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January 4, 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; WEST SIMSBORO FIELD,
Lincoln Parish, Louisiana.

Dear Sir:

INDIGO MINERALS LLC ("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 West Simsboro Field, Lincoln Parish, Louisiana:

1. To permit Applicant to drill, designate and utilize a substitute unit well for CV RA SUB and an alternate unit well for HOSS RA SUD, at the location shown on the attached plats.
2. To find that the proposed well is necessary to efficiently and economically drain a portion of the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, underlying the units on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on these units.
3. To permit Applicant to combine downhole production from the Hosston Formation, Reservoir A, with production from the Cotton Valley Formation, Reservoir A, in any well drilled on HOSS RA SUD and CV RA SUB in which the ownership interests in these units are identical.
4. To permit the operator of HOSS RA SUD to produce the allowable assigned to this unit from either the unit well, the alternate unit well, or from a combination of such wells, at the option of the operator.
5. To discuss such other matters as may be pertinent to this application.

The Hosston Formation, Reservoir A, in the West Simsboro Field, Lincoln Parish, Louisiana, was initially defined in Office of Conservation Order No. 327-B-2, effective August 1, 1980, and was redefined in Order No. 327-B-6, effective March 4, 1986.

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January 4, 2008
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The Cotton Valley Formation, Reservoir A, in the West Simsboro Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 327-D, effective August 1, 1980.

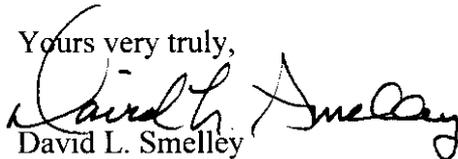
Any pertinent data concerning this application will be available for inspection at the offices of Mr. Craig Barclay, 522 Dumbarton, Shreveport, Louisiana 71106. Any person wishing to inspect any such data should call Mr. Barclay at (318) 869-2223 during normal business hours in order to arrange a date 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 each of the 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 West Simsboro 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.

Finally, we enclose a check payable to the Commissioner of Conservation for the application fee.

Yours very truly,

David L. Smelley

-- Attorney for Indigo Minerals LLC

DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Mason Lemmond (w/encls.)
Mr. Craig Barclay (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plats only)

T 18 N - R 4 W

HOSS RA SU E
640 ± ACRES
327-B-2
10

HOSS RA SU D
640 ± ACRES
327-B-2
11

HOSS RA SU C
640 ± ACRES
327-B-2
12

FRANKS
GAAR EST.
8104'

PLYMOUTH
YOUNGER, ET AL
10,206'

INDIGO
(MOBLEY)
EVANS
327-B-3
10,574'

INDIGO MINERALS LLC
WASHBURN 11

INDIGO
(MOBLEY)
SUMLIN
11,015'

INDIGO
(MOBLEY)
GIVENS-MILES
10,615'

INDIGO
(PITCO)
LUDLEY
9450'

INDIGO
(PITCO)
LUDLEY
327-B-20
9565'

INDIGO
(MOBLEY)
MILES
13,380'

327-B-15
9438'
NATL. G.&O.
NAPPER
10,187'

327-B-16
9350'
KCS RES.
NAPPER
11,015' ALT UNIT
327-B-22

2000' RADIUS
CYPRESS
(MOBLEY)
LIVINGSTON
11,085' 1982

TRAHAN
YOUNGER EST.
7957'

15
HOSS RA SU H
576 ± ACRES
327-B-2

WILLOW SPRS.
GAFFORD

TENSAS DELTA
DUNN
9400'

HOSS RA SU I
640 ± ACRES
327-B-2
13

INDIGO
(ENERGY DEV.)
SUMLIN
327-B-14
8300'

9438'
327-B-18
10,638'
TRAHAN
NAPPER
8501'

327-B-22
9789'
ORIG UNIT -
SUB UNIT
SUPPL 1993
TENSAS DELTA
COLE
9350'

HOSS RA SU A
672 ± ACRES
327-B-1
14

TENSAS DELTA
D BELL ETAL
SUPPL 2006
9442'

KEY
COOK
SUPPL 1984
L-1
11,000'

TENSAS DELTA
S L 13582
327-B-19
9500'

WHELESS
S.L. 8378
327-B-4
10,700'
SUPPL 2 1999
6596'

WILL-DRILL
FRANKLIN
327-B-10
9200'
WILL-DRILL
FRANKLIN
8500'
327-B-11

22
HOSS RA SU B
672 ± ACRES
327-B-1
ORIG UNIT 327-?

TEXAS INTL
PHILLIPS
SUPPL 1980

TRAHAN
PIRKLE
8036'

