COOK, YANCEY, KING & GALLOWAY
A PROFESSIONAL LAW CORPORATION
333 TEXAS STREET, SUITE 1700
POST OFFICE BOX 22260
SHREVEPORT, LOUISIANA 71120-2260
www.cykg.com

J. William Fleming

Writer's Direct
(318) 227-7724
fleming@cykg.com

TELEPHONE (318) 221-6277
TELECOPIER (318) 227-7850
When calling relative to this matter, refer to file No. 1475.

March 15, 2007

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

RE: **Hosston Formation, Reservoir A**
Cotton Valley Formation, Reservoir A
Lower Cotton Valley Formation, Reservoir A
Elm Grove Field
Caddo and Bossier Parishes, 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 Formation, Reservoir A, the Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana:

1. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well on HOSS RA SU15, CV RA SU15 and LCV RA SUJ at the location in Section 4-T16N-R11W, Bossier Parish, Louisiana, as shown on the attached plats;

2. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well on HOSS RA SU16, CV RA SU16 and LCV RA SUI at the exceptional location in Section 3-T16N-R11W, Bossier Parish, Louisiana, as shown on the attached plats;

3. To authorize KCS Resources, Inc. to drill, complete and utilize two additional alternate unit wells on HOSS RA SU14, CV RA SU14 and LCV RA SUK at the locations in Section 5-T16N-R11W, Bossier Parish, Louisiana, one of which is an exceptional location, as shown on the attached plats;

4. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well on HOSS RA SU23, CV RA SU23 and LCV RA SUE at the location in Section 8-T16N-R11W, Bossier Parish, Louisiana, as shown on the attached plats;

5. To authorize the unit allowable for these Hosston Formation, Reservoir A, Cotton Valley Formation, Reservoir A, and Lower Cotton Valley Formation, Reservoir A, units to be recovered from the any of the wells located on the units, at the discretion of the operator; and

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

The Hosston Formation, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster, and Bienville Parishes, Louisiana, initially identified as the Hosston Zone, was defined in Office of Conservation Order No. 361-A-1, effective on and after October 1, 1972, and was further defined, and identified as the Hosston Formation, Reservoir A, in Office of Conservation Order No. 361-A-5, effective May 25, 1977, and subsequent 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 fully defined in Office of Conservation Order No. 361-B, effective on and after October 1, 1973, and was further defined by subsequent orders of the 361-B Series.

The Lower Cotton Valley Formation, 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, and was redefined insofar as certain units are concerned by Office of Conservation Order No. 361-E-265, effective June 5, 2005.

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 Ms. Mary Jo Dixon, 6100 South Yale Avenue, Suite 500, Tulsa, Oklahoma 74136, at telephone number (918) 499-1320.

The list of parties attached to the copies 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, 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 fees required in connection with this application.

