

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, SEPTEMBER 11, 2007**, upon the application of **ENSIGHT III ENERGY MANAGEMENT, LLC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Vaughn Sand**, in the Ruston Field, Lincoln Parish, Louisiana.

1. To dissolve the drilling and production units designated as VGN SUC and VGN SUD, as shown on the plat submitted with the application which were created by Office of Conservation Order No. 164, effective March 31, 1949, for the Vaughn Sand.
2. Simultaneously with the dissolution of the abovesaid units, to create two (2) revised drilling and production units for the exploration for and production of gas and condensate from the Vaughn Sand.
3. To designate Ensign III Energy Management, LLC as operator of VGN SUC and Nadel & Gussman-Jetta Operating Company as operator of VGN SUD to be created hereby.
4. To designate the Ensign III Energy Management, LLC-Sanderlin No. 1 Well as the unit well for VGN SUC and to designate the Nadel & Gussman-Jetta Operating Company-Colvin No. 1 D Well as the unit well for VGN SUD, at the locations shown on the plat submitted with the application, in exception to the spacing provisions of Order No. 164 or any other applicable orders of the 164 Series of Orders.
5. To extend the provisions of Order No. 164-28, effective May 15, 2007, to the Vaughn Sand and VGN SUC to authorize the downhole combination of the Vaughn Sand, the Feazel Sand and the Lower Cotton Valley, Reservoir A, in the wellbore of any well within VGN SUC, LCV RA SUA and FEAZEL SUA in which the acreage and ownership are identical.
6. To consider such other matters as may be pertinent.

The Vaughn Sand is defined in Order No. 164, effective March 31, 1949.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

8/7/07;8/10/07

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.