SOOGA is excited about the 5TH ANNUAL OIL & GAS TRADE SHOW on Thursday, September 18, 2008, from 9 am to 5 pm. located at the Washington County Fairgrounds in Marietta, Ohio. This year’s show includes training sessions for member companies’ “field employees” and afternoon technical sessions covering current issues in our industry.

Live entertainment provided. Door prizes will be awarded throughout the day. Lunch and refreshments will be available for purchase. The show is open to the public, advertised throughout the industry and continues to grow each year. We are expecting a large number of exhibitors this year.

If you have any questions or need additional information, please contact Billie Leister at the SOOGA office, 740-374-3203.

See Trade Show Agenda on page 23.

KICKOFF OF GUN RAFFLE

On September 1, 2008 ticket sales will begin for SOOGA’s 2008 Fall Gun Raffle. The raffle will run from November 1st though November 30th. As always, our prize list is loaded with valuable firearms that anyone would be proud to own. A bonus prize of a Henry Yellow Boy. 22 Cal. Rifle will be available to all who purchase 5 tickets on or before September 18th, 2008 with the winner be drawn at the Annual Fall Trade Show on September 18th. A special grand prize has been selected this year, a Uberti Replica of the Quigley Sharps rifle (pictured above) made famous by Tom Selleck in the movie “Quigley Down Under”. As a bonus SOOGA will also award a copy of the movie to the grand prize winner. SOOGA thanks everyone for their past participation in our very successful fund raiser. With 2008’s prize giveaways, SOOGA will have awarded 132 gun prizes valued at over $75,000.00. If anyone needs tickets, contact any board member or contact Billie at the SOOGA office at (740)374-3203.

***SOOGA’S 30TH ANNIVERSARY***
Welcome to another issue of the Insider.

The Southeastern Ohio Oil and Gas Association has hit a milestone. I am proud to announce, this month SOOGA’s membership has exceeded 300 for the first time ever. A special thanks for the flat screen television donation, which I’m sure contributed to the record number. Next the increase in commodity prices, served as a strong back-up. Interest in our Association is stronger than ever. For this we thank you, our membership.

SOOGA has maintained a fast paced schedule and will continue to offer you many opportunities to participate in our growth and the many opportunities to interact with your fellow members and peers. Over the next few months there are a number of activities planned.

August 29 Marietta Country Club will again be hosting our Fall Golf Outing. At the time of this writing there are 15 teams registered, so get your foursome entered.

The ever popular Annual SOOGA Gun Raffle tickets will be available after the golf outing.

September 18, the 5th Annual Oil and Gas Trade Show and Seminars will be held at the Washington County Fairgrounds.

Sporting Clays held at Hilltop Sports, Whipple, OH on October 17th, 2008.

All that wet weather we experienced in the earlier part of summer has dried up and everyone I know is as busy as ever. Commodity prices are softening somewhat and I think the economy needs that break. On the other hand, it’s scary not knowing where things are going to shake out. But what can you do. So take some time off and come out and enjoy the activities.

Please take the time to read more about SOOGA activities and what is going on within our industry in this issue of the Insider.

And once again “Thanks” to all those who have been so generous in supporting the past SOOGA events and the events yet to come.

Steve Sigler,
President
2008 CALENDAR OF EVENTS

August 29, 2008
Fall Golf Outing
Marietta Country Club
Marietta, OH 45750

September 17, 2008
Ergon Fish Fry

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

September 26, 2008
Hog Roast
BD Oil Gathering, Reno, OH

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

November 1-November 31, 2008
Annual Fall Gun Giveaway

Robert Hesson
Mobile 740.581.0904

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Roger K. Riddle, President
David L. McKain, Vice President
Phone 304-428-8015
Fax 304-428-8059
Teachers Workshop “Trip to the Oil and Gas Fields of Southeastern Ohio”

The Ohio Oil and Gas Energy Education Program (OOGEEP) in June 2008 held a teachers training seminar on the Marietta College campus and spent a day on a field trip touring the oil and gas fields of southeastern Ohio.