Yours very truly,

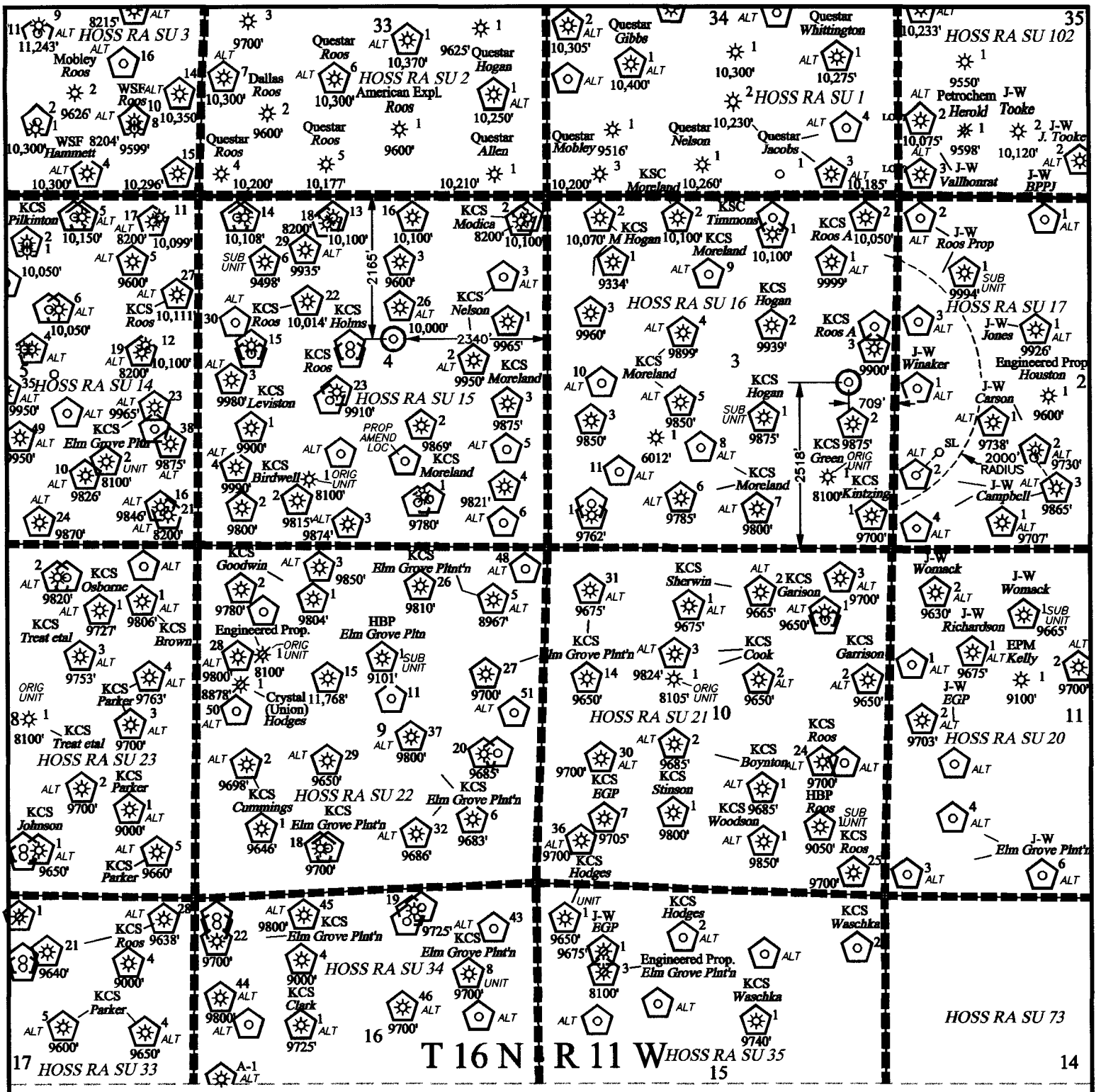
COOK, YANCEY, KING & GALLOWAY

J. William Fleming

jwf:s

Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
Ms. Toni Semple
Mr. Craig Barclay



KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AND ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR HOSS RA SU 15 & HOSS RA SU 16

- - - - : EXISTING UNITS

: EXISTING HOSS RES A UNIT AND ALT UNIT WELLS

: APPROVED HOSS RES A UNIT AND ALT UNIT WELL LOCS

: PROPOSED ALTERNATE UNIT WELLS

0' 1000' 2000' 3000' 4000' 5000' 6000'

