

COOK, YANCEY, KING & GALLOWAY

A PROFESSIONAL LAW CORPORATION
333 TEXAS STREET, SUITE 1700
POST OFFICE BOX 22260
SHREVEPORT, LOUISIANA 71120-2260
www.cookyancey.com

J. William Fleming

Writer's Direct
(318) 227-7724
bill.fleming@cookyancey.com

September 1, 2009

TELEPHONE (318) 221-6277
TELECOPIER (318) 227-7850

When calling relative to this
matter, refer to file No. 2032

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

Re: Cotton Valley Formation, Reservoir A
Haynesville Formation, Reservoir B
Smackover A Zone, Reservoir A
Shongaloo Field
Webster Parish, Louisiana

APPLICATION FOR PUBLIC HEARING

Dear Sir:

Nadel & Gussman-Jetta Operating Company hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Cotton Valley Formation, Reservoir A, the Haynesville Formation, Reservoir B, and the Smackover A Zone, Reservoir A, in the Shongaloo Field, Webster Parish, Louisiana:

1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate from the Smackover A Zone, Reservoir A, in the Shongaloo Field, Webster Parish, Louisiana, to be designated SMK A RA SUA, as shown outlined on the plat attached hereto and made a part hereof;
2. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests located within the proposed unit in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation;
3. To designate a unit well and unit operator, as appropriate;
4. To provide that wells drilled to the Smackover A Zone, Reservoir A, in the Shongaloo Field be located no closer than 660 feet to any unit line and that there be not less than 1,500 feet between wells drilling to, completed in, or for which a permit has been issued to the Smackover A Zone, Reservoir A;
5. To provide for the downhole or wellbore combination of hydrocarbons from the Cotton Valley Formation, Reservoir A, the Haynesville Formation, Reservoir B, and the Smackover A Zone, Reservoir A, underlying CV RA SUD, HAY RB SUE and SMK A RA SUA, provided the ownership within each of the units is the same and the size and configuration of the units are consistent;
6. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

COOK, YANCEY, KING & GALLOWAY

Office of Conservation
September 1, 2009
Page 2

The Cotton Valley Formation, Reservoir A, in the Shongaloo Field, Webster Parish, Louisiana, was defined in Office of Conservation Order No. 165-C-1, effective July 9, 1998.

The Haynesville Formation, Reservoir B, in the Shongaloo Field, Webster Parish, Louisiana, was defined in Office of Conservation Order No. 165-L-1, effective July 9, 1998.

The Smackover A Zone, Reservoir A, in the Shongaloo Field, Webster Parish, Louisiana, is to be defined as being the stratigraphic equivalent of that gas and condensate bearing interval encountered between the depths of 10,480 feet and 10,784 feet (electrical log measurements) in the Wheless Industries-Pelto Oil - G. F. Reeder, et al No. 1 Well, located in Section 6, Township 22 North, Range 8 West, Claiborne Parish, Louisiana.

The proposed definition for the Smackover A Zone, Reservoir A, in the Shongaloo Field is the stratigraphic equivalent of Smackover A Zone, Reservoir A, as defined in the East Dykesville Field pursuant to Office of Conservation Order No. 882-C, effective February 18, 1981. Applicant has sought and received permission for a waiver of the production test in the field policy to enable it to proceed to establish a unit for the Smackover A Zone, Reservoir A, in the Shongaloo Field.

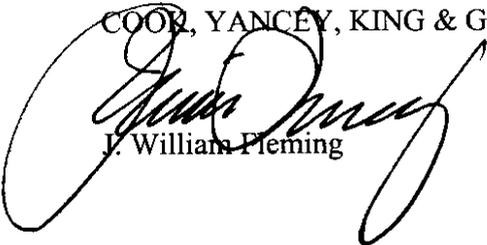
Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Mike Fulford, 333 Texas Street, Suite 717, Shreveport, Louisiana 71101, at telephone number (318) 220-7074.

A Pre-Application Notice letter dated August 17, 2009, was circulated in connection with this matter. There was no request received for a conference; accordingly, no conference will be held.