During the seminar important information and knowledge was shared with educators from schools throughout Ohio, Pennsylvania and West Virginia about our industry. OOGEEP is fulfilling their role as an educator to reach and teach many uninformed and misinformed people and to spread the real facts about the positive impact our industry makes in Ohio and the Appalachian Basin.

The field trip was an exciting and informative time for many of the teachers as they saw first hand the day to day workings of our active oil and gas fields. A large tour bus was utilized to transport the 25 teachers around the country side to the different facilities. Our first stop was near Lowell Ohio at the Ohio Oil Gathering terminal where Bob Gerst Sr. gave a very informative talk about the day to day workings of an oil gatherer and how their pipeline and shipping terminals functioned. Our next stop was at Dominion’s Noble county compressor site where Ross Nigro conducted a very informative tour of their large compression facility and fielded numerous questions as did Bob Gerst from the teachers.

A special thanks to each of these men and their companies for their work, dedication and desire to share their knowledge with the school teachers. I can assure you that they went away from each session with a new understanding and a more positive perspective of the oil and gas industry and its people. From there, we traveled north to Cumberland Ohio where we met up with a reporter and cameraman from WOUB channel 20 of Athens who accompanied us to an Alliance Petroleum well site and tank battery, where I explained the workings of a well, pump jack, tank battery and measurement equipment. The teachers were interviewed as well and gave a positive spin to the need for continued domestic exploration. Our final stop was at Warren Drilling’s yard in Dexter City where Danny and Randy Warren showed the group a new drilling rig that they were currently constructing. The Warren brothers answered question after question as the teachers walked around the rig yard and climbed up on the floor of the new rig. Their interest in the equipment and the workings of what I believe is Ohio’s premier drilling company made it hard to gather all of them in to head back to Marietta. Thanks Danny, Randy, Bob and Ross for your help.

The teachers seminar and field trip accomplished more than OOGEEP’s highest expectations to educate and inform Ohio’s teachers about our great and vital industry.

Best Regards,

Marty Miller
Vice President of Operations
Alliance Petroleum
### GAS PRICING

**JULY 2008**
- NYMEX Settlement: $13.105
- Inside FERC/DTI: $13.73 (Basis: $0.625)
- Inside FERC/TCO: $13.54 (Basis: $0.435)
- NYMEX 3-day Average: $12.9563

**AUGUST 2008**
- NYMEX Settlement: $9.217
- Inside FERC/DTI: $9.87 (Basis: $0.653)
- Inside FERC/TCO: $9.63 (Basis: $0.413)
- NYMEX 3-day Average: $9.1547

### OIL PRICING

**Effective Date 8/28/08**

**ERGON PURCHASING WEST VIRGINIA**
- Ohio All Fields: $112.00
- West Virginia Northern: $111.50
- West Virginia Central: $110.75
- West Virginia Southern: $110.50

**AMERICAN REFINING GROUP**
- OH/WV: $112.00

---

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AFFAIRS IN WV

The Marcellus Shale buzz is going on in much of WV. I have never seen so much activity. I happened to attend the WV State Fair and there was a company that had a booth set up attempting to get leases in WV. After talking to him at great length, he gave me the opportunity to invest in their upcoming drilling venture. The leasing activity has picked up dramatically in Wetzel and Tyler Counties. Delayed rentals are being paid from $10.00 per acre to a few hundreds dollars per acre. Some of the leases that are being signed are having delayed rentals paid, advanced royalties and are for terms of five and ten years with renewal options.

The WV Surface Owners Rights Organization and the Farm Unread have been going around the state holding public meetings and having educational campaigns on leasing your minerals and advising surface owners on how to deal with oil and gas companies.

In recent weeks, Mike Ross, candidate for State Senate in the Randolph County area, has been having meetings to give surface owners a chance to hear from oil and gas industry people to get their perspective.

