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

JOSEPH L. HARGROVE, JR.
DAVID L. SMELLEY
PAUL A. STRICKLAND
GLENN L. LANGLEY
LOUISE F. PEARCE

OF COUNSEL
WILLIAM G. CONLY

THOMAS J. WYATT (1942-1996)

MAILING ADDRESS
POST OFFICE BOX 59
SHREVEPORT, LOUISIANA 71161-0059
TELEPHONE (318) 429-7200
TELECOPIER (318) 429-7201

February 18, 2005

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 Zone, Reservoir A; Cotton Valley Formation, Reservoir A; and Lower Cotton Valley Zone, Reservoir A; ELM GROVE FIELD, Bossier and Caddo Parishes, Louisiana.

Dear Sir:

J-W OPERATING 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 Zone, Reservoir A; to the Cotton Valley Formation, Reservoir A; and to the Lower Cotton Valley Zone, Reservoir A; in the Elm Grove Field, Bossier and Caddo Parishes, Louisiana:

1. To permit Applicant to drill, designate and utilize five (5) additional alternate unit wells for HOSS RA SU52, eight (8) additional alternate unit wells for HOSS RA SU53 and six (6) additional alternate unit wells for HOSS RA SU77, at the locations shown on an attached plat, with the proposed location for the Caplis 16 No. 2 Well on HOSS RA SU52 being in lieu of the location approved for this well by Office of Conservation Order No. 361-A-167, effective June 25, 2002, and with the proposed location for the State Lease 16530 20 No. 1 Well on HOSS RA SU77 being in lieu of the location approved for this well by Office of Conservation Order No. 361-A-220, effective August 19, 2003.

2. To permit Applicant to drill, designate and utilize five (5) additional alternate unit wells for CV RA SU58, eight (8) additional alternate unit wells for CV RA SU59 and six (6) additional alternate unit wells for CV RA SU83, at the locations shown on an attached plat, with the proposed location for the Caplis 16 No. 2 Well on CV RA SU58 being in lieu of the location approved for this well by Office of Conservation Order No. 361-B-192, effective June 25, 2002, and with the proposed location for the State Lease 16530 20 No. 1 Well on CV RA SU83 being in lieu of the location approved for this well by Office of Conservation Order No. 361-B-241, effective August 19, 2003.

3. To permit Applicant to drill, designate and utilize five (5) additional alternate unit wells for LCV RA SUVV, eight (8) additional alternate unit wells for LCV RA SU53 and six (6) additional alternate unit wells for LCV RA SUZZ, at the locations shown on an attached plat, with the proposed location for the Caplis 16 No. 2 Well on LCV RA SUVV being in lieu of the location approved for this well by Office of Conservation Order No. 361-E-61, effective June 25, 2002, and with the proposed location for the State Lease 16530 20 No. 1 Well on LCV RA SUZZ being in lieu of the location approved for this well by Office of Conservation Order No. 361-E-111, effective August 19, 2003.

4. To approve exceptions to the well location provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972 (applicable to the Hosston Zone, Reservoir A), Office of Conservation Order No. 361-B, effective October 1, 1973 (applicable to the Cotton Valley Formation, Reservoir A), and Office of Conservation Order No. 361-E, effective July 16, 1996 (applicable to the Lower Cotton Valley Zone, Reservoir A), for any of the proposed wells, the location of which, as shown on the attached plats, does not comply with the well location provisions in said Orders.

5. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the hydrocarbons underlying the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.

6. To discuss such other matters as may be pertinent to this application.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo, Webster, Bossier and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in subsequent Orders of the 361-A series of Orders.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Webster, Bossier and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B series of Orders.

The Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Caddo, Webster, Bossier and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-E, effective July 16, 1996.

Pertinent data concerning this application is available for inspection at the offices of Mr. Joe B. Adams, 9141 Interline Avenue, Suite 3A, Baton Rouge, Louisiana 70809. Any person wishing to inspect such data should call Mr. Adams at (225) 929-6097 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at 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 three (3) 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 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 Elm Grove 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, we enclose a check payable to the Office of Conservation for the application fee.

