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February 23, 2009

Ref: 3371-27291

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

Re: Hearing Application
Marg Howei Zone, Reservoir D
WRIGHT FIELD, Vermilion Parish, Louisiana
Applicant: Mandalay Oil & Gas, L.L.C.

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of **Mandalay Oil & Gas, L.L.C.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Marg Howei Zone, Reservoir D, Wright Field, Vermilion Parish, Louisiana.

1. To redefine the Marg Howei Sand previously defined in Office of Conservation Order No. 991-A-2, effective November 5, 1986;

2. To grant an exception to the spacing provisions of Statewide Order No. 29-E and Office of Conservation Order No. 991-A-2 and to permit the applicant, Mandalay Oil & Gas, L.L.C. to designate and utilize the Mandalay Oil & Gas, L.L.C.-Trahan No. 1 Well as a substitute unit well for the Marg Howei Zone, Reservoir D, such well to be at the location shown on the plat attached hereto and made a part hereof;

3. To find that this well is necessary to effectively and efficiently drain a portion of the reservoir covered by the unit which cannot be effectively and efficiently drained by any existing well within such unit;

4. To confirm Mandalay Oil & Gas, L.L.C. as operator of the MARG H RD SUA;

5. To find that, except to the extent contrary to the order granted by the Commissioner of Conservation in connection with the hearing held on this application, the provisions of Office of Conservation No. 991-A-2 shall remain in full force and effect;

6. To consider such other matters which may be pertinent to this application as shown by the evidence presented at the hearing held on this matter.

The Marg Howei Sand, Reservoir D in the Wright Field, Vermilion Parish, Louisiana was previously defined in Office of Conservation Order No. 991-A-2, effective November 5, 1986 and is hereby redefined as the Marg Howei Zone, Reservoir D as being that oil and gas bearing zone encountered between the measured depths of 15,958 feet and 16,197 feet (electrical log measurements) in the Stratco (formerly Quintana Petroleum)-Trahan No. 2 Well, located in Section 18, Township 12 South, Range 1 East, Vermilion Parish, Louisiana.

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, the Commissioner of Conservation, the District Manager of the Lafayette District of the Office of Conservation and all interested owners, represented parties and interested parties known to the applicant after a reasonable search were notified in writing in the pre-application notice dated February 10, 2009 that a conference to discuss the proposed application was tentatively scheduled for 10:00 a.m. on Thursday, March 5, 2009. It was stated at that time that this conference would be held only if a request to confer were received by the undersigned within ten (10) calendar days after the date of the pre-application notice. No requests to confer were received either in writing or by telephone and, in accordance with the Rules of Procedure, the tentatively scheduled conference **WILL NOT BE HELD**.

Attached hereto and made a part hereof is a plat outlining the MARG H RD SUA, Vermilion Parish, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this pre-application notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. David Comeaux of Leon Comeaux & Associates, P. O. Box 53922, Lafayette, Louisiana 70505 (337) 233-9839.

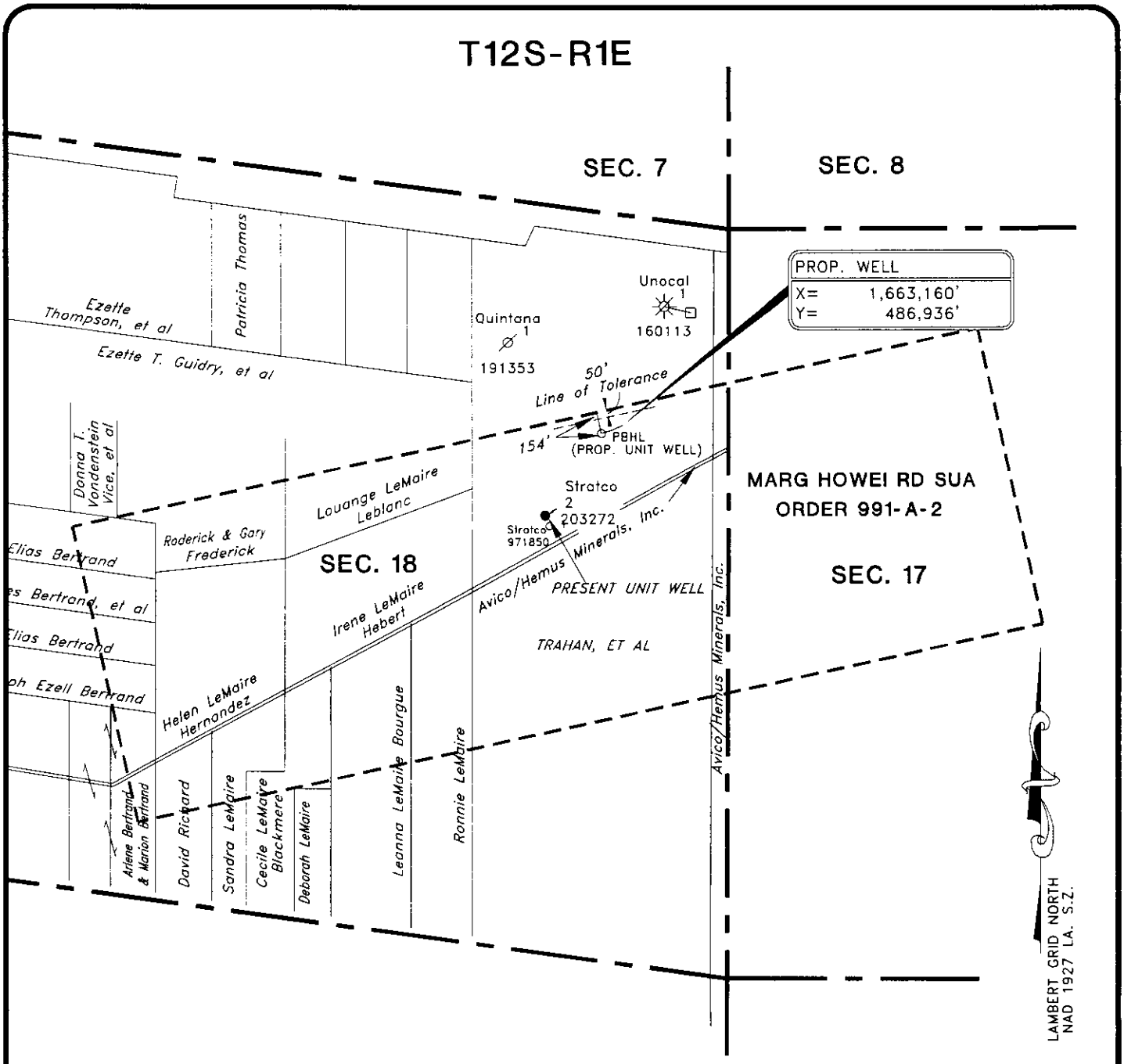
Finally, there is enclosed herewith our check on behalf of the applicant in the amount of $755.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

B. J. Duplantis

BJD/ht
Attachments
cc: Mr. Richard Hudson, District Manager
Office of Conservation

All Interested Owners, Represented Parties and
Interested Parties



"PROPOSED SUBSTITUTE UNIT WELL"

MANDALAY OIL & GAS, LLC

MARG HOWEI RD SUA; TRAHAN, ET AL NO.1

IN SECTION 18, T12S-R1E
WRIGHT FIELD
VERMILION PARISH, LOUISIANA

C&C Technologies
SURVEY SERVICES
730 E. KALISTE SALOOM ROAD, LAFAYETTE, LA (337) 261-0660

DWG. BY: CHK. BY: KPB

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SCALE IN FEET

DATE: 02/05/2008