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February 9, 2011

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.

Planulina-Alliance Zone, Reservoir A, LELEUX  
FIELD, Vermilion Parish, Louisiana.

Dear Sir:

SQUARE MILE ENERGY, L.L.C. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Planulina-Alliance Zone, Reservoir A, in the Leleux Field, Vermilion Parish, Louisiana:

1. To establish rules and regulations governing the exploration for and production of oil and gas from the Planulina-Alliance Zone, Reservoir A.
2. To create a single drilling and production unit for the Planulina-Alliance Zone, Reservoir A, such unit being shown on the attached plat and being designated PLAN-ALL RA SUA.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each separate tract sharing in unit production on a surface acreage basis of participation.
4. To designate an operator of, and unit well for, the proposed unit as may be appropriate.
5. To provide that future wells drilled to the Planulina-Alliance Zone, Reservoir A, outside of the unit proposed herein be located in accordance with the spacing provisions of LAC 43:XIX 1901 et seq. (Statewide Order No. 29-E).

6. To provide that any future substitute or alternate unit wells for the proposed unit should be exempt from the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).

7. To provide that the Commissioner of Conservation may reclassify the Planulina-Alliance Zone, Reservoir A, by Supplemental Order and without the necessity of a public hearing should such a reclassification be warranted based on evidence furnished to the Commissioner.

8. To define the Planulina-Alliance Zone, Reservoir A, in the Leleux Field, Vermilion Parish, Louisiana, as that oil and gas bearing zone encountered between the depths of 10,435 feet and 11,250 feet (electrical log measurements) in the Cashco--Clark No. 1 Well, located in Section 33, Township 11 South, Range 1 East, Vermilion Parish, Louisiana.

9. To consider such other matters as may be pertinent to this zone and reservoir.

Pertinent data concerning this application will be available for inspection at the offices of Leon E. Comeaux & Associates, Post Office Box 53922, Lafayette, Louisiana 70505. Any person wishing to inspect any such data should call Mr. Bill McAlister at (337) 233-9839 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 January 24, 2011, 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 February 17, 2011, as the tentative date for the pre-application conference. No conference request was received within the delays provided for in the Rules of Procedure; 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 and addresses of such parties. A copy of the unit plat (which is identical to the unit plat attached to the pre-application notice except for updated land information) is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Lafayette District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

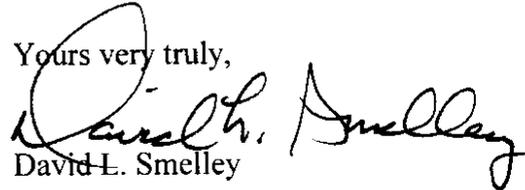
Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Leleux Field, all in accordance with the

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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.

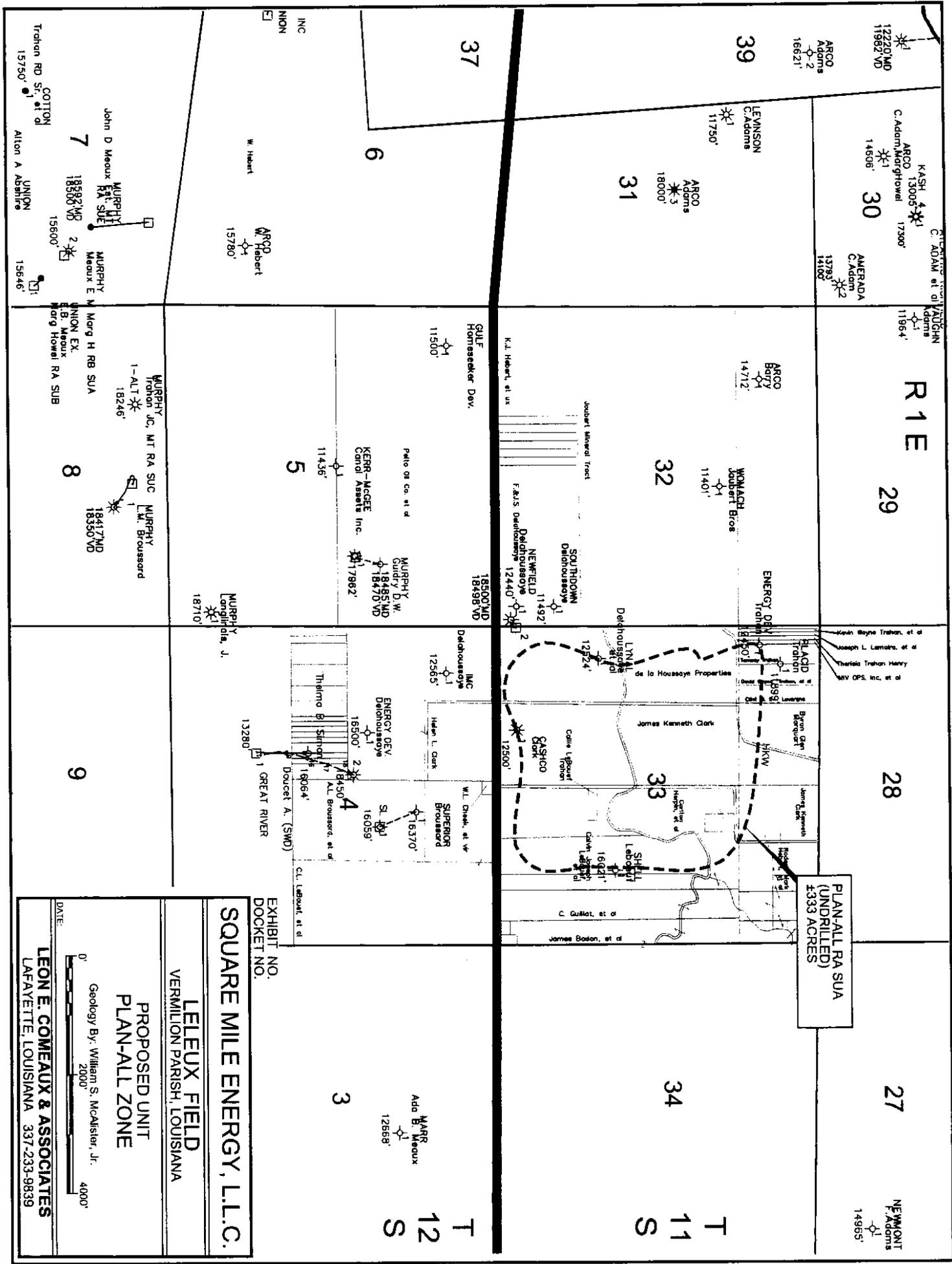
Yours very truly,

  
David L. Smelley

-- Attorney for Square Mile Energy, L.L.C.

DLS:dp  
Enclosures

cc: Mr. Richard Hudson (w/encls.)  
Mr. Gary Wagner (w/encls.)  
Ms. Connie Noble (w/encls.)  
Mr. Bill McAlister (w/encls.)  
Interested Owners, Represented Parties  
and Interested Parties (w/plat only)



PLAN ALL RA SUA  
(UNDRILLED)  
1333 ACRES

EXHIBIT NO.  
DOCKET NO.  
**SQUARE MILE ENERGY, L.L.C.**

**LELEUX FIELD**  
VERMILION PARISH, LOUISIANA  
PROPOSED UNIT  
**PLAN-ALL ZONE**

Geology By: William S. McAlister, Jr.  
2000' 4000'

**LEON E. COMEAUX & ASSOCIATES**  
LAFAYETTE, LOUISIANA 337-233-9839