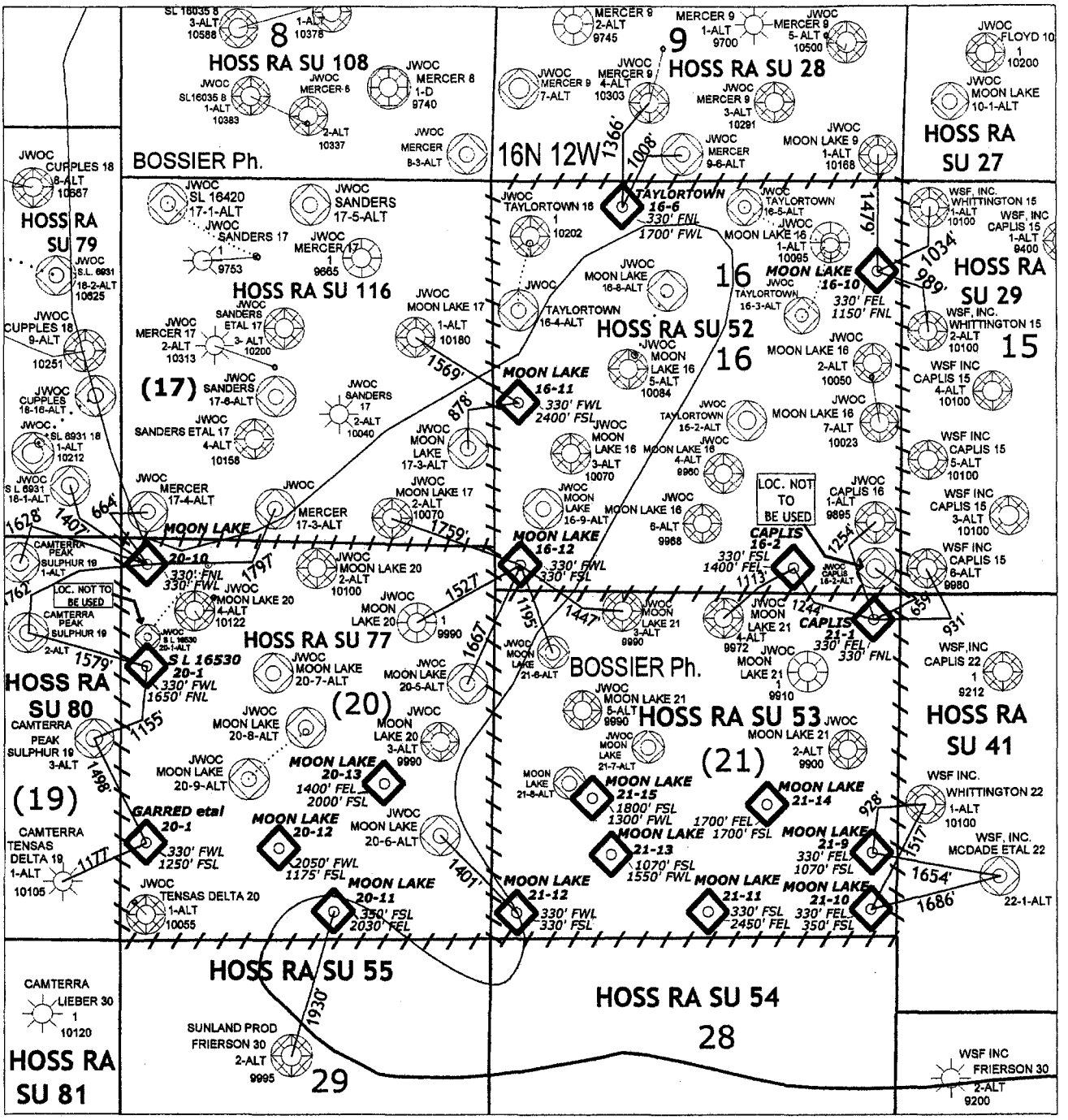
Yours very truly,

David L. Smelley

-- Attorney for J-W Operating Company

DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Jerry Wooten (w/encls.)
Mr. Michael Baca (w/encls.)
Mr. Joe B. Adams (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plats only)



