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December 11, 2008

Richard W. Revels, Jr.
rwrevels@liskow.com

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: Lower Cotton Valley Formation, Reservoir A
Haynesville Zone, Reservoir A
Elm Grove Field
Bossier Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **ENCANA OIL & GAS (USA), INC.** for the calling of public hearings, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters:

Lower Cotton Valley Formation, Reservoir A

1. To create five (5) additional drilling and production units for the exploration for and production of gas and condensate from the Lower Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana, said units to be designated LCV RA SU128 through LCV RA SU132, all as shown on the plat attached hereto and made a part hereof.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
3. Except to the extent contrary herewith, to extend to the proposed additional units all pertinent provisions of Office of Conservation Order No. 361-E, effective July 16, 1996, as amended and supplemented by the 361-E Series of Orders and applicable statewide orders.
4. To consider such others matters as may be pertinent.

The Lower Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana, was previously defined in Office of Conservation Order No. 361-E, effective July 16, 1996.

Haynesville Zone, Reservoir A

1. To create five (5) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana, said units to be designated HA RA SUPP through HA RA SUTT, as shown on the plat attached hereto and made a part hereof.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
3. To provide that the spacing provisions of Office of Conservation Order No. 361-L, effective July 29, 2008, should be amended to provide that with respect to horizontal wells drilled to the Haynesville Zone, Reservoir A, in Elm Grove Field, Bossier Parish, Louisiana, where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary or offset well will be

December 11, 2008

calculated based on the distance to the nearest perforations in the well, and not based on the penetration point or terminus.

4. Except as otherwise provided, to extend to the proposed additional units all pertinent provisions of Office of Conservation Order No. 361-L, as amended and supplemented by the 361-L Series of Orders, and applicable Statewide Orders.

5. To consider such others matters as may be pertinent.

The Haynesville Zone, Reservoir A, in Elm Grove Field, Bossier Parish, Louisiana, was previously defined in Office of Conservation Order No. 361-L, effective July 29, 2008, and is hereby redefined insofar and only insofar as the HA RA SUPP, HA RA SUQQ, HA RA SURR, HA RA SUSS and HA RA SUTT are concerned, as being that gas and condensate bearing zone encountered between the measured depths of 9,650 feet and 11,426 feet (electric log measurements) in the KCS Resources, Inc. – Elm Grove Plantation No. 15 Well, located in Section 9, Township 16 North, Range 11 West, Bossier Parish, Louisiana.

Any pertinent data, including well logs, not available at the Office of Conservation, may be obtained **AT THE COST OF THE REQUESTING PARTY** from Bill Dale with W. H. Robbins & Associates, L.L.C., 302 LaRue France, Lafayette, Louisiana 70508, Telephone Number (337) 232-5004.

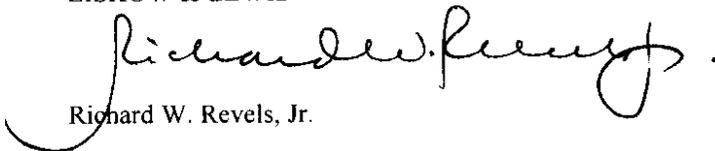
Pursuant to the Rules of Procedure, a joint pre-application conference was held on December 5, 2008, in Shreveport, Louisiana, at which the parties named on the attached list were in attendance. The conference was opened by representatives of the applicant who explained the bases for the units being requested. Numerous questions were asked and answered. No counterplans were presented, and the conference was adjourned.

Attached hereto and made a part hereof are plats outlining the applicant's proposals, the conference attendance list and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, 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 furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check in the amount of \$1,510.00 made payable to the Office of Conservation submitted on behalf of the applicant representing the hearing application fee.

Sincerely,

LISKOW & LEWIS



Richard W. Revels, Jr.

RWRjr:dbf
Attachments

cc: Mr. James Broussard, Shreveport District Office of Conservation
cc: Interested Owners, Represented Parties and Interested Parties

