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May 16, 2008

Hon. James H. Welsh
Commissioner of Conservation
617 N. Third Street, 9th Floor
Baton Rouge, Louisiana 70802

Re: MA-7 Zone, Reservoir E,
Bayou Carlin Field, St. Mary
Parish, Louisiana

Dear Mr. Commissioner:

Application is hereby made on behalf of Penn Virginia Oil & Gas, L.P. to the Commissioner of Conservation for the calling of a public hearing, after legal notice, pertaining to the following matters relative to the MA-7 Zone, Reservoir E, Bayou Carlin Field, St. Mary Parish, Louisiana:

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the MA-7 Zone, Reservoir E, Bayou Carlin Field, St. Mary Parish, Louisiana;
2. To create a single drilling and production unit for the exploration for and production of oil and gas from the MA-7 Zone, Reservoir E, said unit being designated MA-7 RE SUA, as shown on the plat attached hereto;
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created on a surface acreage basis of participation;
4. To allow the Commissioner of Conservation to reclassify the reservoir by supplemental order, without the necessity of a public hearing, should the producing characteristics of the reservoir change and evidence to justify reclassification is submitted to and accepted by the Commissioner of Conservation;
5. To consider such other matters as may be pertinent to the MA-7 RE SUA.

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The MA-7 Zone, Reservoir E, in the Bayou Carlin Field, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 17,873 feet and 19,999 feet (electric log measurements) in the McMoran Oil & Gas, LLC - Peterson No. 1 Well (SN 233009), located in Section 18, Township 15 South, Range 9 East, St. Mary Parish, Louisiana.

The pre-application conference was held as scheduled on May 14, 2008. In attendance were the parties shown on the attached attendance list. The conference was opened by the undersigned and turned over to Bill McAlister, consulting geologist for the applicant, who discussed the bases of the applicant's proposal and answered questions concerning same. Jim Hardwick presented a counterplan on behalf of the Landers interest which differed from the applicant's proposal in the placement of the southern boundary resulting in a unit of approximately 660 acres. Additionally, Mr. Hardwick styled his counterplan as RD SUB. After further questions and answers, the conference was adjourned. At this time, it is expected that there will be opposition at the hearing.

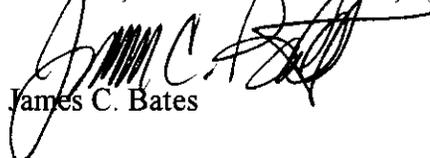
In addition to furnishing the legal notice to all Interested Owners, Represented Parties and Interested Parties, the applicant will provide for posting of the legal notice and unit plat in a prominent place in the area of Bayou Carlin Field. Additionally, the legal notice will be published in a newspaper of general circulation in the vicinity of Bayou Carlin Field at least fifteen (15) days before the hearing date.

All pertinent data relating to this proposed application may 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.

Enclosed to the Commissioner of Conservation and District Manager **ONLY** are a list of Interested Owners, Interested Parties and Represented Parties to whom a copy of this notice is being sent, and the plat showing the proposed unit (which is the same plat attached to the April 22, 2008 pre-application notice). Copies of this list and plat will be provided upon request. A reasonable effort has been made to ascertain the names and addresses of all Interested Owners, Interested Parties or Represented Parties. Also enclosed is our check payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

STRAIN, DENNIS & BATES, L.L.P.



James C. Bates

JCB/cmf
encls.

