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February 24, 2009

OF COUNSEL
WILLIAM G. CONLY

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 B, and Cotton Valley
Formation, Reservoir A, CASPIANA FIELD, DeSoto
and Caddo Parishes, Louisiana.

Dear Sir:

PALMER PETROLEUM, INC. ("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 B, and to the Cotton Valley Formation, Reservoir A, in the Caspiana Field, DeSoto and Caddo Parishes, Louisiana:

1. To create nine (9) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir B, such units being shown on an attached plat and being designated HA RB SUP through HA RB SUX.
2. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such unit being shown on an attached plat and being designated CV RA SU134.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units 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.
4. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriate.
5. To provide that with respect to any horizontal well drilled within these proposed units for the Haynesville Zone, Reservoir B, where the horizontal lateral 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.
6. To extend to the proposed units for the Haynesville Zone, Reservoir B, except as in conflict herewith, the provisions of Office of Conservation Order No. 191-H-6, effective May 28, 2008, as supplemented and amended.

7. To extend to the proposed unit for the Cotton Valley Formation, Reservoir A, except as in conflict herewith, the provisions of Office of Conservation Order No. 191-A, effective February 15, 1975, as supplemented and amended.

8. To consider such other matters as may be pertinent to any of these proposals.

The Haynesville Zone, Reservoir B, in the Caspiana Field, was defined in Office of Conservation Order No. 191-H-6, effective May 28, 2008.

The Cotton Valley Formation, Reservoir A, in the Caspiana Field was initially defined in Office of Conservation Order No. 191-A, effective February 15, 1975, and was redefined by Office of Conservation Order No. 191-A-5, effective February 22, 1983.

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 January 26, 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 with respect to Applicant's proposals was thereafter held beginning at 8:30 o'clock a.m. on February 19, 2009, in Shreveport, Louisiana. Attached is a list of the names and addresses of those persons present at the conference.

The purpose of the conference was explained as well as the bases for Applicant's proposals by sufficient data and detail for those present at the conference to have a reasonable opportunity to discuss the proposals and attempt to resolve any differences in good faith. Following this presentation there was a general question and answer period concerning the proposals of Applicant, following which the conference was adjourned with no opposition to the proposals having been expressed.

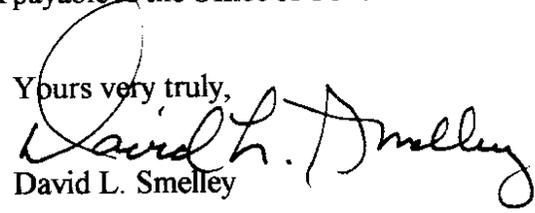
Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of each of the unit plats is enclosed herewith, and a copy of this letter and of the attached plats 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 plats, 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 Caspiana 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
February 24, 2009
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Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

