remember. There is so much going on within the industry and beyond that I can hardly begin.

Over the past 10 years, gas markets have been changing. In the old days, you just drilled the well and turned it on into the closest meter and a month or so later you received a check. Today, this is definitely not the case. There is a definite separation between pipeline and utility and in the middle of it all you have a marketer. In spite of all that has happened, we as producers are without a doubt receiving more income from our gas than we did 10 years ago. I think some of us are just now realizing (thanks to marketers) all these changes and how things really work, I am referring to the purchase of the TCo Churchtown and Prairie systems by Cobra Pipeline Company.

At first things seemed bad at best, but I really think that Cobra has tried very hard to make the best of this transition and as time passes I think our adaptability one way or another will make these new obstacles seem insignificant. Change is coming whether we like it or not, and it really is not as horrible as it seems.

Within this issue SOOGA Natural Gas Committee Chair, Jim Javins, along with Steve Williams of Cobra Pipeline have prepared a list of Operation Notes for Producers that put, in layman's terms, the choices and actions needed to maintain your production without interruption.

Spring is coming, and April 17th will be the SOOGA 30th Anniversary membership meeting, followed April 25th by the first ever Spring Sporting Clay Shoot. I hope everyone can make these events and look forward to seeing you there.

Please take the time to read this issue of the Insider and catch up on what is going on within your Association.

Thank You
Steven Sigler,
SOOGA President
2008 CALENDAR OF EVENTS

April 17, 2008
Spring Membership Meeting
Comfort Inn, Marietta, OH

April 25, 2008
Spring Clay Shoot
Hilltop Sports, Whipple, OH

May 23, 2008
Spring Golf Outing
Woodridge Plantation Golf Club
Mineral Wells, WV

August 29, 2008
Fall Golf Outing
Marietta Country Club
Marietta, OH

September 18, 2008
5th Annual Trade Show
Washington County Fairgrounds, Marietta, OH

October 17, 2008
Fall Clay Shoot
Hilltop Sports, Whipple, OH

November 1-November 31, 2008
Annual Fall Gun Giveaway

FOR SALE

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Senior Accountant Manager

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Fax: (304) 624-0047  
Rt 2 box 506  
Mobile: (304) 669-8565  
837 Philippi Pike  
Res: (304) 782-2271  
Clarksburg, WV 26301  
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OILFIELD SERVICES LLC
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Caldwell, Ohio 43724
FOR ALL YOUR WATER HAULING NEEDS
New boom in drilling: Key factors for the Valley: Price surge;
House bill that opened publicly owned land

By Patrick Cooley, pcooley@mariettatimes.com

Over the last two years, the number of oil wells drilled in Washington County has increased dramatically, so much so that, sometimes, refineries in the region can’t keep up with increased oil production.

“There is no question that it has everything to do with higher energy prices,” said Kean Weaver, president of Triad Resources Inc, a Reno-based corporation with several oil wells in Washington County. “Any well that is drilled in Washington County is part of the total energy equation in this country, it adds to the overall supply.”

He said the oil that comes out of Washington County is mostly used for gasoline and lubricant oils.

“There have been some issues with being able to get rid of oil,” Weaver said. “It has to do with the fact that oil production in the Appalachian area has grown so that it exceeds refining capacity. We’re getting rid of it, but it will back up at times because the refineries haven’t increased the capacity for their plants.”

The price of oil rose to $92.50 a barrel last week, up from $21.84 a barrel in 2001. The cost of natural gas rose to $7.75 per thousand cubic feet last year, compared to $3.41 per thousand cubic feet in 2002.

While Washington County is not one of the highest producers of oil and natural gas in Ohio, there is still activity here, according to industry officials. The original oil boom in the Mid-Ohio Valley happened in the early 1800s and the beginning of the 20th century.

“There was a boom when oil was first discovered,” said Louise Zimmer, a local historian. “It was discovered in Macksburg, but then the oil started to run out and it kind of fizzled a little bit.”

After the Civil War, nitroglycerin was discovered, which could be used to open up oil wells that were thought to have been used up and another boom started.

“I don’t think it ever really completely died down because they kept discovering new wells all the time,” Zimmer said.

In 2004, Ohio House Bill 278 opened up publicly owned lands to oil drilling in response to high energy prices. According to the Ohio Department of Natural Resources, a total of 44 wells have been drilled in Washington County since the law was put into place. Five of those were drilled in 2004, 11 in 2005, 27 in 2006 and 31 in 2007 as of Nov. 4.

(continued to page 6)
**GAS PRICING**

<table>
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<tr>
<td>NYMEX Settlement: $7.172</td>
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<tr>
<td>Inside FERC/DTI: $7.730 (Basis: $0.558)</td>
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<td>Inside FERC/TCO: $7.420 (Basis: $0.248)</td>
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<td>NYMEX 3-day Average: $7.081</td>
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<td>NYMEX Settlement: $7.996</td>
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<td>Inside FERC/DTI: $8.530 (Basis: $0.534)</td>
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<tr>
<td>Inside FERC/TCO: $8.290 (Basis: $0.294)</td>
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<td>NYMEX 3-day Average: $7.024</td>
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(continued from page 5)

“It’s important to note that the targets the people are looking for are harder to find,” said Tom Stewart, executive vice president of the Ohio Oil and Gas Association, which represents 13,000 independent oil and natural gas producers throughout the state. “There has been drilling in Washington County since 1817. Grandpa got the easy stuff. To find the quality reserves, you have to take higher risks and go deeper.”

Stewart said drilling in the Buckeye State has saved Ohioans $55 million this year because local companies avoid interstate transportation charges.

“What’s happening is because of small independent companies drilling oil wells,” Stewart said. “We need to go where Mother Nature put the oil.”

