

# 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

September 10, 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.

Hosston Formation, Reservoir A; Cotton Valley Formation, Reservoir A; and Haynesville Zone, Reservoir A; CASPIANA FIELD, DeSoto Parish, Louisiana.

Dear Sir:

J-W OPERATING COMPANY ("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 Hosston Formation, Reservoir A; to the Cotton Valley Formation, Reservoir A; and to the Haynesville Zone, Reservoir A; all in the Caspiana Field, DeSoto Parish, Louisiana:

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir A, such unit being shown on an attached plat and being designated HOSS RA SU133.
2. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such unit being shown on an attached plat and being designated CV RA SU129.
3. To create six (6) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, such units being shown on attached plats and being designated HA RA SUF and HA RA SUG and HA RA SUII through HA RA SULL.
4. 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.
5. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriate.

6. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 191-B, effective April 15, 1975, as amended and supplemented by the Order No. 191-B series of Orders, to the proposed additional unit for the Hosston Formation, Reservoir A.

7. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 191-A, effective February 15, 1975, as amended and supplemented by the Order No. 191-A series of Orders, to the proposed additional unit for the Cotton Valley Formation, Reservoir A.

8. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 191-H, effective August 28, 2007, as amended and supplemented by the Order No. 191-H series of Orders, to the proposed additional units for the Haynesville Zone, Reservoir A.

9. To discuss such other matters as may be pertinent.

The Hosston Formation, Reservoir A, in the Caspiana Field was defined in Office of Conservation Order No. 191-B, effective April 15, 1975.

The Cotton Valley Formation, Reservoir A, in the Caspiana Field was defined in Office of Conservation Order No. 191-A, effective February 15, 1975, and was further defined in Order No. 191-A-5, effective February 22, 1983.

The Haynesville Zone, Reservoir A, in the Caspiana Field was defined in Office of Conservation Order No. 191-H, effective August 28, 2007.

Any pertinent data concerning this application will be available for inspection at the offices of Mr. 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 August 13, 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 10:00 o'clock a.m. on September 5, 2008, in Shreveport, 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. Following this presentation there was a general question and answer period concerning the proposals of Applicant, during which concern was expressed relating to Applicant's proposal to downhole combine production from the Haynesville Zone with production from the Hosston and Cotton Valley

Honorable James H. Welsh  
September 10, 2008  
Page 3

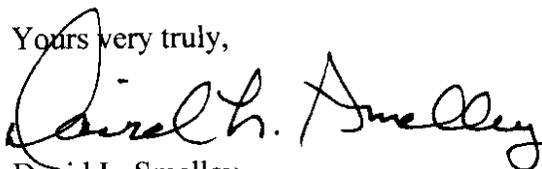
Formations until more data was available with respect to the Haynesville Zone. As a result of these concerns, Applicant is withdrawing its downhole combination requests at this time. Thereafter the conference was adjourned with no counterplan having been presented.

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 each of the unit plats is enclosed herewith, and a copy of this letter and of the attached plats 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 plats, 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 Caspiana 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 J-W Operating Company

DLS:dp

Enclosures

cc: Mr. James C. Broussard (w/encls.)  
Mr. Jerry Wooten (w/encls.)  
Ms. Patty DuBois (w/encls.)  
Mr. Michael Baca (w/encls.)  
Mr. Joe Adams (w/encls.)  
Interested Owners, Represented Parties  
and Interested Parties (w/plats only)

15N 14W  
DESOTO Ph.

