

COOK, YANCEY, KING & GALLOWAY

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July 8, 2008

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When calling relative to this matter, refer to file No. 1730.

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

Re: Haynesville 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 Haynesville Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana, to be designated HA RA SUA as shown outlined on the plat attached hereto and made a part hereof.
2. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests located within the proposed 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 well and unit operator, as appropriate;
4. To provide that future wells drilled to the Haynesville Zone, Reservoir A, in the Elm Grove Field be located no closer than 330 feet to any unit line and that there be not less than 660 feet between wells drilling to, completed in, or for which a permit shall have been issued to the Haynesville Zone, Reservoir A; and,
5. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

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The Haynesville Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana, is to be defined as being the stratigraphic equivalent of that gas and condensate bearing interval encountered between the depths of 10,910 feet and 11,487 feet (electric log measurements) in the Chesapeake Operating, Inc. - SRLT 29 No. 1 Well located in Section 29, Township 16 North, Range 15 West, Caddo Parish, Louisiana.

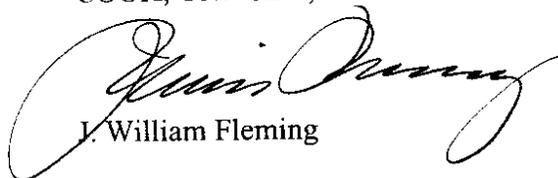
Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Craig Barclay, 522 Dumbarton Drive, Shreveport, Louisiana 71106, at telephone number (318) 869-2223.

A Pre-Application Notice dated June 24, 2008, was circulated in connection with this matter. There was no request received for a conference in response to that notice; accordingly, no conference was held. Applicant sought and received a waiver of the production test in the field policy in connection with this matter. A copy of the approval of that request is attached to the copy of this letter being sent to the Commissioner of Conservation.

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 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. Also enclosed with the copy of this letter being sent to the Commissioner of Conservation is a check for the application fee.

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
Ms. Debbie Wilson

