

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 **ENCANA OIL & GAS (USA), INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Formation, Reservoir A, the Cotton Valley Formation, Reservoir A, and the Haynesville Zone, Reservoir A**, in the Carroll Creek Field, Red River Parish, Louisiana.

HOSSTON FORMATION, RESERVOIR A

1. To create five (5) additional drilling and production units for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir A.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
3. Except to the extent contrary herewith, to extend to the proposed additional units all pertinent provisions of Office of Conservation Order No. 1186, effective July 22, 1982, and applicable Statewide Orders.
4. To consider such other matters as may be pertinent.

The Hosston Formation, Reservoir A was previously defined in Order No. 1186, effective July 22, 1982, and is hereby further defined insofar as Sand Units B thru F are concerned, as being the stratigraphic equivalent of that gas and condensate bearing formation encountered between the depths of 6,685' and 10,030' (electrical log measurements) in the EnCana Oil & Gas (USA) Inc.-A. F. Walker No. 1 Well, located in Section 28, Township 13 North, Range 9 West.

COTTON VALLEY FORMATION, RESERVOIR A

1. To establish rules and regulations and to create (5) drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
3. To provide that any future wells drilled to the Cotton Valley Formation, Reservoir A, within or outside the units created herein, should be located in accordance with the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).
4. To consider such other matters as may be pertinent.

The Cotton Valley Formation, Reservoir A is hereby defined as being the stratigraphic equivalent of that gas and condensate bearing formation encountered between the depths of 10,030' and 10,695' (electrical log measurements) in the EnCana Oil & Gas (USA) Inc.-A.F. Walker No. 1 Well, located in Section 28, Township 13 North, Range 9 West.

HAYNESVILLE ZONE, RESERVOIR A

1. To establish rules and regulations and to create five (5) drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
3. To provide that any future horizontal wells drilled to the Haynesville Zone, Reservoir A, where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary or to any other well completed in, drilling to, or for which a permit has been granted to drill to said reservoir, will be calculated based on the distance to the nearest perforations in the well and not based on the penetration point or terminus.
4. To provide that any future wells drilled to the Haynesville Zone, Reservoir A, within or outside the units created herein, should be located no closer than 330 feet to any unit boundary and no closer than 660 feet to any well on a competitive unit completed in, drilling to, or for which a permit has been granted to said reservoir.
5. To consider such other matters as may be pertinent.

The Haynesville Zone, Reservoir A is hereby defined as being the stratigraphic equivalent of that gas and condensate bearing formation encountered between the depths of 10,695' and 13,243' (electrical log measurements) in the EnCana Oil & Gas (USA) Inc.-A.F. Walker No. 1 Well, located in Section 28, Township 13 North, Range 9 West.

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.