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LAFAYETTE, LOUISIANA 70508

January 19, 2011

**APPLICATION**

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

Re: 14500' GEOTHERMAL ZONE, RESERVOIR A  
NORTH SWEET LAKE FIELD  
Cameron Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of Louisiana Tank, Inc. for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of an Order pertaining to the following matters related to the 14500' GEOTHERMAL ZONE, RESERVOIR A NORTH SWEET LAKE FIELD, Cameron Parish, Louisiana, to-wit:

1. To establish rules and regulations governing the exploration for and production of GEOTHERMAL RESOURCES from the 14500' GEOTHERMAL ZONE, RESERVOIR A in the North Sweet Lake Field, Cameron Parish, Louisiana;
2. To create a single drilling and production unit for this zone and to force pool and integrate all separately owned tracts, geothermal leases and other property interests within the unit so created;
3. To designate a unit operator and a unit well for the unit so created;
4. To provide that any geothermal resources well drilled inside the unit established for the 14500' GEOTHERMAL ZONE, RESERVOIR A shall be exempt from spacing

requirements; and

5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The 14500' GEOTHERMAL ZONE, RESERVOIR A in the NORTH SWEET LAKE FIELD, Cameron Parish, Louisiana, is hereby defined as being that geothermal resources bearing zone encountered between the depths of 14,568' and 16,000' (electrical log measurements) in the FLORES & RUCKS, INC.- WILLIAM B HEBERT EST No. 1 Well (Louisiana Office of Conservation Serial No. 216999), located in Section 17, Township 12 South, Range 7 West, Cameron Parish, Louisiana..

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, the Commissioner of Conservation, the District Manager of the Lafayette District of the Office of Conservation and all interested owners, represented parties and interested parties known to the applicant after a reasonable search were notified in writing in the pre-application notice dated December 16, 2010 that a conference to discuss the proposed application was tentatively scheduled for 10:00 a.m. on Thursday, January 13, 2011.

A request to hold the conference was timely received, and in accordance with the Rules of Procedure, a second notice was mailed on December 22, 2010 to the same parties given notice in the preceding paragraph that the pre-application conference would indeed be held.

The Pre-Application Conference was held in Lafayette, Louisiana on Thursday, January 13, 2011. A list of those in attendance is attached. In the conference, Thomas C. Stewart discussed in general the unitization process and specifically advised the attendees that **La. RS 30:800 et seq and Statewide Order 29-P** specifically define and regulate the exploration for and production of Geothermal Resources in the State of Louisiana. James F. Hardwick then explained the basis of the Applicant's plan.

Following the presentation on behalf of the Applicant, numerous questions and statements by the attendees were fielded and addressed. The majority of the discussion pertained to the applicant's planned geothermal process as well as the proposed size of the unit. During the question and answer session, Mr Frank Cormier, a petroleum engineer, was introduced as an additional representative of the applicant who aided in the discussion. It is anticipated that Mr. Cormier will present additional evidence in support of the applicant's plan.

Mr. Joe B. Adams, representing A. M. Cox Properties, presented a possible geographic counter plan which proposed to add approximately 160 acres to the applicant's proposed ±200

Honorable James H. Welsh  
January 19, 2011  
Page 3

acre unit resulting in a unit size of  $\pm 360$  acres.

Messrs. Randall Songy and Bill Robins, representing Sweet Lake Land & Oil Company, did not present a counter plan but indicated that opposition to the applicant's plan may be forthcoming. Discussions following Mr. Adams presentation did not result in a compromise so opposition to this Application at the hearing is likely.

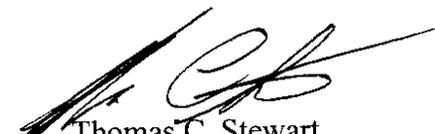
A plat outlining the proposed unit is attached hereto and made a part of this application. The plat attached hereto shows the same unit outline as did the plat that was attached to the Pre-Application notice with the exception that several of the fee names were updated in accordance with information provided by several conference attendees.

Any pertinent data relating to the subject application not available from the Office of Conservation can be obtained, **AT THE COST OF THE REQUESTING PARTY**, from James F. Hardwick & Associates, 1101 Hugh Wallis Rd. S., Suite 101, Lafayette, Louisiana 70508, Telephone: (337) 232-7756.

There is enclosed a list of names and addresses of the Interested Parties who are being forwarded this application and plat. Such list is being forwarded **ONLY** to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of Interested Owners and Represented Parties will be furnished by the undersigned to any party requesting a copy. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties. This list also includes the names of those parties who attended the pre-application conference.

Finally, enclosed is our check in the sum of \$755.00, payable to the Office of Conservation, representing the required hearing application fee.

