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May 24, 2007

When calling relative to this matter, refer to file No. 1505.

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

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

1. To authorize KCS Resources, Inc. to drill, complete and utilize four additional alternate unit wells on HOSS RA SU22, CV RA SU22 and LCV RA SUF in Section 9-T16N-R11W, Bossier Parish, Louisiana, at the exceptional locations shown on the attached plats;

2. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well on HOSS RA SU21, CV RA SU21 and LCV RA SUG in Section 10-T16N-R11W, Bossier Parish, Louisiana, at the location shown on the attached plats;

3. To authorize KCS Resources, Inc. to drill, complete and utilize two additional alternate unit wells on HOSS RA SU33, CV RA SU33 and LCV RA SUD in Section 17-T16N-R11W, Bossier Parish, Louisiana, at the locations shown on the attached plats, one of which is exceptional;

4. To find that each of the proposed alternate unit wells is necessary to efficiently and effectively drain a portion of the Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Zone, Reservoir A, underlying the respective units which cannot be efficiently and effectively drained by any other well;

5. To authorize the unit allowable for these Hosston Zone, Reservoir A, Cotton Valley Formation, Reservoir A, and Lower Cotton Valley Zone, 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 Zone, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster, and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in Office of Conservation Order No. 361-A-5, effective May 25, 1977.

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 October 1, 1973, and was further defined by subsequent orders of the 361-B Series.

The Lower Cotton Valley Zone, 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 July 16, 1996.

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. Toni Semple, 6100 South Yale Avenue, Suite 500, Tulsa, Oklahoma 74136, at telephone number (918) 499-1302.

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, the 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 in connection with this matter.