Stewart said the majority of companies that drill in Ohio are smaller businesses, some with fewer than 20 employees. Most of the major oil companies do their drilling outside of the country, he said.

Marty Miller, vice president of operations at Alliance Petroleum, an Ohio-based company that has drilled 12 wells in Washington County this year, said most of the money they make from oil wells goes right back into drilling.

“The price of oil and natural gas has gone up,” Miller said. “But the cost of creating and drilling a well has nearly tripled.”

Miller said the price of setting up a 2,000-foot well, which cost $80,000 ten years ago, now costs in $150,000 to $200,000.

Environmentalists told The Associated Press the state doesn’t have enough people to watch over Ohio’s 62,966 wells and safeguard residents from leaks.

“There are hundreds of wells in Ohio, and we are not opposed to developing those resources,” said Jack Shaner, a lobbyist with the Ohio Environmental Council. “The fact is the overwhelming majority of Ohio’s landscape is already open to gas drilling, 95 percent of Ohio’s landscape is privately owned, and the industry is certainly welcome to seek cooperation with private land owners.”

The remaining 5 percent is government-owned, Shaner said. This includes national and state forests and nature preserves.

“The overwhelming majority of state land is owned or leased by the Ohio DNR, and the overwhelming majority of that is state forests and nature preserves,” Shaner said. “Right now, state forests and nature preserves are open to oil drilling.” (continued to page 7)
Shaner said the oil and natural gas in Ohio will run out eventually, and the state should not be opening up state forests and nature preserves to provide only a temporary solution.

“It’s not just the drilling that they have to do,” Shaner said. “They have to have a way of getting to it, so they’re going to have to build a road.”

There are many such forests and preserves in the area, including a portion of the Wayne National Forest, which covers 12 southeastern Ohio counties and much of eastern Washington County.

According to Philippe de Henaut, the minerals and geology program manager, there are 921 oil wells in the Marietta Unit of Wayne National Forest which is in Washington, Noble and Monroe counties, the majority of which are producing oil. All of them are owned by smaller, regional oil producers, such as Carlton Oil and Triad Resources.

Scott Kell, a deputy chief of the Ohio DNR, told AP his 25 inspectors closely monitor wells when they are drilled and when old, spent wells are taken out of commission.

He said these are the most likely times a spill or some other pollution problem can occur. Inspectors aren’t required to regularly visit wells after they’ve been drilled, but try to check them occasionally. In many cases, they rely on local citizens making complaints about wells.

The number of oil well complaints filed with the Ohio DNR in their south region (a 12 county area that includes Washington County) for 2004-2007 was 183, with 25 in 2007 and 7 in Washington County for that year.

“We believe if an oil well is drilled and the rules and the laws are all complied with, you can safely drill an oil well with a minimal amount of environmental effect,” said Joe Hoerst, the assistant manager of the Cambridge Field office of the Ohio DNR. Hoerst also said that every available oil well in Ohio seems to be drilling right now.

Shaner said there is a leasing board that determines whether companies can drill on public forests and nature preserves, but there are officials from oil and natural gas companies on the board.

“They majority of the board is DNR officials,” Shaner said. “But I cannot think of another instance where the industry that’s trying to get the lease gets to sit on the panel that makes the decision.”

“The state gets federal dollars for some of these forests and they lose those dollars if those forests are developed on,” he said.

Shaner also said that in Michigan the law requires a company that drills on state property to surrender one-sixth of its royalties. Although he opposes drilling on public lands, he said Ohio should at least get as much from oil and natural gas companies as other states do.

Local botanist and naturalist Marilyn Ortt said that oil wells can have a minimal effect on the environment if they are drilled responsibly, but the state should be doing more to pursue alternative energy sources.

“We need to be looking for alternate forms of energy and not trying to drill our way out of this problem,” she said. “It seems like we’re trying to drain every last drop of oil. It seems to me we should be leaving something for future generations.”
SOOGA would like to welcome the following new 2008 members:

Matt Lupardus  
Artex Oil Company

Brad Strong  
Sequent Energy Management

Keith Matheny  
Matheny Well Service

Robert Hesson  
H&L Oilfield Services

Gary Smith  
Kilbarger Drilling

Anthony Kilbarger  
Kilbarger Drilling

Mark Jordan  
Knox Energy Inc.

Leslie Gearhart  
Broadstreet Services

Leroy Baker  
Term Energy Corp.

Geoffrey Arthur  
Broadstreet Energy

Dan Warren  
Warren Drilling Co. Inc.

John Booth  
Eagle Research Corporation

Alpha Drilling, Ltd.

Weatherford International, Ltd.

Carl Sherrell

Weatherford International, Ltd.

Randy Kirchberg

Weatherford International, Ltd.

Rodney Weaver

Weatherford International, Ltd.

Rick Smith

Weatherford International, Ltd.

Harry Berry

Weatherford International, Ltd.

Jason Miller
The Court of Appeals of Ohio, Seventh Appellate District, has handed down its verdict on the case of American Energy Corp. et al., Plaintiffs-Appellees, vs. Charles Datkuliak, Defendants-Appellants. The court has upheld the decision of Monroe County Common Pleas Court Judge Julie Selmon.

In December, 2006, American Energy Corp. who acquired ownership of the coal rights in 1995, notified Charles Datkuliak that they would be long wall mining under their property and their well would have to be plugged and capped.

On May 7, 2007, American Energy filed a complaint against the Datkuliaks asking the Monroe County Common Pleas Court for an order compelling the well to be plugged.

The Datkuliaks, represented by local attorney Richard Yoss, maintained the language in their deed is different and did not give the coal company the right to demand their well be plugged.

After a two-day trial, Judge Selmon rendered a decision stating that American Energy Corp. has the right to mine the Pittsburgh No.8 vein of coal without liability for damages to the surface or to Datkuliak’s well. She so ordered the Datuliaks to immediately plug and cap the well at their own cost, with no compensation due for the loss of the well or the cost of plugging and capping it.