The senate and the house of WV Legislature held interim committee meetings on August 25, 2008 to hear presentations from the Oil and Gas Industry and WV SORO (Surface Owners Rights Organization) on surface owners rights.

On or about the 14th of August Z Oil Millennium Energy had a well fire in Ritchie County with 4 people injured. One was burned and the others suffered minor injuries. It was reported that the oil and gas inspector was adamant about making sure that you have API number identification tags on your wells after this incident.

(Article written by: Robert Matthey, Jr.)

NOTICE: Directory Update The West Virginia Oil and Gas Inspector list on pages 60-61 has changed since the printing of the 2008 SOOGA Directory. Please refer to their website at www.wvdep.org for updates. Thank you.
NEW MEMBERS

SOOGA would like to welcome the following new 2008 members:

CHAD SPENCE
Attorney at Law

MARK ULLMAN
M.A. Ullman & Company, Inc.

STEVE HAYHURST
Hayhurst Equipment, Inc.

JEFF STERN
Rampp Company

JOSH RINARD
Rampp Company

BRUCE ROBINSON
B.L. Robinson Engineering/Surveying

DOUG RIFFLE
Leslie Equipment

DAN STONER
Center Rock, Inc.

BUD DOTY
Multi Products
Reduce Your Taxes Now
By G. Keith Stonestreet

Spring is almost here again and that can mean only one thing – TAX TIME! Though you may know all the tax basics, it never hurts to review your current situation to see if an annuity can help reduce your taxes now. Properly managing the amount of taxation to which you are susceptible is a great way to continue building your wealth. Annuities can help you defer paying taxes now so your money can continue to grow on a tax-deferred basis.

Astounded by the 1099s you’re receiving? Grab a Tax Form 1040 and highlighter. Look at line 8a (taxable interest); if you are reporting interest income here you may be missing out on an opportunity to accumulate funds for your retirement. Placing this money in an annuity can give you attractive earnings on that money and delay taxation.

Now check line 8b (Tax-exempt Interest). Did you know that municipal bond interest contributes to your Social Security Benefit Taxation (SSBT)? This means that a greater percentage of your social security benefit may be taxed due to these earnings. An annuity will not trigger an increase in the percentage of your social security benefit that is subject to taxation.

If you are reporting interest income on line 9 (Dividends) consider how comfortable you are with the risk you are placing on your principal. While you may earn a higher return on your money, you also risk losing more of it due to market fluctuations. Is it really the time to be putting your money at risk?

Annuities, unlike stocks and mutual funds, can provide guaranteed protection for your principal. Today’s indexed annuities can even give you the potential to earn higher rates due to the market performance. You don’t have to choose between the upside potential and the protection against downside loss. You can have both.

Deciding when to pay your taxes is a valuable decision. Decide to earn more interest today by deferring taxation until tomorrow.

Note: Specific tax or legal questions should be answered by your own tax adviser or legal counsel. Lincoln National Insurance Company does not offer tax or legal advice.

G. Keith Stonestreet is a licensed agent with the Lincoln National family of companies. Keith owns Stonestreet Associates LLC located at 815 Quarrier Street, Suite 205, Charleston, WV 25301 & (304) 343-1242. G. Keith Stonestreet is a Registered Representative of Lincoln Financial Securities Corporation, Member SIPC, branch office 815 Quarrier Street, Suite 205, Charleston, WV 25301. Stonestreet Associates LLC is not a subsidiary or affiliate of the Lincoln National family of companies. This document was created by Lincoln Financial Securities and provided to Keith Stonestreet.
SORO Appeals State Agency Ruling

The West Virginia Surface Owners’ Rights Organization (WV SORO) filed an appeal last week in Kanawha County Circuit Court challenging state agency rulings on well spacing. At issue is the spacing of thousands of wells to be drilled in latest “play” in natural gas drilling. The rulings allow new gas wells drilled to the Marcellus Shale formation to be located as close as 1,000 feet to existing Marcellus shale wells.

