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January 17, 2006

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When calling relative to this
matter, refer to file No. 1328.

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

**Re: Hosston Zone, Reservoir A
Cotton Valley Formation, Reservoir A
Lower Cotton Valley Zone, Reservoir A
Elm Grove Field
Bossier Parish, Louisiana**

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Resources, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To authorize the downhole or well bore combination of hydrocarbons produced from any current or future well located on HOSS RA SU45, CV RA SU45 and/or LCV RA SUAA, or on any combination of these units, in the Elm Grove Field, without the necessity of securing a supplemental order as contemplated by Office of Conservation Order No. 361-15;
2. To authorize the downhole or well bore combination of hydrocarbons produced from any current or future well located on HOSS RA SU112, CV RA SU108 and/or LCV RA SUHH, or on any combination of these units, in the Elm Grove Field, without the necessity of securing a supplemental order as contemplated by Office of Conservation Order No. 361-15; and

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3. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo, Bossier, 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 Orders of the 361-A Series of Orders.

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

The downhole or well bore combination of hydrocarbons produced from the Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Zone, Reservoir A, insofar as certain units located in the Elm Grove Field, was authorized pursuant to Office of Conservation Order No. 361-15. Included within the units for which downhole combination is approved are the following combination of units (a) HOSS RA SU45, CV RA SU45 and LCV RA SUAA, and (b) HOSS RA SU112, CV RA SU108 and LCV RA SUHH, such units being shown on the attached plats. The protocol contemplated by Order No. 361-15 requires the presentation by the operator of certain additional information and the issuance by the Commissioner of Conservation of a supplemental order on occasions when an operator seeks downhole combination of hydrocarbons. In more recent years, the Office of Conservation has allowed the downhole combination of hydrocarbons without the necessity of the supplemental order arrangement, with such downhole combination being authorized administratively by the approval of a work permit by the District Manager once an order has issued allowing the downhole combination of specific units. The Applicant requests that it be allowed to combine production downhole in the well bore(s) of wells now or in the future located on the units which are the subject of this application without the necessity of securing a supplemental order on each occasion when downhole combination of hydrocarbons is sought.

The subject matter of this application does not require the issuance of a Pre-Application Notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Ron Tuminello, 416 Travis Street, Suite 804, Shreveport, Louisiana 71101, at telephone number (318) 425-4789.

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The list attached to the copy of this application being sent to the Office of Conservation includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search. A copy of this application, with plats attached, is being sent to each such party. Pursuant to Office of Conservation regulations, the list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Also enclosed are the application fees.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY

