

January 28, 2008

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

RE: E-1 Sand, Reservoir A, SUR  
E-1 Sand, Reservoir A, SUB - Alternate Unit Well  
**SOUTH PASS BLOCK 24 FIELD**  
Plaquemines Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of Hilcorp Energy Company to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the E-1 Sand, Reservoir A, SUR and the E-1 Sand, Reservoir A, SUB in the South Pass Block 24 Field, Plaquemines Parish, Louisiana.

**FOR E-1 SAND, RESERVOIR A, SUR**

1. To create an additional drilling and production unit (SUR) for the E-1 Sand, Reservoir A and to force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created.
2. To provide that the E-1 Sand, Reservoir A, SUR, should be exempt from the spacing provisions of Statewide Order No. 29-E.
3. To provide that the Commissioner may reclassify the reservoir by Supplemental Order without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished the Commissioner.
4. To discuss any other matters that may be pertinent to this application.

The E-1 Sand, in the South Pass Block 24 Field, was fully defined in Office of Conservation Order No. 227-C, effective December 1, 1961 and is hereby further defined as being that oil and gas bearing sand encountered between the depths of 7750' and 7828' electric log measured depths (7370' to 7421' true vertical depths) in the Hilcorp Energy Company - Tambour Corp. No. 43 Well, located in Section 34, Township 22 South, Range 31 East, Plaquemines Parish, Louisiana.

**FOR THE E-1 SAND, RESERVOIR A, SUB - Alternate Unit Well**

1. To designate the Hilcorp Energy Company - Buras Levee District D No. 2 (ST) Well as an alternate unit well for the E-1 RA SUB in exception to Order No. 227-C, effective December 1, 1961 which states that not more than one well on each unit shall be allowed to produce from the E-1 Sand, Reservoir A.

2. Except as may be in conflict with the provisions hereof, the provisions of the Office of Conservation Order No. 227-C, effective December 1, 1961, shall remain in full force and effect.

3. To provide that the operator of the E-1 RA SUB, can produce the unit allowable from the unit well, the alternate unit well or any combination thereof.

4. To consider such other matters as may be pertinent to this application.

The E-1 Sand, Reservoir A, in the South Pass Block 24 Field, Plaquemines Parish, Louisiana, was fully defined in Office of Conservation Order No. 227-C, effective December 1, 1961.

In addition to furnishing the legal notice to all Interested Parties, the applicant will provide for POSTING of the legal notice of the hearing and unit plats in a prominent place in the area of the South Pass Block 24 Field, Plaquemines Parish, Louisiana, and will cause the legal notice of the hearing to be PUBLISHED in a newspaper of general circulation published in the vicinity of the South Pass Block 24 Field, Plaquemines Parish, Louisiana, at least fifteen (15) days before the hearing date.

Any pertinent data relating to the subject application can be obtained, **AT THE COST OF THE REQUESTING PARTY**, from Mr. Bill McAlister at Leon E. Comeaux & Associates, P. O. Box 53922, Lafayette, Louisiana 70505 (337-233-9839).

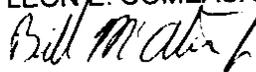
In compliance with the Rules of Procedure, a preapplication notice was given, but no request for a conference was received, and therefore, none was held.

There are attached hereto and made a part hereof plats outlining the proposed units and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties and proposed unit plats (being the same plats attached to the January 16, 2008 preapplication notice) are being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, said plats and the list of parties will be provided to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, there is enclosed our check on behalf of the applicant, Hilcorp Energy Company, in the sum of \$1510.00 payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,

LEON E. COMEAUX & ASSOCIATES



Bill McAlister, Jr.

BMJr/cu

Enclosures

cc: Mr. Richard Hudson  
Office of Conservation  
825 Kaliste Saloom Rd.,  
Brandywine III, Ste. 220  
Lafayette, LA 70506-4284

Interested Parties, Interested  
Owners and Represented Parties

R 31

E

27

26

Diamond Oper.



