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June 25, 2007

When calling relative to this matter, refer to file No. 1524.

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 an additional alternate unit well on HOSS RA SU21, CV RA SU21 and LCV RA SUG at the exceptional location in Section 10-T16N-R11W, Bossier Parish, Louisiana, shown on the attached plats, which is in lieu of the location 1700' FWL and 400' FSL of Section 10 which was sought for the Hosston Zone, Reservoir A, under Docket No. 07-633; for the Cotton Valley Formation, Reservoir A, under Docket No. 07-634; and for the Lower Cotton Valley Zone, Reservoir A, under Docket No. 07-635, for which a hearing was held on May 30, 2007;

2. To find that the proposed alternate unit well 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;

3. 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

4. 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, 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 Office of Conservation is a check for the fee required for this application.

Yours very truly,

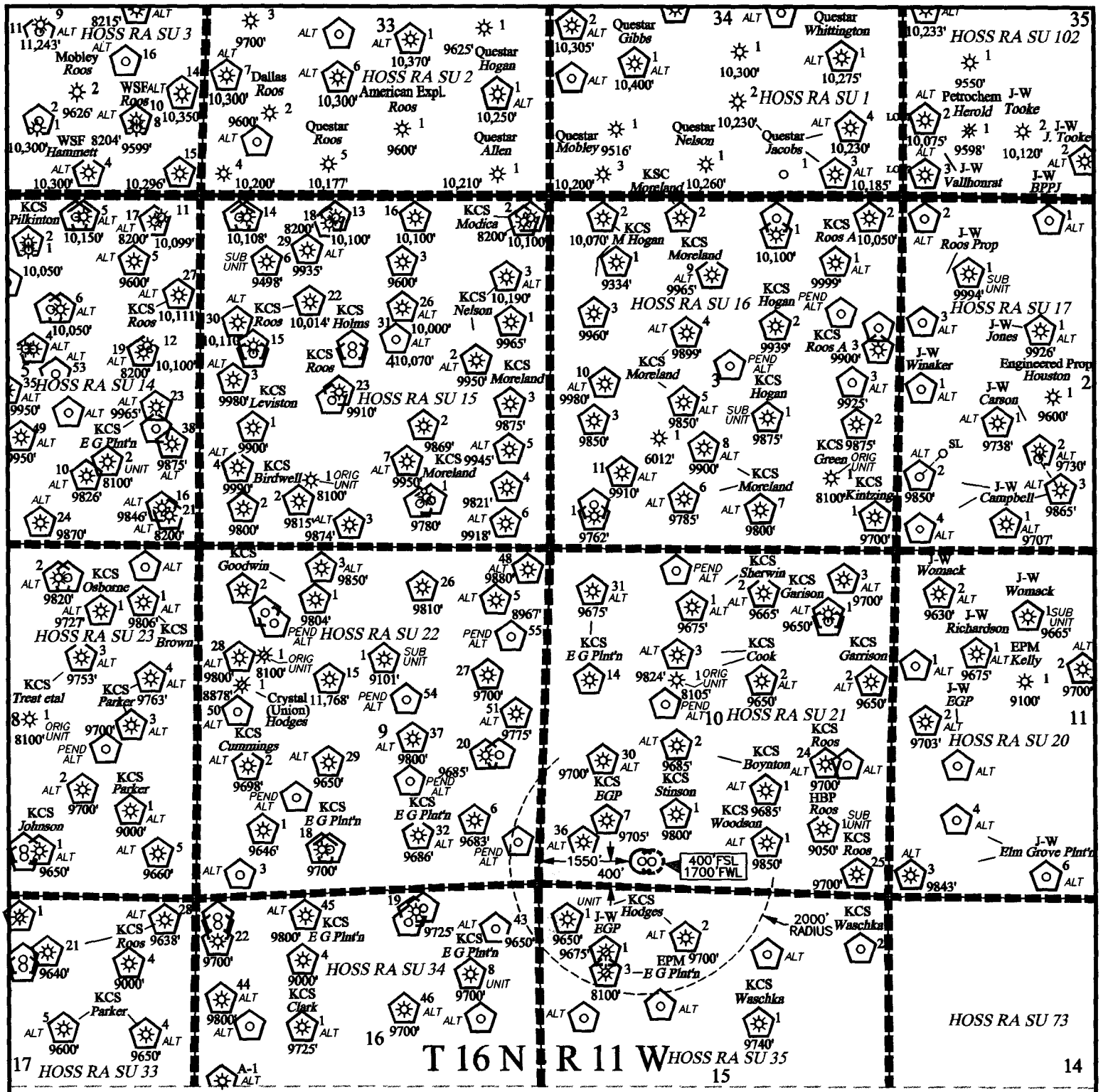
COOK, YANCEY, KING & GALLOWAY

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 AMENDED LOCATION OF A PENDING ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR HOSS RA SU 21