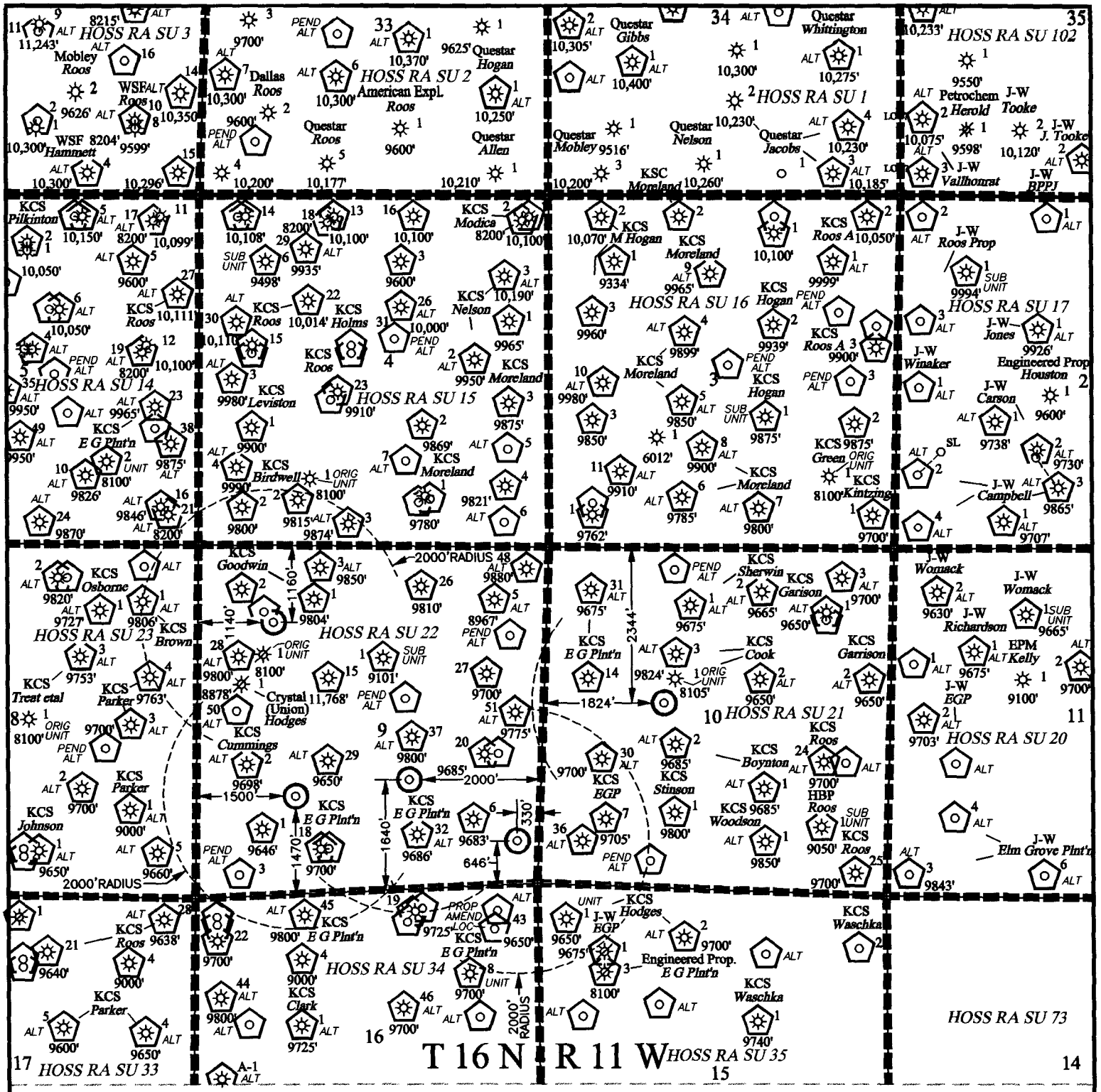
Yours very truly,

COOK, YANCEY, KING & GALLOWAY

J. William Fleming

jwf:s

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



KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AND ALTERNATE UNIT WELLS AT EXCEPTIONAL LOCATIONS FOR HOSS RA SU 21 & HOSS RA SU 22

- : 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

ONLY WELLS WITH TD OF > 6000' SHOWN

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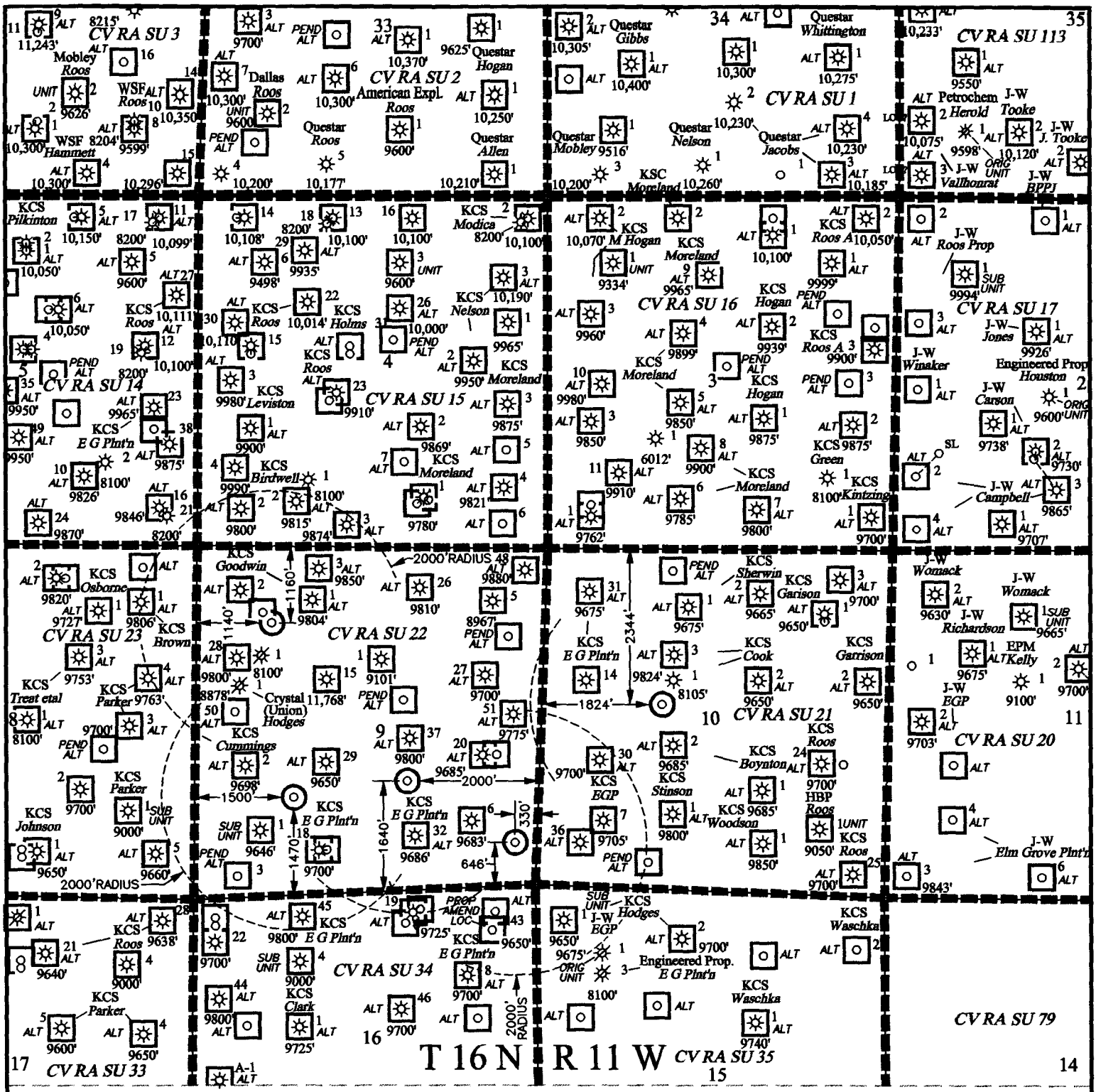