The list of parties attached to the copies of this application being sent to the Office of Conservation includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search. A copy of this application, with plat attached, is being sent to each such party. Pursuant to Office of Conservation regulations, the 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 person requesting a copy of it. Enclosed with the copy of this application being sent to the Commissioner is a check for the application fee.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY


J. William Fleming

jwf:s

Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
Mr. Mike Fulford

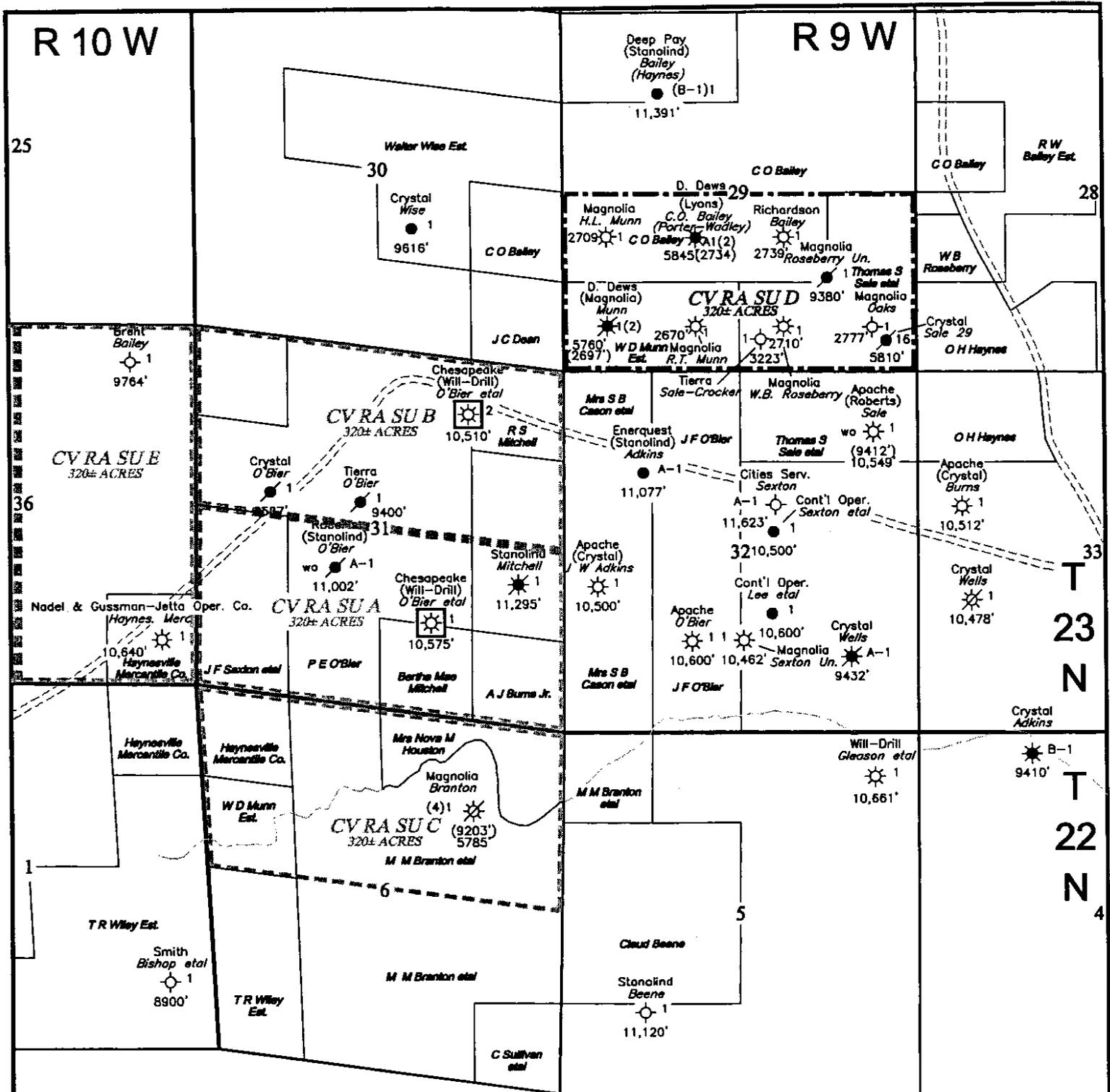


EXHIBIT No. 1

DOCKET No.

