

HARGROVE, SMELLEY, STRICKLAND & LANGLEY

JOSEPH L. HARGROVE, JR.
DAVID L. SMELLEY
PAUL A. STRICKLAND
GLENN L. LANGLEY
LOUISE F. PEARCE
T. ISSAC HOWELL
MAGAN F. CAUSEY
JULIANNA PETCHAK PARKS
CHAD E. SEPULVADO
B. LEE CARR, JR.

(A PROFESSIONAL LAW CORPORATION)
AMERICAN TOWER, SUITE 600
401 MARKET STREET
SHREVEPORT, LOUISIANA 71101-3239

THOMAS J. WYATT (1942-1996)

MAILING ADDRESS
POST OFFICE BOX 59
SHREVEPORT, LOUISIANA 71161-0059
TELEPHONE (318) 429-7200
TELECOPIER (318) 429-7201

July 15, 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.

Krumbhaar Zone, Reservoir F, HOUMA FIELD,
Terrebonne Parish, Louisiana.

Dear Sir:

BROWNING OIL COMPANY, INC. ("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 Krumbhaar Zone, Reservoir F, in the Houma Field, Terrebonne Parish, Louisiana:

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Krumbhaar Zone, Reservoir F.
2. To create two (2) drilling and production units for the Krumbhaar Zone, Reservoir F, such units being shown on the attached plat and being designated KRB RF SUA and KRB RF SUB.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each separate tract sharing in unit production on a surface acreage basis of participation.
4. To designate an operator of, and unit wells for, the proposed units as may be appropriate.
5. To provide that future wells drilled within or outside of the units proposed herein be located in accordance with the provisions of Statewide Order No. 29-E.
6. To provide that the Commissioner of Conservation may reclassify the Krumbhaar Zone, Reservoir F, by Supplemental Order and without the necessity of a public hearing should such a reclassification be warranted based on evidence furnished to the Commissioner.

7. To define the Krumbhaar Zone, Reservoir F, as that gas and condensate bearing interval encountered between the depths of 11,666 feet and 11,948 feet (electrical log measurements) in the Browning Oil Company, Inc.--Christopher Dill et al No. 1 Well, located in Section 25, Township 17 South, Range 17 East, Terrebonne Parish, Louisiana.

8. To consider such other matters as may be pertinent to this zone and reservoir.

Pertinent data concerning this application will be available for inspection at the offices of Joe B. Adams, 21010 Vermont Street, Livingston, Louisiana 70754. Any person wishing to inspect any such data should call Mr. Adams at (225) 686-2355 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 11, 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 a pre-application conference with respect to Applicant's proposals was thereafter held beginning at 2:00 o'clock p.m. on July 1, 2008, in Baton Rouge, Louisiana. Attached is a list of the names and addresses of those persons present at the conference.

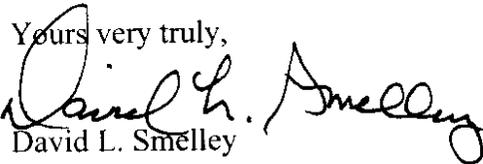
The purpose of the conference was explained as well as the bases for Applicant's proposals by sufficient data and detail for those present at the conference to have a reasonable opportunity to discuss the proposals and attempt to resolve any differences in good faith. During this presentation it was noted that Applicant was correcting its proposed definition for the Krumbhaar Zone, Reservoir F, as noted above. Following this presentation there was a general question and answer period concerning the proposals of Applicant. Thereafter the conference was adjourned with no counterplan having been presented; however, rights were reserved to do so.

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 plat showing the units proposed to be created is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Lafayette District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties as shown on the attached list. It should be noted that while the units shown on the attached plat are identical in configuration to those shown on the plat attached to the pre-application notice, the estimated acreage in each unit has been revised due to a planimetry error with respect to the units shown on the plat attached to the pre-application notice.

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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 Houma 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.