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AND ALTERNATE UNIT WELLS AT EXCEPTIONAL LOCATIONS FOR CV RA SU 21 & CV RA SU 22

: 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

ONLY WELLS WITH TD OF > 6000' SHOWN

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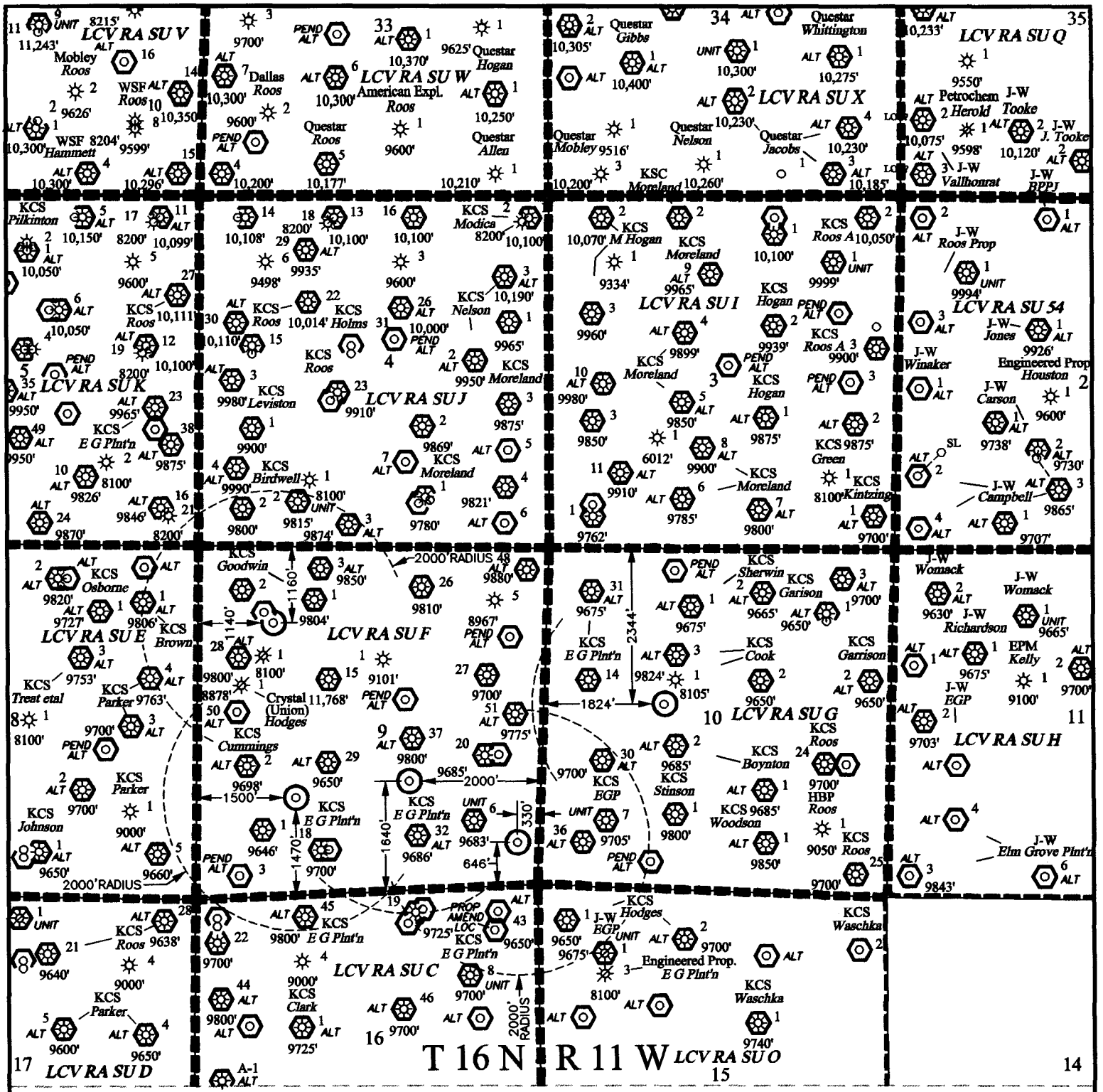

