

Penn Virginia Corporation

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FOR IMMEDIATE RELEASE

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PENN VIRGINIA CORPORATION PROVIDES THIRD QUARTER 2004 OIL AND GAS OPERATIONAL RESULTS ANNOUNCES THIRD QUARTER RESULTS CONFERENCE CALL

RADNOR, PA, (PR Newswire) October 27, 2004 – Penn Virginia Corporation (NYSE: PVA) today reported third quarter 2004 oil and gas production of 5.6 billion cubic feet equivalent (Bcfe), a seven percent decrease from 6.0 Bcfe reported for the same period of 2003 and a five percent decrease from 5.9 Bcfe reported for the second quarter of 2004. The decreases were primarily due to pipeline curtailments by two natural gas transporters in the Company's Eastern Region and delays in the Gulf Coast drilling program. In the first three quarters of 2004, oil and gas production was 17.9 Bcfe, an increase of one percent from 17.7 Bcfe reported for the same period in 2003. The increase in year to date production was primarily due to new drilling in the Company's Selma Chalk fields in Mississippi and its horizontal coalbed methane (CBM) drilling project in Appalachia. As discussed in the Company's September 27, 2004 news release, Penn Virginia now expects full-year 2004 production to range from 24.5 to 25.2 Bcfe, which is approximately five percent lower than previously provided guidance of 25.5 to 26.7 Bcfe. The decrease from previous full-year guidance is due to Gulf Coast drilling program delays, some of which were weather-related, and the drilling of unsuccessful exploratory wells in the Gulf Coast region.

The Company also reported that approximately \$39 million, or 30 percent, of its 2004 capital expenditure program was expended in the third quarter of 2004. Of the \$39 million, approximately \$29 million was spent to fund the drilling of 41 gross (21.8 net) wells, approximately \$7 million was spent to construct major gathering lines and compressor stations to facilitate the future growth in production volumes in Appalachia and east Texas, and approximately \$3 million was spent on seismic and leasehold acquisitions. As of October 25, 28 of the wells drilled during the third quarter had been placed on production, two wells were being evaluated and the remaining wells were in various stages of completion or waiting on pipeline connection. The Company estimates capital spending will be approximately \$32 to \$37 million in the fourth quarter of 2004, with approximately 60 percent dedicated to drilling activities and the remainder spread between pipeline construction, seismic and leasehold acquisition.

Gulf Coast Region Operations

Penn Virginia drilled 13 gross (6.5 net) wells in this core operating region during the third quarter of 2004, including eight gross (4.7 net) development wells and five gross (1.8 net) exploratory wells. Three of the exploratory wells were dry holes. Third quarter 2004 production in the Company's Gulf Coast Region was 24.3 million cubic feet equivalent (Mmcf) per day, down five percent from 25.6 Mmcf per day from the same period in 2003. The decrease in third quarter 2004 production compared to the same quarter of 2003 was due primarily to

weather-related drilling program delays and normal production decline. Gulf Coast Region production represented 40 percent of the Company's total daily production for the third quarter of 2004.

In east Texas, Penn Virginia drilled six gross (4.2 net) wells in the North Carthage Field. Drilled to depths of approximately 10,000 feet, each well was successful with commercial pay zones in both the Cotton Valley and Travis Peak formations. Three of the six wells commenced production during the third quarter with the remaining three waiting on pipeline hook-up. These wells are part of the Company's Bethany development drilling joint venture with GMX Resources Inc. (NASDAQ: GMXR). Net production in the North Carthage Field has increased to 3.8 Mmcfe per day at the end of the third quarter of 2004 from 1.9 Mmcfe per day at the end of the second quarter of 2004 due to an acceleration of the joint venture development program. Two drilling rigs are currently dedicated to this project and it is expected that at least one will be drilling through the end of the year, and the Company now expects to drill 17 to 19 gross wells in 2004. On the Louisiana side of the Cotton Valley play, one development well (15 percent working interest) was drilled in the Swan Lake Field in Bossier Parish during the third quarter. It reached total depth in the Cotton Valley formation at 9,400 feet and is awaiting completion.

In south Texas, a successful exploratory well (20 percent working interest) was drilled to 7,440 feet in an Upper Frio interval at the Company's Antonio Lopez prospect in Hidalgo County. The well has been turned into the pipeline and is currently producing 1,450 thousand cubic feet per day (Mcf) and 18 barrels of condensate per day (Bcpd) with a flowing tubing pressure of 2,400 pounds per square inch (psi).. Two unsuccessful exploratory wells were drilled in the third quarter in south Texas. The Fischer Brieden # 1 well (33.3 percent working interest), on the Company's Esperanza prospect in Nueces County, was drilled to 9,000 feet in the Frio interval. At the Company's Fannett prospect in Jefferson County, the Junker Spencer #67 well (82 percent working interest) was drilled to 10,520 feet to the Lox "B" interval. The Esperanza and Fannett areas contain multiple prospects, and additional exploratory drilling is planned in both of them during the remainder of 2004 and 2005.

