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January 22, 2008

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When calling relative to this matter
refer to No. 1616.

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

RE: **Upper Hosston Formation, Reservoir A
Belle Bower Field
Hosston Formation, Reservoir A
Cotton Valley Formation, Reservoir A
Bethany-Longstreet Field
DeSoto Parish, Louisiana**

APPLICATION FOR PUBLIC HEARING

Dear Sir:

Ark-La-Tex Energy, LLC 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 Upper Hosston Formation, Reservoir A, in the Belle Bower Field and the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana:

1. To dissolve four drilling and production units established for the Upper Hosston Formation, Reservoir A, in the Belle Bower Field, DeSoto Parish, Louisiana, pursuant to Office of Conservation Order No. 312-C-4, effective May 1, 1980, being the units designated U HOSS RA SUMM, U HOSS RA SUNN, U HOSS RA SUOO, and U HOSS RA SUPP, as shown outlined on the plat attached hereto as Exhibit No. 1;
2. To establish two additional drilling and production units for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir A, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana, to be designated HOSS RA SU92 and HOSS RA SU93, as shown outlined on the plat attached hereto as Exhibit No. 2;
3. To establish two additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana, to be designated CV RA SU97 and CV RA SU98, as shown outlined on the plat attached hereto as Exhibit No. 3;

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4. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests located within the proposed units for the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
5. To authorize the down hole or well bore combination of hydrocarbons produced from the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, in the Bethany Longstreet Field, insofar as the above described units for these respective zones are concerned, provided the ownership within said units and zones are the same;
6. To designate Ark-La-Tex Energy, LLC as operator of HOSS RA SU92 and CV RA SU97 and to designate the Ark-La-Tex Energy, LLC - Burford 36 No. 1 Well as the unit well for said units at the exceptional location shown on the attached plat;
7. To extend the field rules for the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, in the Bethany-Longstreet Field, to the proposed units, except to the extent inconsistent herewith;
8. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Upper Hosston Formation, Reservoir A, in the Belle Bower Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 312-C, effective December 16, 1977.

The Hosston Formation, Reservoir A, in the Bethany-Longstreet Field, Caddo and DeSoto Parishes, Louisiana, was defined in Office of Conservation Order No. 289, effective October 1, 1954, and was further defined in Order No. 289-A-g-2, effective April 14, 1977.

The Cotton Valley Formation, Reservoir A, in the Bethany-Longstreet Field, Caddo and DeSoto Parishes, Louisiana, was defined in Office of Conservation Order No. 289-J, effective March 1, 1974, and was further defined in Order No. 289-J-1, effective April 14, 1997.

Any pertinent data relating to this matter can be obtained, at the cost of the requesting party, from Mr. Ken Wiley, P. O. Box 130245, The Woodlands, Texas 77381, telephone number (281) 362- 0580.

A pre-application notice dated January 9, 2008, was circulated in connection with this matter. There was no request for a conference.

The attached list 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

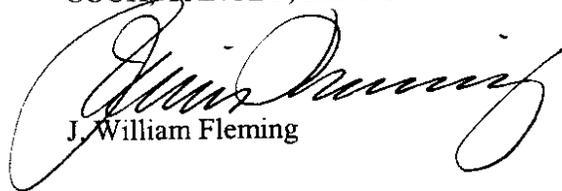
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Conservation; however, the list of parties will be provided to any person requesting a copy of it. Enclosed with the copy of this letter being sent to the Commissioner of Conservation is a check for the application fee.

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

Ark-La-Tex Energy, LLC

Belle Bower Field DeSoto Parish, La.

- ■ ■ Belle Bower
- ■ ■ U HOSS RA Units
- ■ ■ To Be Dissolved

January 2008
Hosston and Cotton Valley Penetrations Only

1" = 2000'

