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July 19, 2010

OF COUNSEL  
WILLIAM G. CONLY

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Cotton Valley Formation, Reservoir A, and  
Haynesville Zone, Reservoir A, SAN MIGUEL  
CREEK FIELD, Natchitoches Parish, Louisiana.

Dear Sir:

XTO ENERGY, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A, and to the Haynesville Zone, Reservoir A, in the San Miguel Creek Field, Natchitoches Parish, Louisiana:

1. To create three (3) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such units being shown on an attached plat and being designated CV RA SUN, CV RA SUP and CV RA SUR.
2. To create three (3) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, such units being shown on an attached plat and being designated HA RA SUN, HA RA SUP and HA RA SUR.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
4. To designate a unit operator of, and unit well for, each of the proposed additional units as may be appropriate.
5. To provide that with respect to any horizontal well drilled to the Haynesville Zone within the proposed units, where the horizontal portion of the well is cased and cemented back above

the top of the Haynesville Zone, the distance to any unit boundary and offset well will be calculated based on the distance to the nearest perforation in the well, and not based on the penetration point or terminus of the well in the Haynesville Zone.

6. To extend to the additional units for the Cotton Valley Formation, Reservoir A, except as in conflict with the foregoing proposals, the provisions of Office of Conservation Order No. 1165-J, effective October 28, 2008, as amended and supplemented by the Order No. 1165-J series of Orders, and of all applicable Statewide Orders.

7. To extend to the additional units for the Haynesville Zone, Reservoir A, except as in conflict with the foregoing proposals, the provisions of Office of Conservation Order No. 1165-K, effective October 28, 2008, as amended and supplemented by the Order No. 1165-K series of Orders, and of all applicable Statewide Orders.

8. To consider such other matters as may be pertinent to these proposals.

The Cotton Valley Formation, Reservoir A, in the San Miguel Creek Field, Natchitoches and Sabine Parishes, Louisiana, was defined in Office of Conservation Order No. 1165-J, effective October 28, 2008.

The Haynesville Zone, Reservoir A, in the San Miguel Creek Field, Natchitoches and Sabine Parishes, Louisiana, was defined in Office of Conservation Order No. 1165-K, effective October 28, 2008.

Any pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect any such data should call Mr. Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated July 6, 2010, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set July 29, 2010, as the tentative date for the pre-application conference. While a conference request was received, it was subsequently withdrawn after an explanation of the proceedings; accordingly, no pre-application conference will be held.

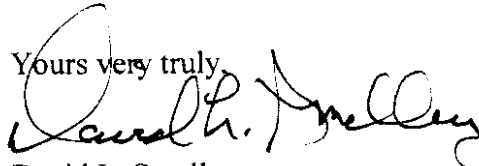
Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names

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and addresses of such parties. A copy of each of the unit plats (which are identical to the unit plats attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of San Miguel Creek Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,  
  
David L. Smelley

-- Attorney for XTO Energy, Inc.

DLS:dp  
Enclosures

cc: Mr. James C. Broussard (w/encls.)  
Mr. Peter Robinson (w/encls.)  
Mr. Louis Gilbert (w/encls.)  
Interested Owners, Represented Parties  
and Interested Parties (w/plats only)

