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June 19, 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.

Hosston Zone; Cotton Valley Formation,
Reservoir A; and Haynesville Zone, Reservoir
A; LOGANSPORT FIELD, DeSoto Parish,
Louisiana.

And

Lower Hosston Formation, Reservoir A; and
Cotton Valley Formation; Reservoir A; BELLE
BOWER FIELD, DeSoto Parish, Louisiana.

Dear Sir:

INDIGO MINERALS LLC ("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 Hosston Zone, the Cotton Valley Formation, Reservoir A, and the Haynesville Zone, Reservoir A, in the Logansport Field; and to the Lower Hosston Formation, Reservoir A, and to the Cotton Valley Formation, Reservoir A, in the Belle Bower Field; all in DeSoto Parish, Louisiana:

LOGANSPORT FIELD

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, and to create five (5) drilling and production units for the Haynesville Zone, Reservoir A, such units being shown on an attached plat and being designated HA RA SUB through HA RA SUF.

2. To create five (5) additional drilling and production units for the exploration for and production of gas and condensate from the Hosston Zone, such units being shown on an attached plat and being designated HOSS SU58 through HOSS SU62.

3. To create three (3) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such units being shown on an attached plat and being designated CV RA SUX through CV RA SUZ.
4. 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 on a surface acreage basis of participation.
5. To designate an operator of, and unit wells for, the proposed units as may be appropriate.
6. To propose that future wells drilled to the Haynesville Zone within or outside of the units proposed herein be located no closer than 330 feet to any unit line and no closer than 660 feet to any well completed in, drilling to, or for which a permit shall have been granted to drill to the Haynesville Zone; and to provide that for horizontal wells drilled within these proposed units where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, the distance to any unit boundary will be calculated based on the distance to the nearest perforation in the well, and not based on the penetration point or terminus.
7. To permit Applicant to combine downhole production from the Hosston Zone, from the Cotton Valley Formation, Reservoir A, and from the Haynesville Zone, Reservoir A, or any combination thereof, in any well drilled on the units proposed herein in which the ownership interests in the units from which production is combined downhole are identical.
8. To define the Haynesville Zone, Reservoir A, as that gas and condensate bearing interval encountered between the depths of 9,800 feet and 11,256 feet (electrical log measurements) in the Comstock Oil & Gas-La L.L.C.--Caraway Estate No. 2 Well, located in Section 20, Township 12 North, Range 16 West, DeSoto Parish, Louisiana.
9. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 28-R, effective August 1, 1969, as amended and supplemented by the Order Nos. 28-R and 28-S series of Orders, to the proposed additional units for the Hosston Zone.
10. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 28-W, effective April 22, 1980, as amended and supplemented by the Order No. 28-W series of Orders, to the proposed additional units for the Cotton Valley Formation, Reservoir A.
11. To consider such other matters as may be pertinent to these proposals relating to Logansport Field.

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The Hosston Zone in the Logansport Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 28-S, effective April 21, 1970.

The Cotton Valley Formation, Reservoir A, in the Logansport Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 28-W-1, effective October 15, 1982.

BELLE BOWER FIELD

1. To dissolve the unit designated L HOSS RA SUG, created for the Lower Hosston Formation, Reservoir A, by Office of Conservation Order No. 312-D, effective December 16, 1977, said unit being shown on an attached plat.

2. To dissolve the unit designated CV RA SUG, created for the Cotton Valley Formation, Reservoir A, by Office of Conservation Order No. 312-E, effective December 16, 1977, said unit being shown on an attached plat.

3. To consider such other matters as may be pertinent to these proposals relating to Belle Bower Field.

The Lower Hosston Zone, Reservoir A, in the Belle Bower Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 312-D, effective December 16, 1977.

The Cotton Valley Formation, Reservoir A, in the Belle Bower Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 312-E, effective December 16, 1977.

Any pertinent data concerning this application will be available for inspection at the offices of Mr. Craig C. Barclay, 522 Dumbarton, Shreveport, Louisiana 71106. Any person wishing to inspect any such data should call Mr. Barclay at (318) 869-2223 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 27, 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 18, 2008, in Shreveport, Louisiana. Attached is a list of the names and addresses of those persons present at the conference.

