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September 8, 2008

Richard W. Revels, Jr.
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Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: Cotton Valley Formation, Reservoir A
Haynesville Zone, Reservoir A
San Miguel Creek Field
Sabine Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **SWEPI LP** for the calling of public hearings, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters:

1. To establish rules and regulations and to create four (4) drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, in the San Miguel Creek Field, Sabine Parish, Louisiana, said units to be designated CV RA SUA through CV RA SUD, all as shown on the plat attached hereto and made a part hereof.
2. To establish rules and regulations and to create four (4) drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, in the San Miguel Creek Field, Sabine Parish, Louisiana, said units to be designated HA RA SUA through HA RA SUD, all as shown on the plat attached hereto and made a part hereof.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
4. To provide that any wells drilled to the Cotton Valley Formation, Reservoir A, in the San Miguel Creek Field, within or outside the units created herein, should be located in accordance with the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).
5. To provide that any wells drilled to the Haynesville Zone, Reservoir A, in the San Miguel Creek Field, within or outside the units created herein, should be located no closer than 330 feet from existing unit lines and no closer than 660 feet from any wells on competitive units.
6. To provide that the Commissioner of Conservation should be authorized to reclassify the Cotton Valley Formation, Reservoir A, and Haynesville Zone, Reservoir A, in the San Miguel Creek Field, by supplemental order without the necessity of a public hearing if the producing characteristics of

September 8, 2008

such reservoirs change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.

7. To consider such others matters as may be pertinent.

The Cotton Valley Formation, Reservoir A, in the San Miguel Creek Field, Sabine Parish, Louisiana, is hereby defined as being the stratigraphic equivalent of that gas and condensate bearing formation encountered between the depths of 10,280 feet and 11,900 feet (electrical log measurements) in the SWEPI LP – Olympia Minerals 26 No. 1 Well, located in Section 26, Township 9 North, Range 12 West, Sabine Parish, Louisiana.

The Haynesville Zone, Reservoir A, in the San Miguel Creek Field, Sabine Parish, Louisiana, is hereby defined as being the stratigraphic equivalent of that gas and condensate bearing Formation encountered between the depths of 11,900 feet and 13,395 feet (electrical log measurements) in the SWEPI LP – Olympia Minerals 26 No. 1 Well, located in Section 26, Township 9 North, Range 12 West, Sabine Parish, Louisiana.

Any pertinent data, including well logs, not available at the Office of Conservation, may be obtained **AT THE COST OF THE REQUESTING PARTY** from Bill Dale with W. H. Robbins & Associates, L.L.C., 302 LaRue France, Lafayette, Louisiana 70508, Telephone Number (337)232-5004.

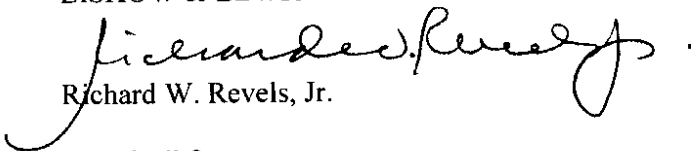
Pursuant to the Revised Rules of Procedure, a pre-application conference was held on September 5, 2008, in Lafayette, Louisiana, at which the parties named on the attached list were in attendance. The conference was opened by representatives of the applicant who explained the bases for the units being requested. Questions were asked and answered and the conference was then adjourned. We do not anticipate any opposition at the hearing to be scheduled for this matter.

Attached hereto and made a part hereof are plats outlining the applicant's proposals, the conference attendance list along with a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, the list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check in the amount of \$1,510.00 made payable to the Office of Conservation submitted on behalf of the applicant representing the hearing application fee.

Sincerely,

LISKOW & LEWIS


Richard W. Revels, Jr.

RWRjr:dbf
Attachments

cc: Mr. James Broussard, Shreveport District Office of Conservation
cc: Interested Owners, Represented Parties and Interested Parties
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