cc: Mr. Richard Hudson
District Manager

Interested Parties
Interested Owners
Represented Parties

WEST COTE BLANCHE BAY

T 15 S

R 8 E 12

R 9 E

NOTE: ALL BOUNDARIES ARE GEOGRAPHIC

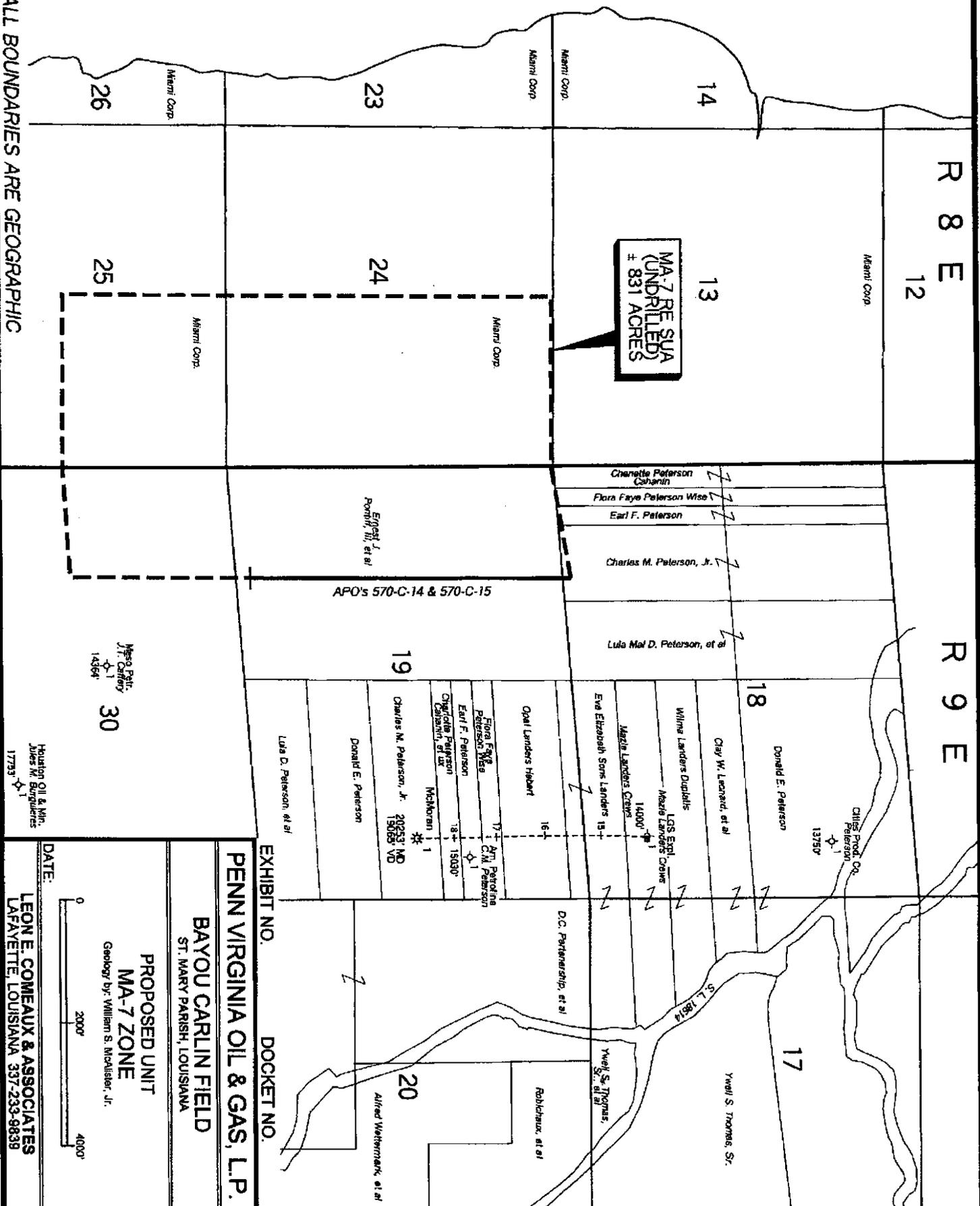


EXHIBIT NO. DOCKET NO.

PENN VIRGINIA OIL & GAS, L.P.
BAYOU CARLIN FIELD
 ST. MARY PARISH, LOUISIANA

PROPOSED UNIT
MA-7 ZONE
 Geolog by: William S. Modlister, Jr.



DATE:
LEON E. COMEAUX & ASSOCIATES
 LAFAYETTE, LOUISIANA 337-233-9839