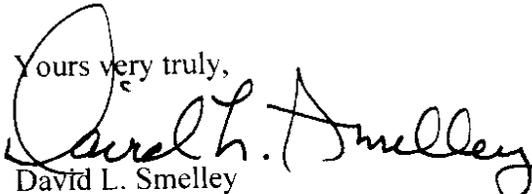
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The purpose of the conference was explained as well as the bases for Applicant's proposals by sufficient data and detail for those present at the conference to have a reasonable opportunity to discuss the proposals and attempt to resolve any differences 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 each of the plats showing the units proposed to be created and the units proposed to be dissolved (which are identical to the plats attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of each of the attached plats 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 plats, 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 Logansport and Belle Bower Fields, 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 Indigo Minerals LLC

DLS:dp

Enclosures

cc: Mr. James C. Broussard (w/encls.)
Mr. Mason Lemmond (w/encls.)
Mr. Craig C. Barclay (w/encls.)
Ms. Kaye Davis (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plats only)

R 16 W

R 15 W

T 13 N

Dillard T. Perry Jr

Bernal L. Esob

Oris C. Preece et al

H.G. Davelon

HARA SUB
640 ± Acres

HARA SUB C
640 ± Acres

HARA SUB D
640 ± Acres

HARB SUB L
640 ± Acres

Mr. T. Yorkrough

Jack R. Gumbel

Jack R. Gumbel

William Buznes

City of Houston

Mr. Ellis K.O. Law et al

J.B. Pridg

3

2

1

6

Mr. Joshua Adams et al

Jack R. Gumbel

J.L. Buznes

William Buznes

City of Houston

Mr. Ellis K.O. Law et al

H.G. Davelon

6

R. Smith

Young Robinson Jr

Rosa L. Thores et al

William Buznes

J. Lewis

Silvia Malone et al

B.H. Smith

J.B. Pridg

6

Skelly Fossilife
6900

HARA SUB F
640 ± Acres

HARA SUB E
640 ± Acres

Marshall Covington
7250

Skelly Thomas
6831' J.L. Law

Marshall Langford Lewis
8000 5255' B.M. Lewis

Ray Seardick

Ray Seardick

Q. Robinson

R.B. Clark

R.B. Clark

A.W. Almond

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Ray Seardick

Ray Seardick

Q. Robinson

R.B. Clark

R.B. Clark

A.W. Almond

A.W. Almond

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EXHIBIT NO. 1

INDIGO MINERALS LLC
HOUSTON, TEXAS

LOGANSPOUT FIELD
DE SOTO PARISH, LOUISIANA

PROPOSED HAYNESVILLE RESERVOIR A SAND UNITS
B, C, D, E AND F

PROPOSED HAYNESVILLE RESERVOIR A SAND UNITS
BELLE BETHANY-LONGSTREET FIELD HAYNESVILLE RESERVOIR A SAND UNITS

Conspicuous
R Crosses
O 1

Skelly
L Crosses
15
6376

Skelly
Astron
14
6454'



GRAPHIC SCALE

R 16 W
 L HOSS RA SU E 640 ± Acres (BELLE BOWER FLD.)
 L HOSS RA SU F 640 ± Acres (BELLE BOWER FLD.)
 HOSS RA SU 95 640 ± Acres (BETHANY-LONGSTREET FLD.)
 HOSS RA SU 92 640 ± Acres (BETHANY-LONGSTREET FLD.)
 HOSS RA SU 34 640 ± Acres (BETHANY-LONGSTREET FLD.)
 R 15 W T

4
 Marshall Runway 5 7200'
 Dillard F. Perry Jr.
 Hoss RA SU 60 640 ± Acres
 Edna L. Kobb
 Orla C. Pihon et al.
 HOSS RA SU 59 640 ± Acres
 Joe R. Gumble
 William Brown
 City of Houston
 Orla C. Pihon et al.
 HOSS RA SU 58 640 ± Acres
 MAE JIM K. G. LEO et al.
 HOSS RA SU 36 640 ± Acres (BETHANY-LONGSTREET FLD.)
 R. D. Decker
 T

