

HARGROVE, SMELLEY, STRICKLAND & LANGLEY

JOSEPH L. HARGROVE, JR.
DAVID L. SMELLEY
PAUL A. STRICKLAND
GLENN L. LANGLEY
LOUISE F. PEARCE
T. ISSAC HOWELL
MAGAN F. CAUSEY

(A PROFESSIONAL LAW CORPORATION)
AMERICAN TOWER, SUITE 600
401 MARKET STREET
SHREVEPORT, LOUISIANA 71101-3239

THOMAS J. WYATT (1942-1996)

MAILING ADDRESS
POST OFFICE BOX 59
SHREVEPORT, LOUISIANA 71161-0059
TELEPHONE (318) 429-7200
TELECOPIER (318) 429-7201

OF COUNSEL
WILLIAM G. CONLY

June 19, 2007

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

BN-1/BN-8 Zone, Reservoir A, COX BAY FIELD,
Plaquemines Parish, Louisiana.

Dear Sir:

BEPCO, L.P. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an order pertaining to the following matters relating to the BN-1/BN-8 Zone, Reservoir A, in the Cox Bay Field, Plaquemines Parish, Louisiana:

1. To establish rules and regulations governing the exploration for and production of oil and gas from the BN-1/BN-8 Zone, Reservoir A.
2. To create four (4) drilling and production units for the exploration for and production of oil and gas from the BN-1/BN-8 Zone, Reservoir A, such units being shown on the attached plat and being designated BN-1/BN-8 RA SUA through BN-1/BN-8 RA SUD.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units, with each tract sharing in unit production in the proportion that such tract currently shares in production under the Pooling Agreement creating the voluntary unit currently applicable to such tracts, leases and other property interests.
4. To designate Applicant as operator of each of the proposed units.
5. To designate unit wells for the proposed units as follows:

<u>Unit</u>	<u>Unit Well</u>
BN-1/BN-8 RA SUA	Cox Bay Unit No. 62-D
BN-1/BN-8 RA SUB	Cox Bay Unit No. 44
BN-1/BN-8 RA SUC	Orleans Levee District No. 23
BN-1/BN-8 RA SUD	Orleans Levee District No. 2-D;

said wells being located as shown on the attached plat.

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6. To authorize Applicant to designate and utilize thirty-three (33) alternate unit wells for BN-1/BN-8 RA SUA; three (3) alternate unit wells for BN-1/BN-8 RA SUB; three (3) alternate unit wells for BN-1/BN-8 RA SUC; and nine (9) alternate unit wells for BN-1/BN-8 RA SUD; said wells being located as shown on the attached plat.

7. To approve exceptions to the spacing provisions of Statewide Order No. 29-E (LAC 43:XIX.1901 et seq.) for any of the proposed unit and alternate unit wells the location of which, as shown on the attached plat, does not comply with the spacing provisions of such Order.

8. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the BN-1/BN-8 Zone underlying the unit on which it is situated which cannot be efficiently and economically drained by any existing well within such unit.

9. To assign to each of the proposed units a depth bracket allowable and to permit the unit operator to produce that allowable from either the unit well, from any alternate unit well, or from any combination of such wells, at the option of the operator.

10. To provide that any wells drilled in the future to the BN-1/BN-8 Zone, within or outside of the units proposed herein, be located in accordance with the spacing provisions of Statewide Order No. 29-E (LAC 43:XIX.1901 et seq.).

11. To provide that the Commissioner of Conservation may reclassify this reservoir by Supplemental Order and without the necessity of a public hearing should such a reclassification be warranted based on evidence furnished to the Commissioner.

12. To define the BN-1/BN-8 Zone, Reservoir A, as that oil and gas bearing interval encountered between the measured depths of 8,928 feet and 10,813 feet in the Bepco, L.P. (formerly Richardson & Bass)--VUA; Cox Bay Unit No. 11 Well (formerly SL 1794 Cox Bay Unit 3 Well No. 11-H) (SN 42548) located in Section 20, Township 18 South, Range 16 East, Plaquemines Parish, Louisiana.

13. To consider such other matters as may be pertinent.

The drilling and production units sought to be created herein are intended to be identical in areal extent to the four (4) voluntary units currently in place and covering this portion of Cox Bay Field, and the participation in production from the drilling and production units sought to be created herein is intended to be identical to participation in production from these voluntary units. It is not the intention of these proposals to change any equities from those that exist under the voluntary units, it being the intention of these proposals to allow the operator maximum flexibility to recomplete, operate and produce the existing wells on these units in the most economical and efficient manner so as to extend the productive life of these wells thus maximizing the recovery of remaining reserves.

