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September 27, 2004

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

Re: APPLICATION FOR PUBLIC HEARING.

Hosston Formation, Reservoir A, and Cotton Valley Formation, Reservoir A, HOLLY FIELD, DeSoto Parish, Louisiana.

Dear Sir:

EL PASO PRODUCTION COMPANY ("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 Hosston Formation, Reservoir A, and to the Cotton Valley Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana:

1. To authorize Applicant to drill, designate and utilize an additional alternate unit well for HOSS RA SU14 and for CV RA SUJ at the location shown on an attached plats.

2. To find that the proposed alternate unit well is necessary to efficiently and economically drain a portion of the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, underlying these units which cannot be efficiently and economically drained by any existing well on such units.

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

The Hosston Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 88-D, effective February 1, 1975. The Cotton Valley Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 88-E, effective August 1, 1975.

Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 North Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect such data should call Mr. Louis Gilbert at (504) 834-8112 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 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 each of the attached plats, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to 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 Holly Field, all in accordance with the 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.

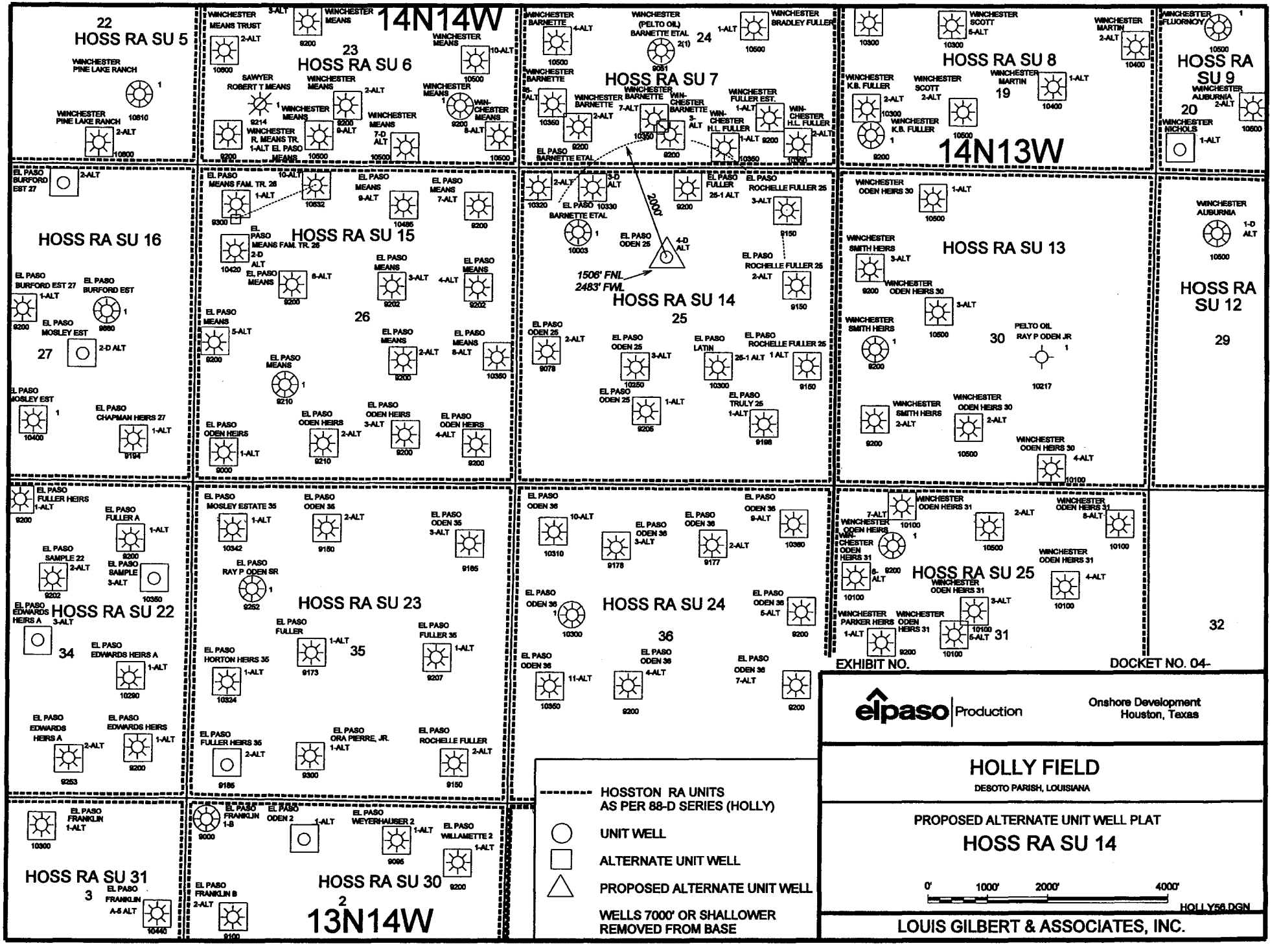
Yours very truly,

David L. Smelley

David L. Smelley
-- Attorney for El Paso Production Company

DLS:dp
Enclosures
cc: Mr. Jim Broussard (w/encls.)
Mr. Lew Duff (w/encls.)
Mr. Louis Gilbert (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/copy of plats only)