10

HOSS RA SU 68

11

HOSS RA  
SU 69

GALLAGHER C R JR  
ROACH FARMS # 1  
6670

ENERGY RESV  
LOFTUS P J # 1  
6446

Proposed  
HOSS RA SU 133  
+/- 640 Acres

15

HOSS RA SU 73

14

HOSS RA  
SU 72

SUNDANCE  
WILLIE ROACH # 001  
6460

HOSS RA SU V V

22

HOSS RA SU PP

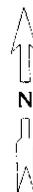
23

HOSS RA  
SU 00

MAY PET  
JACKSON B DAVIS # 006  
6482

LEGEND

-  Proposed Hosston Unit
-  Existing Units 191-B Series
-  Proposed Unit Well
-  Posted Wells > 6,000'



J-W OPERATING COMPANY

CASPIANA FIELD  
Desoto Parish, La.  
Proposed Unit - Hosston Zone

DATE:	Witness: Joe Adams	Docket No.
Exhibit 1	Scale: 1" = 2000'	08-??

1000 0 1000 2000 3000 ft



15N 14W  
DESOTO Ph.

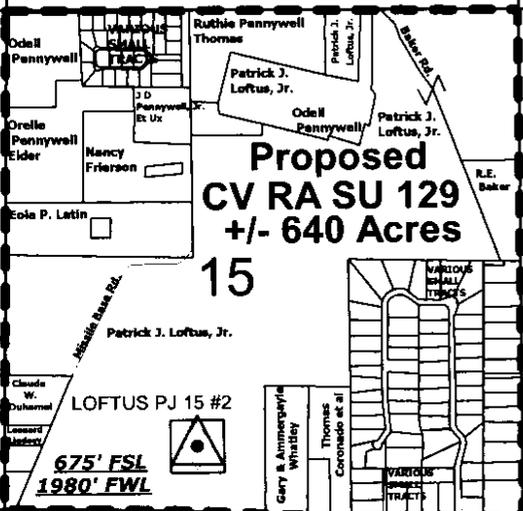
HERVEY 11 1H  
660' FEL  
660' FNL



10

11

CV RA SU 127



15

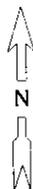
14

22

23

**LEGEND**

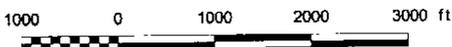
-  Proposed Cotton Valley Unit
-  Existing Units 191-A Series
-  Proposed Unit Well
- Posted Wells > 8,000'



**J-W OPERATING COMPANY**

**CASPIANA FIELD**  
Desoto Parish, La.  
Proposed Unit - Cotton Valley Formation

DATE:	Witness: Joe Adams	Docket No.
Exhibit 1	Scale: 1" = 2000'	08-??



15N 14W  
DESOTO Ph.

CAMTERRA  
BROWN ET AL 9 # 1



10

HERVEY 11 # 1H

SUR.  
660' FEL  
660' FNL



11

Proposed  
H A R A S U F  
+ / - 640 Acres

PBHL.  
330' FNL  
1898' FWL

Proposed  
H A R A S U G  
+ / - 640 Acres

15

PBHL.  
600' FEL  
330' FSL

14

LOFTUS PJ 15 # 2

SUR.  
675' FSL  
1980' FWL



22

23

Note: No well will be perforated less than 330' from any boundary

LEGEND

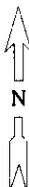


Proposed Haynesville Units



Proposed Unit Well

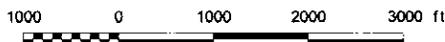
Posted Wells > 10,000'