ONLY WELLS WITH TD OF > 6000' SHOWN

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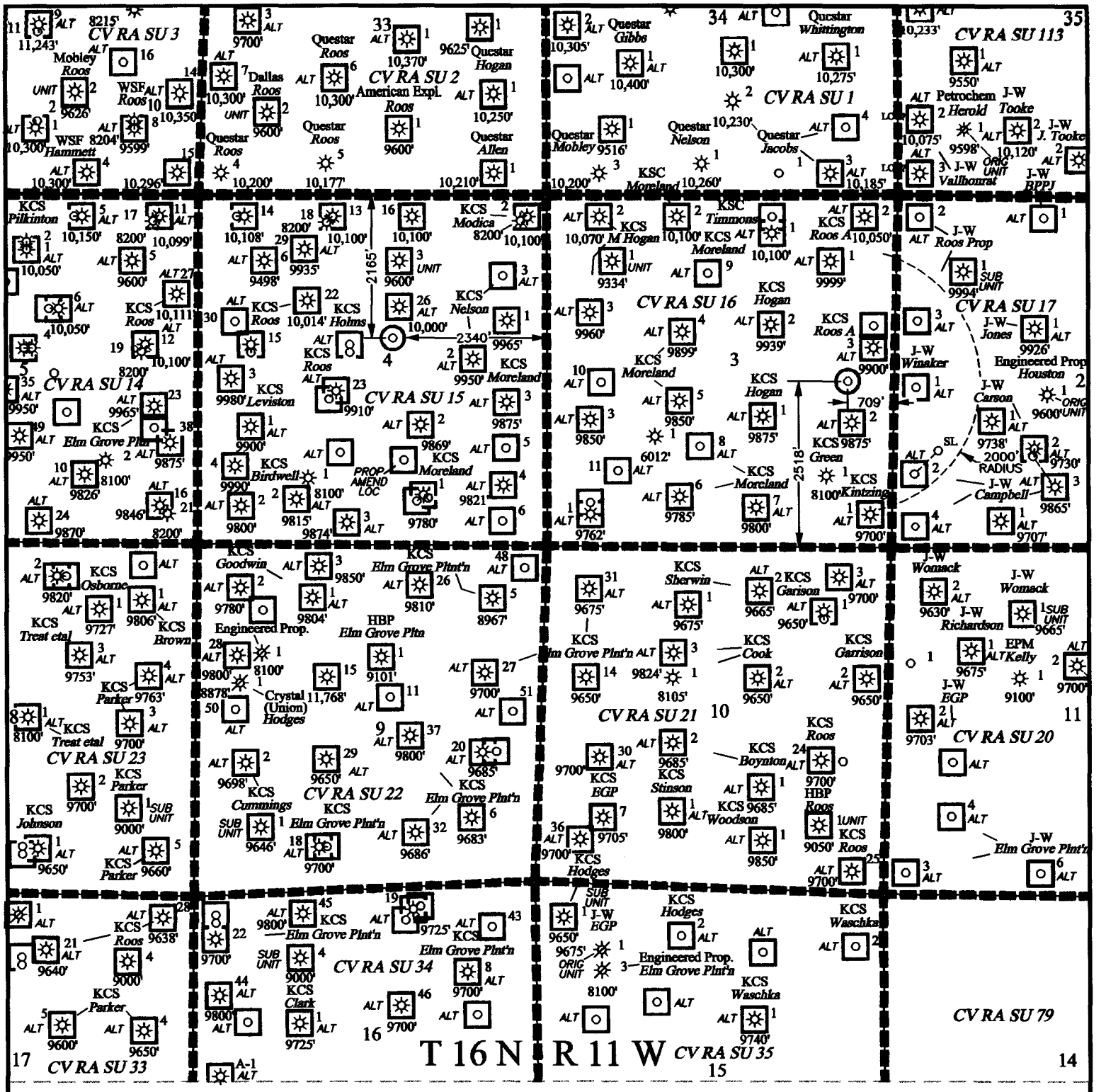

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AND ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR CV RA SU 15 & CV RA SU 16

: EXISTING UNITS

: EXISTING CV RES A UNIT AND ALT UNIT WELLS

: APPROVED CV RES A UNIT AND ALT UNIT WELL LOCS

: PROPOSED ALTERNATE UNIT WELLS

0' 1000' 2000' 3000' 4000' 5000' 6000'