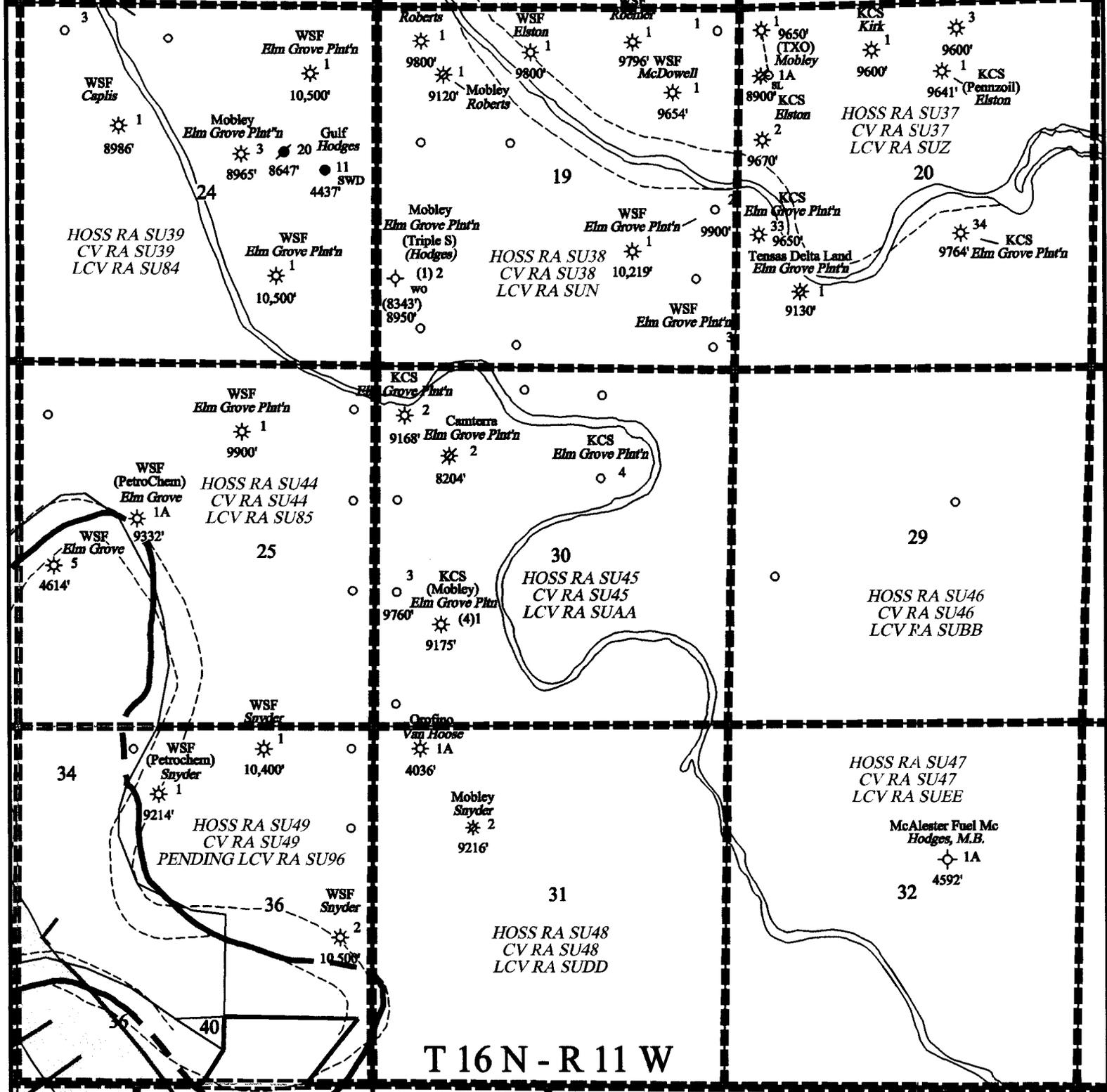


J. William Fleming

jwf:s

Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
Mr. Ron Tuminello



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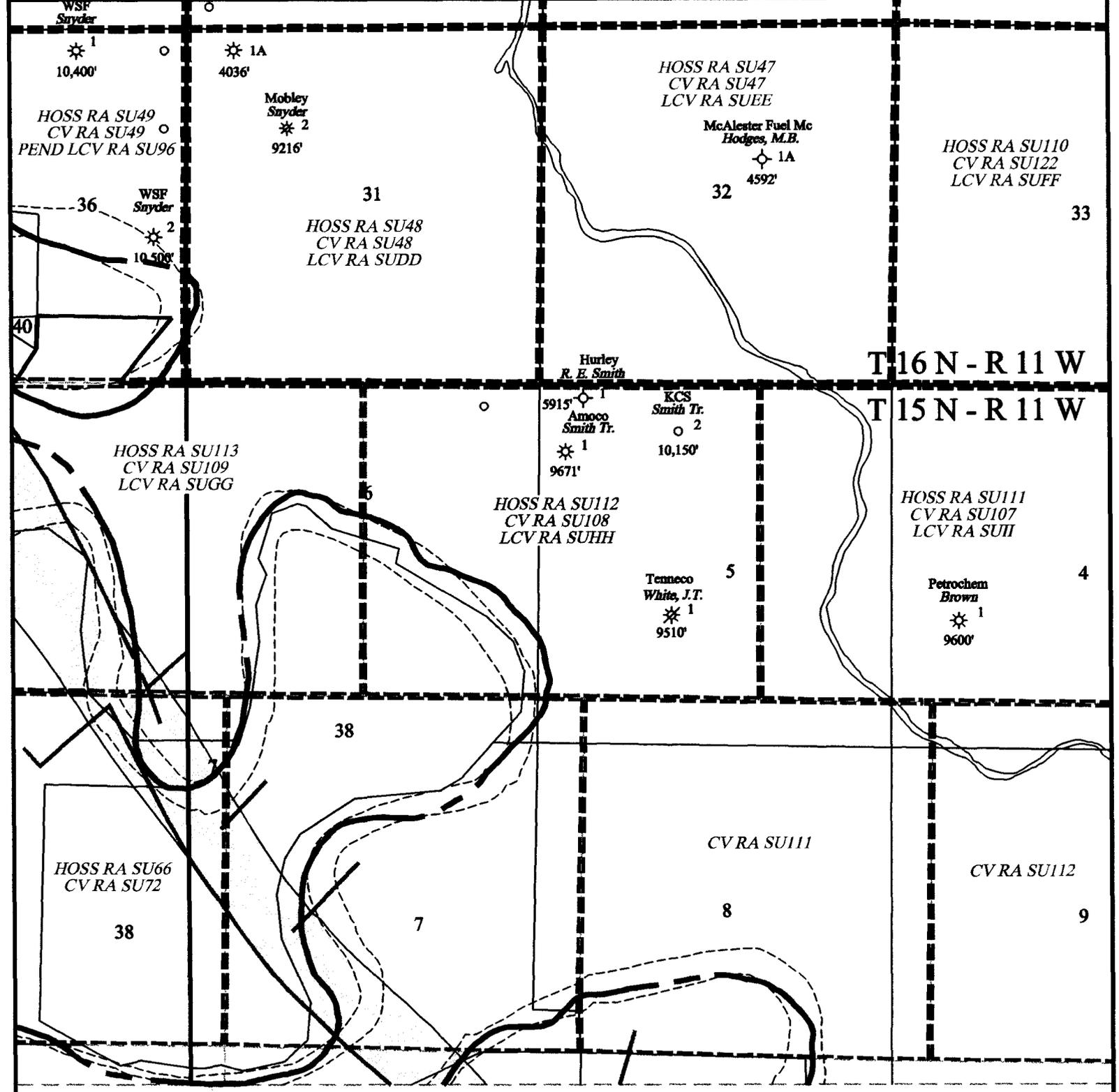
KCS RESOURCES, INC.
TULSA, OKLAHOMA

ELM GROVE FIELD
BOSSIER PARISH, LOUISIANA
PROPOSED DOWNHOLE COMBINATION
OF PRODUCTION FROM
HOSS RA SU 45, CV RA SU45, & LCV RA SUAA

----- : EXISTING UNITS



GRAPHIC SCALE



KCS RESOURCES, INC.
TULSA, OKLAHOMA

ELM GROVE FIELD
BOSSIER PARISH, LOUISIANA
PROPOSED DOWNHOLE COMBINATION
OF PRODUCTION FROM
HOSS RA SU112, CV RA SU108, & LCV RA SUHH

----- : EXISTING UNITS



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