

DORROH & KENDRICK

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April 18, 2008

Hon. James Welsh
Commissioner of Conservation
P.O. Box 94275
Baton Rouge, LA 70804-9275

Re: Olla Field, LaSalle Parish, Louisiana
ANN C RA SUD
Justiss Oil Company Inc. - LA Central IPNH #7;
Justiss Oil Company Inc. - LA Central IPNH #8

APPLICATION FOR PUBLIC HEARING

Dear Commissioner Welsh:

Application is hereby made on behalf of Justiss Oil Company, Inc., P.O. Box 2990, Jena, Louisiana 71342, for a public hearing to consider evidence relative to the issuance of an order pertaining to the following matters:

- 1) To approve the production of the Justiss Oil Company - LA Central IPNH #7 well and the drilling and production of the Justiss Oil Company - LA Central IPNH #8, and to designate both as alternate unit wells for the ANN C RA SUD as defined and described by Order No. 1235-C.
- 2) To recognize that the allowable associated with these horizontal wells will be based on the maximum efficient rate (MER) of the wells pursuant to the language of Order No. 1235-C.
- 3) To determine that the proposed alternate unit wells will effectively and efficiently drain portions of the reservoir which would not otherwise be drained by the existing unit well.
- 4) To consider any and all other matters which the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

Order 1235-C was promulgated by the Office of Conservation on November 28, 2007, effective October 23, 2007 establishing rules and regulations and creating drilling and producing units for the

Olla Field of LaSalle Parish, Louisiana for the Annona Chalk, Reservoir A. The order provides for the following spacing provisions: (a) that the penetration point and terminus of any lateral of any such horizontal well should be located no closer than 330 feet to any unit boundary; (b) that the distance from any point along the productive portion of any lateral and those unit boundaries which run generally parallel to the direction in which the laterals are drilled should not be less than 500 feet; and, (c) that there be no well spacing limitations between wells other than that accomplished by application of the aforesaid provisions.

The Annona Chalk, Reservoir A, in the Olla Field, LaSalle Parish, Louisiana, was defined in Order 1235-C as that oil and gas or gas and condensate bearing interval encountered between the depths of 4,464 feet and 4,594 feet (electric log measurements) in the Justiss Oil Company, Inc.- LA Central IPNH No. 3 Well located in Section 1, Township 9 North, Range 2 East, LaSalle Parish, Louisiana.

The applicant attaches hereto a plat showing the locations for which this special permit is sought. The locations for these proposed horizontal wells are legal locations pursuant to the provisions of Order 1235-C referenced above.

Inasmuch as the matters covered by this application do not require a pre-application notice, no such notice has been given and it is requested that the hearing be held after the necessary ten day delay following legal advertisement.

In accordance with the Rules of Procedure, the applicant has made a diligent effort to obtain the names and addresses of all interested owners and represented parties to whom notice of this application should be sent and a list of such names is attached hereto.

The applicant will also cause a copy of the legal notice to be published in a newspaper of general circulation in LaSalle Parish, Louisiana and shall post a copy of the notice in a prominent place in the LaSalle Parish Courthouse.

A copy of this letter, the attached plat and list of interested owners and represented parties is being sent to the District Manager of the Monroe District Office.

Also enclosed is a check in the amount of \$755.00 in payment of the required filing fees.

Yours Very Truly,

DORROH & KENDRICK, a PLC



By: STEVEN P. KENDRICK

Enclosures (plat and list of interested parties)

xc: Office of Conservation
Monroe District Office
P.O. Drawer 1651
Monroe, LA 71201

xc: Interested Owners and Represented Parties

DOCKET NO. _____ EXHIBIT NO. 1

JUSTISS OIL COMPANY, INC.
JENA, LOUISIANA

**Olla Field
LaSalle Parish, Louisiana
Unit Plat**

- EXISTING ANN C RA UNIT WELL
- ANN C RA ALTERNATE UNIT WELL
- PROPOSED ALTERNATE UNIT WELLS FOR ANN C RA SUD

Leanne Mulvihill Drilling Service

(318) 992-8220 FAX (318) 992-8627
Trout, Louisiana

APPROVED BY: **WJR** JOB NO. **115.010a**

DATE: **04/07/2008** SCALE: **1" = 2000'**

