

Penn Virginia Corporation

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FOR IMMEDIATE RELEASE

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PENN VIRGINIA PROVIDES UPDATE OF HEDGING POSITIONS

Company Has No Hedging Exposure to Enron Corporation

RADNOR, PA, January 4, 2002 -- Penn Virginia Corporation (NYSE: PVA) today provided an update of its commodity price risk management positions. As of January 1, 2002, the Company has in place natural gas hedge positions for the first three quarters of 2002 covering approximately 25,300 Mmbtu per day. These positions provide average floor and ceiling prices of \$2.94 and \$3.37 per Mmbtu, respectively, and cover approximately 52% of anticipated base natural gas production for the nine-month period before production from new wells planned for 2002. For the fourth quarter of 2002, positions are in place covering approximately 9,600 Mmbtu per day, or approximately 20% of base production, providing average floor and ceiling prices of \$3.21 and \$3.96 per Mmbtu, respectively.

A. James Dearlove, President and Chief Executive Officer, said, "Our concern about current market indicators, including natural gas storage levels and the economy, resulted in our decision to protect a substantial portion of our anticipated natural gas production for the first three quarters of 2002 and a relatively smaller portion for the fourth quarter. With these hedges, we have protected a significant portion of our discretionary cash flow in order to fund our planned 2002 capital program. By leaving approximately half of our base natural gas production and all of our incremental production from 2002 drilling unhedged, we also will be able to participate in any upside potential in natural gas prices. We will continue to monitor ever-changing market conditions and may enter into more hedges in the future."

For crude oil, the Company has hedge positions in place for all of 2002 covering approximately 750 barrels per day, or approximately 60% of crude oil production before production from new wells planned for 2002, with average floor and ceiling prices of \$21.31 and \$25.72 per barrel, respectively.

PVA is an energy company engaged in the exploration, acquisition, development and production of crude oil and natural gas. Through its ownership in Penn Virginia Resource Partners, L.P. (NYSE: PVR - news), PVA is also in the business of managing coal and timber properties. PVA is headquartered in Radnor, PA.

The statements regarding future financial performance and results and the other statements which are not historical facts contained in this release are forward-looking statements within the meaning of the federal securities laws that involve risks and uncertainties, including, but not limited to, market factors, the market price (including regional basis differentials) of natural gas and oil, results of future drilling activity, future production and costs and other factors detailed in the Company's Securities and Exchange Commission filings.