Southdown, Inc.



Southdown, Inc.



Tambour Corp.



Arlitt

T  
22  
S

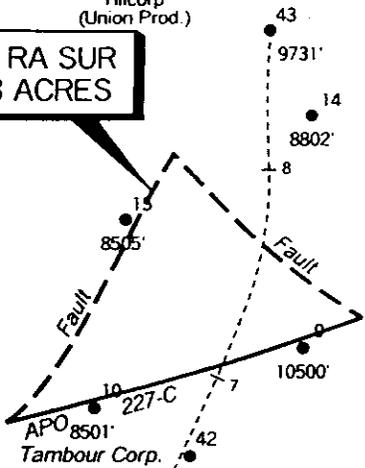
Hilcorp (Gulf)



Buras Levee District "D"

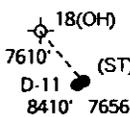
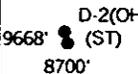
E-1 RA SUR  
±23 ACRES

Hilcorp (Union Prod.)

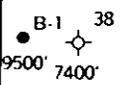


35

Hilcorp (Union Prod.)



Bateman



Hilcorp (Gulf)



Bateman



Tambour Corp.

Buras Levee District "D"

Arlitt, et al

Delesdernier



Hilcorp State-Harvey "C"



T  
23  
S

Hilcorp (Hunt)



10432' MD  
9614' VD

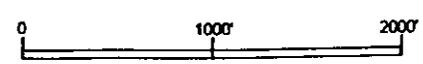
J. G. Timolat

EXHIBIT NO. DOCKET NO.

HILCORP ENERGY COMPANY

SOUTH PASS BLOCK 24 FIELD  
PLAQUEMINES PARISH, LOUISIANA

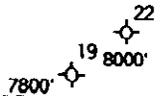
PROPOSED UNIT  
E-1 SAND  
Geology by: William S. McAlister, Jr.



DATE:

LEON E. COMEAUX & ASSOC. GEOLOGISTS

20  
8050'



R 31

E

27

26

Diamond Oper.



Southdown, Inc.



9540'

Southdown, Inc.



9616'



10713'

Tambour Corp.

Arlitt

Hilcorp (Gulf)

Hilcorp (Union Prod.)



8424'



9500'

T  
22  
S

E-1 RA SUB  
46.8 ACRES



9400'



9731'



8802'



8505'



10500'

Buras Levee District "D"

Tambour Corp.



11165'

35

Hilcorp (Union Prod.)

Former Unit Well

34

D-2(OH) (ST)



8700'

D-3

D-15

D-1



8500'

Proposed Alternate Unit Well



9000'

Former Unit Well



7610'

D-11 (ST)



8410'

Present Unit Well

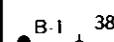


9420'

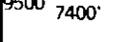
Bateman



8500'



9500'



7400'



8505'



8700'



8315'



8567'



7600'



8900'



8567'



8900'

Hilcorp (Gulf)

Buras Levee District "D"

Bateman



8000'



8500'

Tambour Corp.

Arlitt, et al

Delesdernier



9000'



8975'



9000'



9000'

Hilcorp State-Harvey "C"



9000'



9000'



9000'

10432' MD  
9614' VD



7960'



9000'



8700'

J. G. Timolat

2

T  
23

S  
4

J. E. Duff, et al "D"

3

Hilcorp (Hunt)



8880'



9000'



9000'



8050'



7800'



8000'



7805'



8985'

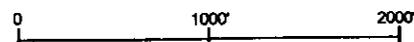
EXHIBIT NO. DOCKET NO.

HILCORP ENERGY COMPANY

SOUTH PASS BLOCK 24 FIELD  
PLAQUEMINES PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL  
E-1 SAND

Geology by: William S. McAlister, Jr.



DATE:

LEON E. COMEAUX & ASSOC. GEOLOGISTS