ONLY WELLS WITH TD OF > 6000' SHOWN

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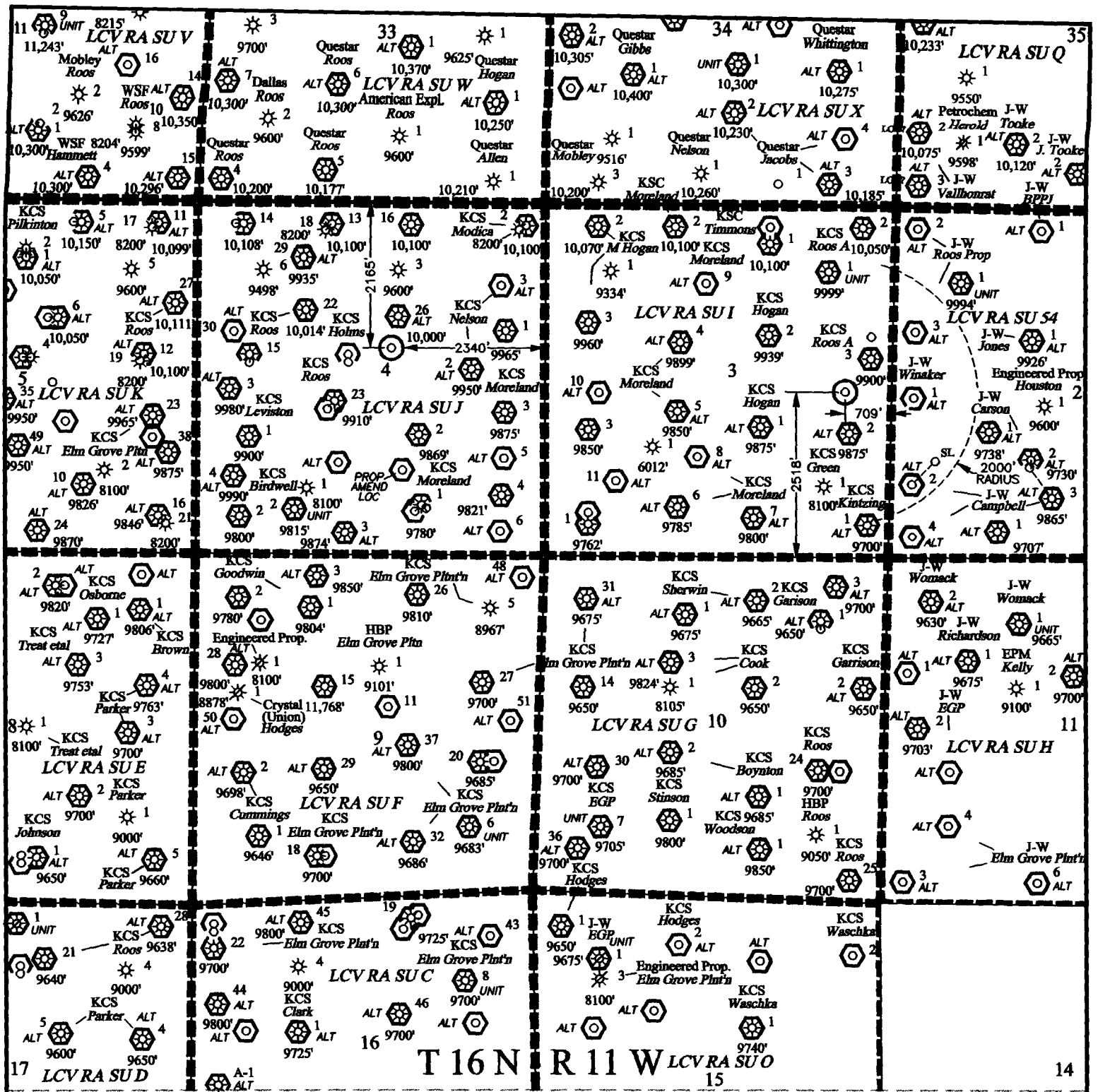

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AND ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR LCV RA SU I & LCV RA SU J

- : EXISTING UNITS
- : EXISTING LCV RES A UNIT AND ALT UNIT WELLS
- : APPROVED LCV RES A UNIT AND ALT UNIT WELL LOCS
- : PROPOSED ALTERNATE UNIT WELLS

0' 1000' 2000' 3000' 4000' 5000' 6000'

ONLY WELLS WITH TD OF > 6000' SHOWN

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KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELLS AND ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR HOSS RA SU 14 & HOSS RA SU 23

