

BLANCHARD WALKER

A TRADITION OF EXCELLENCE SINCE 1917

BLANCHARD, WALKER, O'QUIN & ROBERTS
A PROFESSIONAL LAW CORPORATION

12/15/07
2/15/08/17

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August 6, 2007

WM. TIMOTHY ALLEN, III
Direct: 318.934.0217
Email: tallen@bwor.com

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

RE: CORRECTION TO HEARING APPLICATION
Vaughn Sand
Ruston Field
Lincoln Parish, Louisiana
Our File No. 250219.15

Dear Sir:

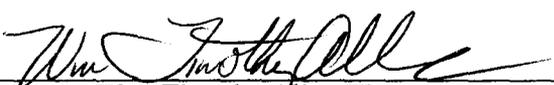
On behalf of ENSIGHT III ENERGY MANAGEMENT, LLC, a Hearing Application dated August 3, 2007 was sent regarding the captioned matter. Numbered Paragraphs 1 and 2 of the Hearing Application erroneously referenced Hico-Knowles Field, whereas such references should have been to the Ruston Field.

Except for the aforesaid correction, the Hearing Application shall remain unchanged.

This Correction to Hearing Application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 
Wm. Timothy Allen III
Attorneys for Ensign III Energy Management, LLC

WTAlII:kmm
Enclosures

cc: Mr. James C. Broussard, Shreveport District Manager
Office of Conservation
cc: Interested Owners, Represented Parties
and Interested Parties

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August 3, 2007

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

WM. TIMOTHY ALLEN, III
Direct: 318.934.0217
Email: tallen@bwor.com

RE: HEARING APPLICATION
Vaughn Sand
Ruston Field
Lincoln Parish, Louisiana
Our File No. 250219.15

Dear Sir:

On behalf of ENSIGHT III ENERGY MANAGEMENT, LLC application is hereby made to the Commissioner of Conservation of the State of Louisiana for a public hearing to receive evidence concerning the issuance of an order 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 attached hereto as Exhibit No. 1 which were created by Office of Conservation Order No. 164, effective March 31, 1949, for the Vaughn Sand in the Hico-Knowles Field, Lincoln Parish, Louisiana;
2. Simultaneously with the dissolution of the abovesaid units, to create two (2) revised drilling and production units (to be designated as VGN SUC and VGN SUD), as shown on the plat attached hereto as Exhibit No. 2, for the exploration for and production of gas and condensate from Vaughn Sand in the Hico-Knowles Field, Lincoln Parish, Louisiana;
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 attached hereto as Exhibit No. 2, in exception to the spacing provision of Order No. 164 or any other applicable orders of the 164 Series of Orders.
5. To extend the provisions of Office of Conservation 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 appropriate and justified by the evidence presented at the hearing.

The Vaughn Sand in the Ruston Field, Lincoln Parish, Louisiana, is defined in Office of Conservation Order No. 164, effective March 31, 1949.

Pertinent data regarding this application will be available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Chase Tower, 400 Texas Street, Shreveport, Louisiana 71163-1126. Any person wishing to inspect such data should call Wm. Timothy Allen III at (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the attached plats, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

By Pre-Application Notice dated July 23, 2007, Applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no request for a Pre-Application Conference, and accordingly, no conference will be held.

A check in the amount of \$755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This notice is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 
Wm. Timothy Allen III
Attorneys for Ensign III Energy Management, LLC

WTAlII:kmw
Enclosures

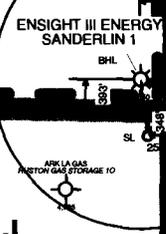
- cc: Mr. James C. Broussard, District Manager
Office of Conservation, Shreveport, La. (w/enclosures)
- cc: Interested Owners, Represented Parties
and Interested Parties (w/copy of plats only)

LEGEND

-  Existing Vaughn Units
-  Vaughn Units to be Dissolved

R3W R2W

EnSight III - Sanderlin #1



VGN SU E

11

VGN SU D

12

VGN SU C
NADEL & GUSSMAN JETTA
COLVIN 1D

7

VGN SU B

8

VGN SU H

14

VGN SU I

13

VGN SU J

18

VGN SU K

17

T
19
N

VGN SU Q

23

VGN SU P

24

VGN SU O

19

Docket No. 07- Date: 2007 Exhibit No. 1

EnSight III Energy Management, LLC

Shreveport, Louisiana

RUSTON FIELD

LINCOLN PARISH, LOUISIANA

VAUGHN SAND

UNIT PLAT



FEET