The appellate court noted that the Datkuliaks own the property and the oil and gas estate, but the Consolidated Land Company owns the coal estate.

In the conclusion of the judgment, the court upheld Judge Selmon’s ruling, finding “no error with the trial court’s decision.”

This is in continuation of the original case shown in Insider July/August 2007 issue: This is an important case which raises several questions pertaining to operation of oil and gas wells where the coal rights are owned by a mining company.”
New BLM Fee: a Precedent?

(Article from Nick Snow O&G Journal, January 14, 2008 issue)

The US Bureau of Land Management announced Jan. 2 that it will collect a $4,000 processing fee for each new oil and gas drilling permit application. Rocky Mountain producers warn of a dangerous precedent.

December’s omnibus spending bill made the fee part of the Department of the Interior’s fiscal 2008 budget. “The House was insisting on it. The Senate was against it. What made the difference was that the White House came out in favor of it,” said Bob Gallagher, director of the New Mexico Oil & Gas Association in Santa Fe.

He asked BLM’S public affairs office how language in the 2005 Energy Policy Act prohibiting BLM from recovering such costs affect the fee. Spokesman Tom Gorey responded that the omnibus spending bill specifies it is a processing, not a cost recover fee.

“The money generated by these fees is not new revenue but rather a reimbursement to the US Treasury for the estimated cost of processing new APDs (applications for permits to drill) for the duration of fiscal year 2008,” BLM said in a press release.

Bigger question

“They used the word ‘reimbursement’ in their press release, but it looks a lot like recovery,” Gallagher told me. “We don’t believe their language legally gets them over the provision. The bigger question is where it will stop. If you have cost recovery for APDs, do you also allow it for rights-of-‐way or other procedures?”

Tim Spisak, who heads BLM’s fluid minerals division, said Congress reduced the agency’s oil and gas operations budget by $25.5 million and created a new APD appropriation for that amount. It put in a mechanism to collect a processing fee and tied it to a reimbursement for the appropriation. BLM gets the same funding level; it’s just broken up into two different funds,” he explained.

But Marc W. Smith, executive director of the Independent Petroleum Association of Mountain States in Denver, said the fee increases the cost of processing a document without improving the level of service.

‘A new tax’

“It’s a new tax on domestic energy production. More important, it doesn’t address any of the ongoing needs of the BLM offices that are trying to keep up processing drilling applications and managing other public land needs,” he maintained.

“Right now, there’s no promise it actually will go to BLM. The money is earmarked for the general treasury,” Gallagher added. He conceded that the additional cost by itself should not effect overall activity. “If $4,000 is going to queer the deal, you shouldn’t drill the well,” he said.

But he and Smith agreed that such a fee never was a part of the original contracts to develop federal energy resources.” It’s a little like a landlord, when you rent an apartment, telling you there’s a processing fee every time you submit your rental payment or pick up your mail,” Smith said.
Anthony S. ‘Tony’ Altier:
He was born Aug. 22, 1968. Tony was a member of St. Bernard’s Catholic Church, Corning Eagles 463 and an employee of Altier Brothers Inc. Velota, Perry Reclaiming and JT Plus.

He is survived by his son, Anthony Altier Jr.; parents, Leo and Ann Raub Altier; sister, Cindy Frasure; brothers, Gregory (Shana), Gary Michael (Brenda), Christopher (Cindy) and Patrick Altier of Corning; 13 nieces and nephews: and three great-nieces and nephews.

He was preceded in death his brother, Brent Matthew; grandparents, John and Mary Altier and Wence and Mina Raub: and uncle, Donald Altier.

(definition taken from Zanesville Times Recorder)

David P. Gregg:
Born at Barnesville, Ohio Jan, 1947, he was the son of the late Paul A. and Lena McCoy Gregg.

David graduated from Union Local High School in 1965. He served honorably in the United States Army earning a Bronze Star as a sergeant from 1966 to 1968. While in the service, he worked as a member of the mortuary affairs team, recovering and identifying American graves in and around Da Nang, Vietnam.

For the past 27 years, David has been affiliated with Multi Products Co. of Millersburg, and held several patents for his equipment design work in oil and gas recovery. When not at work, David enjoyed woodworking and was an avid Pittsburgh Steelers fan. He was also a member of First Baptist Church Southern Baptist Convention at Barnesville, Ohio since 1962.

Mr. Gregg leave behind his wife, the former Elaine Kehl, of New Philadelphia, whom he married July 14, 1991: two daughters, Amy C. (husband W. Scott) Elliott of Marietta and Jodi Neely Bradfield of New Philadelphia. He will also be missed by his “precious kitty” Toy; sister Marilyn Littleton, of Barnesville, a niece, Wendy Myers, and great-nephew Casey Gregg, numerous aunts and uncles, cousins, grandchildren and great-grandchildren complete the family.

(definition taken from Marietta Times)

Stanley Allen Triplet:
Chesterhill—Stanley Allen Triplet, 57, passed away on Nov. 15, 2007

He was born Dec. 6, 1949 to the loving parents, Bernard and Mary Triplet of Chesterhill, Ohio

He was a 1968 graduate of Morgan High School, where he met and is survived by his wife of 35 years, Georgeann Scott Triplet. Their children, Jennifer Triplet of Winter Park, Colo., Josie Triplet and Joshua Triplet of Chesterhill, Ohio.

He was a member of the National Guard for six years and worked for Ohio Oil Gathering for 30 years. He was a volunteer for the Chesterhill Fire Department for 25 years and also volunteered his time at his wife’s school motivating children to read and to enjoy nature through fishing at Hook Lake. He was a coach for the girls softball team and was known as “Stan the Man” for six years at Morgan High School. He coached softball for 10 years in all.

