

COOK, YANCEY, KING & GALLOWAY

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August 8, 2007

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When calling relative to this
matter, refer to file No. 1545.

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

**RE: Cotton Valley Formation, 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 Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To authorize KCS Resources, Inc. to complete and utilize a horizontal lateral as an additional alternate unit well on CV RA SU45 at the exceptional location and in the manner shown on the attached plat, in lieu of the location approved by Office of Conservation Order No. 361-B-549, effective April 17, 2007;
2. To find that the proposed alternate unit well is necessary to effectively and efficiently drain a portion of CV RA SU45 which cannot be efficiently and effectively drained by any other well located on the unit;
3. To authorize the unit allowable for CV RA SU45 to be recovered from the any of the wells located on the unit at the discretion of the operator; and
4. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

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

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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.

The parties named on the list attached to the copies of this letter 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, such 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. Enclosed with the copy of this letter being sent to the Commissioner of Conservation is a check for the application fee.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY

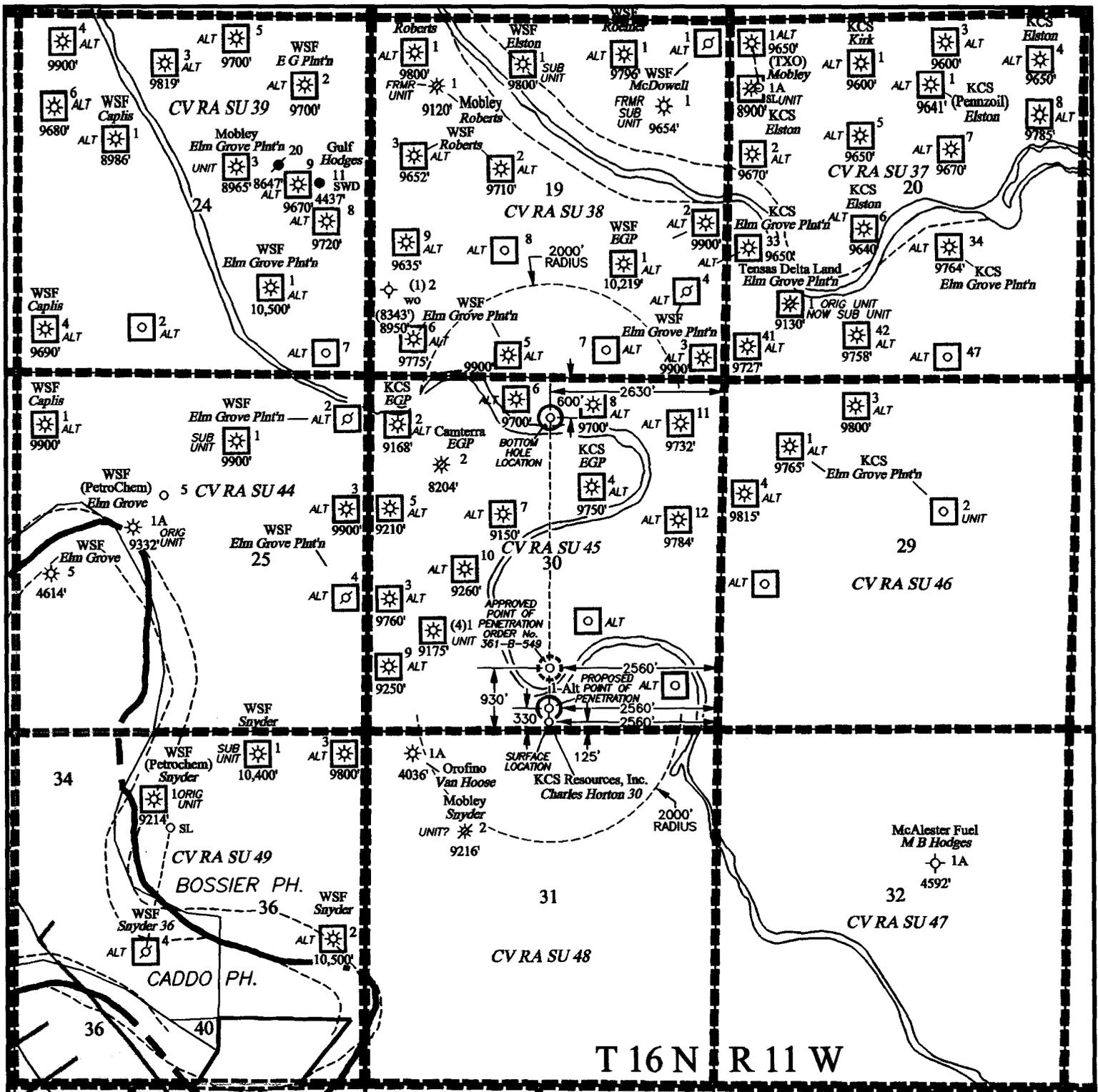


J. William Fleming

jwf:s

Enclosures

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



T 16 N R 11 W

KCS RESOURCES, INC.
TULSA, OKLAHOMA

ELM GROVE FIELD
BOSSIER PARISH, LOUISIANA
PROPOSED AMENDED LOCATION
OF AN APPROVED ALTERNATE UNIT WELL
AT EXCEPTIONAL LOCATION FOR CV RA SU 45

--- : EXISTING UNITS

- : EXISTING CV RES A UNIT AND ALT UNIT WELLS
- : POINT OF PENETRATION APPROVED BY ORDER No. 361-B-549, 4-17-2007
- : APPROVED CV RES A UNIT AND ALT UNIT WELL LOCS
- : PROPOSED ALTERNATE UNIT WELL



GEOLOGIST: CRAIG C. BARCLAY

ONLY WELLS > 4000' TD SHOWN

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