If the WV SORO appeal is successful, these wells would have to be located at least 1,500 or even 3,000 feet apart. The West Virginia Coal Association and others have already filed an appeal of the same rulings by the state Oil & Gas Conservation Commission, taking the position that Marcellus gas wells are not statutory “deep wells”. If the Coal Association suit is successful, there would be no limit on how close together the wells could be placed unless there is coal under the same land and the coal owner forces the well spacing.

The coal industry and others had previously filed a prohibition action in the West Virginia Supreme Court against the state agency regulating deep well spacing; however, in its May 2008 opinion in Blue Eagle Land Company vs. West Virginia Oil & Gas Conservation Commission, the Supreme Court told the Parties to file in Circuit Court to pursue relief they wanted.

The rise in energy prices appears to be driving the increase in drilling and there is huge excitement in the industry about drilling the Marcellus. New ways of drilling into similar formations in the West have been very productive and drillers are hoping to do as well in the Marcellus, which runs through much of Pennsylvania and West Virginia. One large company has 1,700 Marcellus wells planned for West Virginia.

“Well sites using these new drilling and fracturing techniques are much larger than those contemplated at the time the severance deeds or leases were signed. So we are not sure that the drillers have the right to drill this way without agreement from the surface owner”, said David McMahon, a lawyer and a founder of WV SORO. “However, if they are going to drill them, they need to be spaced according to geology and science, not economic expediency. Otherwise, unnecessary wells will get drilled and less total gas will be produced.

More wells mean surface owners will have to contend with more well sites and access roads on their land, and more inherent soil erosion, steam sedimentation and risk to groundwater as the wells are drilled.

McMahon said that WV SORO understands that the coal industry wants these wells to be statutory “shallow wells” so a different agency—using different laws—will still space the wells, but space them further apart. “We agree with them, that the wells should be spaced further apart than 1,000 feet, which is why we filed our appeal. But if the coal industry wins and Marcellus wells are declared statutory ‘shallow wells’, then in places where there is no coal owner, the ‘rule of capture’ will apply, and everyone loses-investors, mineral owners, surface owners and even most drillers,” said McMahon.

He said that with 1,000 foot spacing, a surface owner with 100 acres could have as many as nine wells drilled on their land, draining the 100 acres and neighboring mineral tracts. These larger well sites can disturb five acres or more each. McMahon explained that in West Virginia, statutory “shallow wells” are subject to the “rule of capture” unless they are coal bed methane wells or are located where there is coal and the coal owner forces well spacing. Most wells drilled in West Virginia are “shallow wells” not subject to forced well spacing, though neighboring parties may agree to it.

Under the “rule of capture,” any gas that comes out of a gas well belongs to the owner of the gas well, even if it is known to be draining as well from neighboring mineral tracts. As a result, some neighboring mineral owners drill extra “offset” wells to get the gas out of their well first, but other mineral owners can’t afford to do that and end up getting legally robbed.

Continued to page 11
“Some drillers who take advantage of unsophisticated investors drill as many wells as they can squeeze on a tract of land and take the profit from drilling the well, with little concern for who gets hurt by drilling too many wells too close together. It's legalized thievery,” said McMahon. “States to the west, where drilling got started later, have enacted statues making all wells subject to forced well spacing and royalty sharing. In those states, the ‘rule of capture,’ which evolved in Courts in Feudal England in disputes over who owned deer, does not apply to gas wells.”

McMahon said that a surface owner who also owns the minerals and has not leased them, might want to enter into a lease despite the increased six of the drilling sites, because Marcellus wells can be very profitable. However, he cautioned landowners in this situation to insist on including well spacing and other surface owner protections in the lease. For example, people can insist on lease add-ons or addendums that restrict the areas where driller can put wells or that require better reseeding and road construction that the state requires. These are things to negotiate, in addition to the up front and royalty payments. McMahon noted that these payments have steadily increased over the past few months.