dls/app/holly40.application.wpd


14N14W
13N14W
14N13W
HOSS RA SU 5
HOSS RA SU 6
HOSS RA SU 7
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HOSS RA SU 12
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HOSS RA SU 16
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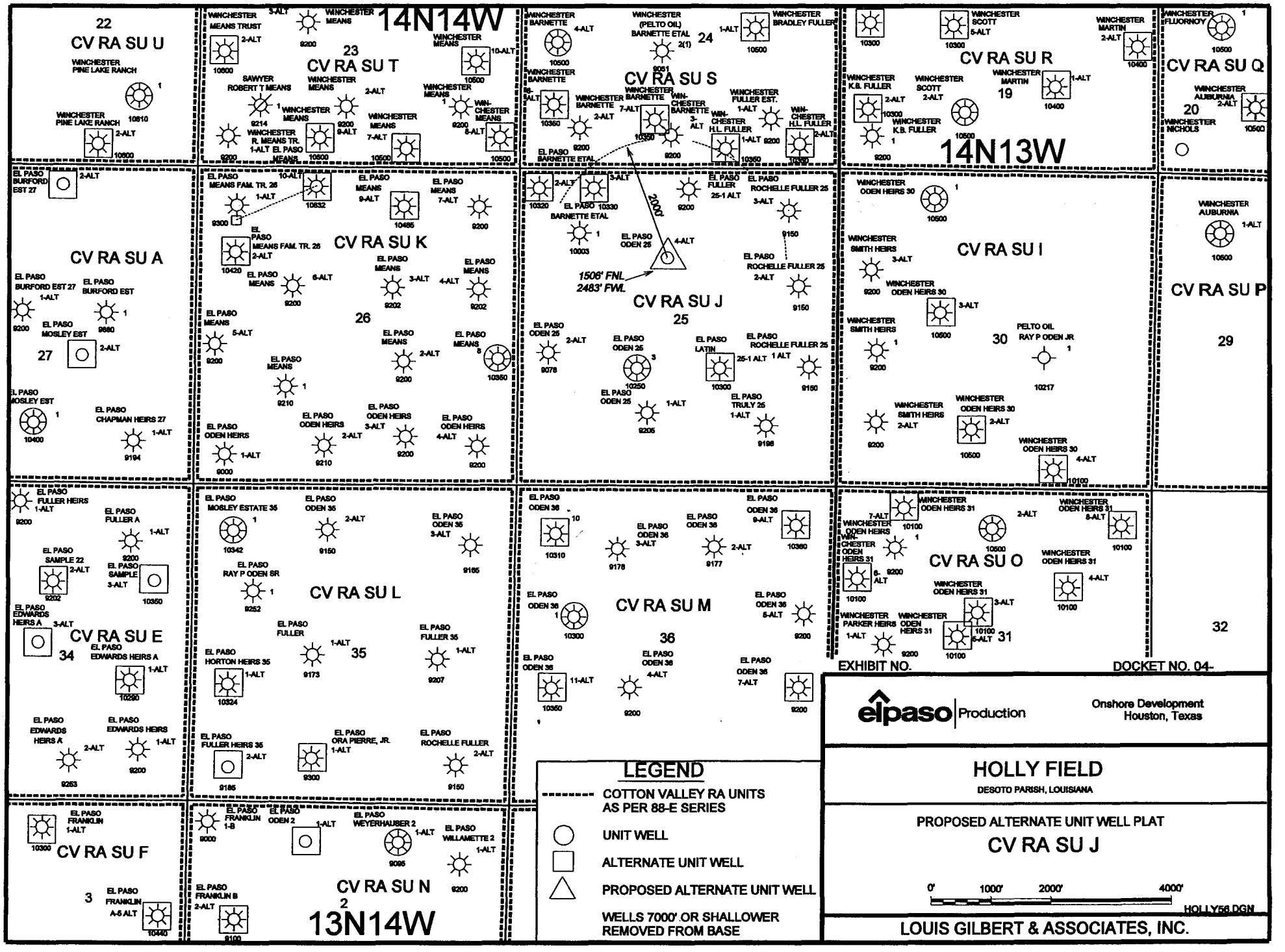
35
36
31
32
3
2
1506' FNL
2483' FWL
2000'
HOSSTON RA UNITS
AS PER 88-D SERIES (HOLLY)
UNIT WELL
ALTERNATE UNIT WELL
PROPOSED ALTERNATE UNIT WELL
WELLS 7000' OR SHALLOWER
REMOVED FROM BASE
EXHIBIT NO.
DOCKET NO. 04-
elpaso Production
Onshore Development
Houston, Texas
HOLLY FIELD
DESOTO PARISH, LOUISIANA
PROPOSED ALTERNATE UNIT WELL PLAT
HOSS RA SU 14
0'
1000'
2000'
4000'
HOLLY56.DGN
LOUIS GILBERT & ASSOCIATES, INC.


22
CV RA SU U
14N14W
23
CV RA SU T
24
CV RA SU S
CV RA SU R
19
14N13W
CV RA SU Q
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CV RA SU A
27
CV RA SU K
26
CV RA SU J
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1506' FNL
2483' FWL
2000'
CV RA SU I
30
CV RA SU P
29
CV RA SU E
34
CV RA SU L
35
CV RA SU M
36
CV RA SU O
31
32
CV RA SU F
3
CV RA SU N
2
13N14W
LEGEND
COTTON VALLEY RA UNITS AS PER 88-E SERIES
UNIT WELL
ALTERNATE UNIT WELL
PROPOSED ALTERNATE UNIT WELL
WELLS 7000' OR SHALLOWER REMOVED FROM BASE
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LOUIS GILBERT & ASSOCIATES, INC.