(definition taken from Marietta Times)

Sam Hersman:
Sam Hersman, former West Virginia oil and gas inspector for Ritchie County and Pleasants County passed away right before Christmas. Sam was the inspector for this area for over twenty years. After retirement Sam worked some for Lippizan and consulted for other Companies. He also did a great deal of woodworking. Sam was always mild mannered and ready to help anyone who needed it. Sam will be greatly missed.

(article by Bob Matthey, Jr.)
2008 MEMBERSHIP DRIVE
SEE INSERT FOR DETAILS

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Ron Anderson, Eastern District Manager

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MALLET ELECTRICAL SERVICES LLC
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OHIO LIC # 32130
Gas Committee Report

By: Jim Javins
February 12, 2008

PRICING
Prices February 12, 2008:

One Year NYMEX strip (March, 2008 – February, 2009) $8.97
Summer NYMEX strip (April, 2008 – October, 2008) $8.71
Winter NYMEX strip (November, 2008 – March, 2009) $9.53

TCO Index Posting - February, 2008 $8.29
DTI Index Posting - February, 2008 $8.53

GATHERCO
Retainage for October is as follows for the Gatherco systems. Treat was 13.28%, Miley was 13.35%, Meigs was 13.34%, York was 11.51%, Elk was 13.34%, and Grimes was 19.4%.

EAST OHIO GAS
The new East Ohio Heat Content Agreement is on the SOOGA website. Please review it at your earliest opportunity.

A meeting was held at 9:30 a.m. on January 18th, 2008 (Friday) at the Holiday Inn in Marietta to discuss gas volumes on DEO in Washington County and the surrounding area. Gene Huck and Brent Breon, members of the East Ohio Enhancement Committee were there to lead the discussions. Several opportunities were discussed, and producers were to provide information to the committee for projects to enhance gas flow in some of Southeast Ohio’s problem areas.

CNR/COLUMBIA GAS TRANSMISSION
Most of the Eastern Kentucky CNR producers are currently turned back on and flowing gas as demand has picked up due to winter weather.

The current FT offering on TCO dated June 15, 2007 for producers in Eastern Kentucky and Southern West Virginia from their metered receipt points to delivery points located in market Area 19 upstream of Lanham Compressor Station is still in process, with precedent agreements having been sent out to the parties who have submitted bids for the capacity. Further updates will be posted as information becomes available.

COBRA PIPELINE COMPANY, LLC
Effective February 6, 2008, Cobra Pipeline Company LLC purchased the Churchtown, North Trumbull, and Holmesville systems from Columbia Gas Transmission. Cobra took over the ownership and management of those system on that date.

Enclosed with this Gas Committee Report are some operational and marketing notes for producers to read which will hopefully give them some idea as to how this system will operate under the new owners going forward, along with phone numbers and contact information for any questions that you may have.

SEE PAGE 18
EQUITABLE

The Big Sandy Pipeline, being built to take gas from Eastern Kentucky into the Tennessee Pipeline system, is in the process of laying pipe, and working to get added electric facilities to handle their processing of the gas before delivery into Tennessee. The 130,000/day pipeline is scheduled to be in service during the first half of 2008.

On January 15, 2008 Dominion and Equitable Resources, Inc. issued a joint news release to announce that they have terminated their agreement for the purchase of Dominion Peoples and Dominion Hope by Equitable. Dominion announced that it plans to seek other offers for the purchase of the utilities. Equitable chairman Murray Gerber said “We have decided to focus our growth efforts on exciting strategic opportunities for expanded horizontal drilling and infrastructure development in the Appalachian Basin.”

On January 30th, Dominion announced plans to sell the two utilities by auction in March.

DOMINION TRANSMISSION

Dominion has been doing some compressor and engine repairs on their wet systems, which has resulted in higher line pressures and short term shut-ins of production throughout the fall season. Please stay in touch with your marketer for any notices of shut-ins and curtailments. You can use the link set out below, and click on “Appalachian Producer Notices” on a daily basis to keep in touch with maintenance that may affect your wells and production.

See the paragraph about the Dominion sale of utilities to Equitable above under the Equitable heading.

Http://www.dom.com/about/gas-transmission/index.jsp

OTHERS

There has been considerable discussion and press about the new Rocky Mountain Express pipeline system being built by Kinder Morgan Energy Partners, Sempra, and ConocoPhillips. The 1,663 mile project originates in Rio Blanco County, Colo., and extends to the Clarington Hub in Monroe County, Ohio. Below is the latest update from Kinder Morgan about their expansion from the Clarington, Ohio hub to Princeton, N.J.

(Continued on Page 15)
Rockies Express Pipeline Completes Successful Open Season for Northeast Expansion Project

HOUSTON, Dec. 12, 2007 (Canada NewsWire via COMTEX News Network) -- Rockies Express Pipeline LLC (REX) today announced it has completed a successful non-binding open season for the Northeast Express project, a 375-mile extension of REX that would extend the pipeline’s route from Clarington, Ohio, and add capacity to receive volumes from Lebanon, Ohio, to the endpoint in Princeton, N.J. REX officials reported that market interest during the open season exceeded the pipeline's initial design estimate of 1.5 million dekatherms per day. Interested parties included natural gas producers, natural gas marketers, local distribution companies and power generators.

REX plans to begin negotiating binding agreements with these potential customers. Subject to receipt of sufficient binding commitments and regulatory approvals, the pipeline extension could go into service in late 2010. The proposed expansion capitalizes on the efficient design of the REX pipeline and will have a low-cost fuel rate delivering gas to the Northeast.