An article for citizens that explains more about leasing and things to consider before signing a lease, and a guide for those who just own the surface area is available at the WV SORO website. A slide show that explains well spacing and royalty sharing (also called “pooling and unitization”), and links to copies of the two most recent appeal petitions, plus the Supreme Court opinion can be found at www.wvsoro.org.
The Insider

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Jeff Sayger - Production Foreman
Paul Withers - Service Department Foreman - Mobile (330) 417-1216

Bobbi Lauer - Leasing & Permitting Coordinator
**PRICING**

Prices August 6th. @ Open – 9:30 a.m.

One Year NYMEX strip (September, 2008 – August, 2009) $9.321
Summer NYMEX strip (September, 2008 – October, 2008) $8.773
Winter NYMEX strip (November, 2008 – March, 2009) $9.654
TCO Index Posting - August, 2008 $9.63
DTI Index Posting - August, 2008 $9.87

**GAS STORAGE AS OF July 31, 2008 Report**

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<th>Region</th>
<th>Stocks in billion cubic feet (Bcf)</th>
<th>Year Ago (07/25/07)</th>
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<tr>
<td>Total</td>
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**Summary**

Working gas in storage was 2,461 Bcf as of Friday, July 25, 2008, according to EIA estimates. This represents a net increase of 65 Bcf from the previous week. Stocks were 357 Bcf less than last year at this time and 12 Bcf below the 5-yr. average of 2,473 Bcf. In the east Region, stocks were 5 Bcf above the 5-yr. average following net injections of 55 Bcf. Stocks in the Producing region were 12 Bcf below the 5-yr. average of 764 Bcf no net change in stock levels. Stocks in the west Region were below the 5-yr average after a net addition of 10 Bcf. At 2,461 Bcf, total working gas is within the 5-yr historic range.

**GATHERCO**

Retainage for May is as follows for the Gatherco systems. Treat was 6.52% (down 8.05%), Miley was 7.724% (down 1.22%), Meigs was 5.0% (down 4.74%), York was 5.0% (same as previous month), Elk was 5.57% (down .84%), and Grimes was 19.7% (down .55%).

**EAST OHIO GAS**

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

(Continued on page 14)
Brent Breon gave an update on the DEO Ohio production measurement project on May 29, 2008, at the Region III & IV meeting held at the Lafayette Hotel in Marietta. The meeting was attended by nearly 40 members, with information shared as to the number of meters being converted to rotary, MOA's, and electronic measurement. The SOOGA office has this information if anyone who was unable to attend needs to have the data.

CNR/COLUMBIA GAS TRANSMISSION

Some of the Eastern Kentucky CNR producers are currently seeing shut-ins of gas as demand has dropped off due to warmer 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 in 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. Current producer speculation is that this offering will not come to fruition.

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 systems on that date.

The operational and marketing notes for producers to read which was published in The Insider and mailed to members will hopefully give 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.

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 in service now, with the startup of the first phase on April 15, 2008, and the second phase is supposed to begin in July, 2008. More information will be forthcoming as it becomes available.

DOMINION TRANSMISSION

Dominion Peoples and Dominion Hope sold to Australian firm

On July 2, Dominion announced its plans to sell Dominion Peoples and Dominion Hope natural gas distribution companies to Babcock & Brown Infrastructure Fund North America (BBIFNA), a San Francisco based infrastructure fund that owns and manages utilities and other infrastructure assets for $910 million, under an agreement expected to close in 2009.

Dominion Peoples serves about 359,000 residences and businesses in Pennsylvania from its headquarters in Pittsburgh, and Dominion Hope serves about 115,000 residences and businesses in West Virginia in Clarksburg, WV. Together they serve approximately 12 percent of Dominion’s 4 million electric and natural gas utility customer accounts in the mid-Atlantic and Midwest.

