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March 24, 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, BETHANY-LONGSTREET
FIELD, DeSoto Parish, Louisiana.

Dear Sir:

CORONADO ENERGY E&P COMPANY, L.L.C. ("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 Bethany-Longstreet Field, DeSoto Parish, Louisiana:

1. To authorize Applicant to drill, designate and utilize six (6) additional alternate unit wells for HOSS RA SUA, four (4) additional alternate unit wells for HOSS RA SU2, two (2) additional alternate unit wells for HOSS RA SU4, three (3) additional alternate unit wells for HOSS RA SU6 and one (1) additional alternate unit well for HOSS RA SU46, at the locations shown on an attached plat.
2. To authorize Applicant to drill, designate and utilize four (4) additional alternate unit wells for CV RA SU75, a unit well and one (1) alternate unit well for CV RA SU76 and a unit well and three (3) alternate unit wells for CV RA SU96, at the locations shown on an attached plat.
3. To approve exceptions to the spacing provisions of Office of Conservation Order No. 289-A-g-3, effective October 7, 1977, and Office of Conservation Order No. 289-A-g-5, effective November 1, 1978 (applicable to the Hosston Formation, Reservoir A), and of Office of Conservation Order No. 289-J, effective March 1, 1974 (applicable to the Cotton Valley Formation, Reservoir A), for the location of any of the proposed unit or alternate unit wells, as shown on the attached plats, which does not comply with the spacing provisions of these Orders.
4. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the hydrocarbons underlying the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.
5. To permit the operator of the units on which these alternate unit wells are proposed to be drilled to produce the allowables assigned to these units from either the unit well, from any alternate unit well, or from a combination of such wells, at the option of the operator.
6. To permit the operator to combine downhole production from the Hosston Formation, Reservoir A, with production from the Cotton Valley Formation, Reservoir A, in any well located on HOSS RA SU4 and CV RA SU76 in which the ownership interests in these units are identical.

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7. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

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

The Cotton Valley Formation, Reservoir A, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana, was initially defined in Office of Conservation Order No. 289-J, effective March 1, 1974, and was further defined in Office of Conservation Order No. 289-J-1, effective April 14, 1977.

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, Metairie, 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 pertinent data which is not otherwise available from the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

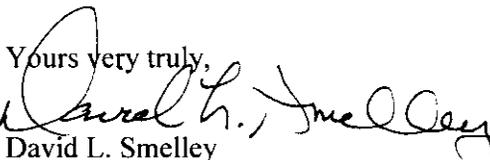
As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

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 each of 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 of 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 Bethany-Longstreet 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, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,