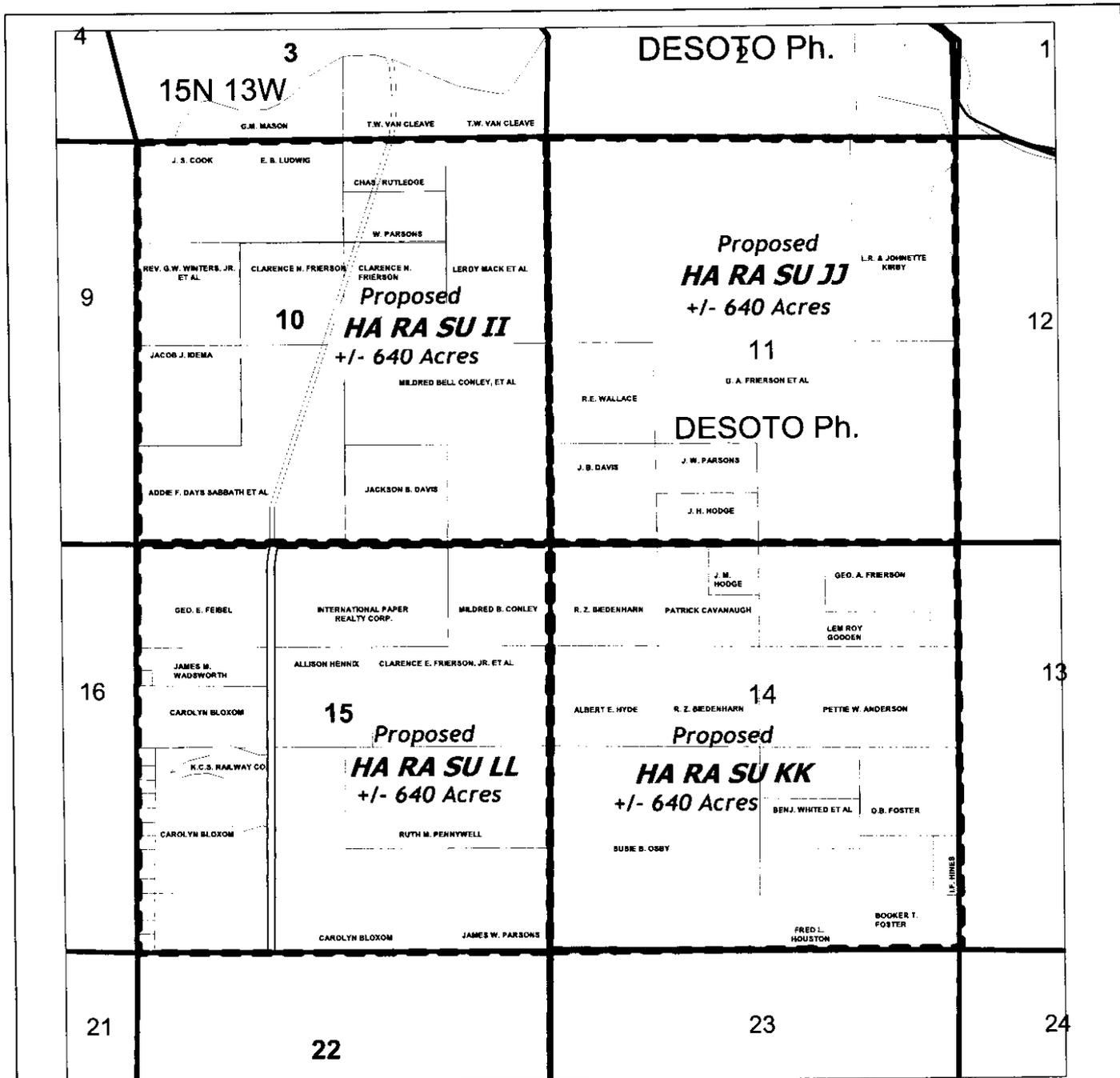


J-W OPERATING COMPANY

CASPIANA FIELD  
Desoto Parish, La.  
Proposed Units - Haynesville Zone

DATE:	Witness: Joe Adams	Docket No.
Exhibit 1	Scale: 1" = 2000'	08-??

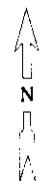




Note: No well will be perforated less than 330' from any boundary

**LEGEND**

----- Proposed Haynesville Unit  
 Wells Posted > 10,000'



**J-W OPERATING COMPANY**

**CASPIANA FIELD**  
 Desoto Parish, La.  
**PROPOSED UNITS - HAYNESVILLE ZONE**

DATE:	Witness: Joe Adams	Docket No.
Exhibit 1	Scale: 1"=2000'	08-??