231756_1
23523.0118

R 13 W

R 12 W

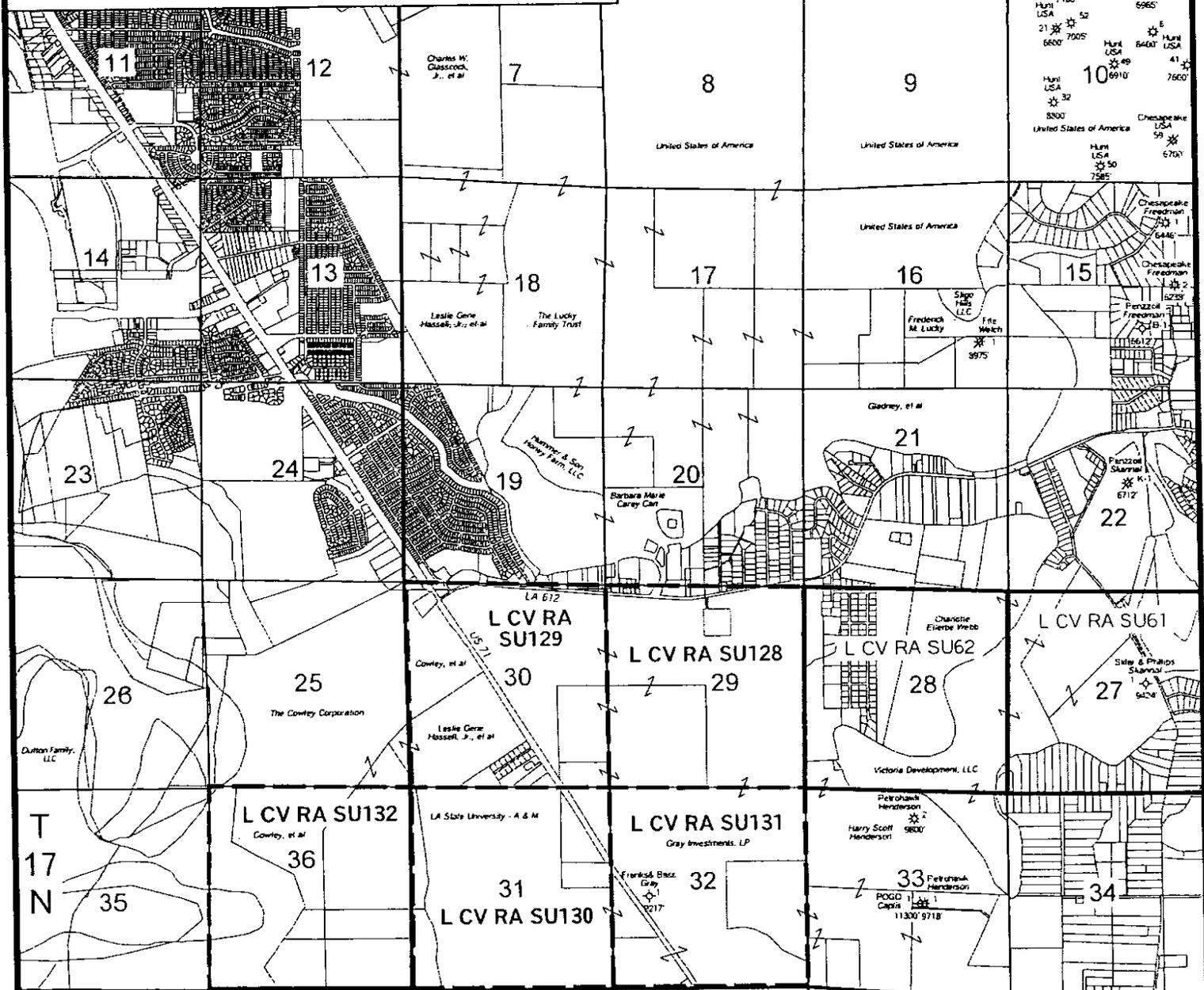
--- PROPOSED UNIT BOUNDARY
 — AS PER 361-E SERIES OF ORDERS
 NOTE: ALL BOUNDARIES ARE GEOGRAPHIC
 ALL UNITS ± 640 ACRES
 All Wells Shallower Than 6000' Omitted

5
 Barksdale AFB
 United States of America

4
 EOG USA
 26
 6650'
 United States of America

3
 EOG USA
 9
 6454'
 EOG Pres. USA
 60
 9669'
 United States of America

10
 Hunt USA
 47
 7105'
 Hunt USA
 52
 7005'
 Hunt USA
 48
 5965'
 Hunt USA
 6
 6407'
 Hunt USA
 41
 7600'
 Hunt USA
 32
 5900'
 Chesapeake USA
 59
 6790'
 Hunt USA
 50
 7585'
 United States of America



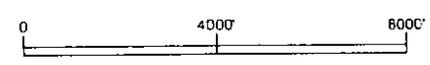
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17
N

T
16
N

EXHIBIT NO. _____ DATE: _____
DOCKET NO. _____

ENCANA OIL & GAS (USA) INC.

