COOK, YANCEY, KING & GALLOWAY
A PROFESSIONAL LAW CORPORATION
333 TEXAS STREET, SUITE 1700
POST OFFICE BOX 22260
SHREVEPORT, LOUISIANA 71120-2260
www.cookyancey.com

J. William Fleming

Writer's Direct
(318) 227-7724
bill.fleming@cookyancey.com

TELEPHONE (318) 221-6277
TELECOPIER (318) 227-7850

July 9, 2008

When calling relative to this matter, refer to file No. 1715

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

RE: **Lower Cotton Valley 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 Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To authorize KCS Resources, Inc. to designate and utilize the Elm Grove Plantation No. 63 Well as an additional alternate unit well on LCV RA SUF in Section 9-T16N-R11W, Bossier Parish, Louisiana, at the exceptional location and in the manner shown on the attached plat;

2. To find that the proposed alternate unit well is necessary to efficiently and economically drain a portion of the Lower Cotton Valley Zone, Reservoir A, underlying LCV RA SUF which cannot be efficiently and economically drained by any other well;

3. To authorize the unit allowable for this Lower Cotton Valley Zone, Reservoir A, unit to be recovered from the any of the wells located on the unit, at the discretion of the operator; and

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 Zone, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster, and Bienville Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-E, effective July 16, 1996, and has been redefined as to specific units by subsequent orders of the 361-E Series of Orders.

The subject matter of this application does not require the issuance of a Pre-Application Notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Ms. Toni Semple Wilson, 6100 South Yale Avenue, Suite 500, Tulsa, Oklahoma 74136, at telephone number (918) 499-1302.

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. Enclosed with the copy of this letter being sent to the Commissioner of Conservation is a check for the application fee in connection with this matter.

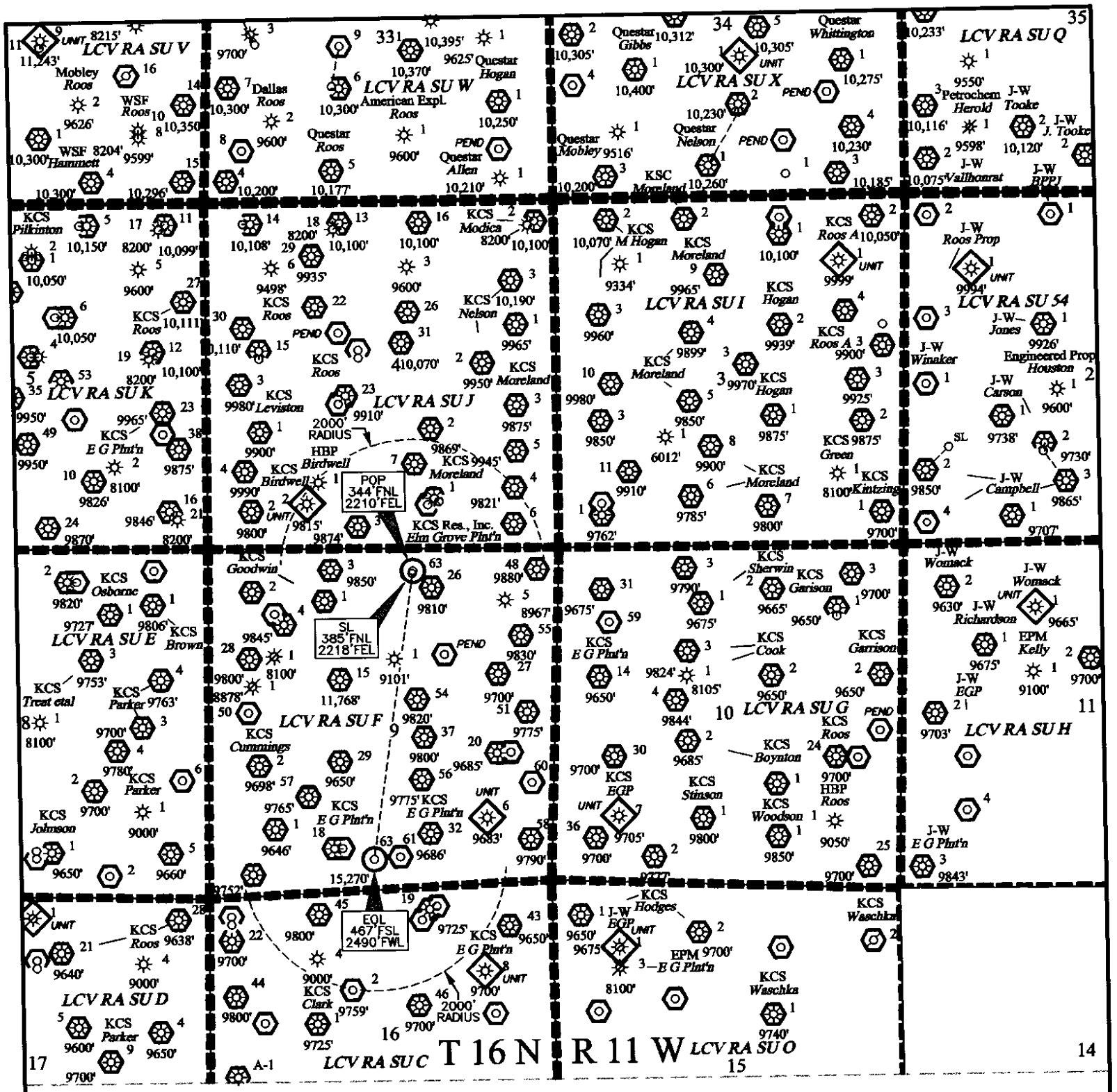
Yours very truly,

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
Ms. Toni Semple



KCS RESOURCES, INC.

TULSA, OKLAHOMA

ELM GROVE FIELD

BOSSIER PARISH, LOUISIANA

PROPOSED HORIZONTAL LATERAL ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR LCV RA SU F

: EXISTING UNITS

: EXISTING LCV RESERVOIR A UNIT AND SUBSTITUTE UNIT WELLS

: EXISTING LCV RESERVOIR A ALTERNATE UNIT WELLS

: PROPOSED ALTERNATE UNIT WELL

GEOLOGIST: CRAIG C. BARCLAY

0' 2000' 4000' 1 Mile

GRAPHIC SCALE

ONLY WELLS >6000' TD SHOWN

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