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AND ALTERNATE UNIT WELLS AT EXCEPTIONAL LOCATIONS FOR LCV RA SU F & LCV RA SU G

: 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

ONLY WELLS WITH TD OF > 6000' SHOWN

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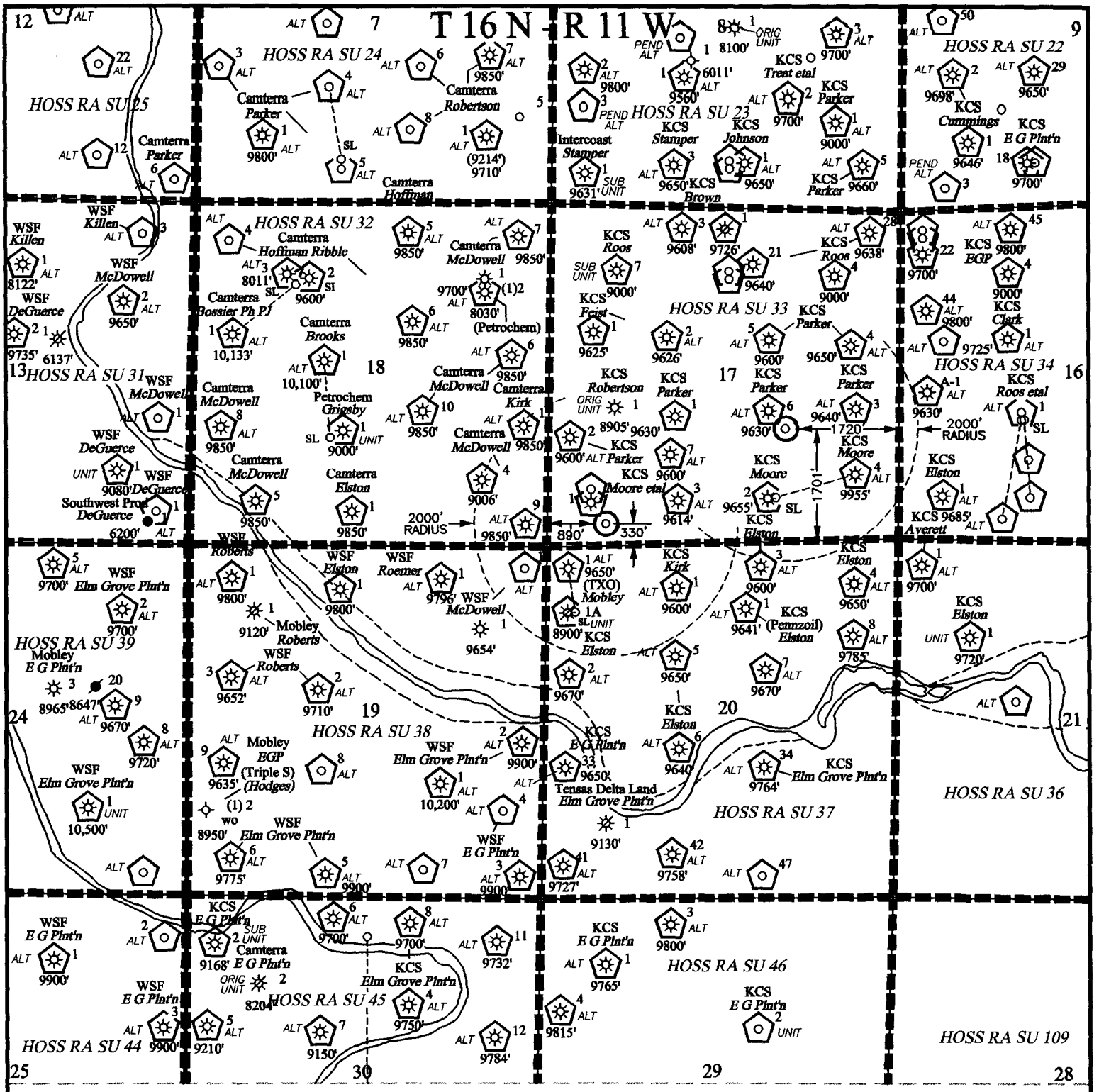

