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April 8, 2011

Honorable James H. Welsh
Commissioner of Conservation
Department of Natural Resources
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

RE: Proposed Substitute Unit Well
K-3 Sand, Reservoir C2
L-1 Sand, Reservoir G
LAKE BARRE FIELD
Terrebonne Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of Hilcorp Energy Company for the calling of a public hearing, after ten (10) days legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the K-3 RC2 SUA and the L-1 RG SUA, located in the Lake Barre Field, Terrebonne Parish, Louisiana, for which units were established and rules and regulations adopted by Office of Conservation Order No. 662-T, effective May 4, 1983 and Office of Conservation Order No. 662-D-1, effective March 14, 1989 respectively.

FOR THE K-3 SAND, RESERVOIR C2 (ORDER NO. 662-T)

1. To designate the Hilcorp Energy Company - LB U31 No. 67-D Well, located in Township 21 South, Range 19 East, in the Lake Barre Field, Terrebonne Parish, Louisiana, as a substitute unit well.
2. To consider such other matters as may be pertinent to this application.

The designation of the well as a substitute unit well is necessary and in the interest of conservation to efficiently and economically drain a portion of the K-3 RC2 SUA which cannot be efficiently and economically drained by any existing well within such unit. The present unit well, the LB U31 No. 65 Well, never produced from the K-3 RC2 SUA.

The K-3 Sand, Reservoir C2, in the Lake Barre Field, Terrebonne Parish, Louisiana, was fully defined in Office of Conservation Order No. 662-T, effective May 4, 1983.

FOR THE L-1 SAND, RESERVOIR G (ORDER NO. 662-D-1)

1. To designate the Hilcorp Energy Company - LB U31 No. 67 Well, located in Township 21 South, Range 19 East, in the Lake Barre Field, Terrebonne Parish, Louisiana, as a substitute unit well.
2. To consider such other matters as may be pertinent to this application.

The designation of the well as a substitute unit well is necessary and in the interest of conservation to efficiently and economically drain a portion of the L-1 RG SUA which cannot be efficiently and economically drained by any existing well within such unit. The present unit well, the LB U31 No. 65 Well never produced from the L-1 RG SUA.

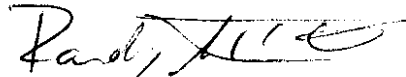
The L-1 Sand, Reservoir G, in the Lake Barre Field, Terrebonne Parish, Louisiana, was fully defined in Office of Conservation Order No. 662-D-1, effective March 14, 1989.

There are attached hereto and made a part hereof plats identifying the subject units created by Conservation Order Nos. 662-T and 662-D-1, along with the location of the proposed substitute unit well. Pursuant to the Revised Rules of Procedure, a list of names and addresses of the Interested Owners, Interested Parties and Represented Parties to whom this application is being sent is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list will be provided to any party requesting a copy. A diligent effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties as required by the Revised Rules of Procedure.

Finally there is enclosed our check on behalf of the applicant, Hilcorp Energy Company, in the sum of \$1510.00 payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,

LEON E. COMEAUX & ASSOCIATES



Randy McAlister

RM/cu
Enclosures

cc: Mr. Richard Hudson
Office of Conservation
825 Kaliste Saloom Road
Brandywine III, Suite 220
Lafayette, Louisiana 70508-4284

Interested Parties, Interested
Owners and Represented Parties