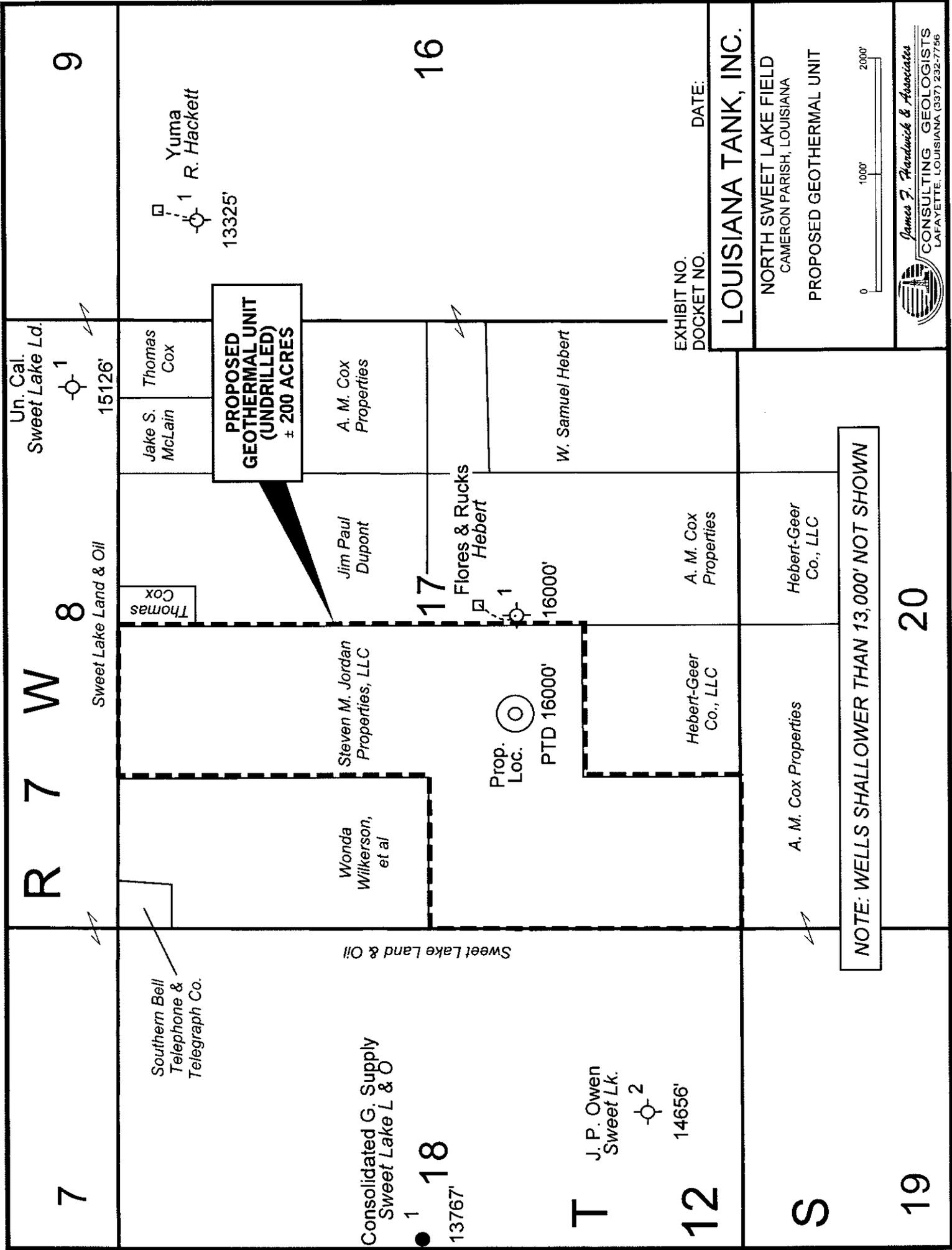
Very truly yours,



Thomas C. Stewart

TCS/ss  
Enclosures

cc: Richard Hudson, District Manager, Office of Conservation  
All Interested Owners, Represented Parties and Interested Parties

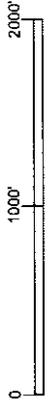


**PROPOSED  
GEOTHERMAL UNIT  
(UNDRILLED)  
± 200 ACRES**

**NOTE: WELLS SHALLOWER THAN 13,000' NOT SHOWN**

**LOUISIANA TANK, INC.**

**NORTH SWEET LAKE FIELD**  
CAMERON PARISH, LOUISIANA  
**PROPOSED GEOTHERMAL UNIT**



*James F. Handwick & Associates*  
**CONSULTING GEOLOGISTS**  
LAFAYETTE, LOUISIANA (937) 232-7756

EXHIBIT NO. \_\_\_\_\_ DATE: \_\_\_\_\_  
DOCKET NO. \_\_\_\_\_

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R 7 W 8

Un. Cal.  
Sweet Lake Ld.

Sweet Lake Land & Oil

Southern Bell  
Telephone &  
Telegraph Co.

Consolidated G. Supply  
Sweet Lake L & O

Steven M. Jordan  
Properties, LLC

Wonda  
Wilkerson,  
et al

Jim Paul  
Dupont

A. M. Cox  
Properties

J. P. Owen  
Sweet Lk.

W. Samuel Hebert

Flores & Rucks  
Hebert

A. M. Cox  
Properties

Hebert-Geer  
Co., LLC

A. M. Cox Properties

Hebert-Geer  
Co., LLC

Thomas  
Cox

Jake S.  
McLain

Thomas  
Cox

Yuma  
R. Hackett

13325'

15126'

Prop.  
Loc. PTD 16000'

16000'

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2

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13767'

14656'

15126'

16000'

16000'

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