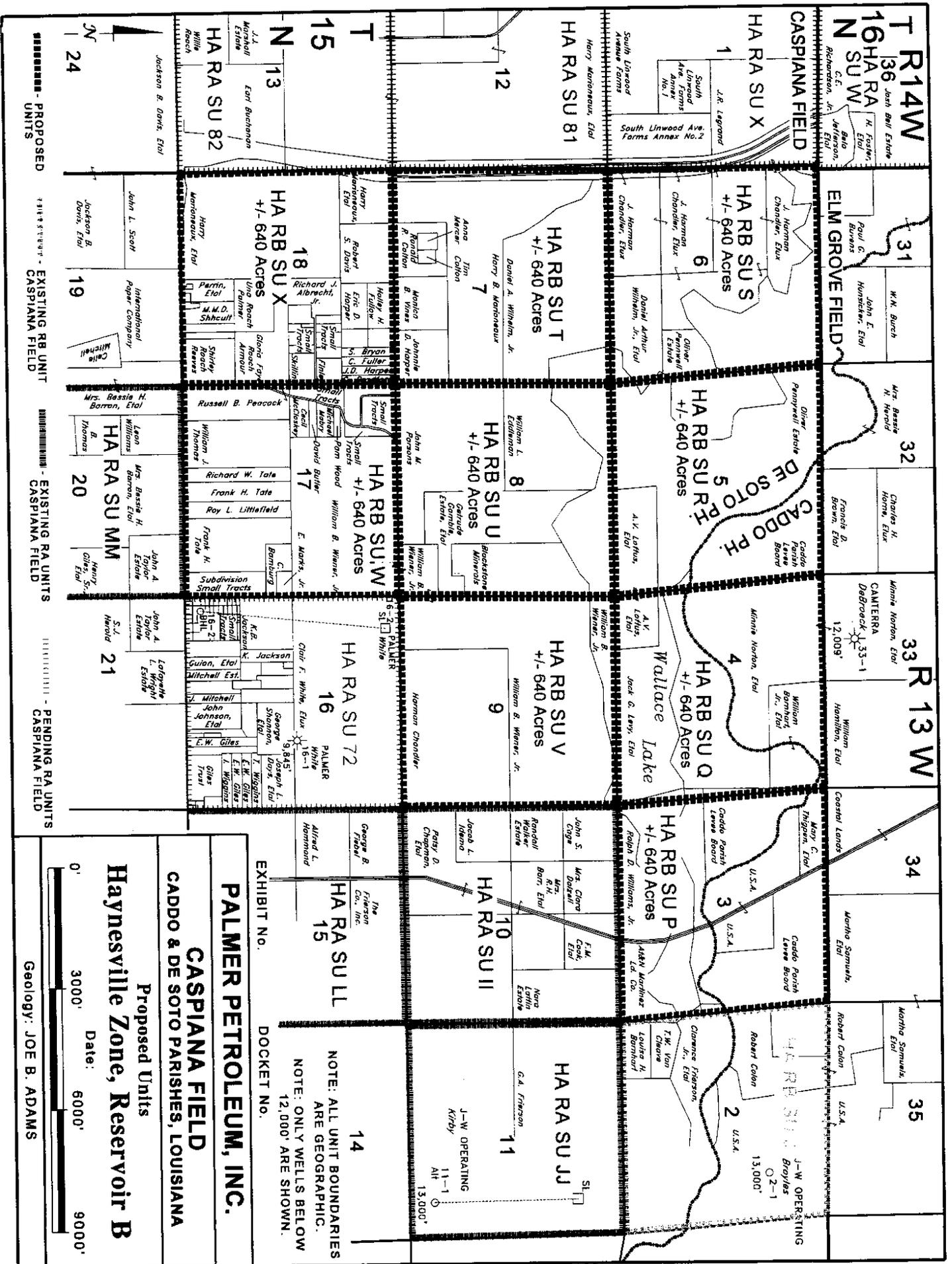
Yours very truly,


David L. Smelley

-- Attorney for Palmer Petroleum, Inc.

DLS:dp
Enclosures

cc: Mr. James C. Broussard (w/encls.)
Mr. Tom Giles (w/encls.)
Mr. Joe B. Adams (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plats only)



PROPOSED UNITS - CASPIANA FIELD
 EXISTING RB UNITS - CASPIANA FIELD
 EXISTING RA UNITS - CASPIANA FIELD
 PENDING RA UNITS - CASPIANA FIELD

EXHIBIT NO. PALMER PETROLEUM, INC.
CASPIANA FIELD
CADDO & DE SOTO PARISHES, LOUISIANA
 Proposed Units
Haynesville Zone, Reservoir B
 Date: _____
 Geology: JOE B. ADAMS

NOTE: ALL UNIT BOUNDARIES ARE GEOGRAPHIC.
 NOTE: ONLY WELLS BELOW 12,000' ARE SHOWN.
 J-W OPERATING
 11-1
 Kibby
 Alt
 13,000'

DOCKET NO. _____
 PALMER
 WHITE
 16-1
 9,845'

R14W
12 CV RA SU 124

Anna Mercer
Tim Colton
CV RA SU 123

R 13 W
7

CV RA SU 7
8

Harry B. Marioneaux Harry B. Marioneaux Ronald R. Colton Monica B. Vines Johnnie D. Harper John M. Parsons

CV RA SU 134 +/- 640 Acres
Harry B. Marioneaux Robert S. Davis Holley H. Fallow Eric D. Harper
Small Tracts
CV RA SU 133
Small Tracts
ROAD
S. Bryan C. Fuller J.D. Harper C. Bradford

T
15
N

18

17
Cecil McCloskey

Earl Buchanan
Richard J. Albrecht, Jr. Skilling
Small Tracts
Finley
Pam Wood Michael Mabry David Butler
Una Roach Palmer Gloria Faye Roach Armour
Parrin, Etal M.M.D. Shhcult Shirley Roach Reeves
Harry B. Marioneaux ROAD
Russell B. Peacock
William J. Thomas

CV RA SU 124
N
24
Jackson B. Davis, Etal

CV RA SU 19
19
International Paper Company

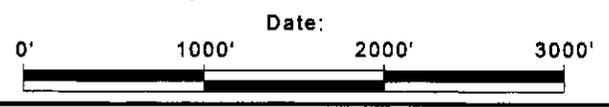
CV RA SU 20
20
Mrs. Bessie H. Barron, Etal
Mrs. Bessie H. Barron, Etal Leon Williams

EXHIBIT No. DOCKET No.

PALMER PETROLEUM, INC.

**CASPIANA FIELD
DE SOTO PARISH, LOUISIANA**

**Proposed Unit
Cotton Valley Formation, Reservoir A**



Geology: JOE B. ADAMS

----- - PROPOSED UNIT
----- - EXISTING UNITS
NOTE: ALL UNIT BOUNDARIES ARE GEOGRAPHIC.