Nadel & Gussman-Jetta Operating Co.
Ft. Worth, Texas

SHONGALOO FIELD
WEBSTER PARISH, LOUISIANA

PROPOSED COTTON VALLEY, RESERVOIR A
SAND UNIT D TO BE COMMINGLED

--- : EXISTING COTTON VALLEY
RESERVOIR A SAND UNITS

--- : PROPOSED COTTON VALLEY
RESERVOIR A SAND UNIT D
TO BE COMMINGLED

☀ : EXISTING COTTON VALLEY
RESERVOIR A UNIT WELLS



ONLY WELLS > 8000' TD SHOWN

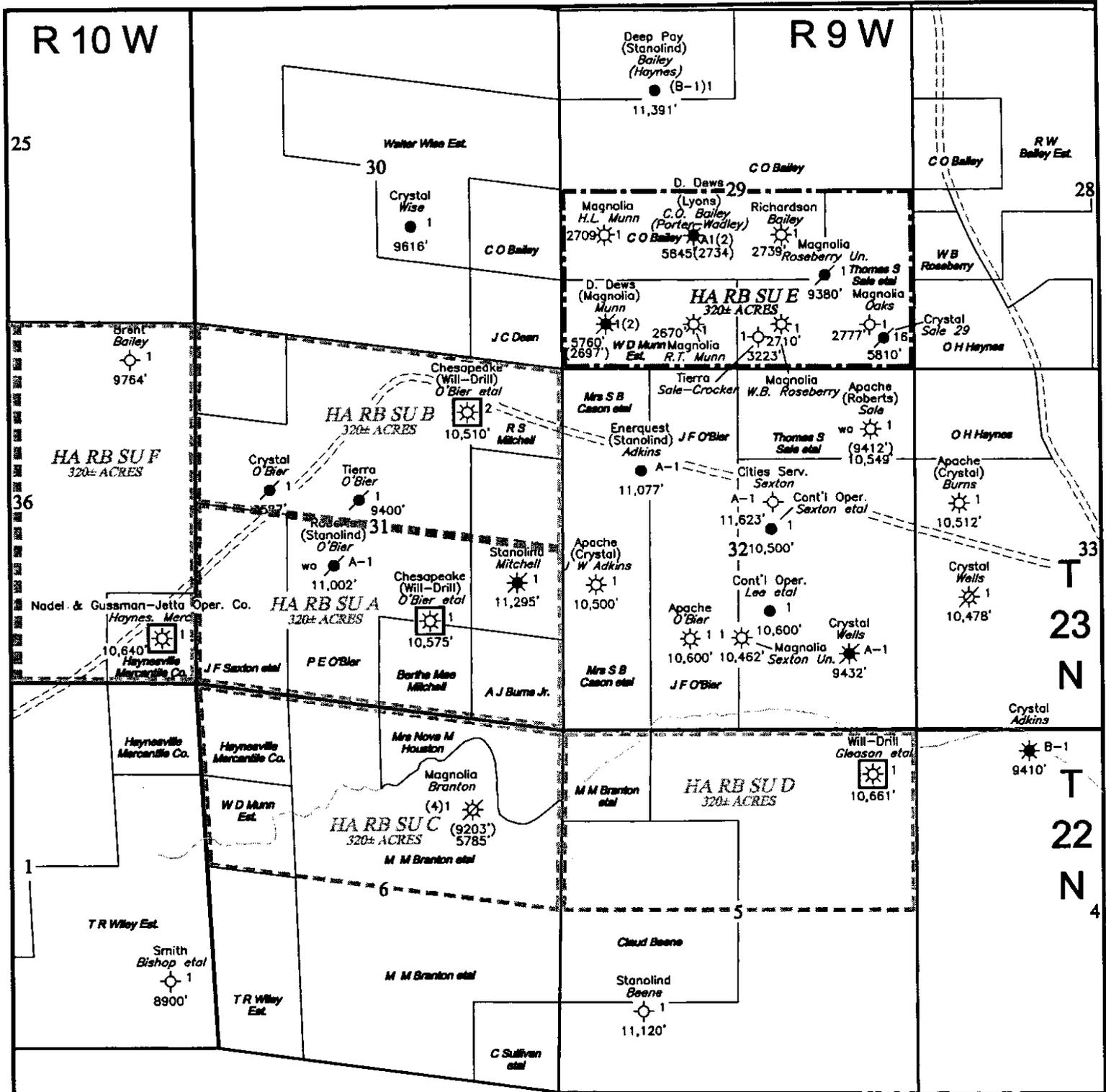


EXHIBIT No. 1

DOCKET No.