REX is a $4.4 billion joint venture of Kinder Morgan Energy Partners, L.P. (NYSE: KMP), Sempra Pipelines and Storage, a unit of Sempra Energy (NYSE: SRE) and ConocoPhillips (NYSE: COP), and is one of the largest natural gas pipelines to be constructed in North America. When completed, the 1,678-mile pipeline will have a capacity of approximately 1.8 billion cubic feet per day. Binding firm commitments from creditworthy shippers have been secured for virtually all of the capacity on the pipeline. KMP is overseeing construction of the project and will operate the pipeline.

The first 328-mile segment of REX, which runs from the Meeker Hub in Rio Blanco County, Colo., to the Wamsutter Hub in Sweetwater County, Wyo., to the Cheyenne Hub in Weld County, Colo., is in service and has a current capacity of 500,000 dekatherms per day. The next segment, REX-West, is a 713 mile, 42-inch diameter pipeline that will extend from the Cheyenne Hub to an interconnection with Panhandle Eastern Pipeline located in Audrain County, Mo. It is anticipated that interim service on REX-West will be available in late December, with full service by February 2008. Subject to receipt of regulatory approvals, it is anticipated that interim service on REX-East will begin as early as Dec. 30, 2008, and the pipeline will be fully operational by June 2009.

Kinder Morgan Energy Partners, L.P. (NYSE: KMP) is a leading pipeline transportation and energy storage company in North America. KMP owns an interest in or operates more than 24,000 miles of pipelines and 150 terminals. Its pipelines transport natural gas, gasoline, crude oil, CO2 and other products, and its terminals store petroleum products and chemicals and handle bulk materials like coal and petroleum coke. KMP is also the leading provider of CO2 for enhanced oil recovery projects in North America. One of the largest publicly traded pipeline limited partnerships in America, KMP has an enterprise value of approximately $20 billion. The general partner of KMP is owned by Knight Inc. (formerly Kinder Morgan, Inc.), a private company.

Sempra Pipelines & Storage acquires, builds and operates natural gas pipelines and storage facilities in Mexico and the United States. Sempra Energy, based in San Diego, is a Fortune 500 energy-services holding company with 2006 revenues of nearly $12 billion. The Sempra Energy companies’ 14,000 employees serve more than 29 million consumers in the United States, Europe, Canada, Mexico, South America and Asia.

ConocoPhillips is an integrated petroleum company with interests around the world. Headquartered in Houston, the company had approximately 32,500 employees, $173 billion of assets, and $180 billion of revenues as of September 30, 2007. For more information, go to http://www.conocophilips.com.

This news release includes forward-looking statements. Although Kinder Morgan believes that its expectations are based on reasonable assumptions, it can give no assurance that such assumptions will materialize. Important factors that could cause actual results to differ materially from those in the forward-looking statements herein are enumerated in Kinder Morgan's Forms 10-K and 10-Q as filed with the Securities and Exchange Commission.

This press release contains statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When Sempra Energy uses words like “believes,” “expects,” “anticipates,” “intends,” “plans,” “estimates,” “may,” “would,” “should” or similar expressions, or when Sempra Energy discusses its strategy or plans, the company is making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the forward-looking statements. Forward-looking statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others: local, regional, national and international economic, competitive, political, legislative and regulatory conditions and developments; actions by the California Public Utilities Commission, the California State Legislature, the California Department of Water Resources, the Federal Energy Regulatory Commission and other regulatory bodies in the United States and other countries; capital markets conditions, inflation rates, interest rates and exchange rates; energy and trading markets, including the timing and extent of changes in commodity prices; the availability of natural gas; weather conditions and conservation efforts; war and terrorist attacks; business, regulatory, environmental, and legal decisions and requirements; the status of deregulation of natural gas and electricity delivery; the timing and success of business development efforts; the resolution of litigation; and other uncertainties, all of which are difficult to predict and many of which are beyond the control of the company. These risks and uncertainties are further discussed in the company's reports filed with the Securities and Exchange Commission that are available through the EDGAR system without charge at its Web site, http://www.sec.gov and on the company's Web site, http://www.sempra.com.

Sempra Pipelines & Storage is not the same company as the utilities, SDG&E or SoCalGas, and Sempra Pipelines & Storage is not regulated by the California Public Utilities Commission.

CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF

THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

(Continued on Page 18)
****NOTICE****

DID YOU OVERLOOK YOUR MEMBERSHIP DUES??? IT’S NOT TOO LATE, IF YOU OR YOUR COMPANY WOULD LIKE TO ADVERTISE, PLEASE SUBMIT YOUR INFORMATION AS SOON AS POSSIBLE. WE HAVE A BUSY YEAR PLANNED. SO DON’T MISS OUT ON OUR EVENTS AND WHATS HAPPENING IN AND AROUND OUR INDUSTRY. IF YOU HAVE ANY QUESTIONS, PLEASE CALL THE SOOGA OFFICE AT 740-374-3203 OR FAX YOUR INFORMATION TO 740-374-2840.

THANK YOU
Wind Chill

Frostbite occurs in 15 minutes or less

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The Wind Chill Index takes into account the wind speed in miles per hour and the temperature in degrees Fahrenheit. To determine the wind chill, find the outside air temperature on the top line, then read down the column to the measured wind speed. This "equivalent wind chill temperature" indicates what the actual air temperature would be had the winds been calm.

- Since wind chill is a measure based upon the effect of wind and cold on living things, these numbers do not apply to objects.

When the wind-chill temperature drops to -25 to -39 or colder the National Weather Service issues a "Wind Chill Advisory" to alert the public to the danger of spending prolonged periods of time outside. A "Wind Chill Warning" is posted when the Wind Chill Index drops to -40 or below.

