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December 31, 2007

When calling relative to this matter, refer to file No. 1614

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

Re: Lower Cotton Valley Formation,
Reservoir A
Terryville Field
Lincoln Parish, Louisiana

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Resources, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Lower Cotton Valley Formation, Reservoir A, in the Terryville Field, Lincoln Parish, Louisiana:

1. To authorize KCS Resources, Inc. to drill, complete and utilize the Kathco 19 No. 2 Well as an additional alternate unit wells for LCV RA SUM at the location shown on the attached plat;

2. To authorize KCS Resources, Inc. to drill, complete and utilize two additional alternate unit wells for LCV RA SUNN at the exceptional locations shown on the attached plat;

3. To determine that there is a need for additional alternate unit wells on LCV RA SUM and LCV RA SUNN to efficiently and economically recover hydrocarbons underlying these units that cannot be recovered from any other well located on the units;

4. To authorize the unit allowable for these units to be recovered from the existing wells located on the units, the proposed alternate unit wells, or any combination thereof, at the discretion of the operator; and

5. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Lower Cotton Valley Formation, Reservoir A, in the Terryville Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 370-B-6, effective on and after February 18, 1982; and has been redefined as to certain units by Office of Conservation Order No. 370-B-64, effective January 10, 2006.

The subject matter of this application does not require the issuance of a Pre-Application Notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Tom Lindley, 416 Travis Street, Suite 804, Shreveport, Louisiana 71101, at telephone number (318) 425-4789.

The list of parties attached to the copies of this application being sent to the Office of Conservation includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search. A copy of this application, with plat attached, is being sent to each such party. Pursuant to Office of Conservation regulations, the list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Enclosed with the copy of this application being sent to the Commissioner of Conservation is a check for the application fee.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY

J. William Fleming

jwf:s
Enclosures
cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
Mr. Tom Lindley
Mr. Craig Barclay

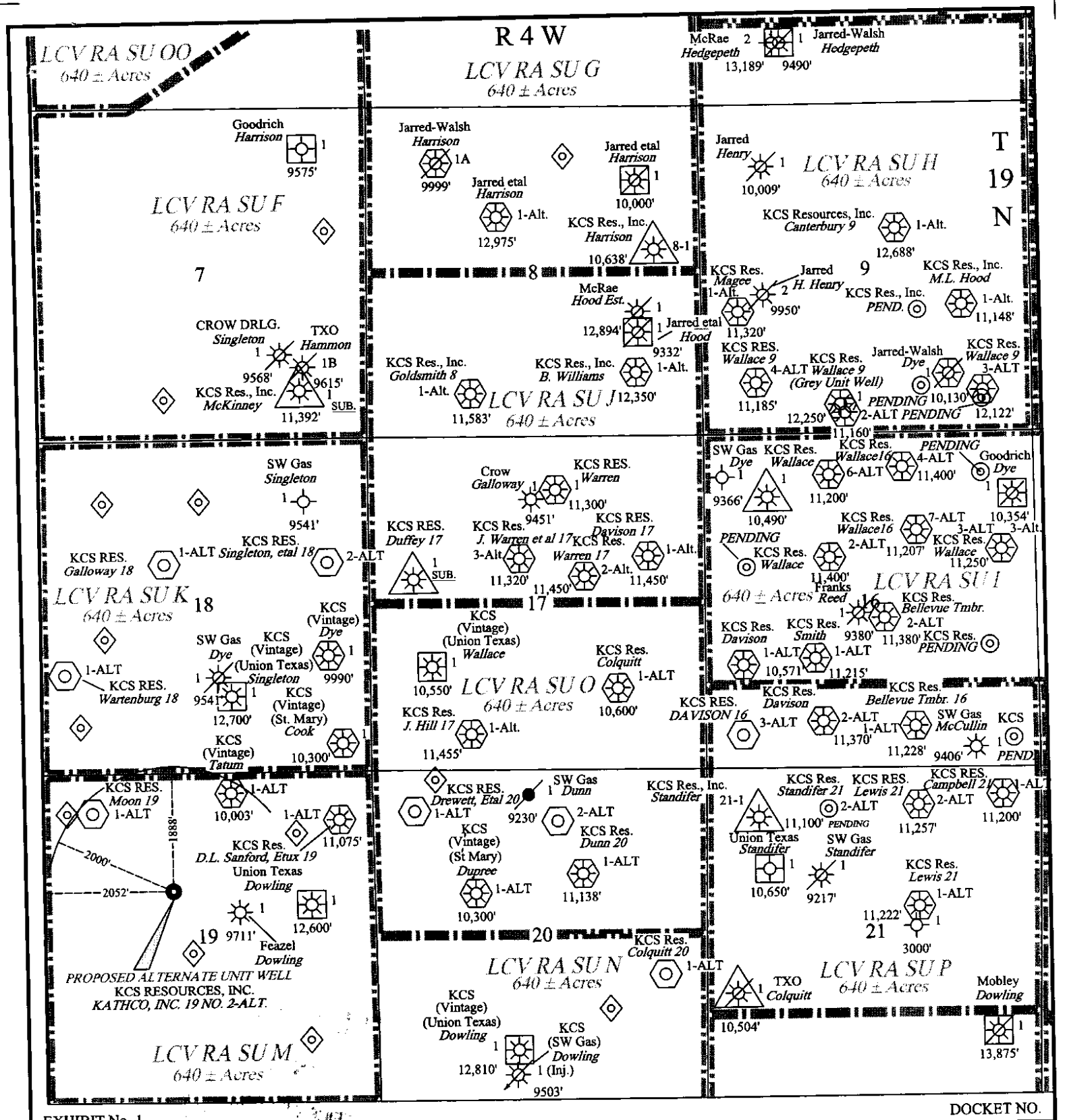

EXHIBIT No. 1

DOCKET NO.

