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Richard W. Revels, Jr.
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March 26, 2007

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: Operculinoides - Gyrodina Zone, Reservoir B
MOUND POINT FIELD
Iberia Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **MCMORAN OIL & GAS, LLC** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Operculinoides-Gyrodina Zone, Reservoir B, in the Mound Point Field, Iberia Parish, Louisiana:

1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Operculinoides-Gyrodina Zone, Reservoir B, in the Mound Point Field, Iberia Parish, Louisiana, said proposed unit designated OPERC-GYR RB SUA, as shown on the plat attached hereto and made a part hereof.

2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.

3. To designate McMoRan Oil & Gas, LLC as operator of the proposed unit.

4. To designate the McMoRan Oil & Gas, LLC – State Lease 340 No. 5 Well as unit well for the proposed unit.

5. To provide that any future substitute and/or alternate unit wells drilled to the Operculinoides-Gyrodina Zone, Reservoir A, within or outside of the unit created herein, should be located in accordance with the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).

6. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.

7. To consider such others matters as may be pertinent.

The Operculinoides-Gyrodina Zone, Reservoir B, in the Mound Point Field, is hereby defined as being the stratigraphic equivalent of that gas and condensate bearing zone encountered between the depths of 16,605 feet and 21,760 feet (electrical log measurements) in the El Paso Production Company – OCS-G-310 No. 218 Well, located in South Marsh Island Block 223, Offshore Iberia Parish, Louisiana.

Pertinent data, including well logs, may be obtained, AT THE COST OF THE REQUESTING PARTY, from Louis Gilbert & Associates, 3636 North Causeway Blvd, Suite 204, Metairie, LA 70002, Telephone No. (504) 834-8112.

Pursuant to the Rules of Procedure, pre-application notice was given; however, no request for the conference was received. Therefore, the conference tentatively scheduled for April 4, 2007, **WILL NOT BE HELD**.

Attached hereto and made a part hereof is a plat outlining the applicant's proposal, along with a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, the plat (being the same plat attached to the pre-application notice dated March 13, 2007) and list of parties are being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the plat and/or the list of parties will be furnished to any party requesting a copy. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check in the amount of $755.00 made payable to the Office of Conservation submitted on behalf of the applicant representing the hearing application fee.

Very truly yours,

Richard W. Revels, Jr.

RWRjr/df
Attachments

192543_1
56251.0048

cc: Mr. Richard Hudson, Lafayette District Office of Conservation
cc: Interested Owners, Represented Parties, and Interested Parties

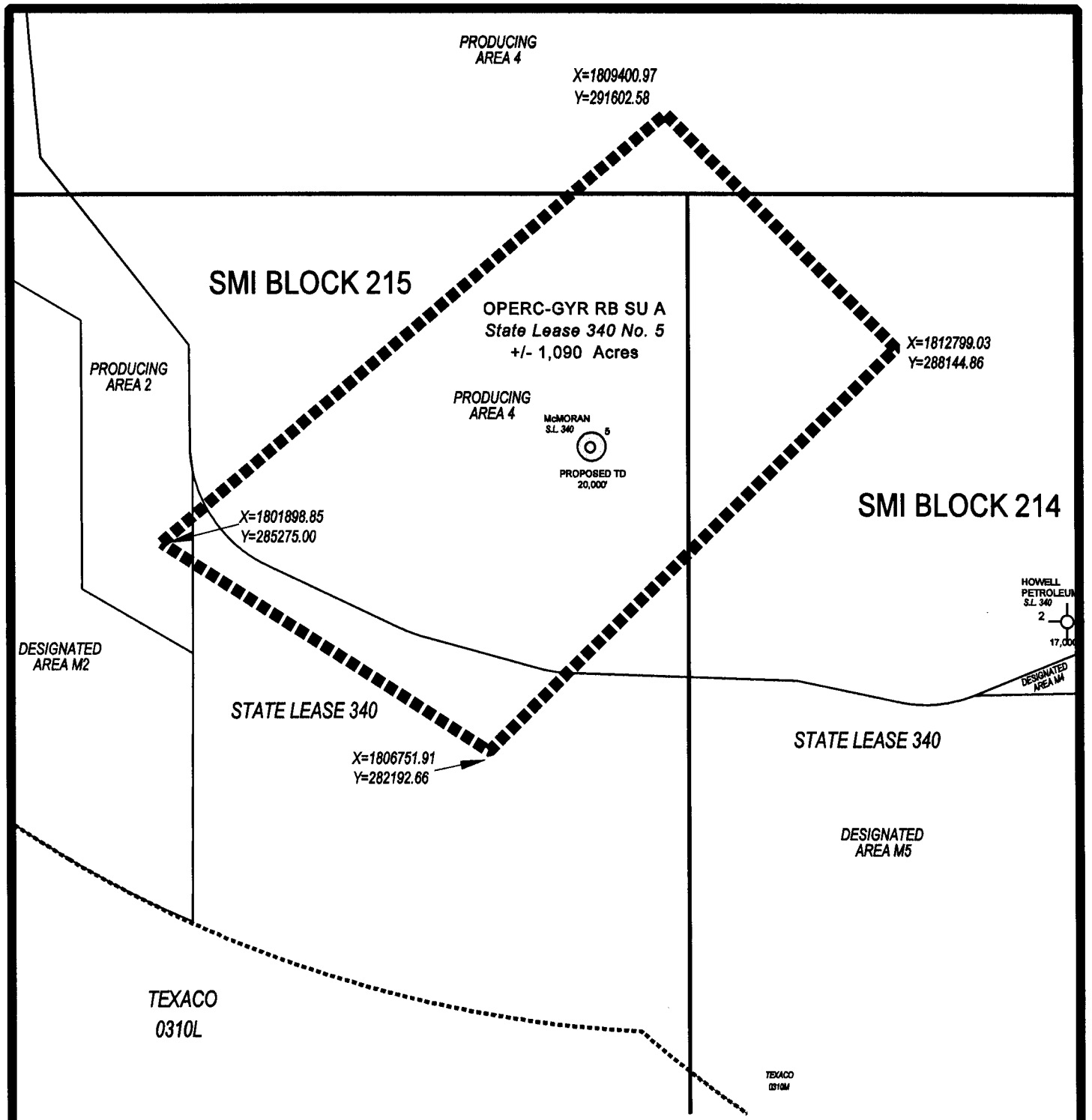

EXHIBIT No.

DOCKET No. 07-

NOTE: ALL UNIT BOUNDARIES ARE GEOGRAPHIC.

■■■■■ - PROPOSED UNIT

○ - PROPOSED UNIT WELL

NOTE: WELLS SHALLOWER THAN 14,000' REMOVED FROM BASE.

McMoran Oil & Gas, LLC

MOUND POINT FIELD

OFFSHORE IBERIA PARISH, LOUISIANA

Proposed Unit Plat

Operculinoides-Gyrodina Zone, Reservoir B

0' 2000' 4000' 6000'

Date:

S MOUNDPOINT-07.DGN

Geology: LOUIS GILBERT & ASSOCIATES, INC.