Hypothermia

If your body becomes so cold that it can not produce enough heat to keep it warm you are in danger of becoming hypothermic. Hypothermia usually happens slowly and the signs can go unrecognized until it is life threatening. There are four major factors that cause hypothermia:

Cold, wind, water, and fatigue. Cold is the most common factor of hypothermia. Cold air cools down the body and along with other factors such as wind chill and dampness it can be a serious problem. The addition of wind contributes to rapid heat loss. The stronger the wind, the faster ones body cools. Water immersion also speeds up body cooling. Water conducts heat away from the body 25 times faster than cold air so that sever hypothermia can develop even faster when one is wet or even damp from perspiration. Finally, fatigue also contributes to the advent of hypothermia.

The basic principle to treating hypothermic victims is to stop heat loss, and slowly help the individual regain a normal, non-hypothermic, core body temperature. In all cases of hypothermia it is important to handle the victim VERY gently as it is possible to cause heartbeat irregularities and even death when moving the victim. In cases of mild hypothermia it is usually enough to remove all wet clothing and get the victim into warm, dry clothing, or a dry, warm body wrap. Do NOT attempt to suppress shivering as this is one of the ways the body generates heat. Do NOT massage any of the extremities, you want to warm the body from the core outwards, and not from the extremities inwards. Medical treatment should be sought for all but the most milde cases of hypothermia - if in doubt, contact your local emergency room.

As winds increase, heat is carried away from the body at a faster rate, driving down both the skin temperature and eventually the internal body temperature.

Wind cools because of the evaporative cooling effect of water. For people and animals, the cooling effect of wind depends entirely on the amount of exposure of skin. People of different sizes, shapes, and metabolic rates are affected differently. A well-protected person does not experience any wind chill factor, no matter what the wind speed.

While exposure to low windchills can be life threatening to both humans and animals alike, the only effect that wind chill has on inanimate objects, such as vehicles, is that it shortens the time that it takes the object to cool to the actual air temperature (it cannot cool the object down below that temperature.)
Operation Notes for Producers

- Cobra purchased the Churchtown, North Trumbull, and Holmesville systems from Columbia Gas Transmission effective February 6, 2008. Cobra took over the ownership and management of those systems on that date.
- On February 6, Cobra and Columbia jointly changed all charts on meters on the new Cobra Pipeline system.
- Going forward, Cobra will change all charts until further notice.
- The volume throughput currently at Churchtown is about 3000/day. There is sufficient capacity to move additional gas.
- Gas will be purchased on a MMBTU (DTH) basis.
- Cobra would like to have a Btu analysis for each meter, and will accept the current one each producer has now originally supplied from TCO. If one is unavailable, they will accept a gas analysis that the producer can have performed by UCP or Gas Analytical.
- If there is no gas analysis available for a meter, Cobra will utilize the system average at Churchtown as the analysis for those meters not submitting an individual analysis.
- At startup of Cobra Pipeline, they will use the Btu analysis that is the Churchtown average unless individual sample results are available.
- If your gas flows through an approved meter and you don’t have a marketer to schedule your volumes, or purchase your gas, Cobra will arrange for a marketer to purchase your gas. Call Steve Williams to discuss.
- As to the Churchtown Compressor, it is up and running. The compressor has a mechanism that calls an 866 number if it goes down, and when it does, Steve Williams with Cobra will get a call about the shut down. They will work diligently to keep the compressor running, and if maintenance occurs, either scheduled or unscheduled, they will try to take the compressor down only a few short hours a day, leaving it run the balance of each day to keep gas flowing and pressures at levels that producers can continue to deliver gas daily.
- If a producer has new gas to bring onto the system, Cobra will look at laying pipe to pick up the gas if it is cost effective to do so. Just bring your proposal to them, and they will review it and let you know.

Changes on the System are as follows: For interruptible service, the transportation charge is $.50/dth for each unit transported, $.25/dth for compression and processing if gas is over 1130 BTU, and 3.5% shrinkage.

Operation Notes for Marketers

- As to the marketers purchasing gas on the Cobra Pipeline System, the Producers need to sign an Agency agreement with Cobra giving them the right to sell, nominate, and market the producer’s gas on this system unless the Marketer purchases the gas directly at the meter.
- The producer or Marketer will need to sign a Transportation Service Agreement which sets out the term, the type of service needed (either Firm Transport or Interruptible Transport,) and to provide a gas analysis to determine the BTU content of the gas at each meter. The BTU content will also determine if the gas is to be processed, as processing is imposed on gas over 1130 BTU. The Shrinkage on the system is 3.5%.
- There will be possible cash outs on the system if your nominations do not equal your actual (10% over or 10% under) when they are received by the marketer. You will need to work with your marketer on a weekly basis as to what each meter is flowing to keep the imbalance and cash out to a minimum if possible.

There are penalties that can be imposed if you are more that 10% and 20% out of balance +/- 0-10% out does not incur penalties. Work with your marketer on the volumes on a weekly basis to stay within the +/-10% tolerance. Cobra will
This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that contain projections about our revenues, income, earnings and other financial items, our plans and objectives for the future, future economic performance, or other projections or estimates about our assumptions relating to these types of statements. These statements usually relate to future events and anticipated revenues, earnings, business strategies, competitive position or other aspects of our operations or operating results. In many cases you can identify forward-looking statements by terminology such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" and other similar words. However, the absence of these words does not mean that the statements are not forward-looking. The forward-looking statements are based on management’s expectations, estimates and projections about ConocoPhillips and the petroleum industry in general on the date this statement was released. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Further, certain forward-looking statements are based on assumptions as to future events that may not prove to be accurate. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Economic, business, competitive and regulatory factors that may affect ConocoPhillips’ business are generally as set forth in ConocoPhillips’ filings with the Securities and Exchange Commission (SEC). ConocoPhillips is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

SOURCE: Rockies Express Pipeline LLC
SOURCE: REX
SOURCE: Kinder Morgan Energy Partners, L.P.
SOURCE: Sempra Energy
SOURCE: ConocoPhillips

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or Mindy Mills, Investor Relations, +1-713-369-9490, both of Kinder Morgan Energy Partners, L.P.;
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or Glen Donovan, Investor Relations, 1-877-736-7727, both of Sempra Energy;
or Bill Graham, Media Relations, +1-281-293-1978,
or Gary Russell, Investor Relations, +1-212-207-1996, both of ConocoPhillips;

Others with similar projects are listed below:

The proposed pipelines include:

• Spectra’s $100 million to $150 million Northern Bridge plan, which would link Clarington, Monroe County, Ohio, to the underground Oakford natural gas storage facility near Delmont, Westmoreland County, and come on-line in November 2009.

