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October 5, 2005

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: Application for Public Hearing
Applicant: Davis Gulf Coast, Inc.
Shuteston Field
St. Landry Parish, Louisiana
Lower Nodosaria No. 2 Sand, Reservoir B

Dear Sir:

Davis Gulf Coast, Inc. (Applicant) hereby applies for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Lower Nodosaria No. 2 Sand, Reservoir B in the Shuteston Field, St. Landry Parish, Louisiana.

Applicant requests request an order to do the following, to-wit:

1. To create a single drilling and production unit of approximately 142 acres for the Lower Nodosaria No. 2 Sand, Reservoir B, designated as the LN-2 RB SUA, Shuteston Field, St. Landry Parish, Louisiana, all as shown more particularly on the attached plat;
2. To establish rules and regulations for drilling and production of oil, gas and other hydrocarbons from the said unit
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created, with each tract sharing in unit production on a surface acreage basis of participation.

4. To designate Davis Gulf Coast, Inc. as Unit Operator for the proposed unit.
5. To consider such other matters as may be pertinent and appropriate under the circumstances.

The Lower Nodosaria No. 2 Sand, Reservoir B in the Shuteston Field, St. Landry Parish, Louisiana is hereby defined as that gas and condensate bearing zone encountered between the measured depths of 10,638 feet and 10,662 feet (ELM) in the Davis Gulf Coast Inc. (formerly Austral Oil and/or Anderson Exploration Co.) VUA; Grace K. Nunez No. 1, SN 22596, located in Section 8, Township 8 South, Range 4 East, St. Landry Parish, Louisiana.

A conference to discuss the proposed application was held on the 25th day of July, 2005, in Lafayette. At that conference, Mr. Charles Smith, on behalf of Applicant, presented the geological basis of the proposed unit, based on geology by Mr. Joe Adams. Representatives of various Interested Parties questioned Mr. Smith as to the geological basis of the proposed unit. Following the conference, a technical discussion continued between Mr. Adams and Mr. Holmes Smart, representing Christopher Boagni and his co-owners. The result of that conference was a compromise as to the placement of the APL, which forms the eastern and southern boundary of the unit as proposed. Additional discussions with Mr. Doffie Ross, representing various owners of property along the northern tier of the proposed unit, resulted in a compromise of the placement of the fault identified by Mr. Adams as the northern boundary of the unit. The placement of that fault was also modified to the extent necessary to avoid removal of interest owners who have participated in the production from the well under the existing Voluntary Unit.

Additional discussions with Mr. Bryan Groves, representing other landowners on the northern side of the unit, did not result in any modification of the unit. We anticipate, therefore, possible opposition from Mr. Groves. Finally, Mr. Leon Comeaux, representing owners within the existing VU, has advised us he intends to oppose the application to alter the existing contractual unit.

Attached is a plat outlining the proposed unit, as revised to reflect the compromises and other modifications described above. This plat is based on a revised base map, prepared by c. L. Jack Stelly & Associates, the surveyor who prepared the prior VU, to more positively locate relevant boundaries within the proposed unit.

Pursuant to the Revised Rules of Procedure, a list of names and addresses of the all Interested Parties, Represented Parties and Interested Owners to whom this notice 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, a list of parties 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. Our firm's check, payable to the Office of Conservation, for the appropriate filing fee, is enclosed.