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AND ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR HOSS RA SU 33

- : 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

ONLY WELLS WITH TD OF > 6000' SHOWN

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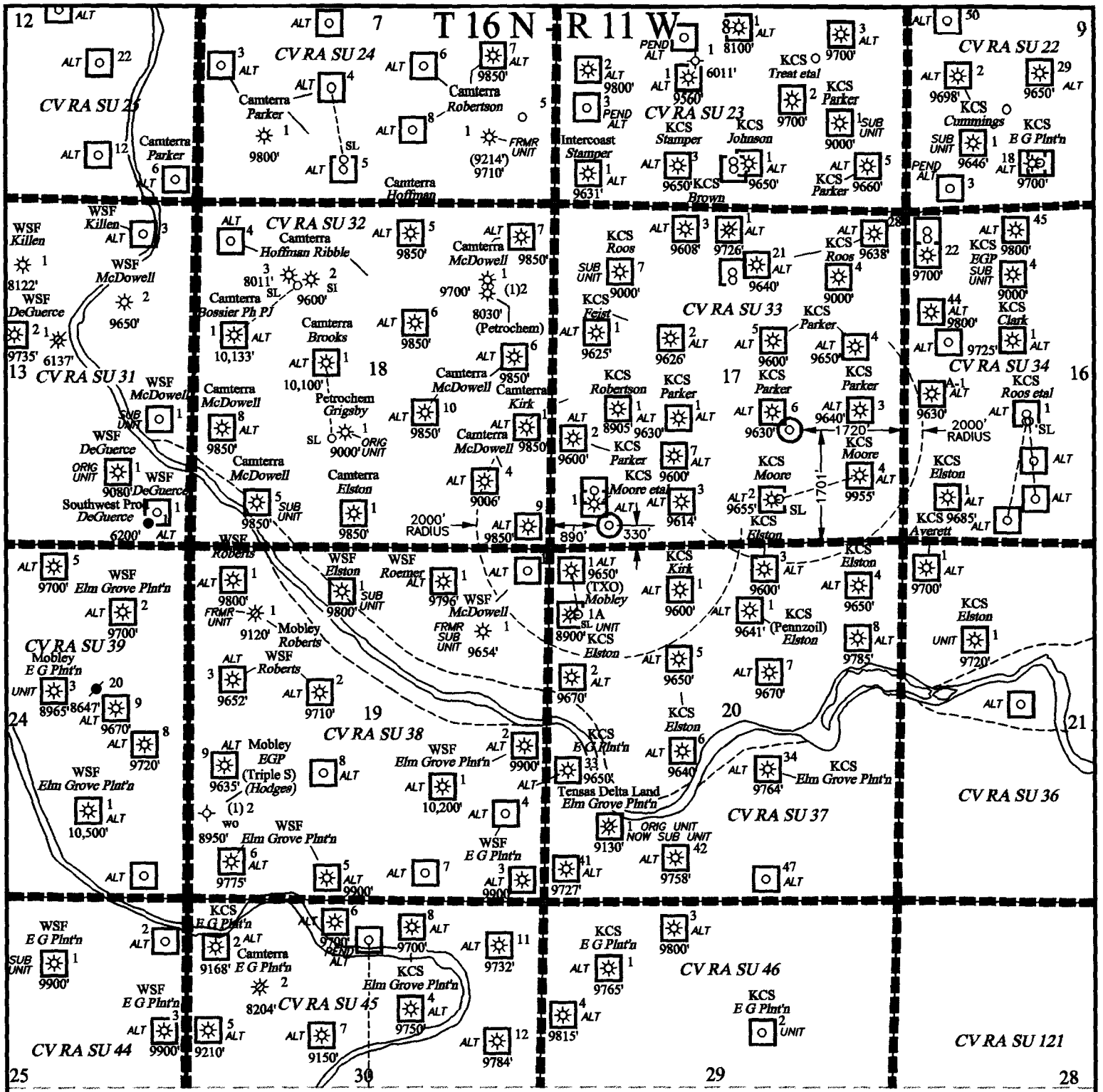

