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February 17, 2011

OF COUNSEL

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

Re: <u>APPLICATION FOR PUBLIC HEARING</u>

Cotton Valley Formation, Reservoir B, WOODARDVILLE FIELD, Red River Parish, Louisiana.

Dear Sir:

J-W OPERATING COMPANY ("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 Cotton Valley Formation, Reservoir B, in the Woodardville Field, Red River Parish, Louisiana:

- 1. To permit Applicant to drill, designate and utilize three (3) horizontal wells as alternate unit wells for CV RB SULL at the locations shown on the attached plat, and to approve an exception to the spacing provisions of Office of Conservation Order No. 990-B, effective September 13, 2005, for all productive portions of a well located at least 330 feet from any unit boundary.
- 2. To provide that where the horizontal portion of a well is cased and cemented back above the top of the Cotton Valley Formation, Reservoir B, the distance to any unit boundary and offset well(s) 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 Cotton Valley Formation, Reservoir B.
- 3. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the Cotton Valley Formation, Reservoir B, underlying CV RB SULL which cannot be efficiently and economically drained by any existing well on such unit.
- 4. To permit the operator of CV RB SULL to produce the unit allowable from either the substitute unit well, from any alternate unit well, or from any combination of such wells, at the option of the operator.
- 5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Cotton Valley Formation, Reservoir B, in the Woodardville Field, Bienville and Red River Parishes, Louisiana, was initially defined in Office of Conservation Order No. 990-B,

Honorable James H. Welsh February 17, 2011 Page 2

effective September 13, 2005, and was redefined as to the unit designated CV RB SULL by Office of Conservation Order No. 990-B-23, effective July 17, 2007.

Any pertinent data concerning this application will be available for inspection at the offices of Mr. Joe B. Adams, 21010 Vermont Street, Livingston, Louisiana 70754. Any person desiring to inspect any such data should call Mr. Adams at (225) 686-2355 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.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid 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 this letter, and of the attached plat, 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 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 Woodardville Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

A check payable to the Office of Conservation and covering the application fee is

1 beat

Attorney for J-W Operating Company

DLS:dp Enclosures

enclosed.

cc: Mr. James C. Broussard (w/encls.)

Ms. Patty DuBois (w/encls.)
Ms. Brenda Reed (w/encls.)
Mr. Michael Baca (w/encls.)
Mr. Joe B. Adams (w/encls.)
Interested Owners, Represented

Parties and Interested Parties (w/plat only)

