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September 5, 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.

Haynesville Zone, Reservoir B, BETHANY-  
LONGSTREET FIELD, DeSoto Parish, Louisiana.

Dear Sir:

EL PASO E&P COMPANY, 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 Haynesville Zone, Reservoir B, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana:

1. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir B, such units being shown on an attached plat and being designated HA RB SUAA and HA RB SUBB.
2. 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 tract sharing in unit production on a surface acreage basis of participation.
3. To designate an operator of, and unit wells for, the proposed units as may be appropriate.
4. To define the Haynesville Zone, Reservoir B, as to the proposed additional units HA RB SUAA and HA RB SUBB, as the stratigraphic equivalent of the gas and condensate bearing interval encountered between the measured depths of 10,260 feet and 11,860 feet in the Bidas Energy USA, Inc.--David Mason 27 No. 1 Well, located in Section 27, Township 13 North, Range 15 West, DeSoto Parish, Louisiana.

5. To provide that for horizontal wells drilled within these proposed units, where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, the distance to any unit boundary will be calculated based on the distance to the nearest perforation in the well and not based on the penetration point or terminus.

6. To expand the provisions of Office of Conservation Order No. 289-12, effective November 19, 2002, and Order No. 289-13, effective December 17, 2002, authorizing downhole combination of production from the Hosston Formation, Reservoir A, underlying HOSS RA SU48 and HOSS RA SU43, with production from the Cotton Valley Formation, Reservoir A, underlying CV RA SUMM and CV RA SUOO, so as to include production from the Haynesville Zone, Reservoir B, underlying the proposed units HA RB SUAA and HA RB SUBB, in any well in which the ownership interests in the units from which production is to be combined downhole are identical.

7. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 289-R-1, effective April 29, 2008, and of all applicable Statewide Orders, to the proposed additional units.

8. To consider such other matters as may be pertinent to any of these proposals.

The Haynesville Zone, Reservoir B, in the Bethany-Longstreet Field, was initially defined in Office of Conservation Order No. 289-R-1, effective April 29, 2008.

Any 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. 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 August 25, 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 September 18, 2008, as the tentative date for the pre-application conference. No conference request was received; accordingly, no pre-application conference will be held.

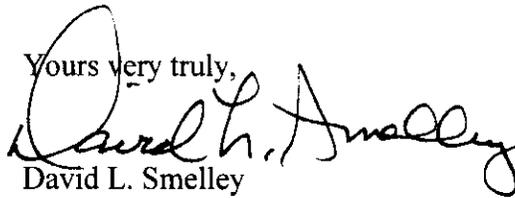
Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such 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

Honorable James H. Welsh  
September 5, 2008  
Page 3

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 Bethany-Longstreet 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 El Paso E&P Company, L.P.

DLS:dp  
Enclosures

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

