

COOK, YANCEY, KING & GALLOWAY

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July 1, 2008

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When calling relative to this matter,
refer to file No. 1719.

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
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 Lower Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To redefine the Lower Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana, INsofar AND ONLY INsofar AS the unit designated LCV RA SUEE is concerned, as being the stratigraphic equivalent of that gas and condensate bearing interval encountered between the depths of 8,488 feet and 10,815 feet (electric log measurements) in the Dr. Richard C. Baker (formerly Tenneco Oil Company) - Baker No. 1 Well located in Section 12, Township 16 North, Range 10 West, Bienville Parish, Louisiana, said LCV RA SUEE being shown outlined on the plat attached hereto;
2. To authorize KCS Resources, Inc. to drill, designate and utilize a unit well for LCV RA SUEE at an exceptional location, and to further provide that said well may be drilled at any location within the unit provided that all productive portions of the wellbore be located at least 330 from any unit boundary;
3. To confirm that except as to be hereby amended the unit designated LCV RA SUEE and the orders by which it was established are in full force and effect; and

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4. 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 Elm Grove Field, Caddo, Bossier, Webster and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 371-E, effective July 16, 1996, and was redefined as to certain units by subsequent orders of the Office of Conservation Order No. 361-E Series of Orders.

A Pre-Application Notice dated June 20, 2008, was circulated in connection with this matter. There was no request for a conference in response to said notice and, accordingly, no conference 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, at 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 the copy of this application being sent to the Commissioner of Conservation is a check for the application fee.

Yours very truly,

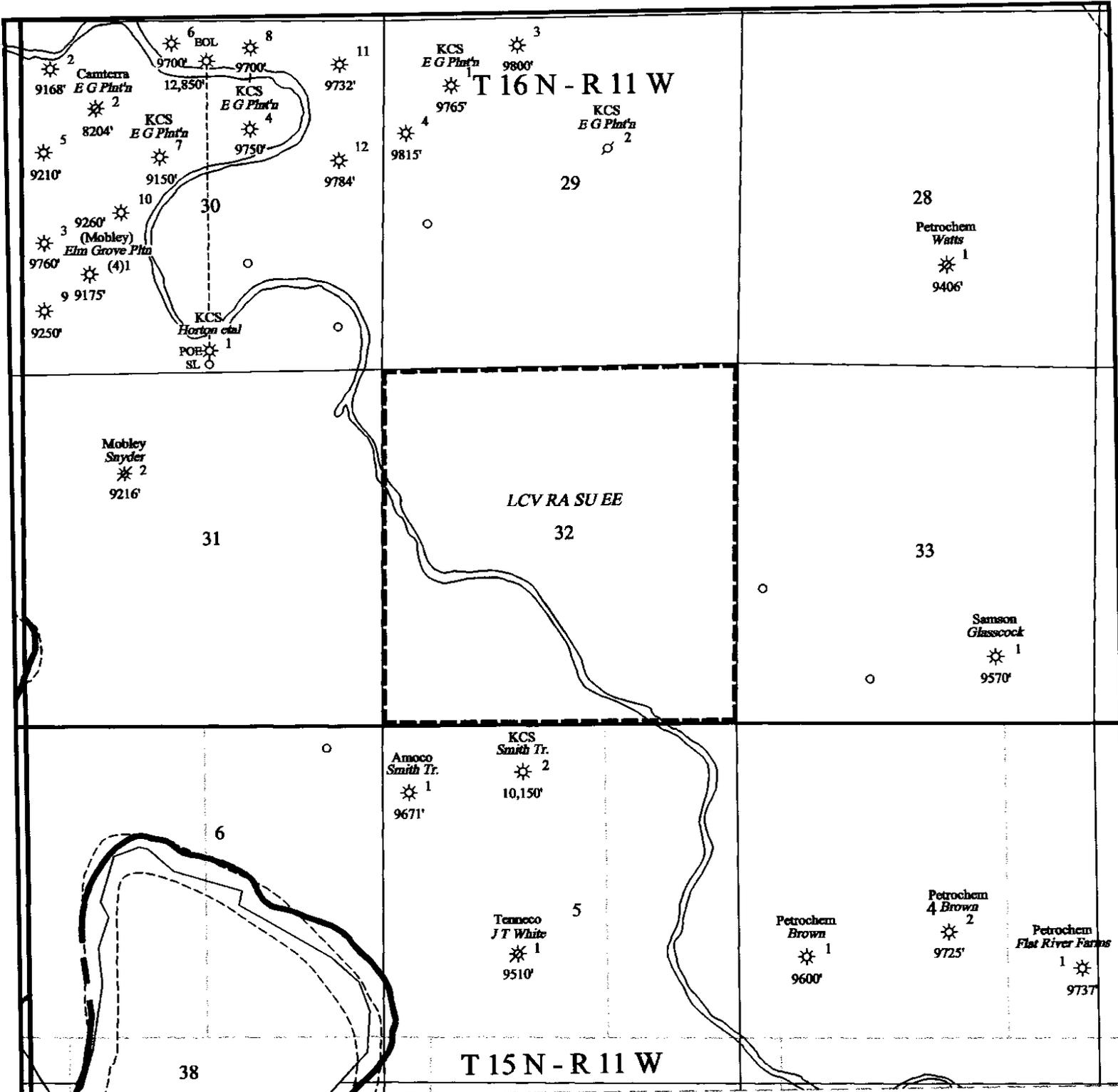
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J. William Fleming

jwf:s
Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
Mr. Craig Barclay
Mr. Ron Tuminello



KCS RESOURCES, INC.
TULSA, OKLAHOMA

ELM GROVE FIELD
BOSSIER PARISH, LOUISIANA

UNIT FOR PROPOSED RE-DEFINITION
OF LOWER COTTON VALLEY ZONE RESERVOIR A
ONLY INsofar AS TO LCV RA SU EE

----- : EXISTING UNIT FOR PROPOSED RE-DEFINITION - LCV RA SU EE

GEOLOGIST: CRAIG C. BARCLAY



ONLY WELLS >6000' TD SHOWN