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[Sent via email attachment to: rule-comments@sec.gov]

Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

RE: Comment on “Modernization of the Oil and Gas Reporting Requirements”; Your File Number S7-15-08

Ladies and Gentlemen:

Equitable Resources, Inc. (Equitable) is pleased to provide comments to the Securities and Exchange Commission (SEC) on the rule proposal entitled “Modernization of the Oil and Gas Reporting Requirements.”

We develop, produce and sell natural gas and, to a limited extent, crude oil and natural gas liquids, in the Appalachian region of the United States and are among the largest owners of proved natural gas reserves in the Appalachian Basin. A substantial portion of our reserves are located in unconventional, continuous type reservoirs consisting of low pressure shale, coalbed methane and other tight sands.

We commend the SEC for formulating the new proposed oil and gas reporting requirements. We believe that revisions to the SEC’s current oil and gas reporting requirements are important in light of the many changes in the oil and gas industry, including technological advancements, which have occurred over the past thirty years. The SEC’s proposal represents a significant improvement over the current oil and gas reporting framework. With the exception of two suggested improvements to the proposal discussed below, we strongly encourage the SEC to adopt the new reporting requirements as soon as possible.

Key Aspects of the Proposal Supported by Equitable

Consistency with Society of Petroleum Engineers’ Petroleum Resources Management System

Many of the proposed definitional changes for the reporting of reserves are consistent with the Society of Petroleum Engineers’ (SPE) Petroleum Resources Management System (PRMS). The PRMS was developed by industry leading technical experts and is the most widely accepted reserves and resource definitions system available. We believe that adoption of definitions which are consistent with the PRMS will lead to greater comparability and understanding of companies’ resources and production.

Definition of Proved Undeveloped Reserves

We strongly agree with the proposed definition of PUD reserves. The proposed definition will replace the requirement that productivity be “certain” for areas beyond the immediate area of known proved reserves with a “reasonably certain” requirement. The proposed definition will further clarify that proved reserves can be claimed in conventional accumulation or a continuous accumulation in a given area beyond immediately offset drilling units. These changes will better align the definition of PUD reserves with the definition of proved reserves and the current framework of the SPE PRMS, resulting in one threshold (i.e., reasonable certainty) for all categories of proved reserves.

Use of 12-Month Average Prices

We believe that the proposal to use 12-month average prices to calculate reserves (instead of year-end prices) is a major improvement. Due to the volatile nature of crude oil and natural gas prices, we believe that using a price that represents the market price on one day of the year does not accurately reflect the value of the reserves of any company. Using a 12 month average price would prevent large swings in reserve totals strictly due to price changes on a given day. An average price would be more representative of value than the year end price which could be much higher or much lower than the 12 month average. This should also result in less dramatic valuation swings from year to year.

Key Recommendations

Proposed Item 1203 Disclosure

We believe that the aging and tracking of historical PUDs by their year of recognition and the tracking of related investment dollars under proposed Item 1203 would be extremely burdensome and expensive to implement. We currently have over 3,400 gross proved undeveloped drilling locations. Given our large number of PUDs, the proposed new disclosures would require us to make a substantial and costly overhaul to our accounting and reserves information systems, and we estimate that hundreds of hours would be spent by our employees preparing these disclosures.

Moreover, we do not believe that the additional disclosures would add any value to investors or other users of financial information. Investors and other users of financial information already receive sufficient multi-year production and proved reserves information to enable them to assess a companies’ success in developing resources. Accordingly, we recommend the SEC eliminate the proposed five-year table of PUD movements and the detailed recap of PUDs over five years old.

Dual price bases

In order to avoid the significant costs associated with the maintenance of two sets of reserve records (which costs may include receipt of dual reports from our independent reserve engineer), we encourage the SEC to work with the FASB to ensure that the new reporting requirements are

aligned with accounting requirements. We believe the move to 12-month average pricing is appropriate for both reporting and accounting purposes (including the calculation of unit-of-production depletion rates). If the accounting definition remains unchanged, the similarity of the two sets of records introduces the opportunity for errors or confusion as to which is appropriate in a given circumstance.

Conclusion

We applaud the SEC for their outstanding efforts to modernize the oil and gas reporting requirements. The SEC's proposal is comprehensive, well thought out and timely given the recent substantial growth of the energy industry in this country. We respectfully request that the SEC consider the few improvements that we have suggested in this letter, and encourage the SEC to adopt final rules as soon as possible. If you have any questions, please contact me at (412) 395-3353.

Sincerely,



Steven Schlotterbeck *JS*
Vice President

cc: Lewis B. Gardner, Vice President and General Counsel