

JOSEPH ONEBANE (1917-1987)
JOHN G. TORIAN, II (1936-1991)

TIMOTHY J. MCNAMARA
EDWARD C. ABELL, JR.
LAWRENCE L. LEWIS, III †
DOUGLAS W. TRUXILLO *
RANDALL C. SONGY
MICHAEL G. DURAND
GREG GUIDRY *
MARK L. RILEY
GRAHAM N. SMITH *
GARY P. KRAUS
RICHARD J. PETRE, JR.
THOMAS G. SMART
ROGER E. ISHEE **
STEVEN C. LANZA
GREG R. MIER ††
MARIA FABRE MANUEL
CRAIG A. RYAN
JOAN LABBE BOUDREAUX
JASMINE B. BERTRAND
JEREMY B. SHEALY
JAMES D. BAYARD
STEVEN T. RAMOS
MATTHEW C. HEBERT

ONEBANE LAW FIRM

A Professional Corporation

1200 CAMELLIA BOULEVARD (70508)
SUITE 300
POST OFFICE BOX 3507
LAFAYETTE, LOUISIANA 70502-3507

TELEPHONE: (337) 237-2660
FAX: (337) 266-1232

WWW.ONEBANE.COM

OF COUNSEL
WILLIAM E. KELLNER
GREGORY K. MOROUX
FREDERICK R. PARKER, JR. †‡
JOHN F. PARKER

SHREVEPORT OFFICE

400 TRAVIS STREET, SUITE 1000
SHREVEPORT, LA 71101
TELEPHONE: (318) 674-9770
FAX: (318) 674-9775

‡ LL.M. IN HEALTH LAW
† BOARD CERTIFIED TAX ATTORNEY
LL.M. IN TAXATION
†† REGISTERED PATENT ATTORNEY

* ALSO ADMITTED IN TEXAS
** ALSO ADMITTED IN MISSISSIPPI

March 18, 2009

APPLICATION

10337-69017

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

RE: Marginulina Texana Zone, Reservoir A
Sulphur Mines Field
Calcasieu Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **ZACHRY EXPLORATION, INC.**, 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 **Marginulina Texana Zone, Reservoir A**, in the **Sulphur Mines Field**, Calcasieu 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 Marginulina Texana Zone, Reservoir A, such unit to be designated MT 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 designate a unit well for the proposed unit, if appropriate;

4. To designate Zachry Exploration, Inc. as the operator of the proposed unit, if appropriate;
5. To provide that any future wells drilled to the Marginulina Texana 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 Marginulina Texana Zone, Reservoir A, in the Sulphur Mines Field, is hereby defined as being that gas and condensate bearing interval encountered between the depths of 8,220 feet and 8,750 feet (electrical log measurements) in the Independent Exploration Co. - Krause & Managan No. 1 Well, located in Section 14, Township 9 South, Range 10 West, Calcasieu Parish, Louisiana.

A conference to discuss the proposed application and any opposition thereto was held at 4:00 p.m. on March 17, 2009, at Onebane Law Firm, 1200 Camellia Blvd, Suite 200, Lafayette, LA 70508. A list of the parties who attended the pre-application conference is attached. Randall C. Songy, attorney for the applicant, opened the conference with a brief discussion on unitization procedures. Dave Comeaux, geological consultant for the applicant, explained the applicant's proposal and the geological, engineering and other bases therefor, and answered questions. A counterplan was presented by James Hardwick on behalf of the Dever Family. The parties were unable to resolve their differences at the conference, which was then adjourned.