LEGEND

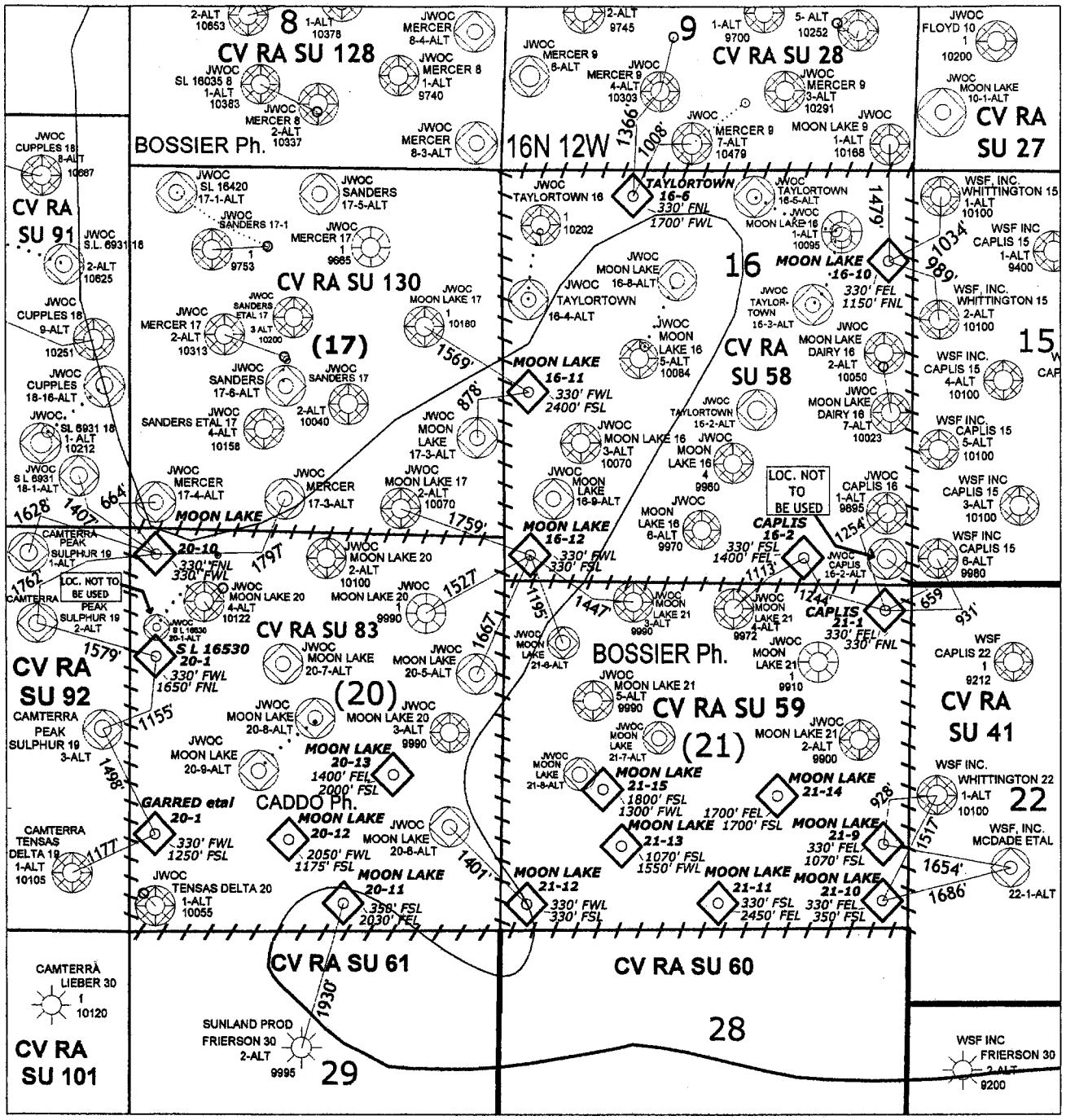
- Existing Units 361-A series
- Proposed Alternate Unit Well
- Unit Well
- Approved Alternate Unit Well
- Approved Substitute Unit Well
- Posted Wells > 6000'

J-W OPERATING COMPANY

Unit Plat – Hosston Zone
Reservoir "A" Elm Grove Field
Bossier & Caddo Phs., La.

DATE:	Witness: Joe Adams	Docket Nos.
Exhibit I	Scale: 1" = 2000'	05-??