3
 Mrs. Jodelle Aymon et al.
 Joe R. Gumble
 Yancy Robinson Jr.
 HOSS RA SU 61 640 ± Acres
 Dan L. Thomas et al.
 William Brown
 HOSS RA SU 62 640 ± Acres
 L. L. Lamb
 Soliman Adnan et al.
 W.P. Cole
 HOSS RA SU 35 640 ± Acres (BETHANY-LONGSTREET FLD.)
 L.S. Pihon
 N

9
 Peoples Hill 1 10,100'
 Peoples D.L. Hill 3 10,145'
 Marshall Covington 7 7250'
 HOSS SU 57 640 ± Acres
 Skully Rowdrie 1 6900'
 D.D. Gaudin
 HOSS RA SU 61 640 ± Acres
 Skully Thomas 1 6851' LL Lamb
 T.W. Postmaster
 W.P. Pierce
 HOSS RA SU 54 640 ± Acres
 A.W. Almond
 HOSS RA SU 62 640 ± Acres
 C. Kyle et al.
 Amber Cole
 T.C. Adams
 Marshall Meadows Longford Lane 1 8000' 5355' Belle Lanes
 HOSS SU 55
 N

1
 Peoples Hill 1 10,100'
 Peoples D.L. Hill 3 10,145'
 Skully Coronado 1 6383'
 Aymon 1 6383'
 HOSS SU Y 640 ± Acres
 Conantock R. Cross 1
 Skully 1 6376'
 HOSS SU 53 640 ± Acres
 HOSS RA SU 56 640 ± Acres
 N