- - - - : EXISTING UNITS

: EXISTING HOSS RES A UNIT AND ALT UNIT WELLS

: APPROVED HOSS RES A UNIT AND ALT UNIT WELL LOCS

: PROPOSED ALTERNATE UNIT WELLS

0' 2000' 4000' 1 MILE

GRAPHIC SCALE

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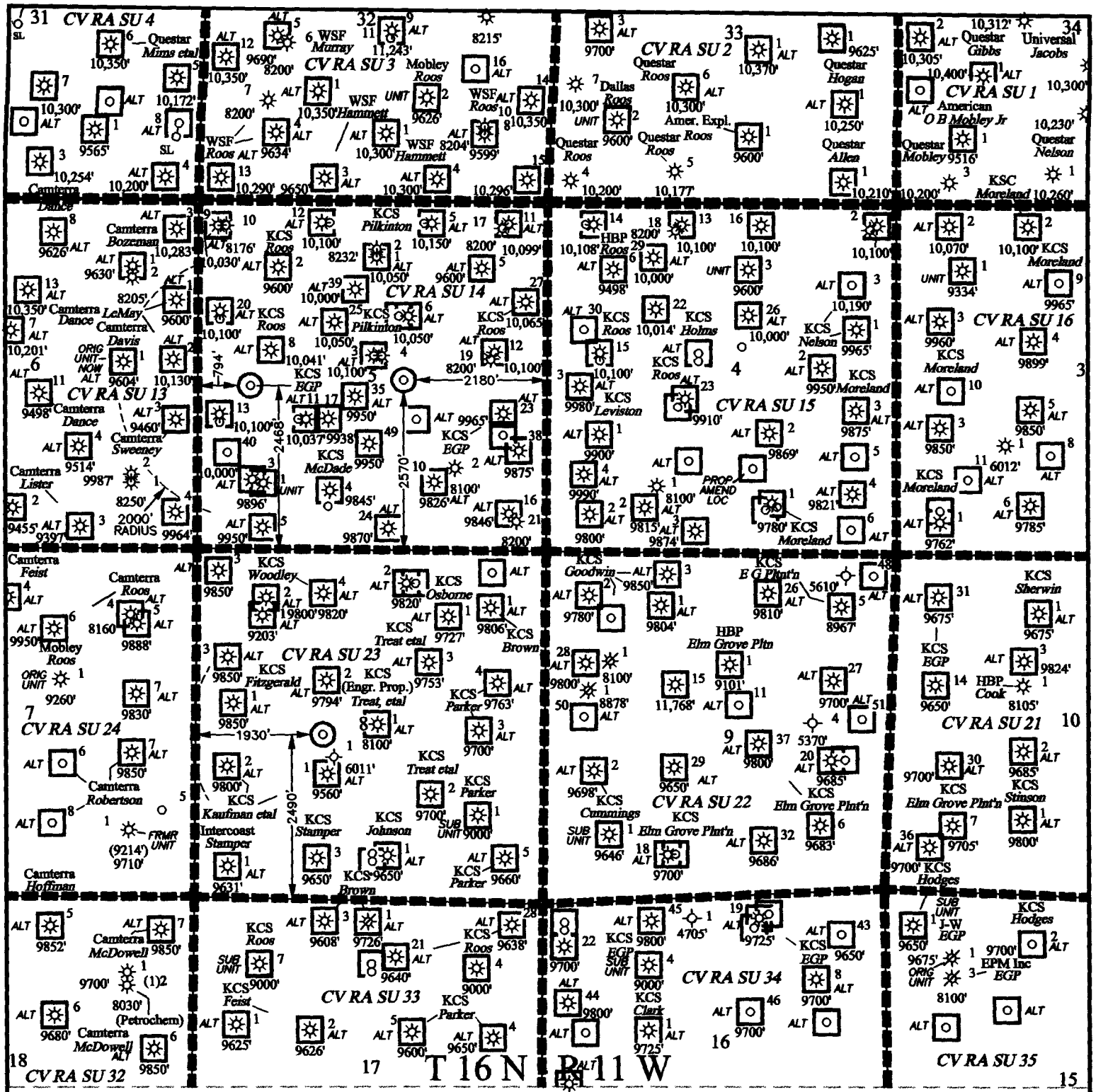

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELLS AND ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR CV RA SU 14 & CV RA SU 23

- : EXISTING UNITS
- : EXISTING CV RES A UNIT AND ALT UNIT WELLS
- : APPROVED CV RES A UNIT AND ALT UNIT WELL LOCS
- : PROPOSED ALTERNATE UNIT WELLS

