

# GORDON

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October 17, 2008

Ref: 2976-25210

Honorable James H. Welsh  
Commissioner of Conservation  
Post Office Box 94275  
Baton Rouge, LA 70804-4275

Re: Hearing Application  
Gheens Sand, Reservoirs D and E  
JOE MCHUGH FIELD  
Lafourche Parish, Louisiana  
Applicant: Castex Energy, Inc.

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of **Castex Energy, Inc.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Gheens Sand, Reservoirs D and E, Joe McHugh Field, Lafourche Parish, Louisiana.

1. To create two (2) single drilling and production units of approximately 369 acres each for the Gheens Sand, Reservoirs D and E, designated as the Gheens RD SUA and Gheens RE SUA, Joe McHugh Field, Lafourche Parish, Louisiana, all as shown more particularly on the attached plat;
2. To establish rules and regulations governing the exploration for and production of gas and condensate from said units;
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created, with each tract sharing in units production on a surface acreage basis of participation;
4. To designate a unit well and unit operator for the units created herein;
5. To consider such other matters relating to the subject reservoirs as may be appropriate and justified by the evidence presented at the public hearing.

The Gheens Sand, Reservoir D in the Joe McHugh Field, is hereby defined as being that gas and condensate bearing sand encountered between the measured depths of 12,455 feet and 12,520 feet (11,748' to 11,813' TVD) (electrical log measurements) in the Castex Energy, Inc.-L. J. Foret, et al No. 1 Well, located in Section 39, Township 15 South, Range 19 East, Lafourche Parish, Louisiana.

The Gheens Sand, Reservoir E in the Joe McHugh Field, is hereby defined as being that gas and condensate bearing sand encountered between the measured depths of 13,656 feet and 13,704 feet (11,800' to 11,840' TVD) (electrical log measurements) in the Castex Energy, Inc.-Breazeale, et al No. 1 ST Well, located in Section 39, Township 15 South, Range 19 East, Lafourche Parish, Louisiana.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a pre-application conference was held in Lafayette, Louisiana on October 16, 2008. Attached hereto and made a part hereof is a list of the names and addresses of the parties who were in attendance at that conference.

The conference was opened by Mr. B. J. Duplantis. Mr. Bill McAlister of Leon Comeaux & Associates presented the plan of applicant. Mr. Jim Bates and Mr. Jim Hardwick on behalf of Aspect Energy presented a counterplan of two (2) 234 acre units. Mr. Courtney Oliver on behalf of the Foret Family reserved his rights. Questions were asked and answered. The parties will continue to attempt to reconcile their differences. It appears there will be no opposition at the public hearing on this matter.

Attached hereto and made a part hereof is a plat outlining the Gheens RD SUA and Gheens RE SUA, Lafourche Parish, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

Any pertinent data relating to the proposed units can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. Bill McAlister, of Leon Comeaux & Associates, P. O. Box 53922, Lafayette, LA 70505 (337) 233-9839.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

  
B. J. Duplantis

BJD/ht

Attachments

cc: Mr. Richard D. Hudson  
District Manager, Office of Conservation

All Interested Owners, Represented Parties  
and Interested Parties