KEY PROD.
MAXWELL
SUPPL 1988
8400'

23
HOSS RA SU J
640 ± ACRES
327-B-4

TENSAS DELTA
REVES
327-B-13
8200'

TRAHAN
ST. LSE. FEE
8088'

WILL-DRILL
S L 13582
327-B-23
8600'

TENSAS DELTA
BUTLER
327-B-7
8600'

WHELESS
SIMS EST.
10,250' ALT 327-B-10

WHELESS
GARNER EST
327-B-8

HOSS RA SU K
640 ± ACRES
327-B-5

INDIGO MINERALS LLC
HOUSTON, TEXAS

WEST SIMSBORO FIELD
LINCOLN PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL FOR HOSS RA SU D



:PROPOSED HOSS RA SU D ALTERNATE UNIT WELL

--- :EXISTING HOSS RA UNITS



:HOSS RA UNIT WELL



:HOSS RA SUBSTITUTE UNIT WELL



:HOSS RA ALTERNATE UNIT WELL

GEOLOGIST: CRAIG C. BARCLAY



ONLY WELLS >6000' TD SHOWN

T 18 N - R 4 W

CV RA SU C
640 ± ACRES
327-D

CV RA SU B
640 ± ACRES
327-D

CV RA SU A
640 ± ACRES
327-D

FRANKS
GAAR EST.



8104'

10

11

12

PLYMOUTH
YOUNGER, ET AL



10,206'

TRAHAN
HOWARD



8058'

INDIGO/
(MOBLEY)
EVANS



10,574'

INDIGO MINERALS LLC
WASHBURN 11



1650'

INDIGO
(MOBLEY)
SUMLIN



11,015'

INDIGO
(MOBLEY)
GIVENS-MILES



10,615'

INDIGO
(PITCO)
LUDLEY



9450'

INDIGO
(PITCO)
LUDLEY



9565'

INDIGO
(MOBLEY)
MILES



13,380'

NATL. G.&O.
NAPPER



10,187'

15

CV RA SU F
576 ± ACRES
327-D

INDIGO
(ENERGY DEV.)
SUMLIN



8300'

INDIGO
(PITCO)
NAPPER



9438'

INDIGO
(PITCO)
NAPPER



10,638'

TRAHAN
NAPPER



8501'

327-D-6 KCS RES.
NAPPER



9350'

SUPPL

11,015' 1999

CYPRESS
(MOBLEY)
LIVINGSTON



11,085'

WILLOW SPRS.
GAFFORD



9789'

TENSAS DELTA
COLE



9350'

TENSAS DELTA
DUNN



9400'

TRAHAN,
YOUNGER EST.



7957'

13

CV RA SU H
640 ± ACRES
327-D

TENSAS DELTA
D BELL ETAL



9442'

327-D-1 KEY
COOK



11,000'

HUMBLE
MATTHEWS



10,541'

TRAHAN
PIRKLE



8036'

KCS RES.
WILLAMETTE



11,000'

22

CV RA SU I
672 ± ACRES
327-D-1

TEXAS INTL
PHILLIPS



8400'

KEY PROD.
MAXWELL



8400'

TENSAS DELTA
S L 13582



9500'

TRAHAN
ST. LSE. FEE



8088'

WHELESS
S.L. 8378



10,700'

WILL-DRILL
S.L. 13582



9850'

SUPPL 1991



6596'

23

CV RA SU J
640 ± ACRES
327-D-2

TENSAS DELTA
REEVES



8200'

WILL-DRILL
S L 13582



8600'

TENSAS DELTA
BUTLER



8600'

WILL-DRILL
FRANKLIN



9200'

8500'

WHELESS
SIMS EST.



10,250'

24

WHELESS
GARNER EST



8200'

CV RA SU K
640 ± ACRES
327-D-3

INDIGO MINERALS LLC
HOUSTON, TEXAS

WEST SIMSBORO FIELD
LINCOLN PARISH, LOUISIANA

PROPOSED SUBSTITUTE UNIT WELL FOR CV RA SU B



:PROPOSED CV RA SU B SUBSTITUTE UNIT WELL

--- :EXISTING CV RA UNITS



:CV RA UNIT WELL



:CV RA SUBSTITUTE UNIT WELL



:CV RA ALTERNATE UNIT WELL

GEOLOGIST: CRAIG C. BARCLAY



ONLY WELLS >6000' TD SHOWN

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