

**VIRGINIA GAS & OIL BOARD
WORK COMMITTEE MEETING**

AUGUST 21, 2008

The following is a summary of the August 21, 2008 Committee Meeting:

Members present were Katie Dye, Donald Ratliff and Bill Harris. Also present were David Asbury and Gloria Clark, Office of the Attorney General.

Due to the absence of Chairman Prather, Acting Chairman Harris called the meeting to order at 8:45 AM. Each member introduced themselves. Director Asbury then presented the Committee's charge for the meeting which relates to Section 9.2 of the Board Orders and post production costs.

Motion was made by Member Ratliff and seconded by Member Dye to accept the minutes of the July 21st Work Committee meeting. Vote was unanimous to accept the minutes as presented.

The Committee reviewed and discussed written comments regarding post production costs allowances which had been received from the public during the comment period which ran from May through July 2008. Member Dye then advised the group that she wished to withdraw her vote made at the last meeting regarding the percentage cap on post production costs. Member Dye explained that after further research and discovery of new information, this withdrawal of the vote was necessary. Following a lengthy discussion, a decision was made that the vote could not officially be withdrawn but that a new recommendation/motion could be made regarding the percentage cap. After discussion, it was unanimously decided to recommend, a letter should be sent to the gas companies advising the committee was considering a recommendation to place of a percentage cap on the post production costs.

The committee discussed changing time for future meetings; from morning to the afternoon because of conflicting schedules of Board members. Motion was made and seconded that the future Work Committee meetings be held on the third Thursday following the Gas and Oil Board hearings on Tuesday; beginning at 2 PM. Vote was unanimous to accept this change. The committee discussed providing an update of work to the full board at the September 16th hearings. Acting Chairman Harris agreed to present an update of the committee work to the board.

Acting Chairman Harris stated the next meeting would be held on September 18, 2008 at 2:00 PM.

Acting Chairman Harris adjourned the committee meeting at 11:50 AM

Respectfully submitted,

Gloria Clark