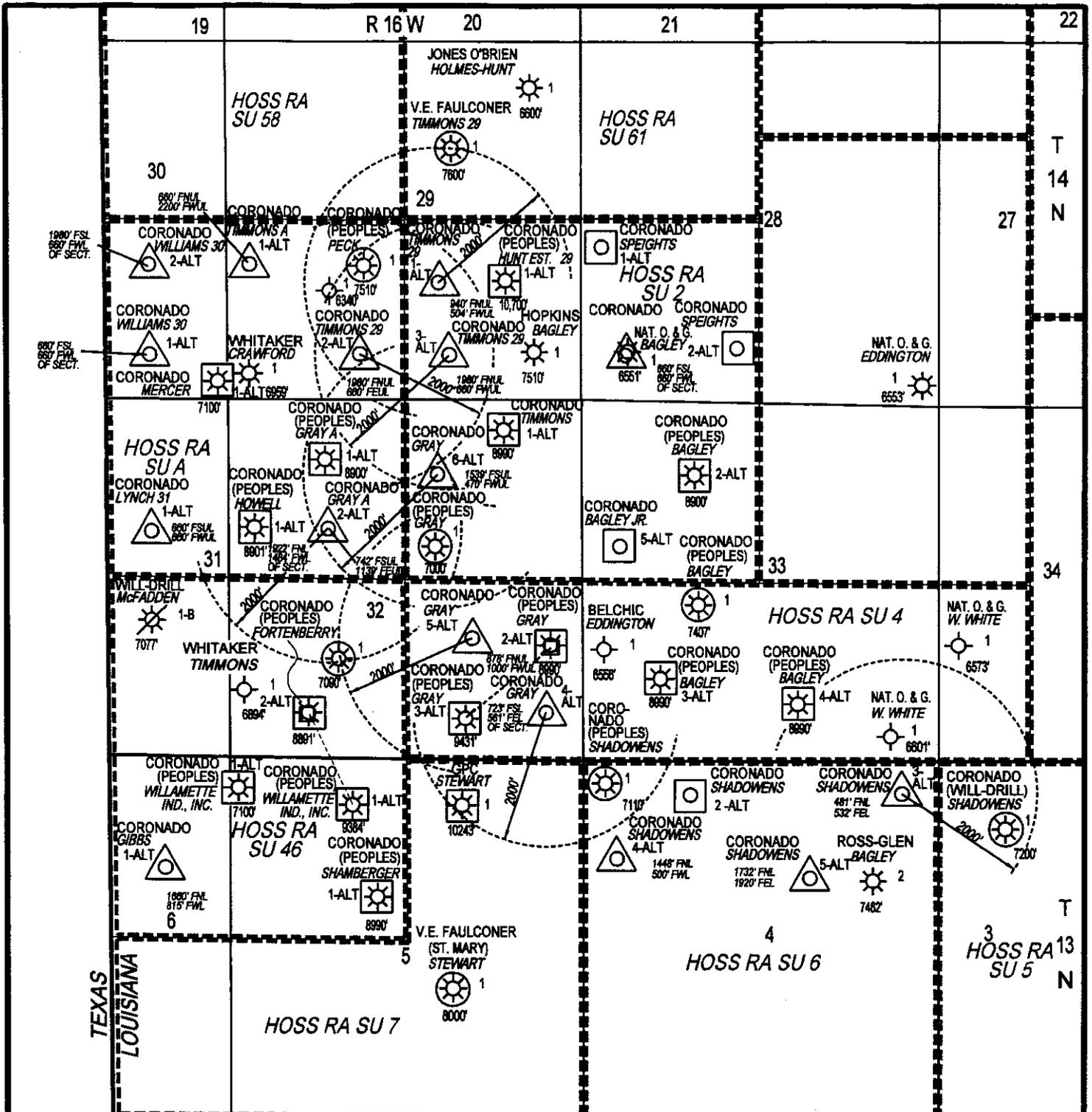
David L. Smelley

Attorney for Coronado Energy E&P Company, L.L.C.

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/copy of plats only)



TEXAS
LOUISIANA

EXHIBIT NO. _____ DOCKET NOS. 08-

LEGEND

- HOSSTON RA UNITS AS PER 289-A-g SERIES
- UNIT WELL
- ALTERNATE UNIT WELL
- PROPOSED ALTERNATE UNIT WELL
- WELLS 6000' OR SHALLOWER REMOVED FROM BASE

CORONADO ENERGY E & P COMPANY, L.L.C.

