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June 11, 2008

OF COUNSEL  
WILLIAM G. CONLY

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

Re: APPLICATION FOR PUBLIC HEARING.

Haynesville Zone, Reservoir A, BETHANY-  
LONGSTREET FIELD, Caddo and DeSoto Parishes,  
Louisiana.

Dear Sir:

FOSSIL OPERATING, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Haynesville Zone, Reservoir A, in the Bethany-Longstreet Field, Caddo and DeSoto Parishes, Louisiana:

1. To create four (4) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, such units being shown on the attached plat and being designated HA RA SUQ through HA RA SUT.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriate.
4. To expand the provisions of Office of Conservation Order No. 289-21, effective January 9, 2007, authorizing downhole combination of production from the Pettit Formation, Reservoir A, the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, with respect to previously created units for such formations which are identical to the additional units proposed herein for the Haynesville Zone, Reservoir A, so as to include production from the Haynesville Zone, Reservoir A, in any well in which the interests in the units from which production is to be combined downhole are identical.

5. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 289-R, effective April 1, 2008, to the additional units.
6. To consider such other matters as may be pertinent to the Haynesville Zone, Reservoir A.

The Haynesville Zone, Reservoir A, in the Bethany-Longstreet Field, was defined in Office of Conservation Order No. 289-R, effective April 1, 2008.

Any pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect any 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 pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated May 5, 2008, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and a pre-application conference with respect to Applicant's proposals was thereafter held beginning at 10:00 o'clock a.m. on June 11, 2008, in Shreveport, Louisiana. Attached is a list of the names and addresses of those persons present at the conference.

The purpose of the conference was explained as well as the bases for Applicant's proposals by sufficient data and detail for those present at the conference to have a reasonable opportunity to discuss the proposals and attempt to resolve any differences in good faith. Following this presentation there was a general question and answer period concerning the proposals of Applicant. Thereafter the conference was adjourned with no counterplan having been presented.

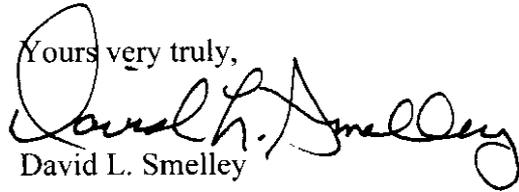
Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such 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 Shreveport 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 of 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 Bethany-Longstreet Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all

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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 Fossil Operating, Inc.

DLS:dp  
Enclosures

cc: Mr. James C. Broussard (w/encls.)  
Mr. Rick Sepulvado (w/encls.)  
Mr. Louis Gilbert (w/encls.)  
Interested Owners, Represented Parties  
and Interested Parties (w/plat only)

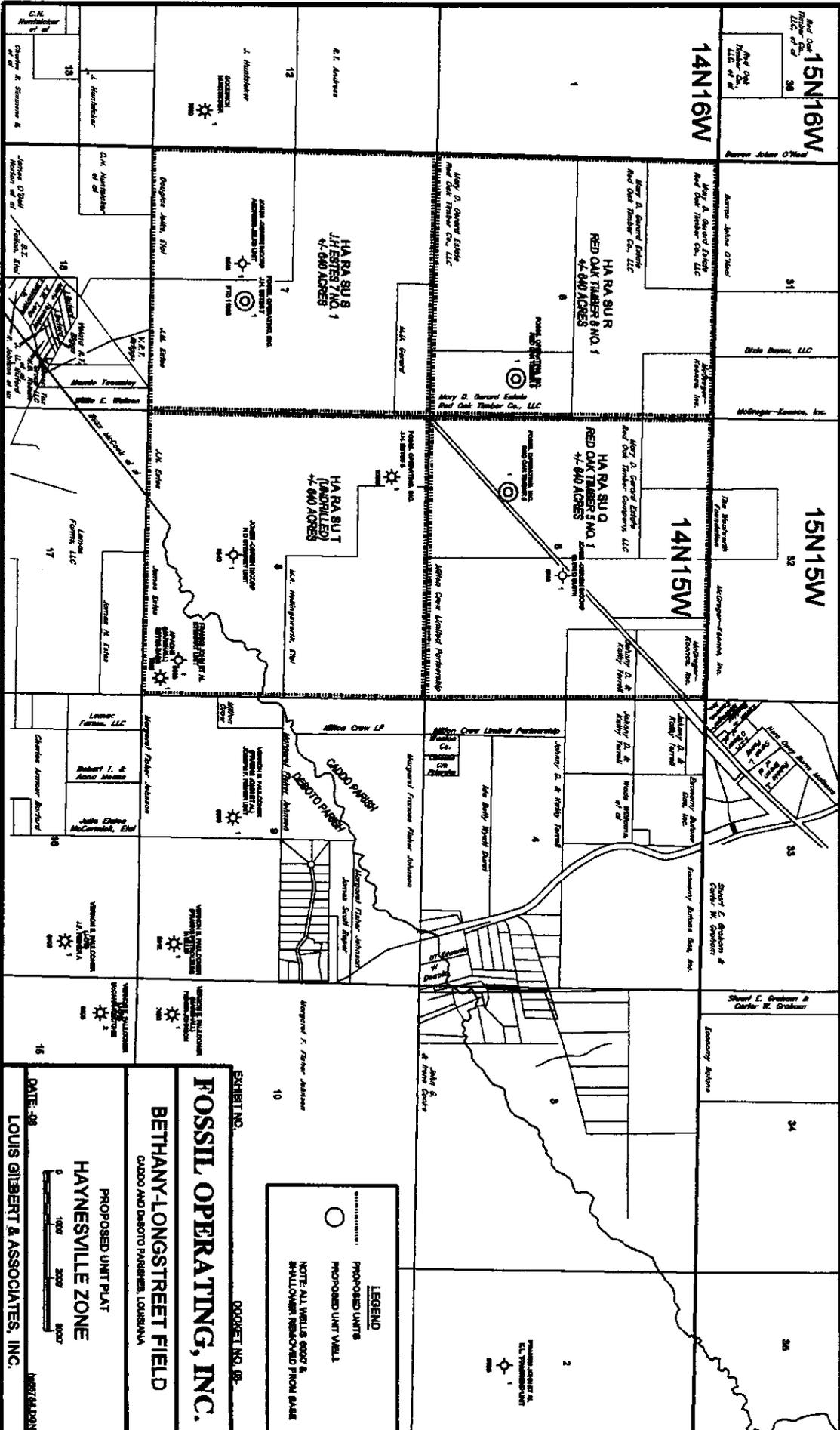


EXHIBIT NO. DOCKET NO. 08

**FOSSIL OPERATING, INC.**

**BETHANY-LONGSTREET FIELD**

CADDO AND DIXON PARISH, LOUISIANA

PROPOSED UNIT PLAT

**HAYNESVILLE ZONE**

DATE: 08

LOUIS GILBERT & ASSOCIATES, INC.

**LEGEND**

○ PROPOSED UNIT WELLS

○ PROPOSED UNIT WELL

NOTE: ALL WELLS 600' & SHALLOWER REMOVED FROM BASE

