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A TRADITION OF EXCELLENCE SINCE 1917
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September 2, 2009

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION
Substitute Unit Well at Exceptional Location
SMK B SUD
Live Oak Energy, Inc.- H.M. Longino et al No. 1 Well
East Haynesville Field
Claiborne Parish, Louisiana
Our File No. 566032.9

Dear Sir:

On behalf of LIVE OAK ENERGY, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Smackover B Zone, in the East Haynesville Field, Claiborne Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize the Live Oak Energy, Inc.- H.M. Longino et al No. 1 Well, as a substitute unit well for SMK B SUD, at the location shown on the plat attached hereto, in exception to the well spacing provisions of Order No. 105-C, effective August 29, 1949.

2. To explicitly find that the proposed substitute unit well is in the interest of conservation and is necessary to drain a portion of the Smackover B Zone, in the East Haynesville Field underlying SMK B SUD, which cannot be efficiently and economically drained by any existing well in such unit.

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

The Smackover B Zone, in the East Haynesville Field, was fully defined in Office of Conservation Order No. 105-C, effective August 29, 1949.

The Revised Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, 400 Texas Street, Suite 1400, Chase Tower, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Mr. Wm. Timothy Allen III (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained AT THE EXPENSE OF THE REQUESTING PARTY.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Revised Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Revised Rules of Procedure. Pursuant to the Revised Rules of Procedure, such 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 Conservation. However, the list of parties will be provided to any party requesting a copy of it.

A check in the amount of $755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

You may have received this Hearing Application even though your property is not included in the referenced unit, because the Revised Rules of Procedure require us to attempt to also notify everyone owning an interest in the area "proximate to" the referenced unit.

Your receipt of this Hearing Application does not require you to take any action. It is meant to notify you of these proceedings so that you have the opportunity to participate if you so desire.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

