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OF COUNSEL
WILLIAM G. CONLY

September 2, 2009

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Haynesville Zone, Reservoir A, ELM GROVE
FIELD, Bossier Parish, Louisiana.

Dear Sir:

J-W OPERATING COMPANY ("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 Haynesville Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, such unit being shown on the attached plat and being designated HA RA SU97.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests 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 operator of, and a unit well for, the proposed unit as may be appropriate.
4. To provide that with respect to any horizontal well drilled to the Haynesville Zone within the proposed unit, where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, the distance to any unit boundary and offset well will be calculated based on the distance to the nearest perforation in the well, and not based on the penetration point or terminus of the well in the Haynesville Zone.
5. To expand the provisions of Office of Conservation Order No. 361-43, effective March 11, 2003, which approved downhole combination of production from the Hosston Zone, Reservoir A, underlying HOSS RA SU19; the Cotton Valley Formation, Reservoir A, underlying CV RA SU19; and the Lower Cotton Valley Zone, Reservoir A, underlying LCV RA SU69; so as to include production from the Haynesville Zone, Reservoir A, underlying the proposed unit HA RA

SU97, in any well in which the ownership interests in the units from which production is combined downhole are identical.

6. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-L, effective July 29, 2008, as supplemented and amended by the Order No. 361-L series of Orders, and of all applicable Statewide Orders, to the proposed additional unit.

7. To discuss such other matters as may be pertinent to any of the proposals outlined above.

The Haynesville Zone, Reservoir A, in the Elm Grove Field was defined in Office of Conservation Order No. 361-L, effective July 29, 2008.

Any pertinent data concerning this application will be available for inspection at the offices of Mr. Joe B. Adams, 21010 Vermont Street, Livingston, Louisiana 70754. Any person wishing to inspect any such data should call Mr. Adams at (225) 686-2355 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 records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated August 20, 2009, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and a pre-application conference to discuss the proposals was tentatively scheduled for September 11, 2009. The conference was not requested within the delays provided for in the Rules of Procedure; therefore the conference will not be held.

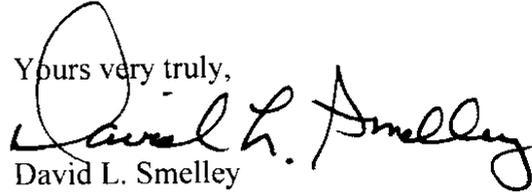
Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of the unit plat is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to 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 plat, 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 Elm Grove 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.

Honorable James H. Welsh
September 2, 2009
Page 3

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,

A handwritten signature in black ink, appearing to read "David L. Smelley". The signature is written in a cursive style with a large, looped initial "D".

David L. Smelley

-- Attorney for J-W Operating Company

DLS:dp
Enclosures

cc: Mr. James C. Broussard (w/encls.)
Mr. Jerry Wooten (w/encls.)
Mr. Michael Baca (w/encls.)
Ms. Tanya Allen (w/encls.)
Mr. Joe B. Adams (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plat only)