• Williams Cos.’ $375 million to $500 million Rockies Connector, from Clarington to York County, bisecting Greene, Fayette, Somerset and Bedford counties, is slated for service in November 2010.

• The $707 million to $942 million Northeast Passage, proposed by El Paso Corp.’s Tennessee Gas Pipeline, would stretch 471 miles from Clarington to Pleasant Valley, Dutchess County, N.Y. It could potentially impact Greene, Fayette, Somerset and Bedford counties. The pipeline is slated for operation in November 2011.

• Columbia Gas Transmission is exploring the opportunity to build a 270 Mile 36” pipeline from Clarington to York, Pennsylvania using existing ROW’s along their current pipeline’s 1804 and 136, with potential capacity of 825,000/day.
FOR IMMEDIATE RELEASE
January 15 2008

Contacts:
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DOMINION, EQUITABLE TERMINATE AGREEMENT
FOR SALE OF PEOPLES, HOPE GAS UTILITIES

DOMINION to pursue other offers for purchase of the two utilities
EQUITABLE cites need to focus on other significant organic growth opportunities

RICHMOND, Va. and PITTSBURGH, Pa. – Dominion (NYSE: D) and Equitable Resources, Inc. (NYSE: EQT) announced today that they have terminated their agreement for the purchase of the Dominion Peoples and Dominion Hope natural gas distribution companies by Equitable.

“Given the continued delay in achieving the final regulatory approvals for this transaction, we believe it is best to terminate our agreement,” Thomas F. Farrell II, Dominion chairman, president and chief executive officer, and Murry S. Gerber, Equitable chairman and chief executive officer, said in a joint statement. “While we remain convinced that customers would have benefited from the transaction and are disappointed that it could not be completed in a timely manner, we recognize that it is time to move forward.”

Dominion also announced that it plans to seek other offers for the purchase of the utilities. “These are high-quality assets,” Farrell said. “Dominion has received a number of unsolicited inquiries in recent months from others expressing an interest in acquiring Dominion Peoples and Dominion Hope. We now will contact those companies as well as other potential buyers. In light of the regulatory groundwork done since the agreement with Equitable was announced, we anticipate moving quickly to seek the required approvals once a new buyer has been identified.”

In making its decision, Equitable cited the need to focus on significant organic growth opportunities in other parts of its business. (Continued on Page 21)
“We have decided to focus our growth efforts on exciting strategic opportunities for expanded horizontal drilling and infrastructure development in the Appalachian Basin,” Gerber said. “That growth will add jobs and contribute substantially to the economic revitalization of western Pennsylvania and the other communities in which we invest.”

Dominion and Equitable in March 2006 announced a sales agreement for about $970 million plus adjustments to reflect capital expenditures and changes in working capital. The Pennsylvania Public Utility Commission approved the sale of Dominion Peoples in April 2007. Approval of the Dominion Hope sale is still pending before the West Virginia Public Service Commission. The Federal Trade Commission (FTC) opposed the sale in Pennsylvania. On May 14, 2007, a federal judge ruled against the FTC’s request for an injunction to prevent the Dominion Peoples sale. The FTC appealed this ruling to the U.S. Third Circuit Court of Appeals. On June 1, 2007, the Third Circuit granted the FTC’s request to enjoin the sale pending the court's decision. The FTC's appeal remains pending before the Third Circuit.

Dominion Peoples serves about 359,000 homes and businesses in Pennsylvania from its headquarters in Pittsburgh, and Dominion Hope serves about 115,000 homes and businesses in West Virginia from its headquarters in Clarksburg, W.Va. Together, they serve less than 12 percent of Dominion’s 4 million electric and natural gas local distribution customer accounts in the Mid-Atlantic and Midwest.

Goldman, Sachs & Co. will remain as Dominion’s financial adviser in any transaction and McGuire-Woods LLP will provide legal services.

Dominion is one of the nation's largest producers and transporters of energy, with a portfolio of approximately 26,500 megawatts of generation, 7,800 miles of natural gas transmission pipeline and 1 trillion cubic feet equivalent (Tcfe) of proved natural gas and oil reserves. Dominion also owns and operates the nation's largest underground natural gas storage system with about 960 billion cubic feet of storage capacity and serves retail energy customers in 11 states. For more information about Dominion, visit the company's Web site at http://www.dom.com.

Equitable Resources is an integrated energy company with emphasis on Appalachian area natural gas supply, gathering, processing, transmission and distribution. For information, please visit Equitable’s website, http://www.eqt.com.

Cautionary Statement

Disclosures in this press release contain forward-looking statements. Statements that do not relate strictly to historical or current facts are forward-looking. Without limiting the generality of the forgoing, forward-looking statements contained in this press release specifically include Equitable's organic growth opportunities. A variety of factors could cause Equitable's actual results to differ materially from the anticipated results. The risks and uncertainties that may affect the results of Equitable's forward-looking statements include, but are not limited to, those set forth under Item 1A, "Risk Factors", of Equitable's Form 10-K for the year ended December 31, 2006.

