

Penn Virginia Corporation

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PENN VIRGINIA REPORTS SUCCESSFUL FIRST-HALF 2003 DRILLING UPDATES 2003 PRODUCTION GUIDANCE AND HEDGING POSITIONS

RADNOR, Pa., (PR Newswire) July 31, 2003 – Penn Virginia Corporation (NYSE: PVA) today provided an update of its oil and gas operational activities. During 2003's second quarter, PVA drilled 58 wells, 57 of which were successful. Through the first six months of 2003, the Company drilled 84 wells with 82 successes, compared to 63 wells with 60 successes during the first six months of 2002.

Western Region Operations (Onshore Gulf Coast and West Texas)

The Company drilled five wells in its Western region during the second quarter of 2003, including three development wells that are on production and two exploration wells, one of which was unsuccessful. Including these wells, PVA had ten successes in 11 attempts during the first six months of 2003. The three second quarter development wells were drilled in the Vicksburg objective in the Southwest Kingsville Field in Kleburg County, Texas, in which the Company acquired a 25 percent non-operated working interest earlier this year. Current plans for Southwest Kingsville include the drilling of five to seven more development wells during the second half of 2003. Additionally, a Queen City objective exploration well drilled in PVA's Tom Lyne field in South Texas' Live Oak County was unsuccessful, with a dry hole cost of \$0.3 million net to the Company. The Company expects to drill three or four gross exploration wells in South Texas in the second half of 2003. Included in this plan is a well to test the Frio interval in the Company's Fannett Field in Jefferson County, a salt dome on which PVA recently acquired a 3-D seismic survey, and a well to test the Yegua interval on the Company's Richard King prospect in Nueces County, which is one of the Company's higher risk prospects and exposes PVA to potential for significant reserve additions if successful.

In South Louisiana the Company participated in the drilling of one successful exploration well during the second quarter. The S.L. 17265 #1 well in the Stella Field, located in Plaquemines Parish, was completed in the Cris I sands and had a final test rate of 9.1 million cubic feet per day (MMcfpd) of natural gas and 201 barrels of oil per day (Bopd) with a flowing tubing pressure of 3,863 pounds per square inch (psi). PVA has an approximate 20 percent non-operated working interest in the well before payout, decreasing to approximately 15 percent after payout. The S.L. 17265 #1, along with two other South Louisiana wells completed in the first quarter of this year, are awaiting the completion of production facilities. The Company expects production from the three wells to commence late in the third quarter or early in the fourth quarter of 2003, which is later than previously estimated due to delays in the installation of production and pipeline facilities. Three or four more gross exploration wells are expected to be drilled in South Louisiana during the second half of 2003.

Eastern Region Operations (Appalachia and Mississippi)

PVA drilled 53 gross wells in its Eastern region during the second quarter of 2003, of which 48 were development wells with an average working interest of 73.1 percent, and five were exploration wells with a 100 percent working interest. All of the wells drilled in the second quarter were successful, and the Company will be the production operator for 39 of the wells. For the first half of 2003, the Company drilled 73 wells in its Eastern region with a 99 percent success rate. As discussed below, Eastern region plans for the second half of 2003 call for approximately 70 to 85 more gross development wells to be drilled in Appalachia and Mississippi, along with two relatively low risk Miocene objective exploratory wells in Louisiana and Mississippi and one exploratory coalbed methane well in the Cherokee Basin in Kansas.

PVA drilled 17 gross successful Selma Chalk development wells in Mississippi during the second quarter of 2003, all of which are operated by the Company and have an average working interest of 99 percent. PVA completed 29 gross Selma Chalk development wells in the first half of 2003. For the second half of 2003, 45 to 50 gross development wells are planned in Mississippi, including 25 to 30 wells in the Company's Baxterville field.

The Company drilled 27 gross conventional multi-pay development wells in West Virginia and Virginia during the second quarter of 2003, with an average working interest of 61 percent, and 15 of which are Company operated. PVA plans to drill 15 to 20 more gross conventional wells in West Virginia and Virginia during the second half of the year.

PVA also drilled four horizontal coalbed methane (CBM) patterns in West Virginia during the second quarter. Two of the patterns were drilled on the Company's Twin Branch property in Wyoming County, where PVA's horizontal CBM development activities began in 2001. The other two patterns were drilled in the Loup Creek property, also in Wyoming County, to the north of Twin Branch. The Company has an average working interest of 44 percent in these four patterns. CDX is the operator during the drilling phase and PVA will assume production operations on most of the wells outside the Twin Branch area once completed. Depending on rig availability, 10 to 15 additional horizontal coalbed methane patterns are expected to be drilled in West Virginia during the second half of 2003.

