

# 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

August 1, 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

Gray Sand, Reservoir A, RUSTON FIELD, Lincoln  
Parish, Louisiana.

Dear Sir:

BEPCO, L.P. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Gray Sand, Reservoir A, in the Ruston Field, Lincoln Parish, Louisiana:

1. To create three (3) additional drilling and production units for the exploration for and production of gas and condensate from the Gray Sand, Reservoir A, such units being shown on the attached plat and being designated GRAY RA SUMM through GRAY RA SUOO.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional 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 operator of, and unit wells for, the proposed additional units as may be appropriate.
4. To expand the provisions of Office of Conservation Order No. 164-30, effective September 26, 2007, authorizing downhole combination of production from the Hosston Zone, Reservoir A, and the Cotton Valley Zone, Reservoir B, with respect to previously created units for such zones which are identical to the additional units proposed herein for the Gray Sand, Reservoir A, so as to include production from the Gray Sand, Reservoir A, in any well in which the interests in the units from which production is to be combined downhole are identical.
5. To extend, except as in conflict with these proposals, the provisions of Office of Conservation Order No. 164-Q, effective July 12, 1979, as amended and supplemented by the Order No. 164-Q series of Orders, and of all applicable Statewide Orders, to the proposed additional units.
6. To consider such other matters as may be pertinent to the Gray Sand, Reservoir A.

The Gray Sand, Reservoir A, in the Ruston Field, Lincoln Parish, Louisiana, was redefined in Office of Conservation Order No. 164-Q, effective July 12, 1979.

Honorable James H. Welsh  
August 1, 2008  
Page 2

Pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect any such data should call Mr. Louis Gilbert at (504) 834-8112 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.

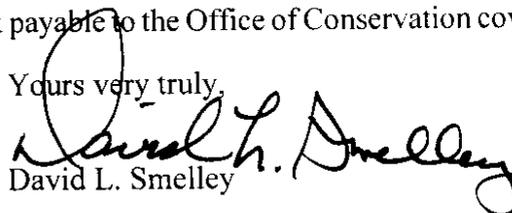
By letter dated July 21, 2008, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set August 13, 2008, as the tentative date for the pre-application conference. While a request for the conference was received, it was subsequently withdrawn; therefore, 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 showing the units proposed to be created (which is identical to the 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 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 Ruston 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 Bepco, L.P.

DLS:dp  
Enclosures

cc: Mr. James C. Broussard (w/encls.)  
Mr. Brad Glasscock (w/encls.)  
Mr. Louis Gilbert (w/encls.)  
Interested Owners, Represented Parties  
and Interested Parties (w/plat only)

