

COOK, YANCEY, KING & GALLOWAY

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June 30, 2008

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When calling relative to this matter,
refer to file No. 1689.

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

Re: Lower Cotton Valley Formation,
Reservoir A
Terryville Field
Lincoln Parish, Louisiana

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Resources, Inc. hereby makes application pursuant to the revised rules of procedure of for a public hearing to consider evidence relating to the following matters pertaining to the Lower Cotton Valley Formation, Reservoir A, in the Terryville Field, Lincoln Parish, Louisiana:

1. To redefine the Lower Cotton Valley Formation, Reservoir A, in the Terryville Field, INsofar AND ONLY INsofar AS the unit designated LCV RA SUS is concerned, as that gas and condensate bearing zone encountered between the depths of 9,370 feet and 12,370 feet (electric log measurements) in the KCS Resources, Inc. (formerly Union Texas Petroleum Corporation) - Dowling No. 1 Well located in Section 29, Township 19 North, Range 4 West, Lincoln Parish, Louisiana, which unit is shown outlined on the plat attached hereto and made a part hereof;
2. To confirm that except as to be hereby amended the unit designated LCV RA SUS and the order by which it was established are in full force and effect; and
3. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Lower Cotton Valley Formation, Reservoir A, in the Terryville Field, Lincoln Parish, Louisiana, is currently defined in Office of Conservation Order No. 370-B-6, effective on and after February 18, 1982; and was redefined as to certain units by subsequent orders of the Office of Conservation Order No. 370-B Series of Orders.

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Office of Conservation
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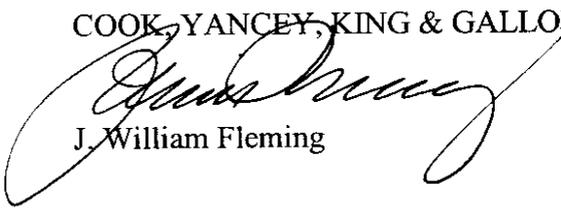
A Pre-Application Notice dated June 16, 2008, was circulated in connection with this matter. There was no request for a conference in response to that notice and, accordingly, none was held.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Craig Barclay, 522 Dumbarton Drive, Shreveport, Louisiana 71106, telephone number (318) 869-2223.

The list of parties attached to the copy 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 plat 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 a 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
Mr. Tom Lindley

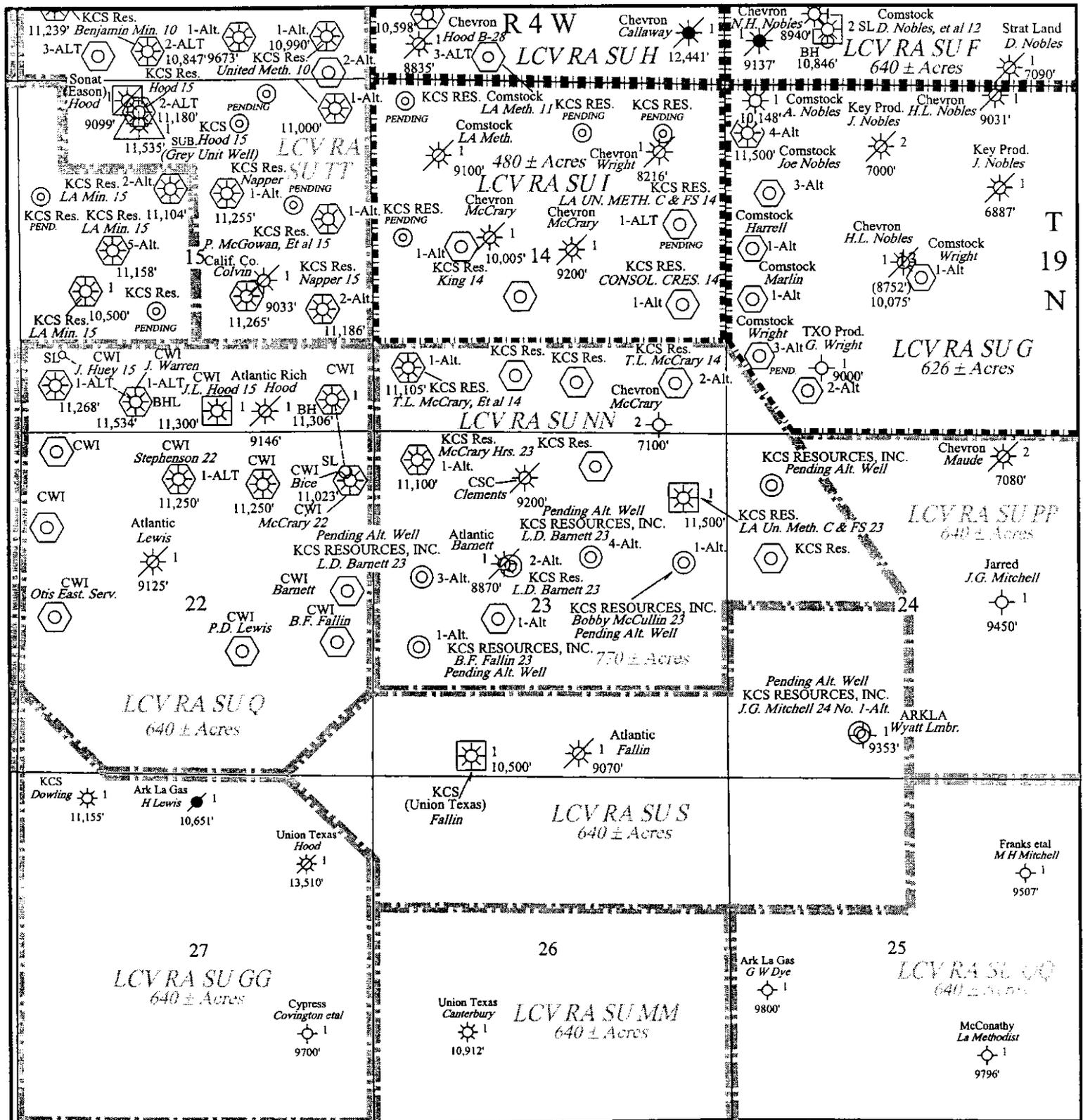


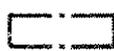
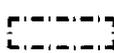
EXHIBIT No. 1

DOCKET NO.

KCS RESOURCES, INC.
Tulsa, Oklahoma

TERRYVILLE FIELD
Lincoln Parish, Louisiana

**PROPOSED REDEFINITION FOR
LOWER COTTON VALLEY RESERVOIR A SAND UNITS**

-  :EXIST. TERRYVILLE LOWER CV RESERVOIR A SAND UNITS
-  :HICO-KNOWLES LOWER CV RESERVOIR A SAND UNITS

-  :PENDING LCV RA ALTERNATE UNIT WELLS
-  :LOWER CV RESERVOIR A UNIT WELLS

-  :LOWER CV RESERVOIR A ALTERNATE UNIT WELLS
-  :LOWER CV RESERVOIR A SUBSTITUTE UNIT WELLS