The five exploration wells drilled during the second quarter of 2003 were coalbed methane wells located in the Cherokee Basin in Kansas, in which the Company owns 100 percent of the working interest and is the operator. Coal was present in all five of the wells, indicating the presence of coalbed methane gas. Commercial success will depend upon production rates after completion operations scheduled for the third quarter of 2003 are concluded. PVA has acquired approximately 45,000 acres in the Cherokee Basin and expects to drill one additional exploratory well there during the second half of 2003.

Production for Second Quarter and Full Year 2003 Guidance Update

Second quarter 2003 oil and gas production was 5.8 billion cubic feet equivalent (Bcfe), essentially the same as first quarter 2003 production and 14 percent higher than the 5.1 Bcfe for the second quarter of 2002. Production for the first half of 2003 was 11.6 Bcfe, or 17 percent higher than the same period of 2002, due primarily to the Company's acquisition of a 25 percent working interest in the Southwest Kingsville field in South Texas. Production for the quarter and first six months of the year was within the previously provided guidance range.

Production over the second half of 2003 is expected to increase as exploration successes and additional development wells commence production. However, due primarily to delays in

the installation of production and pipeline facilities in South Louisiana and weather-related delays in the East, the Company is decreasing its full year production guidance for 2003. Production is now forecasted to be in a range of 24.0 to 26.0 Bcfe, as compared to guidance issued on May 7, 2003, which was in a range of 26.4 to 29.5 Bcfe. Revised production guidance for 2003 reflects an increase of 15 to 25 percent over 2002 production of 20.8 Bcfe.

Hedging Update

Previously announced natural gas and crude oil commodity price hedging positions remain in place as disclosed in the Company's 2002 Form 10-K and its first quarter 2003 Form 10-Q. In conjunction with the Company's ongoing hedging program, Penn Virginia has entered into the following additional natural gas price hedges, all in the form of costless collars:

	MMBtu Per Day	Price per MMBtu	
		Floor	Ceiling
May 2004 through November 2004	6,500	\$ 4.00	\$ 6.87
November 2004	5,000	\$ 4.00	\$ 6.82
December 2004	11,500	\$ 4.00	\$ 6.82
January 2005	11,000	\$ 4.00	\$ 6.82

Second Quarter Results and Conference Call

The Company will release its second quarter 2003 results after the close of trading on the NYSE on Wednesday, August 6, 2003, followed by a conference call on Thursday, August 7 at 3:00 p.m. Eastern time. You can participate via phone by dialing 1-877-407-9205 five to ten minutes before the scheduled start of the conference call. You can also participate via internet webcast by logging on to the Company's website at www.pennvirginia.com at least 20 minutes prior to the scheduled start of the call to download and install any necessary audio software. A telephone replay of the call will be available until August 8, 2003 at 11:59 p.m. by dialing 1-877-660-6853. Replay passcodes: Account number 1628 and Conference number 71403. An on-demand replay of the call will also be available at the Company's website for 14 days beginning shortly after the call.

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Penn Virginia Corporation (NYSE: 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), PVA is also in the business of managing coal properties and related assets. PVA is headquartered in Radnor, PA.

Forward-looking statements: Penn Virginia Corporation is including the following cautionary statement to make applicable and take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 for any forward-looking statements made by, or on behalf of, the Company. With the exception of historical matters, any matters discussed are forward-looking and, therefore, involve risks and uncertainties that could cause actual results to differ materially from projected results. These risks, uncertainties and contingencies include, but are not limited to, the following: development activities, capital expenditures, acquisitions and dispositions, drilling and exploration programs, expected commencement dates of oil and natural gas production, projected quantities of future oil and natural gas production by the Company, expected commencement dates and projected quantities of future coal production by lessees producing coal from reserves leased from PVR, costs and expenditures, as well as projected demand or supply, for coal and oil and natural gas, which will affect sales levels, prices and royalties realized by the Company and PVR. Additional information concerning these and other factors can be found in the Company's press releases and public periodic filings with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the year ended December 31, 2002 filed on March 11, 2003 and its Quarterly Report on Form 10-Q for the period ended March 31, 2003 filed on May 9, 2003. Except as required by applicable securities laws, the Company does not intend to update its forward-looking statements.