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July 14, 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.

Cotton Valley Formation, Reservoir B, 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 an Order pertaining to the following matters relating to the Cotton Valley Formation, Reservoir B, in the Belle Bower Field, DeSoto Parish, Louisiana:

1. To redefine the base of the Cotton Valley Formation, Reservoir B, as occurring at the depth of 10,210 feet, electrical log measurement, in the Indigo Minerals LLC--P Holmes No. 1 Well (SN 237222), located in Section 17, Township 13 North, Range 16 West, DeSoto Parish, Louisiana.
2. To confirm and continue in force and effect the units designated CV RB SUA and CV RB SUB, created by Office of Conservation Order No. 312-E-1, effective January 29, 2008, and being shown on the attached plat, as drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir B, as redefined herein.
3. To confirm Applicant as operator of CV RB SUA and of CV RB SUB.
4. To confirm Applicant's P. Holmes No. 1 Well as the unit well for CV RB SUB, and its W. Holmes No. 1 Well as the unit well for CV RB SUA.
5. To discuss such other matters as may be pertinent.

The Cotton Valley Formation, Reservoir B, in the Belle Bower Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 312-E-1, effective January 29, 2008.

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

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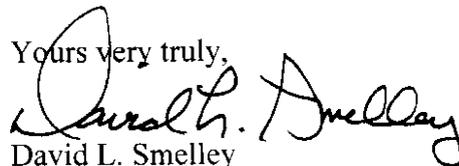
to inspect such data should call Mr. Barclay at (318) 869-2223 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated June 19, 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 set July 17, 2008, as the tentative date for the pre-application conference. No conference request was received; accordingly, no pre-application conference will be held.

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 the unit plat (which is identical to the unit plat attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of 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 plat, 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 Belle Bower Field, 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.

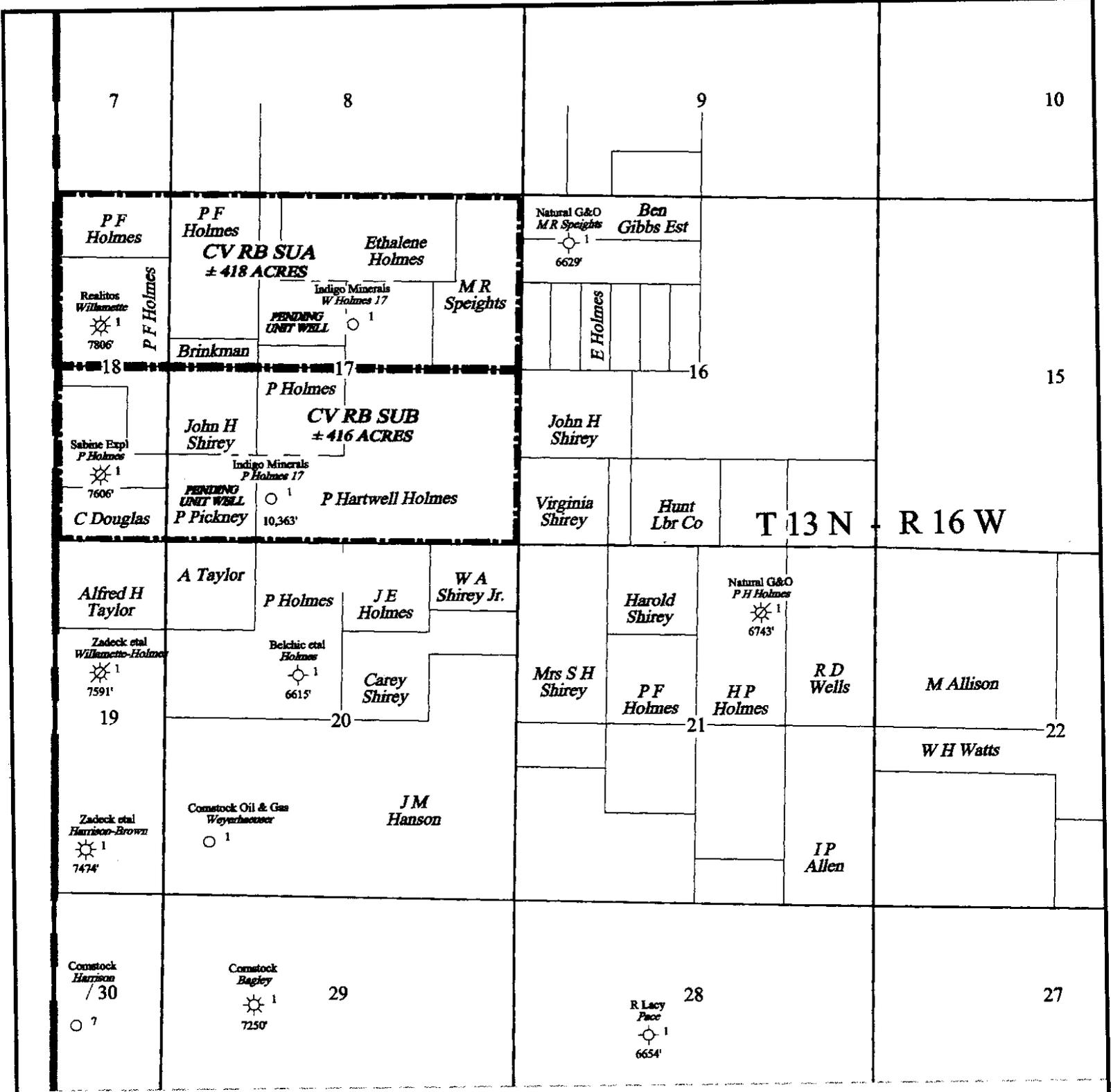
Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

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.)
Ms. Kaye Davis (w/encls.)
Mr. Craig C. Barclay (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plat only)



INDIGO MINERALS LLC
HOUSTON, TEXAS

BELLE BOWER FIELD
DE SOTO PARISH, LOUISIANA
PROPOSED REDEFINITION OF
COTTON VALLEY RESERVOIR B SAND UNITS A & B



:EXISTING ALTERNATE UNIT WELLS



:EXISTING UNIT WELLS



:EXISTING BELLE BOWER CV RB UNITS
PROPOSED FOR REDEFINITION



:EXISTING SUBSTITUTE UNIT WELLS



GEOLOGIST: CRAIG C. BARCLAY

NOTE: ONLY WELLS > 5000' DEEP SHOWN.