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April 11, 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: HEARING APPLICATION
Hosston Formation, Reservoir B
Cotton Valley Formation, Reservoir B
Woodardville Field
Red River Parish, Louisiana
Our File No. 250219.0010

Dear Sir:

On behalf of ENSIGHT III ENERGY MANAGEMENT, LLC , 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 Hosston Formation, Reservoir B and the Cotton Valley Formation, Reservoir B, in the Woodardville Field, Red River Parish, Louisiana:

1. To create four (4) additional drilling and production units (to be designated as HOSS RB SUEE thru HOSS RB SUHH) for the Hosston Formation, Reservoir B, in the Woodardville Field, Red River Parish, Louisiana, as shown on the plat attached hereto.
2. To create four (4) additional drilling and production units (to be designated as CV RB SUEE thru CV RB SUHH) for the Cotton Valley Formation, Reservoir B, in the Woodardville Field, Red River Parish, Louisiana, as shown on the plat attached hereto.
3. To force pool and unitize all separately owned tracts, mineral leases, and other property interests within said unit, with allocation of production from the unit well to the tracts within each unit therefor to be on the basis of surface acreage.
4. To permit the downhole combination of the Hosston Formation, Reservoir B and the Cotton Valley Formation, Reservoir B in the wellbore of any well located in HOSS RB SUEE thru HOSS RB SUHH and CV RB SUEE thru CV RB SUHH;
5. Except to the extent inconsistent herewith, to extend the provisions of Office of Conservation Order No. 990-C, effective February 1, 2006, to the proposed Hosston Formation, Reservoir B units and Office of Conservation Order No. 990-B, effective September 13, 2005, to the proposed Cotton Valley Formation, Reservoir B units.

6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hosston Formation, Reservoir B, in the Woodardville Field, Bienville and Red River Parishes, Louisiana, was defined in Office of Conservation Order No. 990-C, effective February 1, 2006.

The Cotton Valley Formation, Reservoir B, in the Woodardville Field, Bienville and Red River Parishes, Louisiana, was defined in Office of Conservation Order No. 990-B, effective September 13, 2005.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of EnSight III Energy Management, LLC, 333 Texas Street, Suite 1175, Shreveport, Louisiana 71101-3676. Any person wishing to inspect such data should call Chris Franks at (318) 429-2204 during normal business hours or write Mr. Franks 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 March 30, 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 conference, and accordingly, no conference will be held.

A check in the amount of \$1,510.00 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 and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

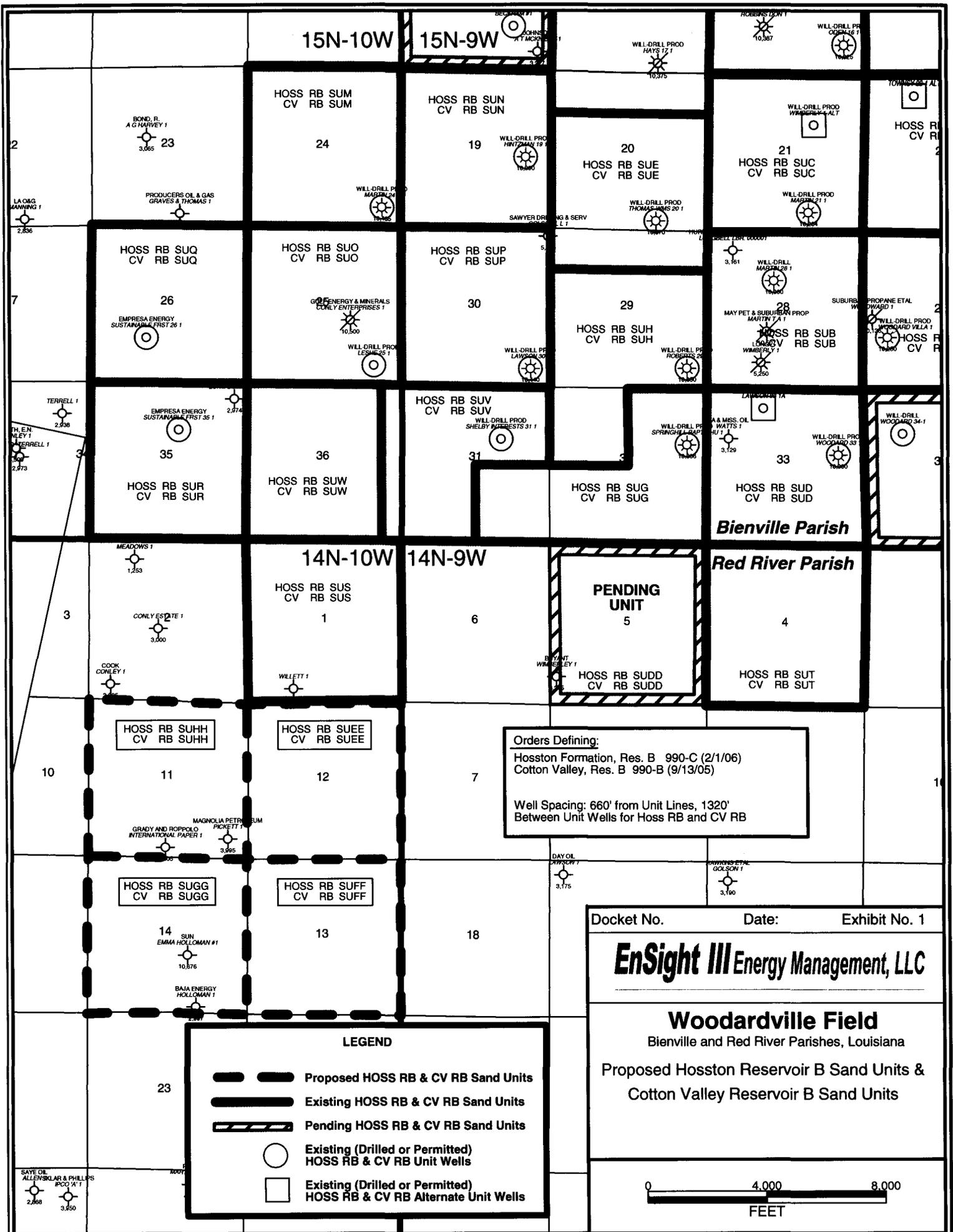
Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

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

WTAIH: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 plat only)



Orders Defining:
 Hosston Formation, Res. B 990-C (2/1/06)
 Cotton Valley, Res. B 990-B (9/13/05)

Well Spacing: 660' from Unit Lines, 1320'
 Between Unit Wells for Hoss RB and CV RB

Docket No. _____ Date: _____ Exhibit No. 1

EnSight III Energy Management, LLC

Woodardville Field
 Bienville and Red River Parishes, Louisiana

Proposed Hosston Reservoir B Sand Units &
 Cotton Valley Reservoir B Sand Units



LEGEND

- Proposed HOSS RB & CV RB Sand Units
- Existing HOSS RB & CV RB Sand Units
- Pending HOSS RB & CV RB Sand Units
- Existing (Drilled or Permitted) HOSS RB & CV RB Unit Wells
- Existing (Drilled or Permitted) HOSS RB & CV RB Alternate Unit Wells