- : EXISTING UNITS
- : EXISTING HOSS RES A UNIT AND ALT UNIT WELLS
- : APPROVED HOSS RES A UNIT AND ALT UNIT WELL LOCS
- : PENDING ALTERNATE UNIT WELL DOCKET No. 07-633 MAY 30, 2007
- : PROPOSED AMENDED LOCATION

0' 2000' 4000' 1 Mile

GRAPHIC SCALE

GEOLOGIST: CRAIG C. BARCLAY

ONLY WELLS >6000' TD SHOWN

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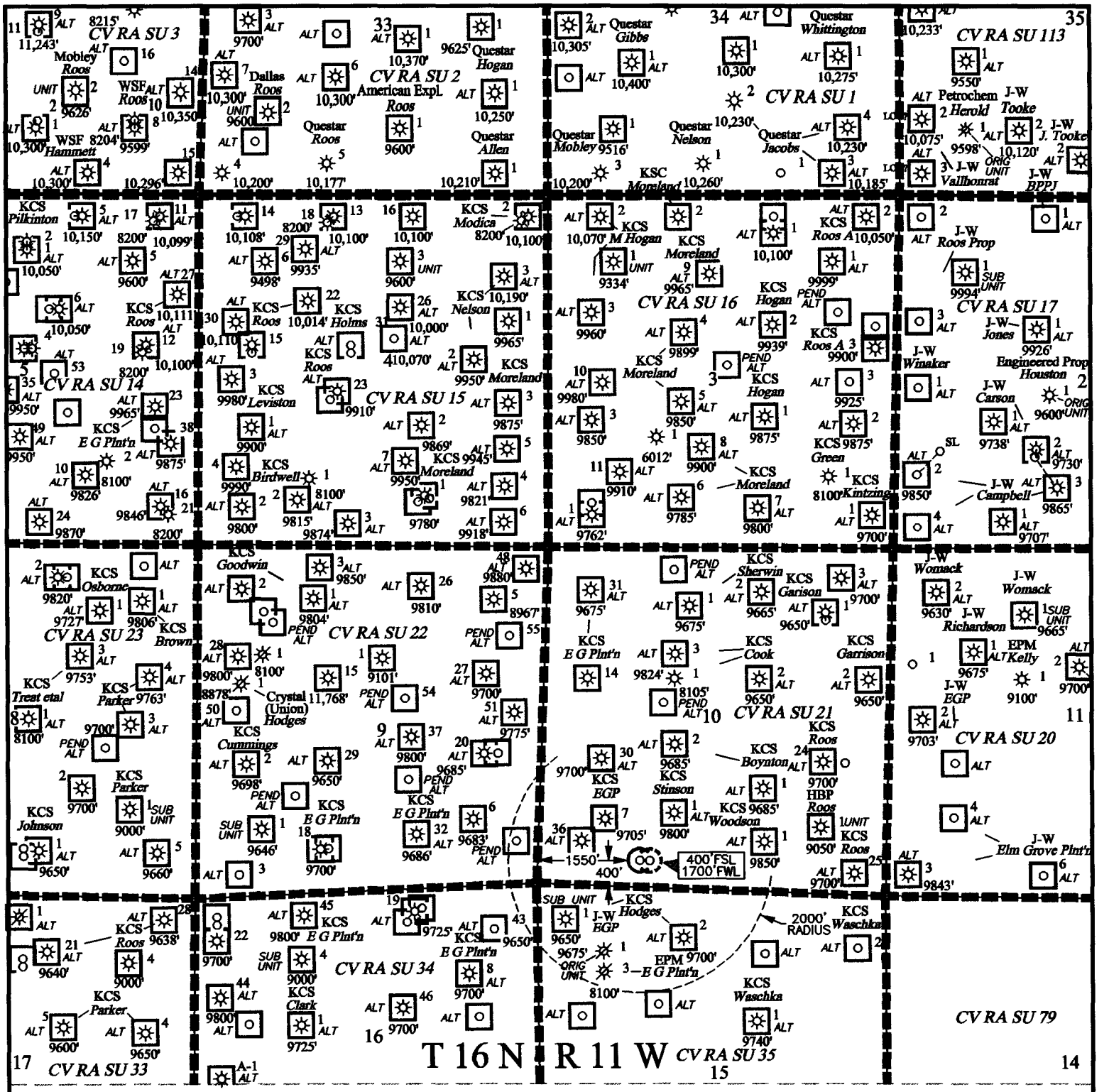

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED AMENDED LOCATION OF A PENDING ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR CV RA SU 21