KCS RESOURCES, INC.

Tulsa, Oklahoma

TERRYVILLE FIELD

Lincoln Parish, Louisiana

PROPOSED LOWER COTTON VALLEY RESERVOIR A ALTERNATE UNIT WELL

:EXISTING LOWER CV RESERVOIR A SAND UNITS

:PROPOSED LCV RA ALTERNATE UNIT WELL

:LOWER CV RESERVOIR A UNIT WELLS

:LOWER CV RESERVOIR A SUBSTITUTE UNIT WELLS

:LOWER CV RESERVOIR A ALTERNATE UNIT WELLS

:APPROVED SUBSTITUTE AND ALTERNATE UNIT WELLS

TERRY_SEC_19_LCV_SUM

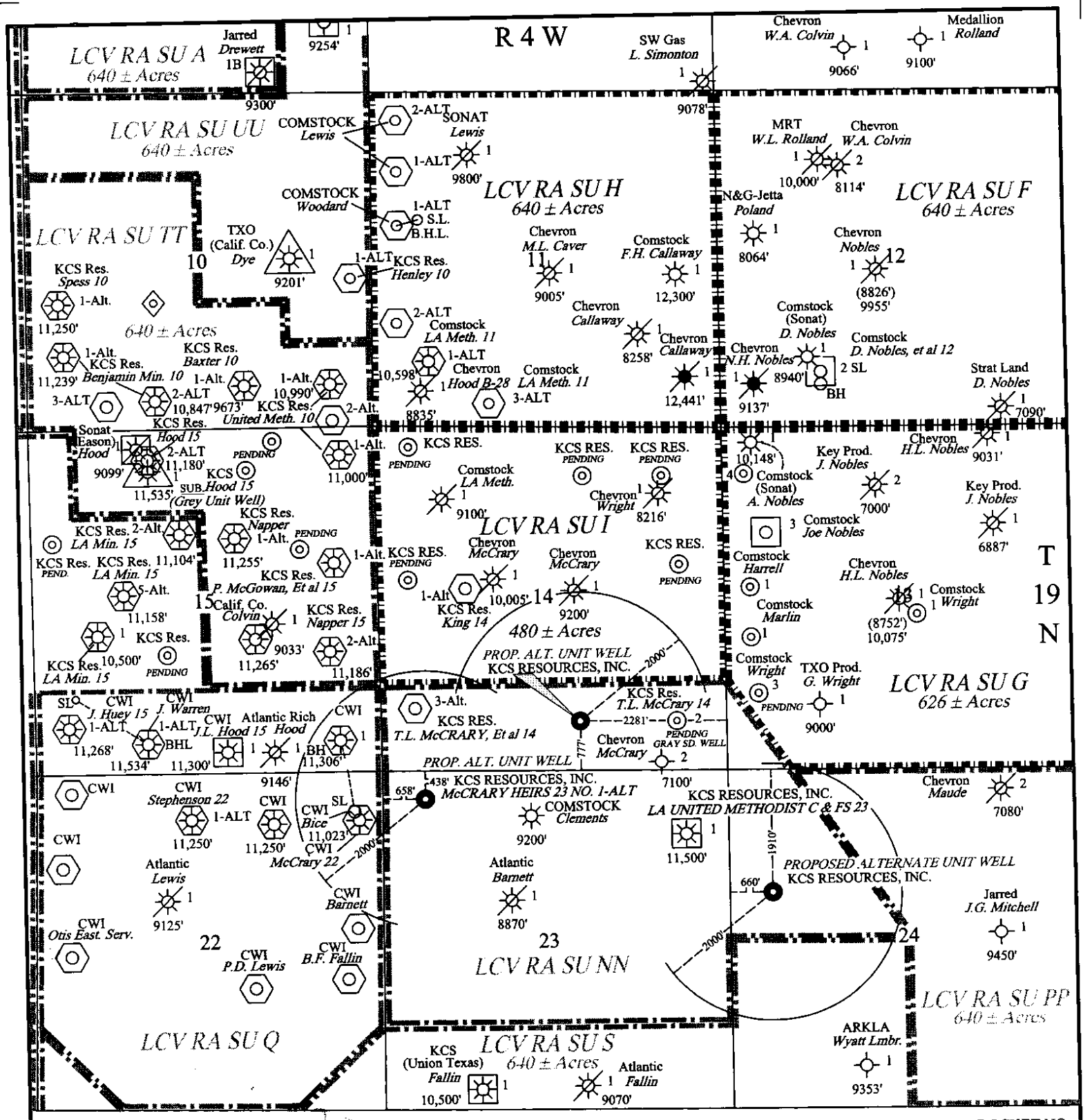

EXHIBIT No. 1

DOCKET NO.

KCS RESOURCES, INC.

Tulsa, Oklahoma

TERRYVILLE FIELD

Lincoln Parish, Louisiana

PROPOSED ALTERNATE UNIT WELLS AT EXCEPTIONAL LOCATIONS FOR LOWER COTTON VALLEY RESERVOIR A SAND UNIT NN

:EXIST. TERRYVILLE LOWER CV RESERVOIR A SAND UNITS

:HICO-KNOWLES LOWER CV RESERVOIR A SAND UNITS

:PROPOSED LCV RA ALTERNATE UNIT WELLS

:LOWER CV RESERVOIR A UNIT WELLS

:LOWER CV RESERVOIR A ALTERNATE UNIT WELLS

:PENDING

:LOWER CV RESERVOIR A SUBSTITUTE UNIT WELLS

0 2000' 4000'

GRAPHIC SCALE