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

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made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

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
JEREMY B. SHEALY

RCS/JBS/smp/bad
Enclosures

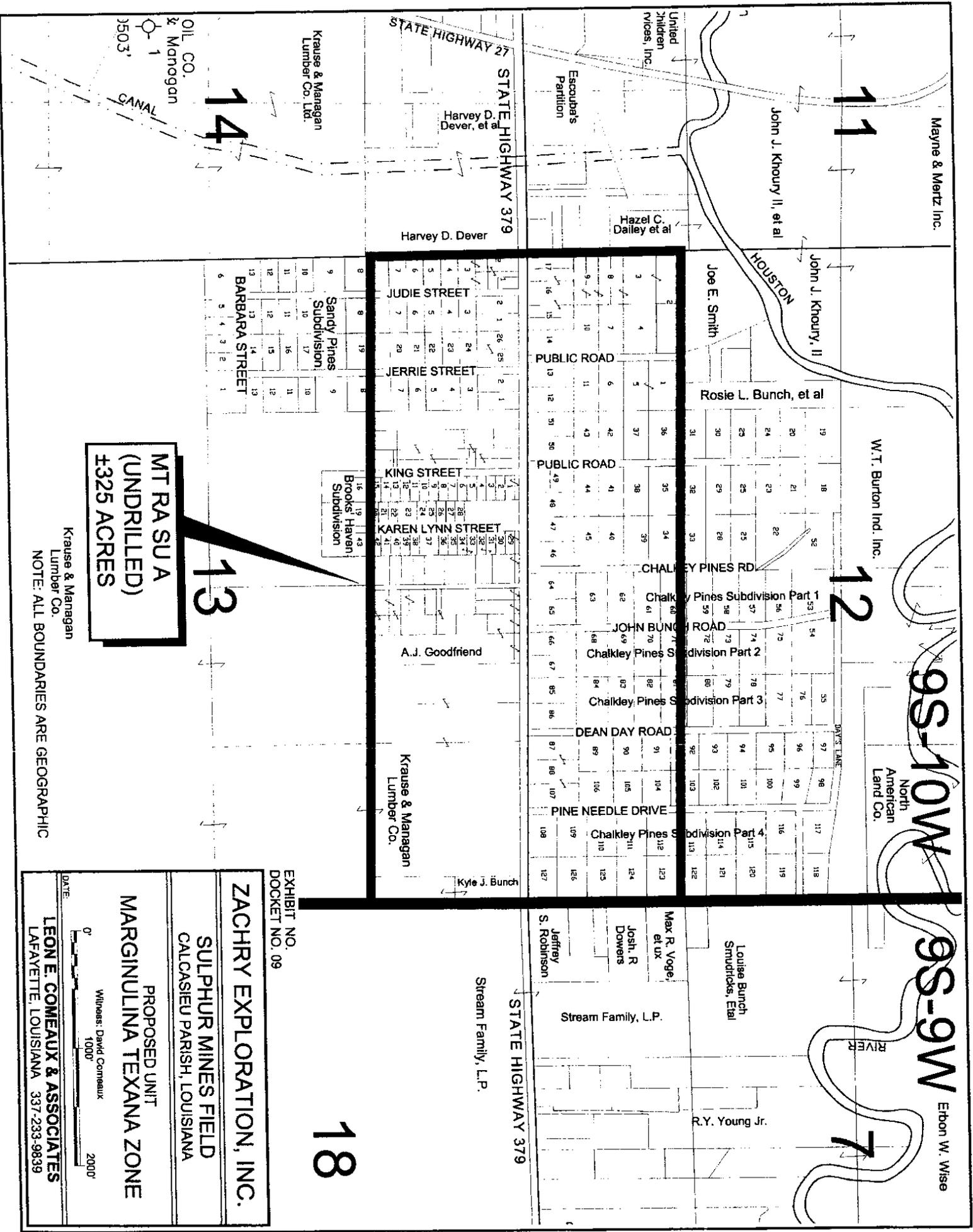
cc: Interested Parties

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.



**MT RA SUA
(UNDRILLED)
#325 ACRES**

Krause & Managan
Lumber Co.
NOTE: ALL BOUNDARIES ARE GEOGRAPHIC

EXHIBIT NO.
DOCKET NO. 09
ZACHRY EXPLORATION, INC.

**SULPHUR MINES FIELD
CALCASIEU PARISH, LOUISIANA**

PROPOSED UNIT
MARGINULINA TEXANA ZONE

Witness: David Comeaux
0' 1000' 2000'

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

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