: EXISTING UNITS

: EXISTING CV RES A UNIT AND ALT UNIT WELLS

: APPROVED CV RES A UNIT AND ALT UNIT WELL LOCS

: PENDING ALTERNATE UNIT WELL DOCKET No. 07-634 MAY 30, 2007

: PROPOSED AMENDED LOCATION

0' 2000' 4000' 1 Mile

GRAPHIC SCALE

GEOLOGIST: CRAIG C. BARCLAY

ONLY WELLS >6000' TD SHOWN

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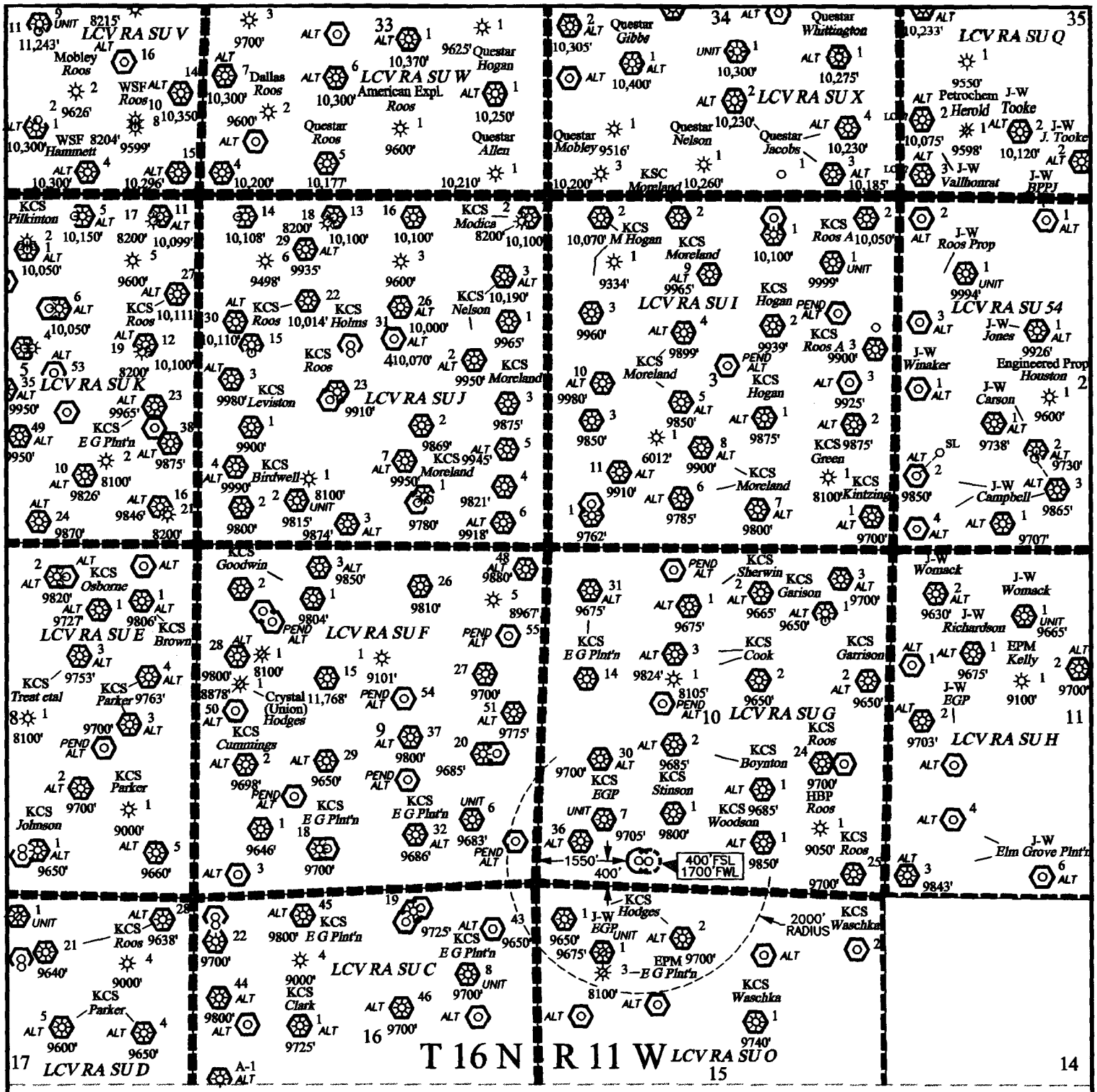

KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED AMENDED LOCATION OF A PENDING ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR 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

: PENDING ALTERNATE UNIT WELL DOCKET No. 07-635 MAY 30, 2007

: PROPOSED AMENDED LOCATION

0' 2000' 4000' 1 Mile

GRAPHIC SCALE

GEOLOGIST: CRAIG C. BARCLAY

ONLY WELLS >6000' TD SHOWN

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