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AND ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR CV RA SU 33

: 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

ONLY WELLS WITH TD OF > 6000' SHOWN

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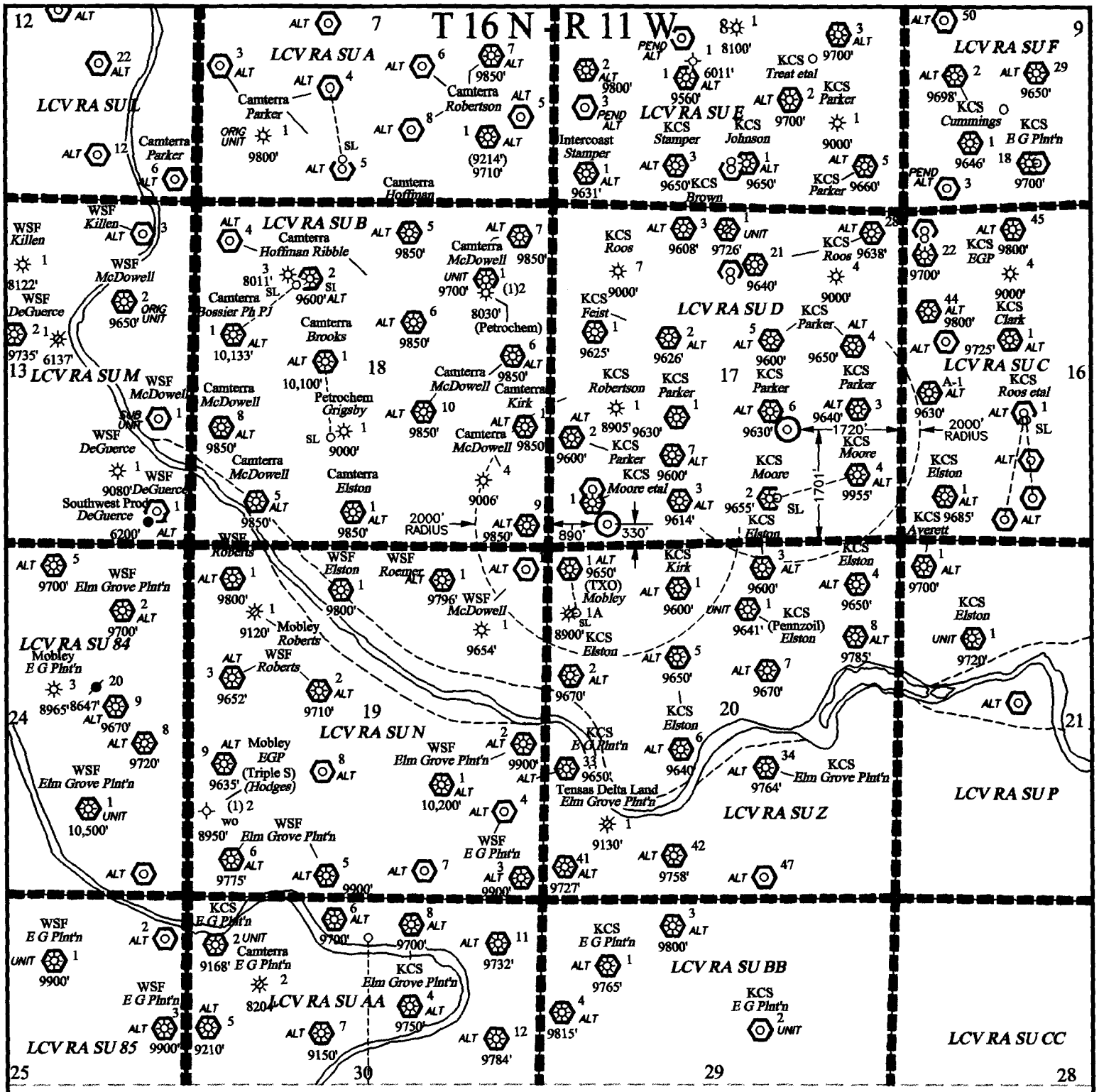

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL AND ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR LCV RA SU D

: 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

ONLY WELLS WITH TD OF > 6000' SHOWN

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