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November 18, 2008

APPLICATION

8100-68271

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

RE: Hollywood Zone, Reservoir A
Kent Bayou Field
Terrebonne Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **PETROQUEST ENERGY, LLC.** for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters related to the **Hollywood Zone, Reservoir A**, in the **Kent Bayou Field**, Terrebonne Parish, Louisiana, to-wit:

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 Hollywood Zone, Reservoir A, such unit to be designated HLYWD RA SUA;
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation;

3. To authorize PetroQuest Energy, LLC. to drill, designate and utilize the PetroQuest Energy, L.L.C.-CL&F 7 No. 1 Well as the unit well for the proposed unit;
4. To designate PetroQuest Energy, LLC. as the operator of the proposed unit;
5. To provide that any future wells drilled to the Hollywood Zone, Reservoir A, within or outside of the proposed unit, should be located in accordance with the spacing provisions of Statewide Order No. 29-E;
6. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
7. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hollywood Zone, Reservoir A, in the Kent Bayou Field, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 13,450 feet and 14,410 feet (electrical log measurements) in the Phoenix Exploration Co. LP (formerly Cabot)-CL&F 8 No. 1 Well, located in Section 8, Township 18 South, Range 13 East, Terrebonne Parish, Louisiana.

The pre-application conference tentatively scheduled for December 1st, 2008, **WILL NOT BE HELD**, as it was not requested within the delays provided for by the Rules of Procedure; therefore, no opposition to this Application at the hearing is anticipated.

Pertinent data relating to the proposed application can be obtained, AT THE COST OF THE REQUESTING PARTY, by contacting David Comeaux, with Leon Comeaux & Associates, P.O. Box 53922, Lafayette, LA 70505 (337) 233-9839.

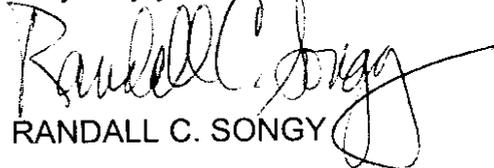
There is attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

November 18, 2008

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Finally, enclosed herein is our check in the amount of \$755.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,



RANDALL C. SONGY

RCS/smp
Enclosures

cc: Interested Parties

Mr. Richard Hudson, District Manager
Office of Conservation

P.S. To all Interested Owners, Represented Parties and Interested Parties:

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

Your receipt of this 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.

12E 13E

X = 2051449.49
Y = 313589.99

HLYWD RA SU A
CL&F 7 No. 1
500 ACRES

5

1

Little Horn Bayou

X = 2054209.61
Y = 312223.19

CONTINENTAL LAND & FUR

CONTINENTAL LAND & FUR

CL&F

CONTINENTAL LAND & FUR

CONTINENTAL LAND & FUR

CL&F

CL&F/State Lease 19372

CONTINENTAL LAND & FUR

PETROQUEST
CL & F

LGS
11504

7-1

12965'MD
12672'VD

CL&F/State Lease 19372

7

CABD

8

T
18
S

12

X = 2048311.43
Y = 307253.01

CONTINENTAL LAND & FUR
GRAND OPERATING, INC.

G-1
11303

Little Horn Bayou

CL

17

CONTINENTAL LAND & FUR

CONTINENTAL LD & FUR
UNION PRODUCING CO

OC-1
1700

CONTINENTAL LAND & FUR

13

X = 2051071.55
Y = 305886.21

18

EXHIBIT NO.
DOCKET NO. 09-



KENT BAYOU FIELD
TERREBONNE PARISH, LOUISIANA

PROPOSED UNIT
HOLLYWOOD ZONE

Witness: David Comeaux
1000'

0' 2000'

DATE:

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

NOTE: ALL BOUNDARIES ARE GEOGRAPHIC