1000 0 1000 2000 3000 ft



LEGEND

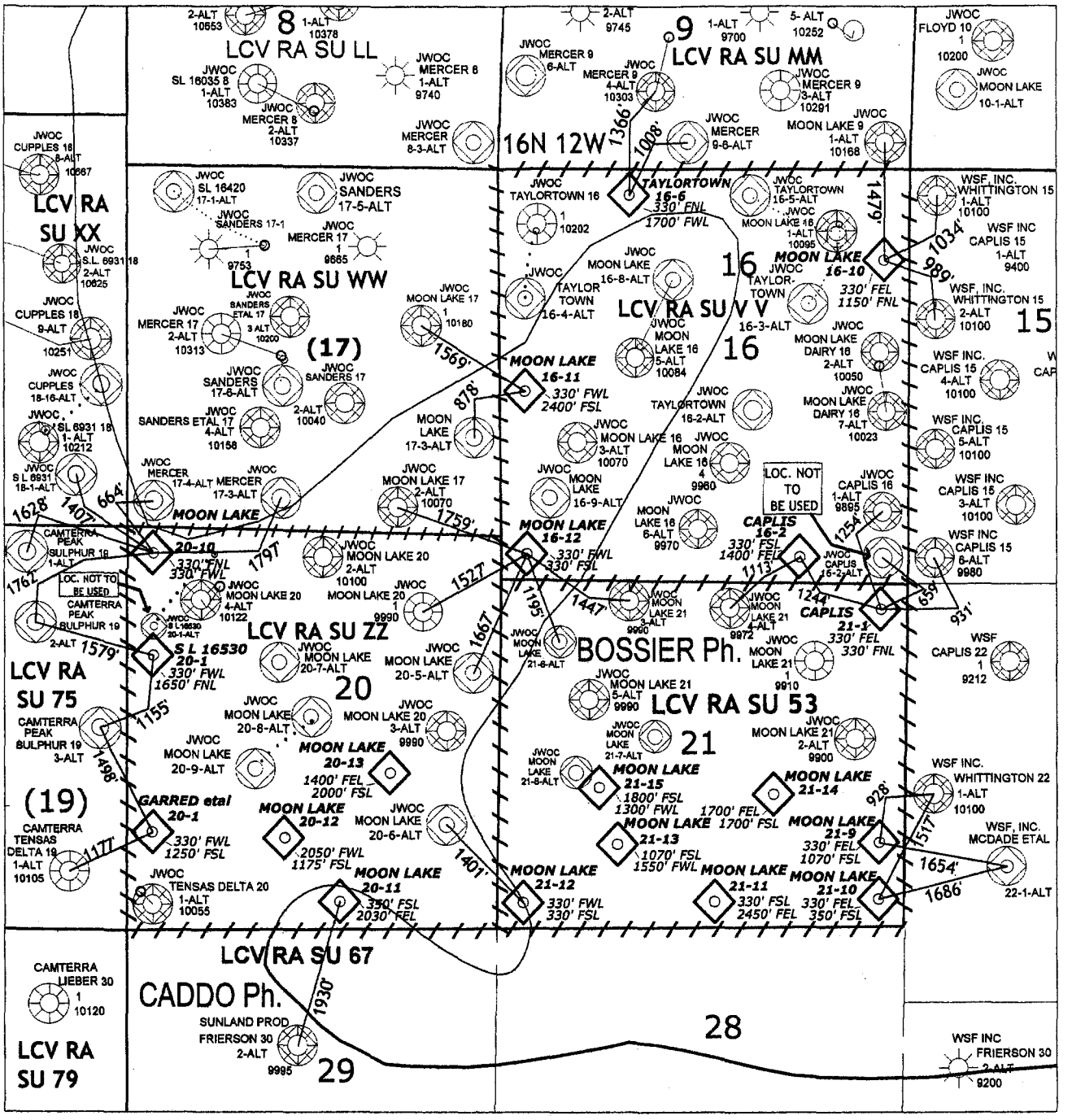
- Existing Units 361-B series
- Proposed Alternate Unit Well
- Unit Well
- Approved Alternate Unit Well
- Posted Wells > 8300'

N

J-W OPERATING COMPANY

Unit Plat – Cotton Valley Form.
Reservoir 'A' Elm Grove Field
Bossier & Caddo Phs., La.

DATE:	Witness: Joe Adams	Docket Nos.
Exhibit 1	Scale: 1"=2000'	05-??



LEGEND

- Existing Units 361-E series
- Proposed Alternate Unit Well
- Unit Well
- Approved Alternate Unit Well
- Posted Wells > 8300'

N

J-W OPERATING COMPANY

Unit Plat – Lwr.Cotton Valley Form.
Reservoir 'A' Elm Grove Field
Bossier & Caddo Phs., La.

DATE:	Witness: Joe Adams	Docket Nos.
Exhibit 1	Scale: 1"=2000'	05-??