Dominion held a meeting on July 21, 2008 at Stonewall Resort in Roanoke, WV, to provide an update on the Appalachian Gateway Project. The Project summary is set out below:

- Proposed Available Capacity
  - Pods 365,120 dt/d
  - EBAs 253,801 dt/d
  - Total Capacity 614,921 dt/d

(Continued on Page 15)
Estimated Capital Requirements

- Transmission: $650 million
- Processing: $275 million
- Gathering: $87 million

Total Investment: $1,012 billion

In addition to the above, DTI personnel discussed Transmission Facility Scope, Receipt point Pods with volumes, Firm Transport details, the Appalachian Supply & Transmission Nomination Process, FT Capacity Release Review, the Precedent Agreement Terms and Conditions, the Project Rate (current preliminary unit rate is $.48), Creditworthiness, and the Appalachian Gateway Timeline below:

- July 2, 2008: Producer update meeting
- July 22, 2008: Meeting with all Gateway bidders
- Aug. 8, 2008: Capacity ownership determination
- Aug. 15, 2008: Send executable PA’s to customers
- Sept. 5, 2008: Accept all executed PA’s received at DTI’s office by 5:00 PM EDT - Prorate capacity, if necessary
- Sept. 5, 2008: After 5:00 PM EDT, accept executed PA’s on a first come, first serve basis
- Sept. 22, 2008: P.A. execution window closes
- Sept. 30, 2010: Receive FERC Certificate
- 4Q, 2011: In-Service

A copy of the Appalachian Gateway Project meeting on July 22, 2008 is available at the SOOGA office, and you can view it on line at the following DTI website.

http://escript.dom.com/info_post/infoDocumentation.jsp?&company=dti

Per the article in the latest Insider, DTI will lower their gathering rates effective for the period 2009 through 2011. The rate for over-all gathering and extraction will go from the current 12.5% down to 11% for the upcoming period. This rate includes 10.5% (4.3% of which is fuel retainage) for gathering and 0.5% for products extraction (all of which is fuel retainage). 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.

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.

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

OTHERS

**Rocky Express Update**

Rockies Express Pipeline LLC., announced the Federal Energy Regulatory Commission (FERC) has approved construction of Rockies Express-East (REX-East), which comprises 638 miles of 42inch diameter pipeline

(Continued on Page 20)
Weatherford

Ron Anderson, Eastern District Manager

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SERVING THE OIL AND GAS INDUSTRY SINCE 1978
Fire Extinguishers...they’re not all alike. Fire extinguishers are great for putting our fires—but only if you use the right one. Since all fires aren’t the same, the wrong extinguisher can make a fire worse. There are 5 kinds of fire extinguishers.

Using a Fire Extinguisher

The most important lesson in the proper use of a fire extinguisher is Don’t! Unless you have been trained by qualified personnel in the use of portable fire protection equipment (fire extinguisher.)

When using a fire extinguisher:

- Pull the safety pin.
- Stand about 8 feet from the fire. If you are in a building or an enclosed area, always have your back to the door. Never turn your back on the fire.
- Aim at the base of the fire.
- Squeeze the trigger.
- Use back and forth sweeping motions.
- Aim accurately — fire extinguishers may only last from about three to 20 seconds.
- Use a fire extinguisher only if the fire is small and easily contained.
- If you are not comfortable with the size of a fire, do not attempt to use a fire extinguisher. After sounding the alarm, leave the area and let the professionals handle it.

Be prepared! Don’t wait for a fire to start before you find out:

- What kind of fire extinguishers you have and where they are.
- What kind of fire extinguisher is right for each material you work with.
- How to use a fire extinguisher
- Where your “Designated Meeting Place” is in case of an emergency on site.

If you discover a small fire you should:

- Raise the alarm. Warn others and make them get out of the area.
- If it is safe to do so without personal risk, and if you have been properly trained in the use of a fire extinguisher — attempt to extinguish the fire with an appropriate extinguisher before leaving the area. If you are in a building, close all doors behind you.
- Report immediately to your "designated meeting area." The Emergency Response teams will not begin to battle a fire until they are sure all personnel have been evacuated or removed from the fire area. Having everyone at a designated reporting area makes it easier for your supervisor to know if all employees and visitors to the site are accounted for.
- Approach the emergency personnel, at the designated meeting area, and relay any information you may have concerning the fire, and your attempts at extinguishing it. They will ask for any additional information that they may need.
2008 DESK AND DERRICK BOAT CRUISE
that will extend from Audrain County, Mo., to Clarington, Ohio. Construction is expected to begin this summer. Subject to receipt of regulatory approvals, REX-East is expected to begin interim service to the Lebanon Hub in Warren County, Ohio, by Dec. 31, 2008, and be fully operational in the summer of 2009. “The sponsor companies appreciate the timely manner in which the FERC completed its environmental review and authorized the certificate to construct on REX-East,” said Scott Parker, president of Kinder Morgan Energy Partners’ Natural Gas Pipelines group. “We are delighted that more than 1,000 miles of REX are in service, and we look forward to completing the final segment of the project.” The 713-mile REX-West segment which runs from the Cheyenne Hub in Weld County, Colo., to Audrain County, Mo., became fully operational May 20.

The initial 327 miles of REX extends from the Meeker Hub in Rio Blanco County, Colo., to the Wamsutter Hub in Sweetwater County, Wyo., to the Cheyenne Hub. Rockies Express Pipeline LLC is a joint venture of Kinder Morgan Energy Partners (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 1,679-mile pipeline will transport gas from the prolific Rocky Mountain supply basins to markets in the Midwest and East and have a capacity of approximately 1.8 billion cubic feet per day. Binding firm commitments from creditworthy shippers have been secured for all of the capacity on the pipeline. Market conditions for consumables, labor and construction equipment along with certain provisions in the final environmental impact statement have resulted in increased costs for REX and impacted certain projected completion dates. For example, REX currently expects that interim service on REX-East will begin by year end to Lebanon as opposed to its initial projection of Clarington. As previously disclosed, while it is still too early to estimate the precise cost impact, KMP believes that the cost increase will be no more than 5 to 10 percent of the total REX project estimate of approximately $5 billion. KMP is overseeing construction of the project and will operate the pipeline.

For current updates, please utilize the Rex Pipeline Website
http://www.rexpipeline.com/index_east.html

Below are some proposed pipeline projects to move gas from the Rex Line at Clarington to the North East Markets.

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.
NEW WAYNE NATIONAL FOREST SUPERVISOR SELECTED

MILWAUKEE (July 11, 2008) – Eastern Regional Forester Kent Connaughton today announced the selection of Jo Reyer as the forest supervisor of the Wayne National Forest in southeastern Ohio.

“We are extremely pleased to have Jo assume a new leadership position in the Eastern Region,” Connaughton said. “She brings a wealth of experience, skills, and knowledge to her new position, and will continue to provide valuable perspectives to our Regional Leadership Team. Although I will miss having her on my staff in Milwaukee, she will make wonderful contributions to the Wayne National Forest and surrounding communities.”

“I’m really excited to return to on-the-ground management of a national forest, and look forward to getting to know the employees, ecosystems, and communities of the Wayne National Forest,” Reyer said.

Reyer comes to the Wayne from her current position as the Director of Planning, Appeals, and Litigation in the Forest Service’s Eastern Regional Office in Milwaukee, a position she’s held since 2004. She replaces Mary Reddan, who retired from the Forest Service in March, and acting forest supervisor Jerri Marr, who will return to West Virginia’s Monongahela National Forest as deputy forest supervisor.

Reyer began her Forest Service career as a forestry technician on the Chippewa National Forest in northern Minnesota in 1978, and later served that forest as a public affairs specialist and environmental coordinator. In 1986 she moved to Montana as the public affairs officer for the Bitterroot National Forest, and later served as an assistant ranger on that forest’s Darby Ranger District. In 1990 she became the public affairs officer for the Bitterroot National Forest in northern Wisconsin. From 1994 to 2001 she served as the public affairs officer for the Gunflint district ranger on the Superior National Forest in northeastern Minnesota. Following that, she was the public services team leader for the Superior National Forest, managing programs in recreation, wilderness, lands, heritage resources, and public affairs. She also has had temporary assignments with the U.S. Institute for Environmental Conflict Resolution in Tucson, Arizona and as acting forest supervisor of the Ottawa National Forest in Michigan’s Upper Peninsula.

