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October 28, 2008

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11361-68159

APPLICATION

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

RE: N-1 Sand, Reservoir A
Bear Field
Beauregard Parish, Louisiana

Application is hereby made on behalf of **LIBERTY RESOURCES, INC.** for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters related to the **N-1 Sand, Reservoir A**, in the **Bear Field**, Beauregard Parish, Louisiana, to-wit:

1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of oil and gas from the N-1 Sand, Reservoir A, such unit to be designated N-1 RA SUA;
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation;
3. To designate the Liberty Resources, Inc. – Pyle Heirs No. 1 Well as the unit well for the proposed unit;
4. To designate Liberty Resources, Inc. as the operator of the proposed unit;

5. To provide that any future wells drilled to the N-1 Sand, Reservoir A, within the proposed unit, should be exempt from the spacing provisions of Statewide Order 29-E;
6. To provide that any future wells drilled to the N-1 Sand, Reservoir A, outside of the proposed unit, should be located in accordance with the spacing provisions of Statewide Order 29-E;
7. To provide that the Commissioner of Conservation should be authorized to reclassify the N-1 Sand, Reservoir A, by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
8. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The N-1 Sand, in the Bear Field, is hereby defined as being that oil and gas bearing sand encountered between the depths of 6,019 feet and 6,043 feet, electrical log measurements, in the Liberty Resources, Inc. – Pyle Heirs No. 1 Well (SN 233260), located in Section 22, Township 6 South, Range 9 West, Beauregard Parish, Louisiana.

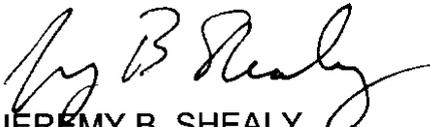
The pre-application conference tentatively scheduled for October 30, 2008, **WILL NOT BE HELD**, as no owner with an interest inside the proposed unit or the area proximate to the proposed unit requested it within the delays provided for by the Rules of Procedure. It should be noted that a courtesy copy of the pre-application notice was mailed to Bissell Oil Operating Co., Inc. ("Bissell") since it previously held leases in the area. Thereafter, Bissell requested that the tentative conference be held. The Applicant did not schedule the conference pursuant to Bissell's request because Bissell no longer owns an interest in the proposed unit or the area proximate to the proposed unit and thus is not entitled under the Rules of Procedure to have such request met by the Applicant.

Pertinent data relating to the proposed application can be obtained, **AT THE COST OF THE REQUESTING PARTY**, by contacting Louis Gilbert, 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002, (504) 834-8112.

There is attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished **ONLY** to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of \$755.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,



JEREMY B. SHEALY

RCS/JBS/smp
Enclosures

- cc: Honorable James H. Welsh
Commissioner of Conservation
- cc: Mr. Richard Hudson, District Manager
Office of Conservation

P.S. To all Interested Owners, Represented Parties and Interested Parties:

You may have received this Application even though your property is not included in the proposed unit, because the Revised Rules of Procedure require us to attempt to also notify everyone owning an interest in the area "proximate to" the proposed unit.

Your receipt of this Application does not require you to take any action. It is meant to notify you of these proceedings so that you have the opportunity to participate if you so desire.

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N-1 RA SUA
PYLE HEIRS No. 1
±80 ACRES

Tommy D. Sullivan, et ux
Humble
Krause-Managan Lbr. Co.
6900' - 1

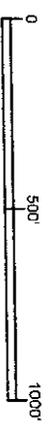
David Landreneau,
et ux

Shane J. Hungerford, et ux

Lester Dousay,
et ux

--- PROPOSED UNIT
○ UNIT WELL
△ GEOLOGICALLY SIGNIFICANT WELL

PROPOSED UNIT
N-1 SAND



DATE:
LOUIS GILBERT & ASSOCIATES, INC.

EXHIBIT NO. DOCKET NO.

LIBERTY RESOURCES, INC.

BEAR FIELD
BEAUREGARD PARISH, LOUISIANA

