

HARGROVE, SMELLEY & STRICKLAND

(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

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

OF COUNSEL
WILLIAM G. CONLY

June 10, 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 Parish, 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; the Cotton Valley Formation, Reservoir A; and to the Lower Cotton Valley Zone, Reservoir A; all in the Elm Grove Field, Bossier Parish, Louisiana:

1. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir A, such units being shown on an attached plat and being designated HOSS RA SU134 and HOSS RA SU135.
2. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such units being shown on an attached plat and being designated CV RA SU144 and CV RA SU145.
3. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Lower Cotton Valley Zone, Reservoir A, such units being shown on an attached plat and being designated LCV RA SU101 and LCV RA SU102.
4. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
5. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriate.
6. To authorize Applicant to drill, designate and utilize two (2) alternate unit wells for each of the proposed additional units, at the locations shown on the attached plats, and to find that each of these proposed alternate unit wells is necessary to efficiently and economically drain a portion of the

unit on which it is proposed to be drilled which cannot be efficiently and economically drilled by any existing well within such unit.

7. To approve exceptions to the well spacing 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 alternate unit wells the location of which, as shown on the attached plats, does not comply with the spacing provisions in said Orders.

8. To authorize the downhole combination of production from the Lower Cotton Valley Zone, Reservoir A; the Cotton Valley Formation, Reservoir A; and the Hosston Zone, Reservoir A; or any combination thereof, in the wellbore of any well drilled on the additional units proposed herein.

9. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972, as amended and supplemented by the Order No. 361-A series of Orders, to the proposed additional units for the Hosston Zone, Reservoir A.

10. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-B, effective October 1, 1973, as amended and supplemented by the Order No. 361-B series of Orders, to the proposed additional units for the Cotton Valley Formation, Reservoir A.

11. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-E, effective July 16, 1996, as amended and supplemented by the Order No. 361-E series of Orders, to the proposed additional units for the Lower Cotton Valley Zone, Reservoir A.

12. To discuss such other matters as may be pertinent.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Bossier, Caddo, Webster 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, Bossier, Caddo, Webster 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, Bossier, Caddo, Webster 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. Joe Adams at (225) 929-6097 during normal business hours in

Honorable James H. Welsh
June 10, 2005
Page 3

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.

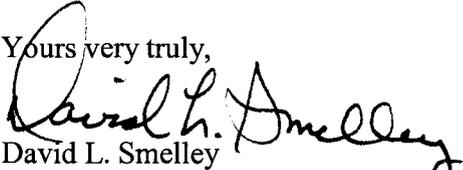
By letter dated May 27, 2005, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set June 17, 2005, as the tentative date for the pre-application conference. No request for the pre-application conference was received within ten (10) days after the date of said letter; accordingly, no pre-application conference was 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 each of the attached plats is being sent to the District Manager of the Shreveport 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 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, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,

