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January 3, 2008

OF COUNSEL
WILLIAM G. CONLY

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Hosston Formation, Reservoir A, and Cotton Valley
Formation, Reservoir A, KINGSTON FIELD, DeSoto
Parish, Louisiana.

Dear Sir:

EL PASO E&P COMPANY, L.P. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Hosston Formation, Reservoir A, and to the Cotton Valley Formation, Reservoir A, in the Kingston Field, DeSoto Parish, Louisiana:

1. To authorize Applicant to drill, designate and utilize an alternate unit well for HOSS RA SUA and for CV RA SUA, and an alternate unit well for HOSS RA SUAA and for CV RA SUZ, at the locations shown on the attached plats.
2. To approve an exception to the spacing provisions of Office of Conservation Order No. 376-B, effective May 2, 1978 (applicable to the Hosston Formation, Reservoir A), and of Office of Conservation Order No. 376-C, effective May 2, 1978 (applicable to the Cotton Valley Formation, Reservoir A), for the location of either of the proposed wells which does not comply with these spacing provisions.
3. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, underlying these units which cannot be efficiently and economically drained by any existing well on the units.
4. To permit the Operator of these units to produce the unit allowables from either the unit well, from the alternate unit well, or from a combination of such wells, at the option of the Operator.
5. To authorize the downhole combination of production from the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, in the wellbore of any well drilled on HOSS RA SUA and CV RA SUA, or on HOSS RA SUAA and CV RA SUZ, in which the ownership interests in these units are identical.
6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

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The Hosston Formation, Reservoir A, in the Kingston Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 376-B, effective May 2, 1978. The Cotton Valley Formation, Reservoir A, in the Kingston Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 376-C, effective May 2, 1978.

Any pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 North Causeway Boulevard, Suite 204, New Orleans, Louisiana 70002-7216. Any person wishing to inspect any such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

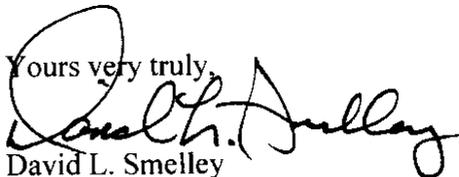
As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter and of the two (2) attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Kingston Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

A check payable to the Office of Conservation and covering the application fee is enclosed.

Yours very truly,



David L. Smelley

Attorney for El Paso E&P Company, L.P.

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DLS:dp

Enclosures

cc: Mr. Jim Broussard (w/encls.)
Ms. Nancy Fractor (w/encls.)
Mr. Louis Gilbert (w/encls.)
Mr. Jesse Anderson (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plats only)