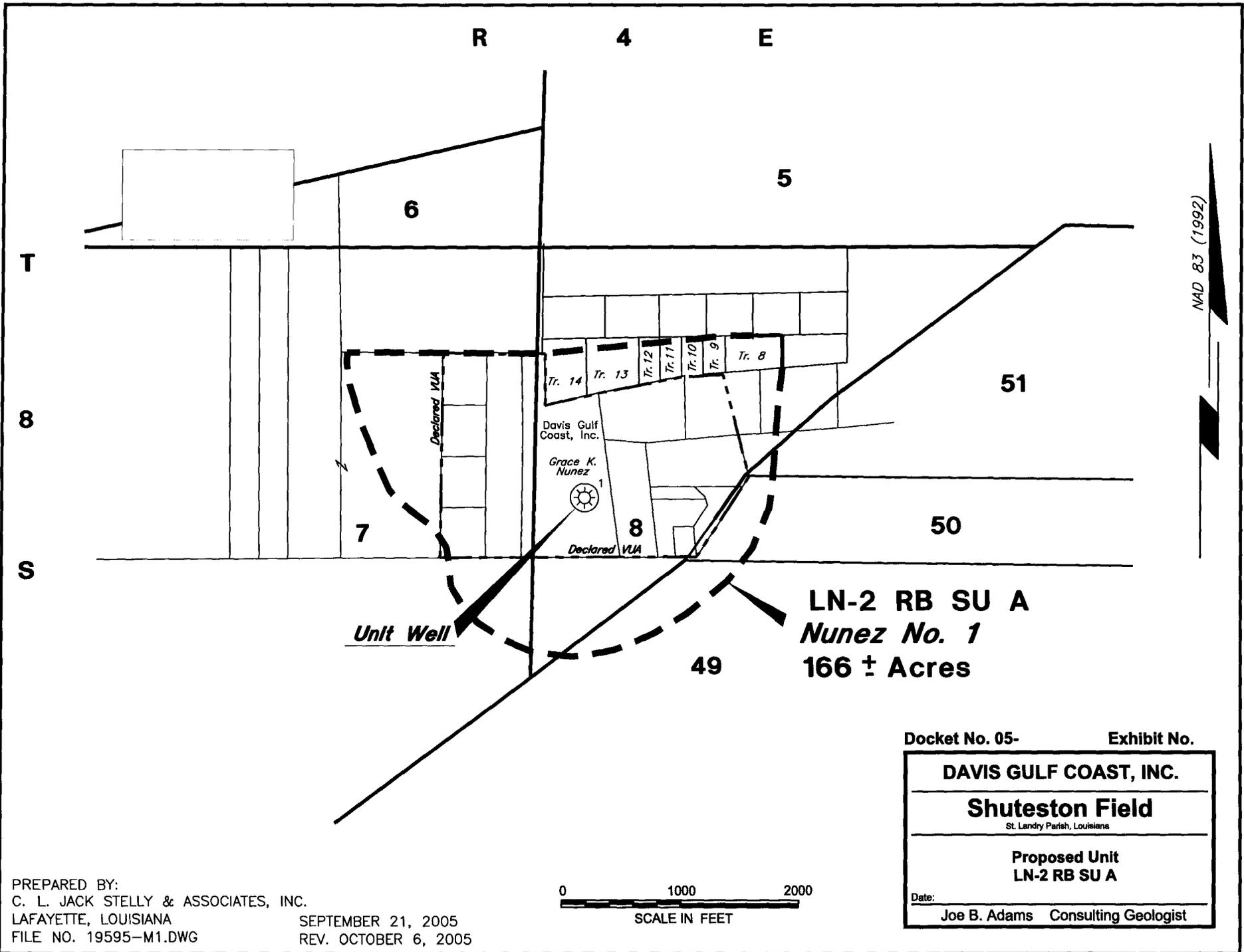
Respectfully Submitted,
Milling Benson Woodward, L.L.P.

A handwritten signature in black ink, appearing to read "Robert L. Cables", written over a horizontal line.

Robert L. Cables

RLC.83400

- cc: Mr. Richard Hudson
District Manager
Office of Conservation
825 Kaliste Saloom Road
Lafayette, LA 70508
(w/Interested Parties List and conference attendance list)
- cc: Interested Parties, Represented Parties and Interested Owners
(w/Application and Plat only)



PREPARED BY:
 C. L. JACK STELLY & ASSOCIATES, INC.
 LAFAYETTE, LOUISIANA
 FILE NO. 19595-M1.DWG

SEPTEMBER 21, 2005
 REV. OCTOBER 6, 2005



Docket No. 05-	Exhibit No.
DAVIS GULF COAST, INC.	
Shuteston Field	
<small>St. Landry Parish, Louisiana</small>	
Proposed Unit	
LN-2 RB SU A	
Date:	
Joe B. Adams Consulting Geologist	