Any forward-looking statement speaks only as of the date on which such statement is made and Equitable does not intend to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise.
DTI Will Lower Gathering Rates

For the past few months, Dominion Transmission, Inc. ("DTI") and IOGA have been engaged in negotiations regarding new gathering and processing rates.

IOGA representatives, led by Rich Heffelfinger, met several times with DTI. DTI presented detailed information regarding its gathering and processing business for discussion and review. After extensive, forthright negotiations, DTI agreed to lower its overall gathering and extraction rates from the current total of 12.5%, down to 11% for the upcoming rate period. Of the 11% total rate, 10.5% is for gathering (4.3% of which is fuel retainage), and 0.5% is for products extraction (all of which is fuel retainage).

IOGA is pleased that DTI reinvested capital in gathering and extraction plant. As part of the settlement, DTI agreed to continue supporting its gathering and extraction business by investing an average of at least $20,000,000 per year in Appalachian gathering and products extraction plant. Because of its diligence, DTI enjoys a low level of lost and unaccounted for gas. The 4.3% fuel retainage covers both compression fuel and lost and unaccounted for gas. If approved by FERC, the new negotiated rates will be effective for the 2009 through 2011 period. Because DTI's gathering facilities are owned by the same company that owns DTI's interstate transmission lines, DTI's gathering rates are subject to FERC jurisdiction. As a result of a settlement at FERC on December 11, 2000, extended in 2004, DTI has been on a three year rate cycle. The current cycle runs from 2005 through the end of 2008. The new rates will take effect January 1, 2009, run through the end of 2011, and renew from year to year thereafter. If rates are redetermined for the period beginning in 2011, it will be necessary to renegotiate, or give notice before the end of 2010 and stop the annual evergreen provision. Although predicting what will happen in three years in our ever changing industry is difficult, another round of rate negotiations could occur during the summer of 2010.

As usual, IOGA was capably represented at the negotiating table. When you see them, please thank IOGA members Rich Heffelfinger, Denny Harton, Marc Monteleone, Curt Tipton, and Kathie Bonnell for their time and effort. These IOGA members shared the work and pressure necessary to complete successful negotiations.

Dominion Authorized Distribution of the Following Statement In Connection with this Announcement.

On December 28, 2007, Dominion Transmission, Inc. (DTI) and the Independent Oil and Gas Association of West Virginia, Inc. (IOGA) reached a settlement agreement on DTI's gathering and processing rates for the period January 1, 2009 through December 31, 2011.

This settlement maintains the gas retainage fee structure that DTI has had since 2001. The total gathering rate is 10.5%, 4.3% of which is fuel retainage. The products extraction rate is 0.5%, all of which is fuel retainage. Some producers have expressed interest in monetizing the non-fuel (6.2%) portion of the gathering rate, as DTI has permitted in the past (DTI does not monetize fuel because fuel is consumed in the gathering process). DTI is willing to consider monetizing its new rate. Based on recent NYMEX forward price projections, the approximate monetized price that producers can expect is $0.554/dt for the three-year period noted above.

Producers interested in monetizing their gathering service fee should contact Dale Rexrode at 304-627-3580. Producers are under no obligation to monetize through DTI and should be able to do the same thing through their current marketer.
West Virginia has several oil and gas issues before the Legislature this 2008 session. Many SOOGA producers have been in communication with the senators and delegates in their area to let them know their positions on many of the issues facing producers.

One issue is to have the gas marketer withhold severance taxes from our gas payments. This is crazy. With all of the exemptions under current West Virginia law, this would be a nightmare. Any well that makes less than 5 mcf per day or less than one half barrel of oil per day is exempt from severance taxes. Many producers have several wells that feed through on master meter. This could cause total chaos.

Another bill would do away with the exemptions for severance taxes on coal bed methane wells.

The surface owner “Bill of Rights” seems to have drawn the most attention. Many SOOGA members have voiced their concerns to their legislators and we appreciate it. A special thanks goes out to Terry Clark with Ergon. I would encourage all producers in WV who are drilling wells to try to work closely with your landowners and I am sure the results would be to your benefit.

The most exciting news in WV is The Marcellus shale plays. Everyone is excited about it and this year there is a lot of activity planned. Several Marcellus wells are planned for Ritchie County. There is some new activity planned around Salem, WV and also Southern Upshur County where there has been some great success.
Southeastern Ohio Oil and Gas Association Membership Form

Name: _____________________________  Company: _____________________________  Title: _____________________________

Address: ____________________________  City: _____________________________  State: _____________________________  Zip: _____________________________

Phone: _____________________________  Fax: _____________________________  Email: _____________________________

Membership Classification (Please Check One)

$150 Annually  ☐ Producer  ☐ Contractor  ☐ Allied Industry  ☐ Professional

$100 Annually  ☐ Associate (Additional employees in a Member company)

$75 Annually  ☐ Royalty Owner  ☐ Non-Operating Investor

☐ Special (select only one, please)  ☐ Wildcatter Package $1,200.00

☐ Derrick Package $850.00

*Special Acknowledgement, logo/ad at all association events and functions
*One free ticket to association golf and clay shoot outtings
*Tee sponsorship at each golf outing, clay shoot
*Grand Ad Package (business card website, full page directory, double ad in Insider)
*Four total company employee memberships (3 Associate)

CALL FOR ADDITIONAL INFORMATION ON MEMBERSHIP AND ADVERTISING PACKAGES,

MAKE CHECKS PAYABLE TO: Southeastern Ohio Oil and Gas Association (SOOGA)
and mail to

Southeastern Ohio Oil and Gas Association
P.O. Box 136
Reno, OH 45773
740-374-3203 - Phone Number
740-374-2840 - Fax Number
mail@sooga.org  Email Address

SOOGA WEBSITE: WWW.SOOGA.ORG

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