Nadel & Gussman-Jetta Operating Co.
Ft. Worth, Texas

SHONGALOO FIELD
WEBSTER PARISH, LOUISIANA

PROPOSED HAYNESVILLE ZONE, RESERVOIR B
SAND UNIT E TO BE COMMINGLED

☀ : EXISTING HAYNESVILLE
RESERVOIR B SAND UNITS

☀ : PROPOSED HAYNESVILLE ZONE,
RESERVOIR B SAND UNIT E
TO BE COMMINGLED

☀ : EXISTING HAYNESVILLE
RESERVOIR B UNIT WELLS



ONLY WELLS > 8000' TD SHOWN

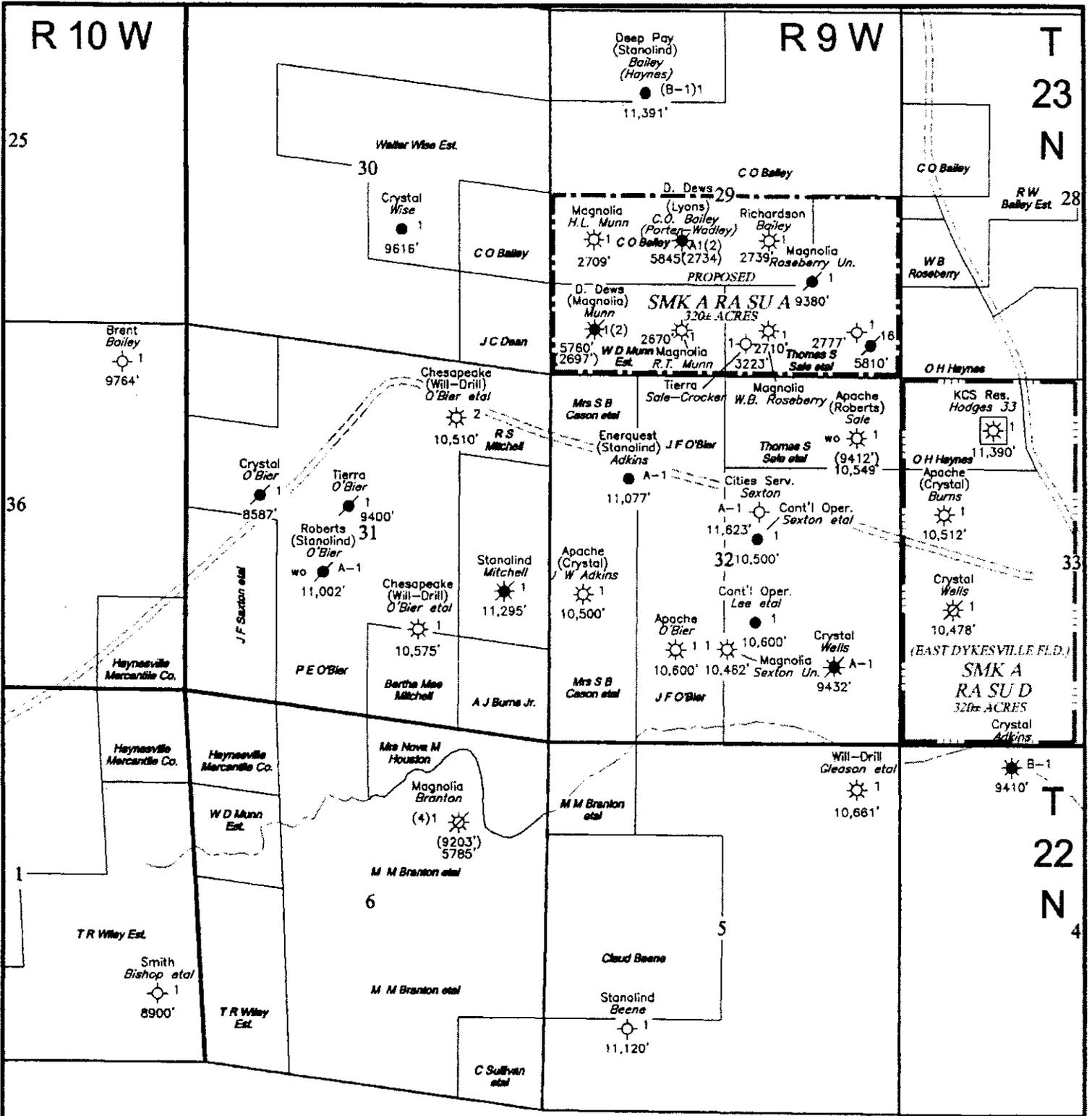


EXHIBIT No. 1

DOCKET No.

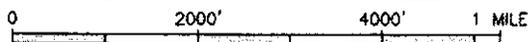
Nadel & Gussman-Jetta Operating Co.
Ft. Worth, Texas

SHONGALOO FIELD

WEBSTER PARISH, LOUISIANA
PROPOSED SMACKOVER A RESERVOIR A UNIT
SMK A RA SU A

: PROPOSED SMACKOVER A RESERVOIR A UNIT : EXISTING SMACKOVER A RESERVOIR A UNIT

: EXISTING SMACKOVER A RESERVOIR A UNIT WELL



ONLY WELLS > 8000' TD SHOWN

JOHN - C:\Documents and Settings\User\Desktop\CLIENT FILES\MADE...GUSS...JETA\SMK_SHONGALOO1.dwg