Jo is a graduate of Bemidji State University in Minnesota, with a degree in environmental studies. She has pursued an interest in alternative dispute resolution and mediation, completing courses at Hamline Law School in St. Paul, MN.

Jo will be moving to Ohio in mid-August with her husband Gene Plewe, a small business owner. Daughter Robin (27) lives in New York City and son Marty (23) is a college student in Duluth, MN.

(article provided by Carl Heinrich)
Russell E. “Rusty” Jones II, 27, of Harrisville, WV., was seriously injured while at work on July 10th, 2008.

Natural gas fumes caused an explosion at a well site near Pullman, WV. Rusty was life flighted to the West Penn Burn Center in Pittsburgh. He remained there for one month. On August 13th, Rusty was transferred to Charleston, WV for rehabilitation.

His vital signs are strong; however, his recovery will be a lengthy process.

Rusty graduated from Calhoun County High School in 2002. He and his wife, Leslie, are the parents of 2 children. Rusty enjoys hunting, ATV riding and spending time with his family. It’s sad to say, but Rusty’s life and his family’s life, has changed forever by this tragic accident.

I would like to ask individuals and companies, if possible, to donate financially to help defray a portion of the cost his family is facing.

If you can help, in any way, please send your donation to:

Russell “Rusty” Jones Fund
C/O West Union Bank
201 E. Main St.
Harrisville, WV  26346
Southeastern Ohio Oil & Gas Association
5th Annual Trade Show - September 18, 2008
Washington County Fairgrounds, Marietta OH
Open to the Public 9:00AM-5:00PM

WELL TENDING SEMINAR
Registration 7:30AM
Cost: $35.00 (Includes Lunch)

Session will be presented in 1/2 hour increments with 10 minute breaks in between to allow you to attend six sessions in the order you choose. Please take advantage of the 10 minute breaks to visit the booths, it is a good opportunity for sharing information.

SESSIONS

GAS COMPRESSION MAINTENANCE (Canaan Industries)  
GAS MEASUREMENT (Eagle Research)  
DOWNHOLE PUMP SIZING (Harbison-Fischer)  
PROPER USE OF WIREFRAME TOOLS (Rampp)  
POLY FUSION (Flying W Plastics) *(Schedule will be as necessary for certification)*

H2S AWARNESS (Weatherford)  
ATV (Safety Resources)  
BASIC FIRST AID (Safety Resources)  
DEFENSIVE DRIVING (Wells Fargo)

(Verification of attendance available for OSHA training compliance)

The schedule for each of the sessions will be:
8:00AM-8:30AM    (BREAK)
8:50AM-9:10AM    (BREAK)
9:20AM-9:50AM    (BREAK)
10:00AM-10:30AM  (BREAK)
10:40AM-11:0AM   (BREAK)

**Lunch by Cowboy Concessions will be served 12:00PM-2:00PM**
$10.00 per person.

AFTERNOON TECHNICAL SEMINAR (1:00PM to 4:00PM) TOPICS WILL BE “OILFIELD PRODUCTION PROBLEMS & SOLUTIONS” WITH RON ANDERSON/LORI MILLER OF WEATHERFORD INTERNATIONAL AND KEITH STONESTREET WITH STONESTREET ASSOCIATES.

Call Billie at the SOOGA Office to sign up.
(740) 374-3203
Southeastern Ohio Oil and Gas Association Membership Form

Name: ____________________________  Company: ____________________________  Title: ____________________________

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

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Membership Classification (Please Check One)

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

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$75 Annually  ☐ Royalty Owner  ☐ Non-Operating Investor

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

☐ Derrick Package $850.00

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*One free ticket to association golf and clay shoot outings
*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,

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SOOGA WEBSITE: WWW.SOOGA.ORG

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