

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, DECEMBER 16, 2008**, upon the application of **PETROHAWK OPERATING COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Lower Cotton Valley Zone, Reservoir A and the Haynesville Zone, Reservoir A**, in the Elm Grove Field, Bossier Parish, Louisiana.

1. To create a single additional drilling and production unit for the exploration for and production of gas and condensate from the Lower Cotton Valley Zone, Reservoir A, to be designated LCV RA SU133.
2. To create a single additional drilling and production unit for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, to be designated HA RA SUUU.
3. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests located within the proposed unit 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.
4. To designate a unit well and unit operator, as appropriate.
5. To authorize the down hole or well bore combination of production from the Lower Cotton Valley Zone, Reservoir A and the Haynesville Zone, Reservoir A, in the well bore of any well now or hereafter located on the proposed units in which the ownership interests in the units from which production is to be combined are identical.
6. To define the Haynesville Zone, Reservoir A, INsofar AS HA RA SUUU is concerned, as the stratigraphic equivalent of that gas and condensate bearing interval occurring between the depths of 9,650' and 11,426' (electric log measurements) in the KCS Resources, Inc.-Elm Grove Plantation No. 15 Well (SN 229326), located in Section 9, Township 16 North, Range 11 West.
7. To provide that wells drilled to the Haynesville Zone, Reservoir A, within or outside the proposed unit be located no closer than 330 feet to any unit boundary and no closer than 660 feet to any other well completed in, drilling to, or for which a permit has been granted to the Haynesville Zone, Reservoir A.
8. To provide that with respect to horizontal wells drilled to the Haynesville Zone, Reservoir A, in the proposed unit, where the horizontal lateral portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, 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.
9. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-E, effective July 16, 1996, as amended and supplemented by the 361-E Series of Orders, and all applicable Statewide Orders, to the proposed additional unit for the Lower Cotton Valley Zone, Reservoir A.
10. To extend, except as in conflict herewith, the provisions of Order No. 361-L, effective July 29, 2008, as amended and supplemented by the 361-L Series of Orders, and all applicable Statewide Orders, to the proposed additional unit for the Haynesville Zone, Reservoir A.
11. To consider such other matters as may be pertinent.

The Lower Cotton Valley Zone, Reservoir A was defined in Order No. 361-E, effective July 16, 1996.

The Haynesville Zone, Reservoir A was initially defined in Order No. 361-L, effective July 29, 2008, and is redefined as to HA RA SUUU as provided herein.

Plats are available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, Louisiana.
www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.