T13N R16W

T13N R15W

U HOSS
RA SU 00

U HOSS
RA SU PP

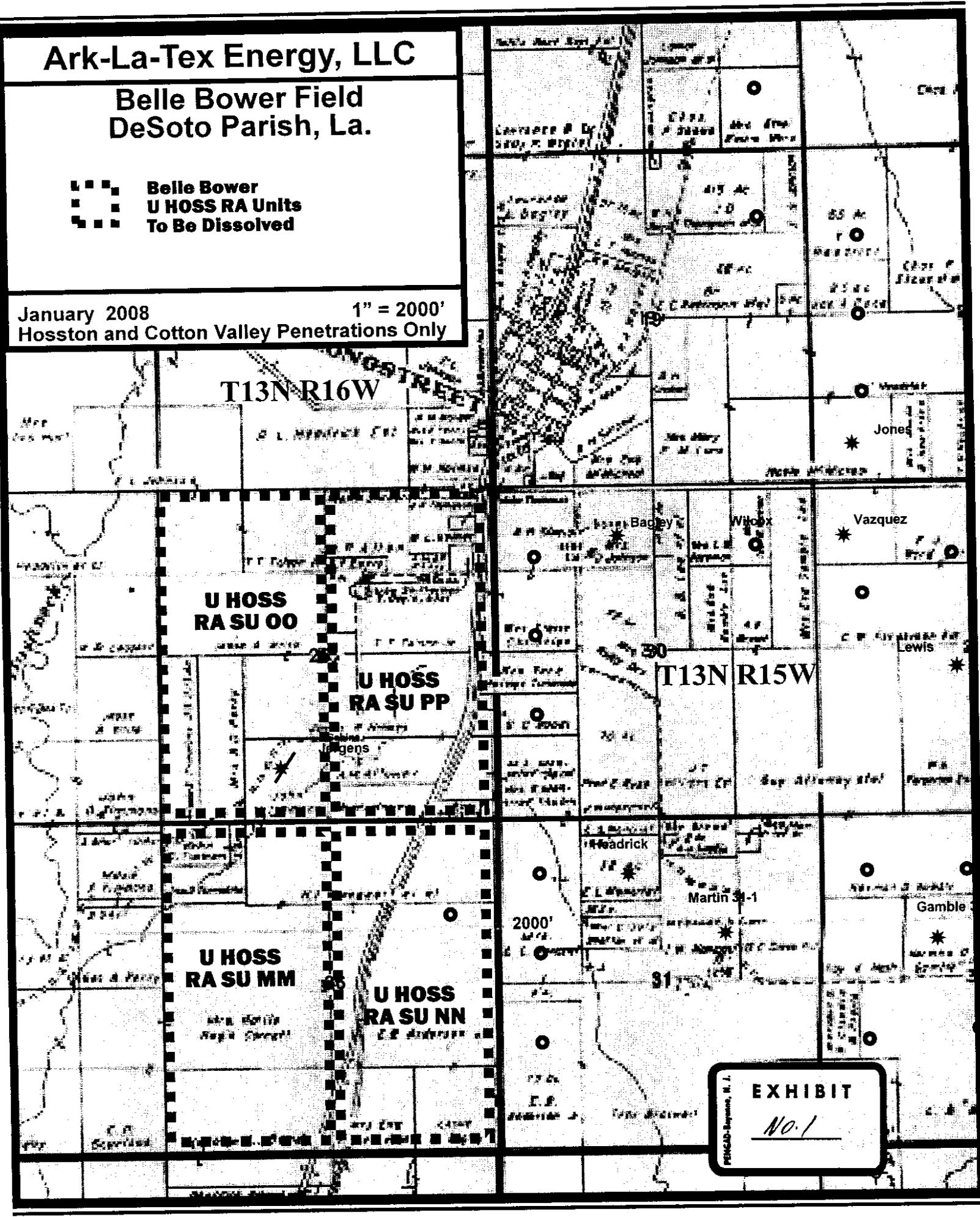
U HOSS
RA SU MM

U HOSS
RA SU NN

EXHIBIT

No. 1

PHILAD-DeSoto, N. 1.



Ark-La-Tex Energy, LLC

Bethany Longstreet Field DeSoto Parish, La.