ELM GROVE FIELD
 BOSSIER PARISH, LOUISIANA
 PROPOSED UNITS
 LOWER COTTON VALLEY ZONE



W. H. ROBBINS & ASSOCIATES LLC
 CONSULTING GEOLOGISTS
 Lafayette, Louisiana (337) 232-5004

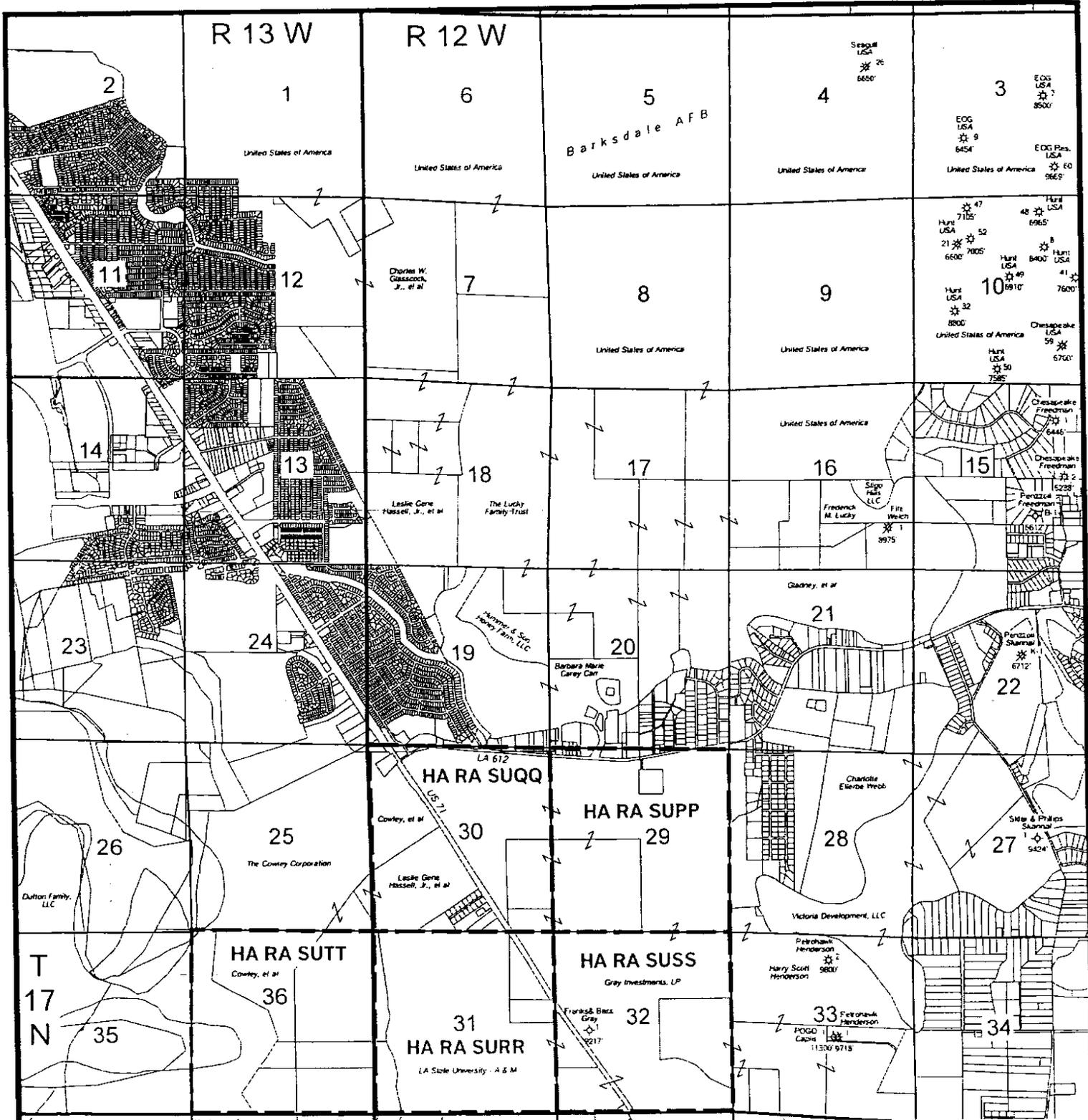
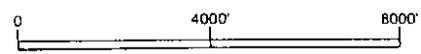


EXHIBIT NO. _____
DOCKET NO. _____
DATE: _____

ENCANA OIL & GAS (USA) INC.

ELM GROVE FIELD
BOSSIER PARISH, LOUISIANA
PROPOSED UNITS
HAYNESVILLE ZONE



--- PROPOSED UNIT BOUNDARY
NOTE: ALL BOUNDARIES ARE GEOGRAPHIC
ALL UNITS ± 640 ACRES
All Wells Shallower Than 6000' Omitted

W&R W. H. ROBBINS & ASSOCIATES LLC
CONSULTING GEOLOGISTS
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