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BLANCHARD, WALKER, O'QUIN & ROBERTS
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September 18, 2008

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

Mailing Address:
P.O. Drawer 1126
Shreveport, LA 71163-1126

WM. TIMOTHY ALLEN, III
Direct: 318.934.0217
Email: tallen@bwor.com

RE: HEARING APPLICATION
HOSS RC SUF and CV RB SUH
Hico-Knowles Field
Lincoln Parish, Louisiana
Our File No. 410688.0032

Dear Sir:

On behalf of STROUD PETROLEUM, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Hosston Zone, Reservoir C and Cotton Valley Zone, Reservoir B, in the Hico-Knowles Field, Lincoln Parish, Louisiana:

1. To establish rules and regulations and to create one (1) additional drilling and production unit (to be designated as HOSS RC SUF), as shown on the plat attached hereto, for the exploration for and production of gas and condensate from Hosston Zone, Reservoir C, in the Hico-Knowles Field, Lincoln Parish, Louisiana;
2. To create one (1) additional drilling and production unit (to be designated as CV RB SUH), as shown on the plat attached hereto, for the exploration for and production of gas and condensate from Cotton Valley Zone, Reservoir B, in the Hico-Knowles Field, Lincoln Parish, Louisiana;
3. To force pool and unitize all separately owned tracts, mineral leases, and other property interests within said units, with allocation of production from the tracts within such units to be on the basis of surface acreage.
4. To permit Applicant to combine downhole production from the Hosston Zone, Reservoir C and Cotton Valley Zone, Reservoir B, in the Hico-Knowles Field, in any well drilled on the proposed units in which the ownership and acreage are identical.
5. Except to the extent inconsistent herewith, to extend the provisions of Office of Conservation Order Nos. 137-BB-2, effective May 24, 2005 and 137-X-14, effective May 24, 2005, to the proposed HOSS RC SUF and CV RB SUH, respectively.

6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hosston Zone, Reservoir C, in the Hico-Knowles Field, Lincoln Parish, Louisiana was fully defined in Office of Conservation Order No. 137-B-2, effective May 24, 2005.

The Cotton Valley Zone, Reservoir B, in the Hico-Knowles Field, Lincoln Parish, Louisiana was fully defined in Office of Conservation Order No. 137-X-14, effective May 24, 2005.

Pertinent data regarding this application will be available for inspection at the offices of Stroud Petroleum, Inc., 416 Travis Street, Suite 609, Shreveport, LA 71101. Any person wishing to inspect such data should call Mr. Ted Scurlock at (318) 425-0101, during normal business hours, or write Mr. Scurlock at the above address in order to arrange a time and date for such inspection. Copies of such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

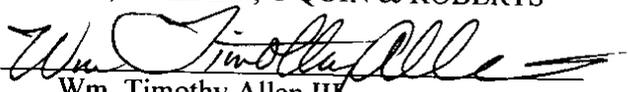
By Pre-Application Notice dated September 5, 2008, applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no request for a Pre-Application Conference, and accordingly, no conference will be held.

A check in the amount of \$1,510.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list and to the Pre-Application Conference Attendees.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 
Wm. Timothy Allen III
Attorneys for Stroud Petroleum, Inc.

WTAIII:kmw
Enclosures

cc: Mr. James C. Broussard
Office of Conservation, Shreveport District Manager, La. (w/enclosures)
cc: Interested Owners, Represented Parties
and Interested Parties (w/copy of plat)

T 20 N - R 4 W

PROPOSED HOSS RC SUF
640± ACRES

Kiroy Williams 1 6800'

J J Welsh (Goodrich) Loyd SW Gas 1 6814'

(8800') 9248'

Pitts etal 1 8200' J Barnett

Stroud Farley 1 9300'

Crow etal 1 8111' Farley

SW Gas Vaughn (Barnett)

SW Gas Young 1 8960'

Nadel etal 1 6715' Howell

N&G-Jetta (Texas O&G) Barnette F 1 8000'

Remuda Owens 1 8742'

TXO Farley 1 8975'

N&G-J Farley 3

SW Gas J T Farley 1 8983'

N&G-J Farley 2 9050'

TXO Rives 1 8975'

(1)5 9109'

Strat Land Barnett 1 7900'

Eason C L Tubbs 1 8569'

Comstock Britt A 1 7902'

SW Gas Farley 1 (8550') 8295'

N&G-Jetta Adams 1 9760'

SW Gas J Britt 1 8580'

SW Gas Farley 2 8586'

Sonat Davis Hrs 2 8485'

SW Gas Davis Hrs 1 7686'

N&G-J Peterson 1 9115'

SW Gas Vaughn (Fuller) / (1)9 8966'

N&G-Jetta Davis Hrs 1

Stroud Petr Deason 1 9220'

N&G-J L Barnett 1 8927'

SW Gas E H Barnett 1 9103'

TXO 7700' Hunt C-1 9000'

SW Gas J Murphy Barnett B-3 1 8575'

SW Gas Hedgepeth CSC 1 8878' Hedgepeth 7630'

N&G-Jetta G Fuller 2 8515'

TXO G Fuller 1 8471'

Hunt etal Lewis Realty 26 1 8513'

SW Gas J Peterson 1 12,234'

Sonat Goff 1 8500'

Williams Cooper 1 8438'

TXO Peterson C-1 1 8489'

N & G Barnett 1 9020'

N&G-Jetta T L James 1 9720'

Calif. Co. T L James 1

LEGEND

[] : PROPOSED HOSS RC SUF
HICO-KNOWLES FIELD

ONLY WELLS WITH TD's >6000' SHOWN

STROUD PETROLEUM, INC.
SHREVEPORT, LOUISIANA

HICO-KNOWLES FIELD
LINCOLN PARISH, LOUISIANA

PROPOSED
HOSS RC SUF