0' 2000' 4000' 1 MILE

GRAPHIC SCALE

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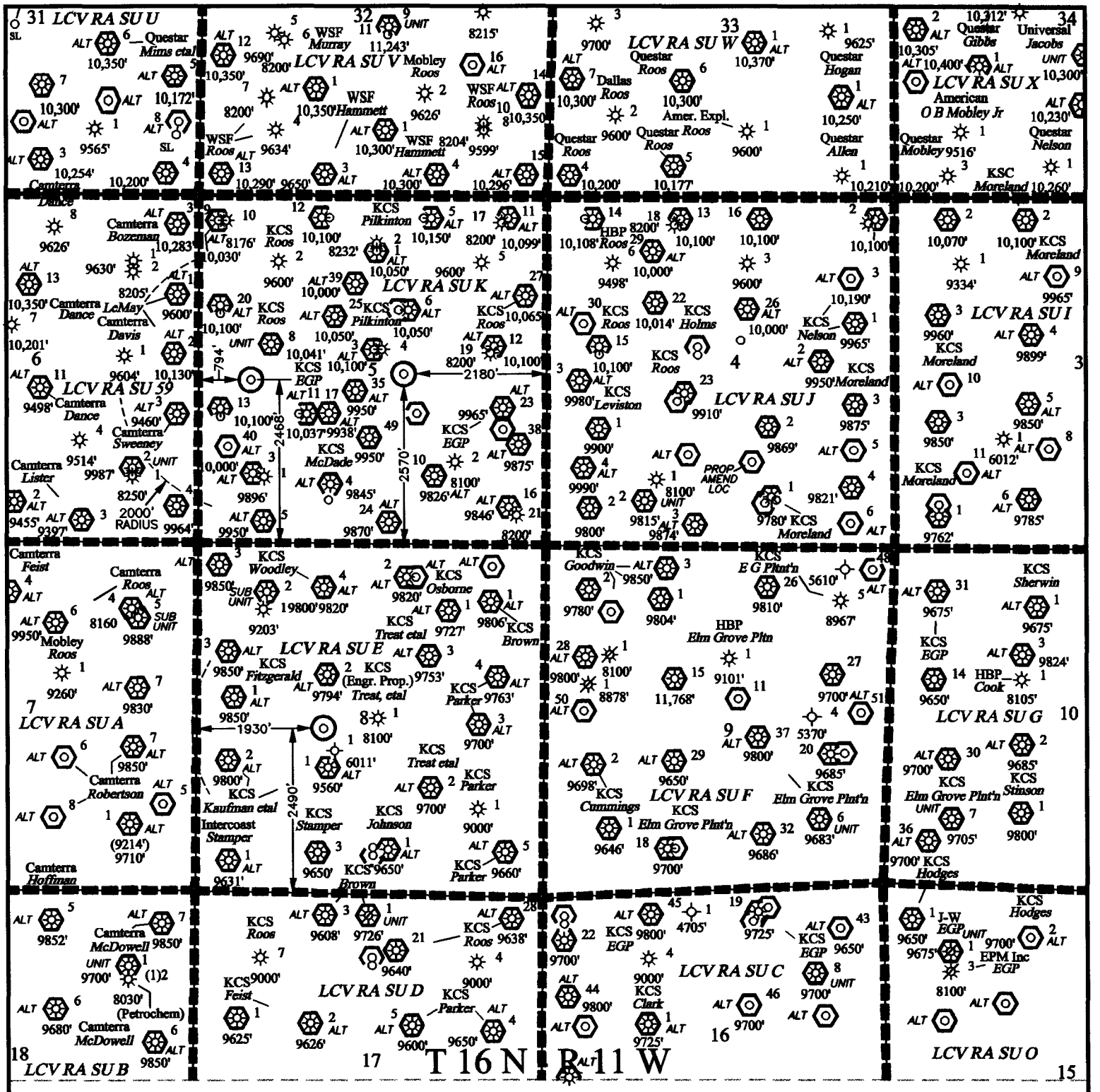

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELLS AND ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR LCV RA SU E & LCV RA SU K

: EXISTING UNITS

: EXISTING LCV RES A UNIT AND ALT UNIT WELLS

: APPROVED LCV RES A UNIT AND ALT UNIT WELL LOCS

: PROPOSED ALTERNATE UNIT WELLS

0' 2000' 4000' 1 MILE

GRAPHIC SCALE

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