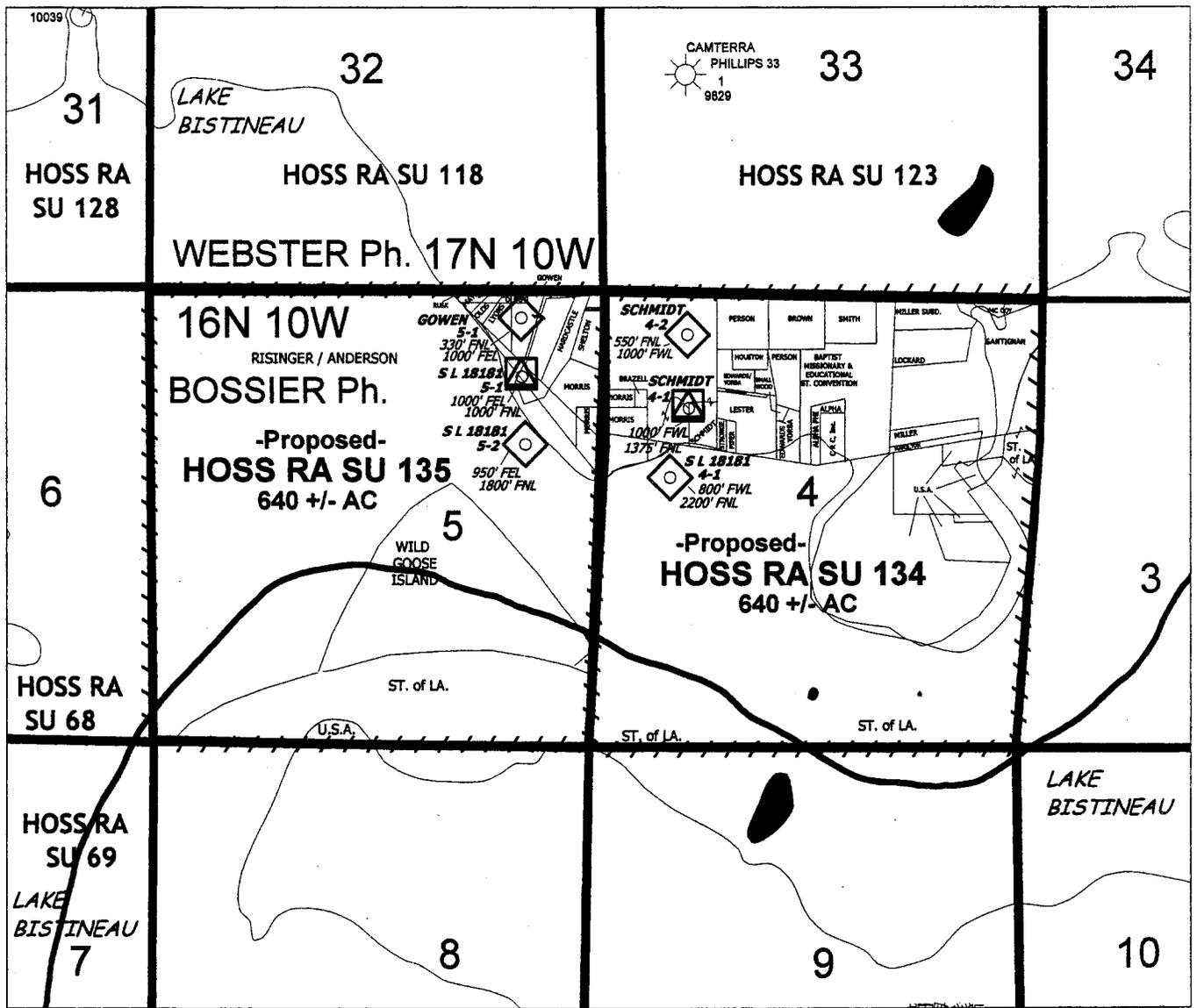

David L. Smelley
Attorney for J-W Operating Company

--

DLS:dp

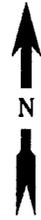
Enclosures

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)

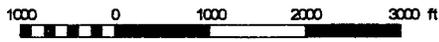


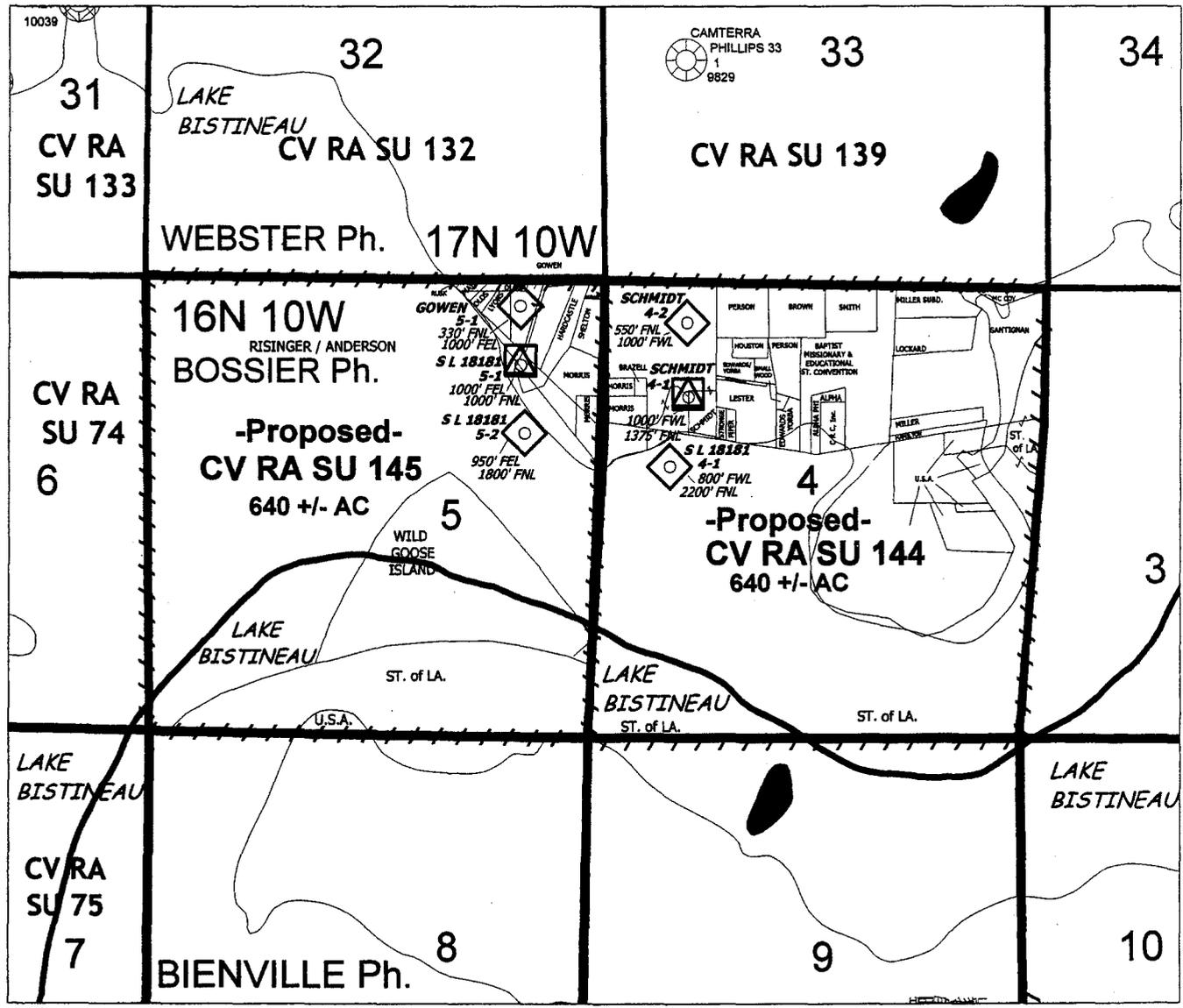
LEGEND

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



J-W OPERATING COMPANY		
Elm Grove Field Bossier Ph., Louisiana Unit Plat - Hosston Zone		
DATE:	Witness: Joe Adams	Docket No.
Exhibit 1	Scale: 1"= 2000'	05-77





LEGEND

- Existing Units 361-B series
- △ Proposed Unit well
- Unit Well
- ◇ Proposed Alternate Unit Well
- Posted Wells > 8300'



J-W OPERATING COMPANY		
Elm Grove Field Bossier Ph., Louisiana Unit Plat - Cotton Valley Formation		
DATE:	Witness: Joe Adams	Docket No.
Exhibit 1	Scale: 1"=2000'	05-??