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Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 North Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated June 6, 2007, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set June 29, 2007, as the tentative date for the pre-application conference. No request for the conference was received within ten (10) days after the date of said letter; therefore, no pre-application conference will be held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of the unit plat (which is identical to the plat attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Lafayette District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Cox Bay Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties, promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,

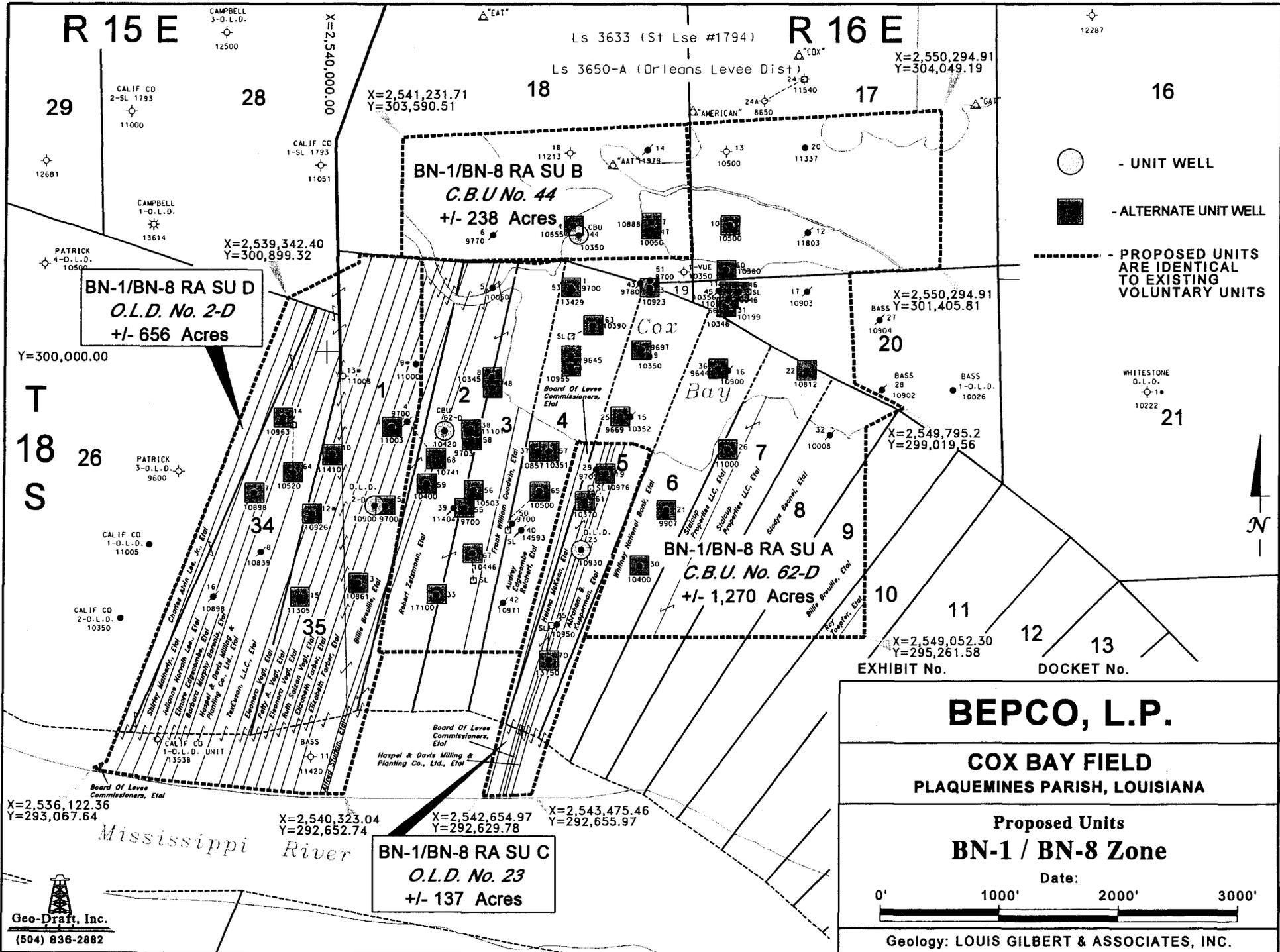


David L. Smelley
Attorney for BEPCO, L.P.

DLS:dp

Enclosures

cc: Mr. Richard D. Hudson (w/encl.)
Mr. Kevin Smith (w/encl.)
Mr. Louis Gilbert (w/encl.)
Interested Owners, Represented Parties
and Interested Parties (w/plat only)



BN-1/BN-8 RA SU D
O.L.D. No. 2-D
+/- 656 Acres

BN-1/BN-8 RA SU C
O.L.D. No. 23
+/- 137 Acres

BEPCO, L.P.

COX BAY FIELD
PLAQUEMINES PARISH, LOUISIANA

Proposed Units
BN-1 / BN-8 Zone

Date: _____

0' 1000' 2000' 3000'

Geology: LOUIS GILBERT & ASSOCIATES, INC.

Geo-Draft, Inc.
 (504) 838-2882