In St. Mary Parish, Louisiana, an exploratory well (25 percent working interest) drilled to 18,051 feet in the Bayou Sale prospect was successful in two objective Miocene sands. The well has been completed in the lower sand with a test rate of 6,625 Mcfd, 408 Bopd and 48 barrels of water per day with a flowing tubing pressure of 5,494 psi and a shut in pressure of 8,145 psi. The well is currently awaiting installation of production facilities, and production is expected to commence in the first quarter of 2005. In Plaquemines Parish in south Louisiana, an unsuccessful exploratory well (20 percent working interest) was drilled to 10,038 feet targeting the Cris I formation at the Company's Stella prospect. Prior to drilling this well, the Company had drilled five successful exploratory wells out of five attempts in the Stella prospect. A development well was also drilled at the Company's South Creole prospect in Cameron Parish, Louisiana. The Nunez #3 (30 percent working interest) is currently being evaluated after drilling to 13,400 feet to test the Planulina "O" and "J" intervals.

Eastern Region Operations – Appalachia and Mississippi

Penn Virginia drilled 28 gross (15.3 net) wells in this core operating region during the third quarter of 2004, 26 of which were successful, with two exploratory wells under evaluation. Twenty-five gross (12.8 net) wells were development wells, and three gross (2.5 net) wells were exploratory. Third quarter production from the Company's Eastern Region was approximately 36.9 Mmcfe per day, down seven percent from 39.9 Mmcfe per day from the same period in 2003 primarily due to pipeline curtailments. East Region production represented 60 percent of the Company's total daily production for the third quarter of 2004.

In the Baxterville field in Marion County, Mississippi, eight gross (7.7 net) successful Selma Chalk wells were drilled in as many attempts during the quarter, with working interests between 86 and 100 percent. Through the first nine months of 2004, the Company has drilled 38 Baxterville wells, and a total of 72 wells have been drilled with no dry holes since commencing operations in Baxterville in 2002. Through development drilling activities, daily net production from the Company's Selma Chalk wells increased by 29 percent to approximately 13.4 Mmcfe for the third quarter of 2004 from 10.4 Mmcfe for the third quarter of 2003. PVOG drilled a vertical Wilcox Coal test well in the Gwinville Field in Jefferson Davis County, MS. The well is currently under evaluation.

In Appalachia, the Company's total daily production for the third quarter of 2004 was approximately 23.5 Mmcfe, a decrease of 20 percent from 29.5 Mmcfe produced in the same quarter of 2003. Beginning in May, production was curtailed on two natural gas pipeline systems serving the Company's assets in southern West Virginia. Production that had been flowing into the Columbia Gas Transmission Corp. pipeline system under an interruptible transportation rate was reduced due to system capacity constraints. The Columbia system constraints resulted in additional curtailments on the Dominion Transmission, Inc. pipeline system from May through July. Furthermore, Dominion shut down its pipeline for repairs and maintenance during the 52-day period ended September 22. The total impact of these curtailments on 2004 full year production is expected to be a decrease of approximately 1.1 Bcfe, which has been factored into the Company's production guidance. In order to accommodate increasing volumes from the Company's horizontal CBM program, Penn Virginia has acquired long-term firm transportation on Columbia's pipeline system beginning in November 2004. Also, construction of the Company's 15-mile, 12-inch pipeline supporting its horizontal CBM production is currently in progress, with completion expected in early November.

Nine gross (1.2 net) conventional wells, nine gross (4.4 net) horizontal CBM wells and one horizontal Devonian Shale well (100 percent working interest) were drilled in West Virginia and Virginia during 2004's third quarter. All of the conventional wells and all of the horizontal CBM wells were successful. The horizontal Devonian Shale well is under evaluation. Despite the effect of the pipeline curtailment described above, daily production from the Company's horizontal CBM wells increased to approximately 3.6 Mmcfe during the third quarter of 2004 from 3.3 Mmcfe for the third quarter of 2003. Since Penn Virginia began drilling horizontal CBM wells in Appalachia in 2001, 33 successful wells have been drilled in 34 attempts, with one well currently under evaluation. The original 2004 capital budget included drilling wells to develop 8,000 CBM-prospective acres. Because of redesign of drilling patterns, the Company now expects to develop approximately 11,000 acres by drilling the same number of wells, with an associated increase in 2004 drilling capital and production. The Company has acquired approximately 162,000 prospective horizontal CBM gross acres since 2002 and now controls approximately 718,000 gross acres of leasehold in Appalachia.

Penn Virginia continues to evaluate ten conventional CBM wells drilled during the second half of 2003 in two areas in the Cherokee Basin of southeastern Kansas, where the Company holds approximately 50,000 acres.

Hedging Update

Previously announced natural gas and crude oil commodity price hedging positions remain in place as disclosed in the Company's 2003 Form 10-K and its second quarter 2004 Form 10-Q. In conjunction with the Company's ongoing hedging program, Penn Virginia has entered into the following additional natural gas price hedge in the form of a costless collar:

	MMBtu Per Day	Price per MMBtu	
		Floor	Ceiling
January 2005 through April 2006	5,000	\$6.00	\$8.19

Third Quarter 2004 Results and Conference Call

The Company will release its consolidated third quarter 2004 results, including the results of Penn Virginia Resource Partners, L.P. (NYSE: PVR), after the close of trading on the NYSE on Wednesday, November 3, 2004, followed by a conference call on Thursday, November 4 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 November 5, 2004 at 11:59 p.m. by dialing 1-877-660-6853. Replay passcodes: Account number 1628 and Conference number 122045. An on-demand replay of the call will also be available at the Company's website for 14 days beginning shortly after the call.

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. For more information about PVA, visit the Company's website at www.pennvirginia.com.

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, 2003 filed on March 11, 2004 and its Quarterly Report on Form 10-Q for the period ended June 30, 2004 filed on August 5, 2004. Except as required by applicable securities laws, the Company does not intend to update its forward-looking statements.