

HARGROVE, SMELLEY, STRICKLAND & LANGLEY

JOSEPH L. HARGROVE, JR.
DAVID L. SMELLEY
PAUL A. STRICKLAND
GLENN L. LANGLEY
LOUISE F. PEARCE
T. ISSAC HOWELL
JULIANNA PETCHAK PARKS
B. LEE CARR, JR.
MARIE E. CURRY
JOHN R. HARRIS
JILL RUDDICK WALKER
MEGAN L. STREETMAN

(A PROFESSIONAL LAW CORPORATION)
AMERICAN TOWER, SUITE 600
401 MARKET STREET
SHREVEPORT, LOUISIANA 71101-3239

THOMAS J. WYATT (1942-1996)

MAILING ADDRESS
POST OFFICE BOX 59
SHREVEPORT, LOUISIANA 71161-0059
TELEPHONE (318) 429-7200
TELECOPIER (318) 429-7201
WEBSITE: www.hssl-law.com

April 11, 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.

Cris I Zone, Reservoir L, and Cib Op Zone, Reservoir
A, LAROSE FIELD, Lafourche 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 Orders pertaining to the following matters relating to the Cris I Zone, Reservoir L, and to the Cib Op Zone, Reservoir A, in the Larose Field, Lafourche Parish, Louisiana:

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Cris I Zone, Reservoir L, and from the Cib Op Zone, Reservoir A.
2. To create a single drilling and production unit for each of these zones and reservoirs, such units being shown on the attached plats and being designated CRIS I RL SUA and CIB OP RA SUA.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units 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, each of the proposed units as may be appropriate.
5. To provide that future wells drilled to the Cris I Zone, Reservoir L, or to the Cib Op Zone, Reservoir A, within or outside of the units 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 the Commissioner of Conservation may reclassify the Cris I Zone, Reservoir L, and/or the Cib Op 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.

7. To define the Cib Op Zone, Reservoir A, in the Larose Field, Lafourche Parish, Louisiana, as that gas and condensate bearing zone encountered between the depths of 12,965 feet and 14,350 feet (electrical log measurements) in the Pennzoil Exploration & Production Company--M. R. Fee 852 No. 18 Well, located in Section 37, Township 16 South, Range 20 East, Lafourche Parish, Louisiana.

8. To consider such other matters as may be pertinent to either of these zones and reservoirs.

The Cris I Zone in the Larose Field, Lafourche Parish, Louisiana, was previously defined in Office of Conservation Order No. 405-R-5, effective June 19, 2007.

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 March 23, 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 April 14, 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 each of the unit plats (which are identical to the unit plats attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plats 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.

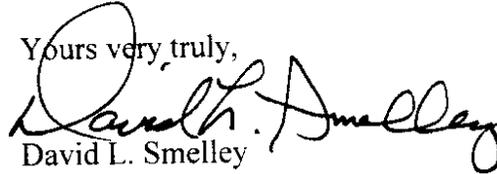
Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Larose Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all

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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)

R 20 E

R 21 E

X=2300906.43
Y=368580

X=2309796.43
Y=368580

DEVON-MARR

CRIS I RL SU A
(UNDRILLED)
±844 ACRES

X=2300906.43
Y=364443

X=2309796.43
Y=364443

T
16
S

Sec. 38

Sec. 37

DEVON-MARR

CRIS I RJ SU A
APO 405-R-8

CRIS I RK SUA
APO 405-R-8

EXHIBIT NO.
DOCKET NO.

SQUARE MILE ENERGY, L.L.C.

LAROSE FIELD
LAFOURCHE PARISH, LOUISIANA

PROPOSED UNIT
CRIS I ZONE

Witness: William S. McAlister, Jr.
0' 1500' 3000'

DATE:

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

R 20 E

R 21 E

X=2300906.43
Y=368580

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CIB OP ZONE

Witness: William S. McAlister, Jr.
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LAFAYETTE, LOUISIANA 337-233-9839