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BLANCHARD, WALKER, O'QUIN & ROBERTS
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October 10, 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
Gray Sand, Reservoir E
Cotton Valley Field
Webster Parish, Louisiana
Our File No. 450592.31

Dear Sir:

On behalf of CLAYTON WILLIAMS ENERGY, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Gray Sand, Reservoir E, in the Cotton Valley Field, Webster Parish, Louisiana:

1. To create three (3) additional drilling and production units (to be designated as GRAY RE SUK thru GRAY RE SUM), as shown on the attached plat, for the exploration for and production of gas and condensate from the Gray Sand, Reservoir E, in the Cotton Valley Field, Webster Parish, Louisiana;
2. To force pool and integrate all separately owned tracts, mineral leases, and other property interests within the proposed units, with each tract sharing in unit production on a surface acreage basis of participation.
3. Except to the extent contrary herewith, to extend the provisions of Office of Conservation 10-EE Series of Orders, to the proposed units; and
4. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Gray Sand, Reservoir E, in the Cotton Valley Field, was initially defined in Office of Conservation Order No. 10-EE-10, effective September 10, 2002, and was redefined in Office of Conservation Order No. 10-EE-18, effective March 22, 2005.

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Pertinent data concerning the intended application will be made 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 annexed plat, 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 September 26, 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 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, 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 Clayton Williams Energy, Inc.

WTAlII:kmw
Enclosures

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