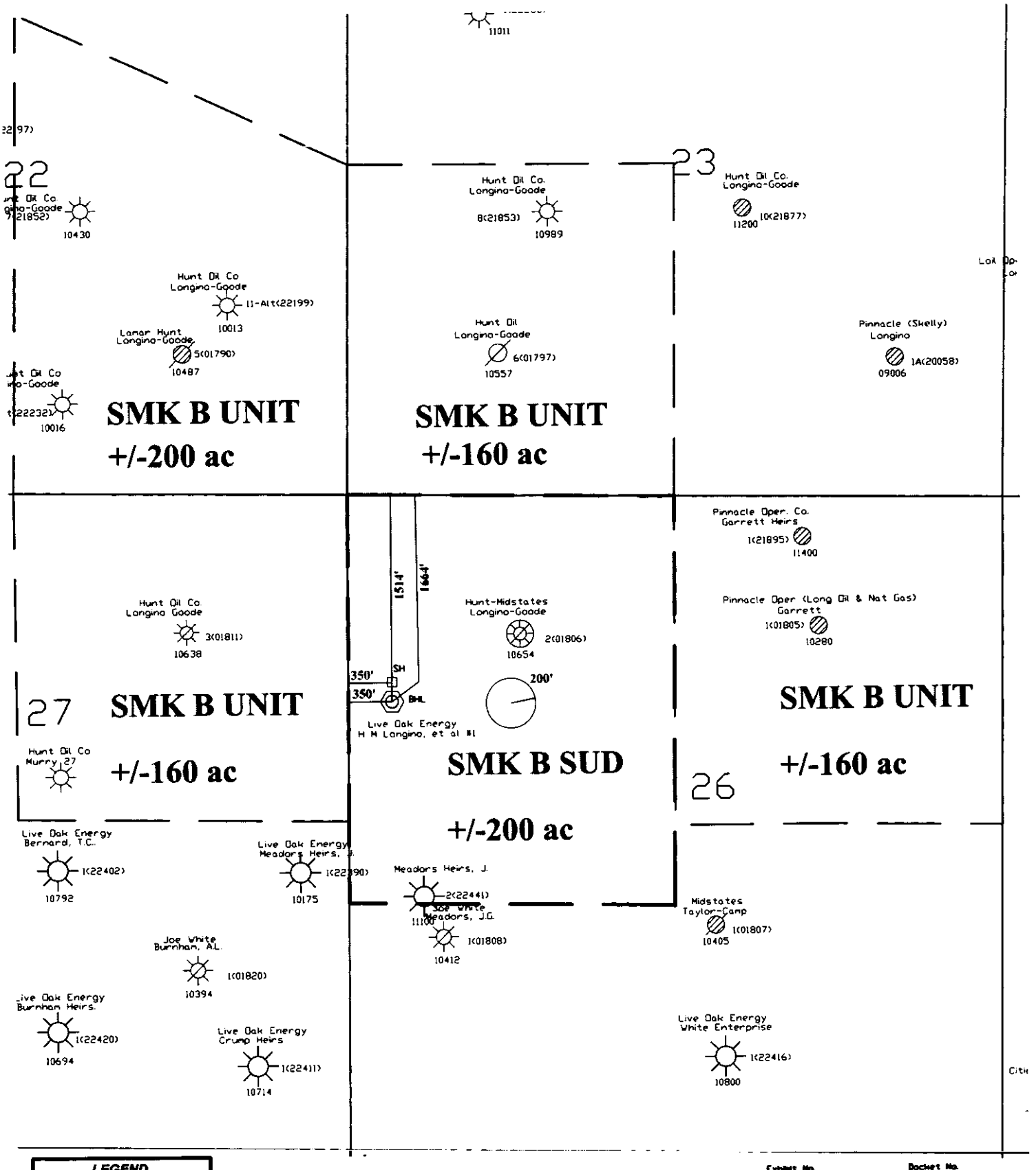
By: Wm. Timothy Allen III

Wm. Timothy Allen III
Attorneys for Live Oak Energy, Inc.

WTAIII:kmw
Enclosures

cc: Mr. James C. Broussard, Shreveport
District Manager, Office of Conservation
(w/enclosures)

cc: Interested Owners, Represented Parties
and Interested Parties (w/copy of plat only)


22
23
27
26
SMK B UNIT
+/-200 ac
SMK B UNIT
+/-160 ac
SMK B UNIT
+/-160 ac
SMK B UNIT
+/-160 ac
SMK B SUD
+/-200 ac
Hunt Oil Co.
Longino-Goode
8(21853)
10999
Hunt Oil Co.
Longino-Goode
10(21877)
11200
Hunt Oil Co
Longino-Goode
11-Alt(22199)
10013
Lamar Hunt
Longino-Goode
5(01790)
10487
Hunt Oil
Longino-Goode
6(01797)
10557
Pinnacle (Skelly)
Longino
1A(20058)
09006
10430
10016
Pinnacle Oper. Co.
Garrett Heirs
1(21895)
11400
Hunt Oil Co.
Longino Goode
3(01811)
10638
Hunt-Midstates
Longino-Goode
2(01806)
10654
Pinnacle Oper (Long Oil & Nat Gas)
Garrett
1(01805)
10280
1514'
1664'
350'
350'
SH
BHL
200'
Live Oak Energy
H M Longino, et al #1
Hunt Oil Co
Murry 27
Live Oak Energy
Bernard, T.C.
1(22402)
10792
Live Oak Energy
Meadors Heirs, J.
1(22390)
10175
Meadors Heirs, J.
2(22441)
Joe White
Meadors, J.G.
1(01808)
10412
Midstates
Taylor-Camp
1(01807)
10405
Joe White
Burnham, A.L.
1(01820)
10394
Live Oak Energy
Burnham Heirs.
1(22420)
10694
Live Oak Energy
Crump Heirs
1(22411)
10714
Live Oak Energy
White Enterprise
1(22416)
10800
LEGEND
SMK B Unit
SMK B Unit of Interest
Current Unit Well
Proposed Substitute Unit Well
0' 500' 1000'
Scale: 1" = 1000'
Exhibit No.
Docket No.
Live Oak Energy, Inc.
East Haynesville Field
Claiborne Parish, Louisiana
Proposed Substitute Unit Well
at Exceptional Location
Smackover "B" SU D
Date:
Witness: Joe B. Adams
Prepared by Live Oak Energy, Inc. 8/27/09