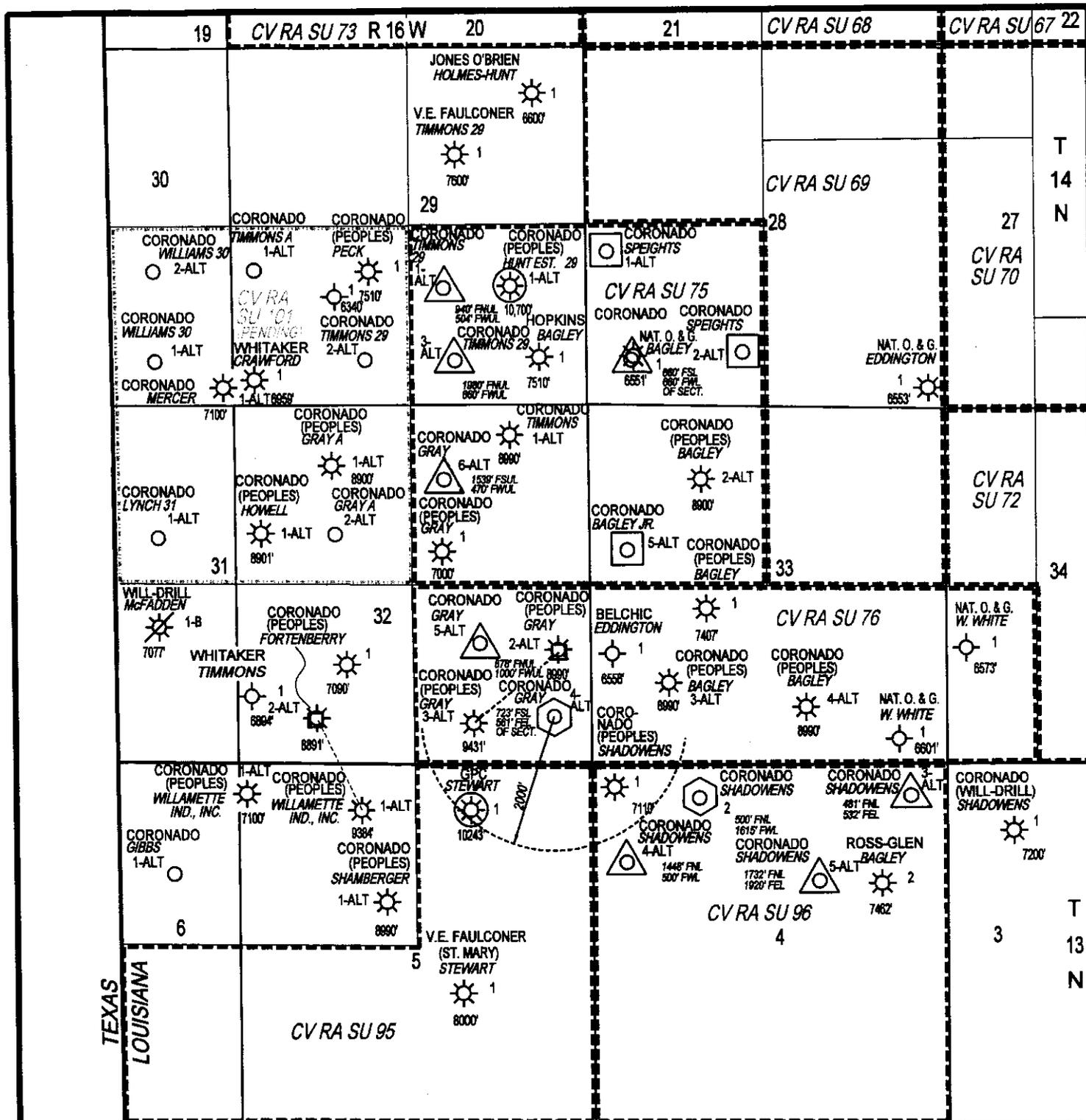
BETHANY-LONGSTREET FIELD
DESOTO PARISH, LOUISIANA

PROPOSED UNIT WELL & ALTERNATE UNIT WELL PLAT
**HOSS RA SU A, SU 2, SU 4,
SU 6 AND SU 46**



DATE: _____ REL SCORONADO-08.DGN

LOUIS GILBERT & ASSOCIATES, INC.



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EXHIBIT NO. _____ DOCKET NOS. 08-

CORONADO ENERGY E & P COMPANY, L.L.C.

BETHANY-LONGSTREET FIELD
DESOTO PARISH, LOUISIANA

PROPOSED UNIT WELL & ALTERNATE UNIT WELL PLAT
CV RA SU 75, SU 76 AND SU 96



DATE: _____ BEI CORONADO-08.DGN

LOUIS GILBERT & ASSOCIATES, INC.

LEGEND

- COTTON VALLEY RA UNITS AS PER 289-J SERIES
- UNIT WELL
- ALTERNATE UNIT WELL
- ⬡ PROPOSED UNIT WELL
- △ PROPOSED ALTERNATE UNIT WELL

WELLS 6000' OR SHALLOWER REMOVED FROM BASE