Existing
HOSS RA SU



Proposed
HOSS RA SU

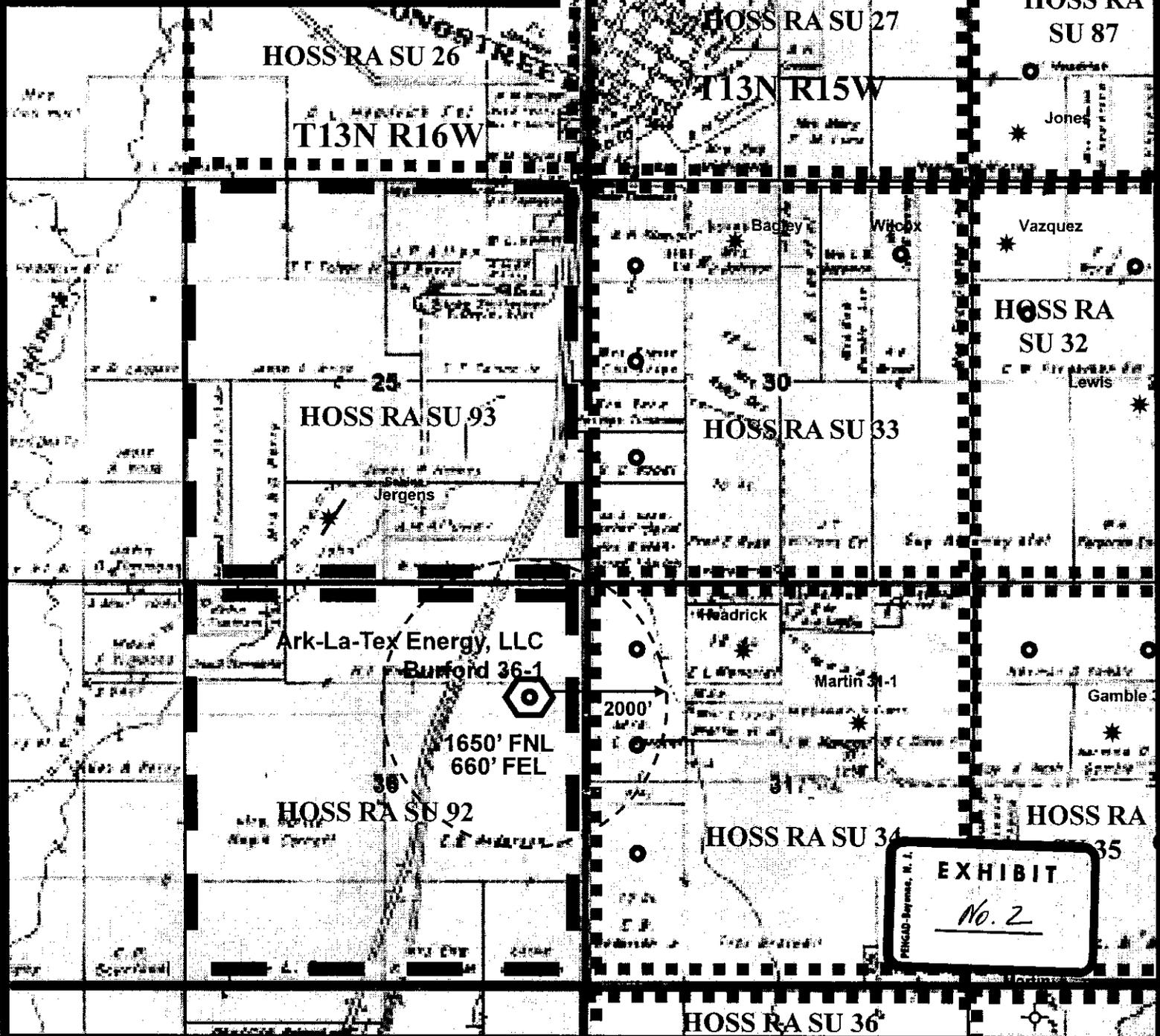


Proposed
HOSS RA Unit Well
At Exception to Location

January 2008

1" = 2000'

Hosston and Cotton Valley Penetrations Only



Ark-La-Tex Energy, LLC

Bethany Longstreet Field DeSoto Parish, La.

-  Proposed CV RA SU
-  Existing CV RA SU
-  Existing CV RA Alt. Unit Well
-  Proposed CV RA Unit Well At Exception to Location
-  Existing CV RA Unit Well
-  Pending CV RA Alt. Unit Well

January 2008 1" = 2000'
Hosston and Cotton Valley Penetrations Only

T13N R16W

CV RA SU 87

CV RA SU 86

T13N R15W

CV RA SU 98

CV RA SU 55

CV RA SU ZZ

Ark-La-Tex Energy, LLC
Burford 36-1

1650' FNL
660' FEL

CV RA SU 97

CV RA SU 56

CV RA SU 53

EXHIBIT
No. 3

PERCIB-Seymour, N. J.