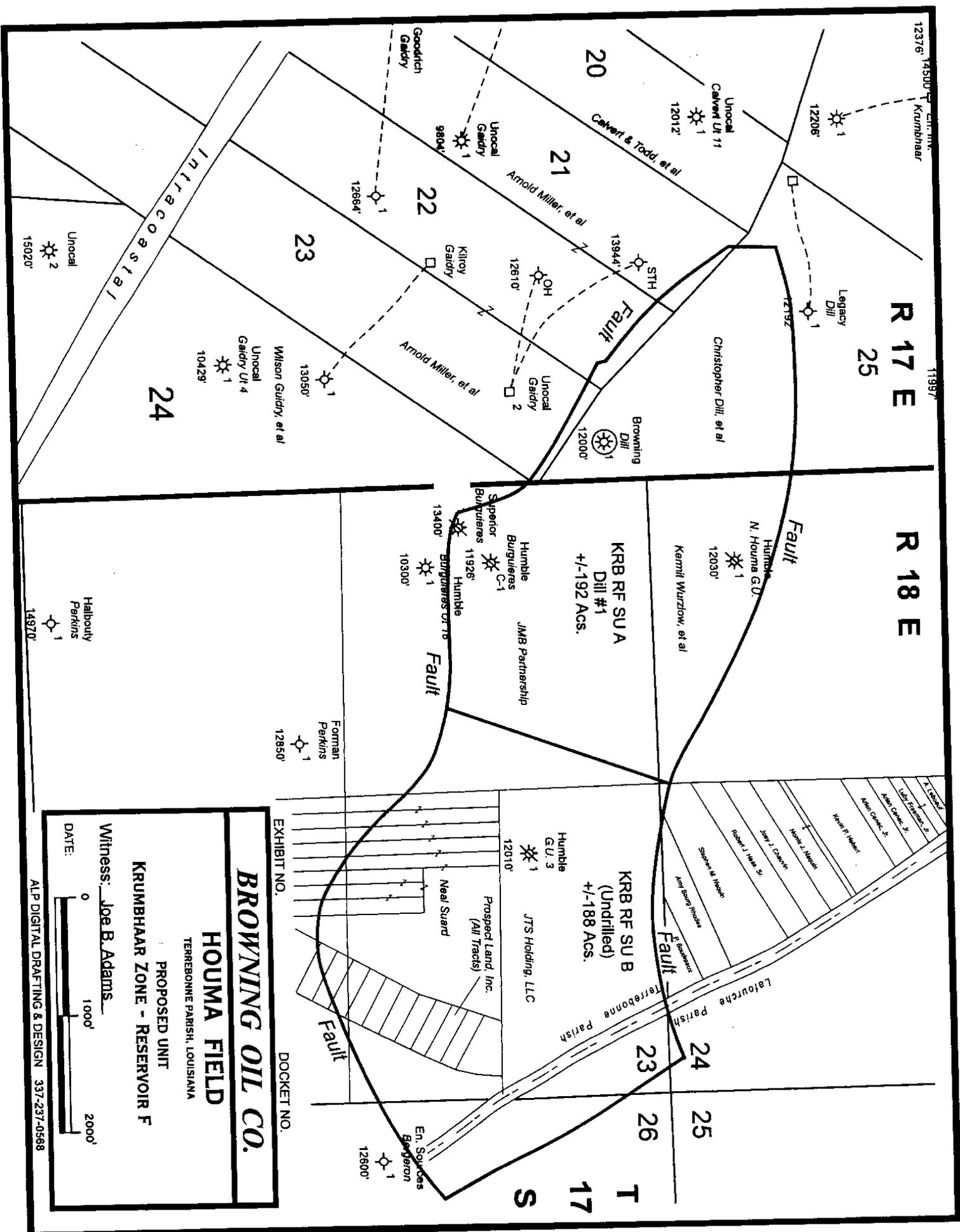
Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,

David L. Smelley

-- Attorney for Browning Oil Company, Inc.

DLS:dp
Enclosures

cc: Mr. Richard Hudson (w/encls.)
Mr. Mike McWilliams (w/encls.)
Mr. Joe Adams (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plat only)



R 17 E
25

R 18 E

T 17 S

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Christopher Dill, et al

KRB RF SU A
Dill #1
+/-192 Acs.

KRB RF SU B
(Undrilled)
+/-188 Acs.

Intracoastal

Terrebonne Parish

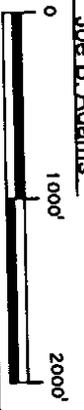
BROWNING OIL CO.

HOUMA FIELD

PROPOSED UNIT
KRUMBHAAR ZONE - RESERVOIR F

Witness: Joe B. Adams

DATE: _____



ALP DIGITAL DRAFTING & DESIGN 337-237-0568

EXHIBIT NO.

DOCKET NO.