EXHIBIT NO. 1

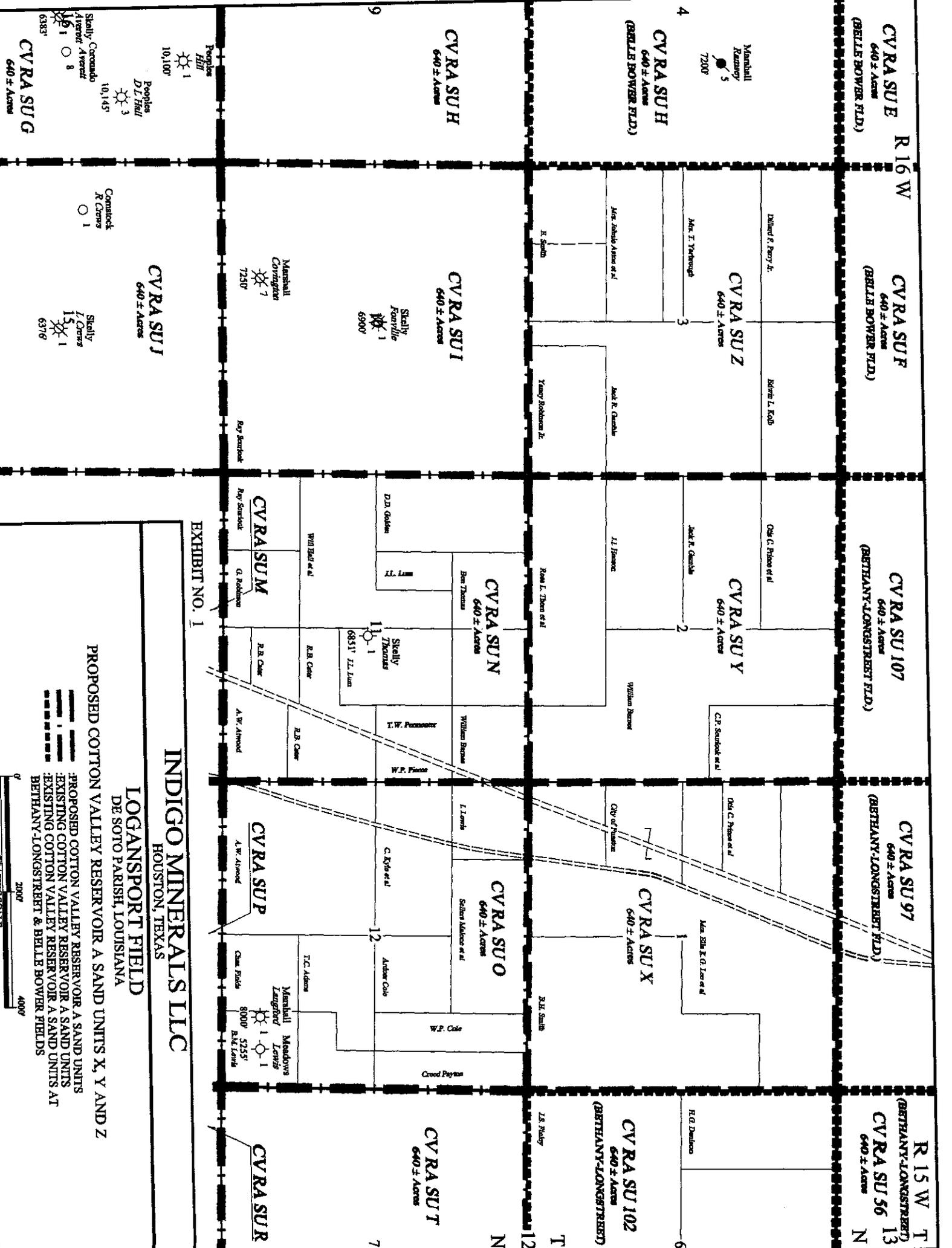
INDIGO MINERALS LLC
 HOUSTON, TEXAS

LOGANSPOUT FIELD
 DE SOTO PARISH, LOUISIANA

PROPOSED HOSSON SAND UNITS 58, 59 AND 60
 PROPOSED HOSSON SAND UNITS
 EXISTING HOSSON SAND UNITS
 EXISTING HOSSON SAND UNITS AT BETHANY-LONGSTREET & BELLE BOWER FIELDS

2000' 4000'

GRAPHIC SCALE



CV RA SU E
640 ± Acres
(BELLE BOWER FLD.)

CV RA SU F
640 ± Acres
(BELLE BOWER FLD.)

CV RA SU 107
640 ± Acres
(BETHANY-LONGSTREET FLD.)

CV RA SU 97
640 ± Acres
(BETHANY-LONGSTREET FLD.)

CV RA SU 56
640 ± Acres
(BETHANY-LONGSTREET)

CV RA SU H
640 ± Acres
(BELLE BOWER FLD.)

CV RA SU Z
640 ± Acres

CV RA SU Y
640 ± Acres

CV RA SU X
640 ± Acres

CV RA SU 102
640 ± Acres
(BETHANY-LONGSTREET)

CV RA SU H
640 ± Acres

CV RA SU I
640 ± Acres

CV RA SU N
640 ± Acres

CV RA SU O
640 ± Acres

CV RA SU T
640 ± Acres

CV RA SU G
640 ± Acres

CV RA SU J
640 ± Acres

CV RA SU M
640 ± Acres

CV RA SU P
640 ± Acres

CV RA SU R
640 ± Acres

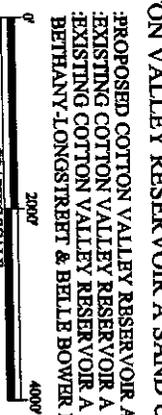
EXHIBIT NO. 1

INDIGO MINERALS LLC
HOUSTON, TEXAS

LOGANSPORT FIELD
DE SOTO PARISH, LOUISIANA

PROPOSED COTTON VALLEY RESERVOIR A SAND UNITS X, Y AND Z

PROPOSED COTTON VALLEY RESERVOIR A SAND UNITS
EXISTING COTTON VALLEY RESERVOIR A SAND UNITS
EXISTING COTTON VALLEY RESERVOIR A SAND UNITS AT
BETHANY-LONGSTREET & BELLE BOWER FIELDS



GRAVIMETRIC SCALE

