

DAVID B. STURLESE
Petroleum & Consulting Geologist
P. O. Box 51405
Lafayette, LA 70505
(337) 232-1700

March 19, 2009

COMMISSIONER OF CONSERVATION
HONORABLE JAMES H. WELCH
P.O. BOX 94275
BATON ROUGE, LA 70804

**Re: YEGUA ZONE, RESERVOIR A, SUA
SOUTH GORDON FIELD
BEAUREGARD PARISH, LOUISIANA**

Dear Commissioner Welch,

Application is hereby made on behalf of Union Gas Operating Company, Inc. to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the Yegua Zone, Reservoir A, in the South Gordon Field, Beauregard Parish, Louisiana:

1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Yegua Zone, Reservoir A in the South Gordon Field, Beauregard Parish, Louisiana, said proposed unit designated Y RA SUA, 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 unit with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate Union Gas Operating Company as operator of the proposed Y RA SUA.
4. To provide that any wells drilled to the Yegua Zone, Reservoir A shall be located in accordance with the spacing provisions of Statewide Order No. 29-E.
5. To provide that the Commissioner may reclassify the reservoirs by Supplemental Orders without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished by the Commissioner.
6. To discuss any other matters that may be pertinent to this application.

The Yegua Zone, Reservoir A, in the South Gordon Field is hereby defined as being that gas and condensate bearing sand encountered between the depths of 9,405' and 10,750' electric log measured depths in the Petrochem, PWK Timberland 15 No. 1 Well, located in Section 15, Township 7 South, Range 9 West, Beauregard Parish, Louisiana.

In compliance with the Rules of Procedure, a pre-application conference was held in Lafayette on March 18, 2009. Bryan Groves, representing PWK Timberland, LLC, presented a counter proposal of 320 acres whereby he extended the unit further west and cut out a portion of the northern acreage and drill site of Union Gas Operating Company proposed unit. Opposition is possibly expected at the hearing.

All pertinent data relating to the subject application can be obtained **AT THE COST OF THE REQUESTING PARTY**, from David Sturlese, P.O. Box 51405, Lafayette, LA 70505, (337) 232-1700.

There are attached hereto and made a part hereof, plats outlining the proposed unit and the conference attendance list. Pursuant to the Revised Rules of Procedure, a list of names and addresses of the Interested Owners, Interested Parties and Represented Parties to whom this application is being sent 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. A diligent effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties, and Represented Parties as required by the Revised Rules of Procedure. Also enclosed is our check made payable to the Office of Conservation, representing the required hearing application fee.

Sincerely,

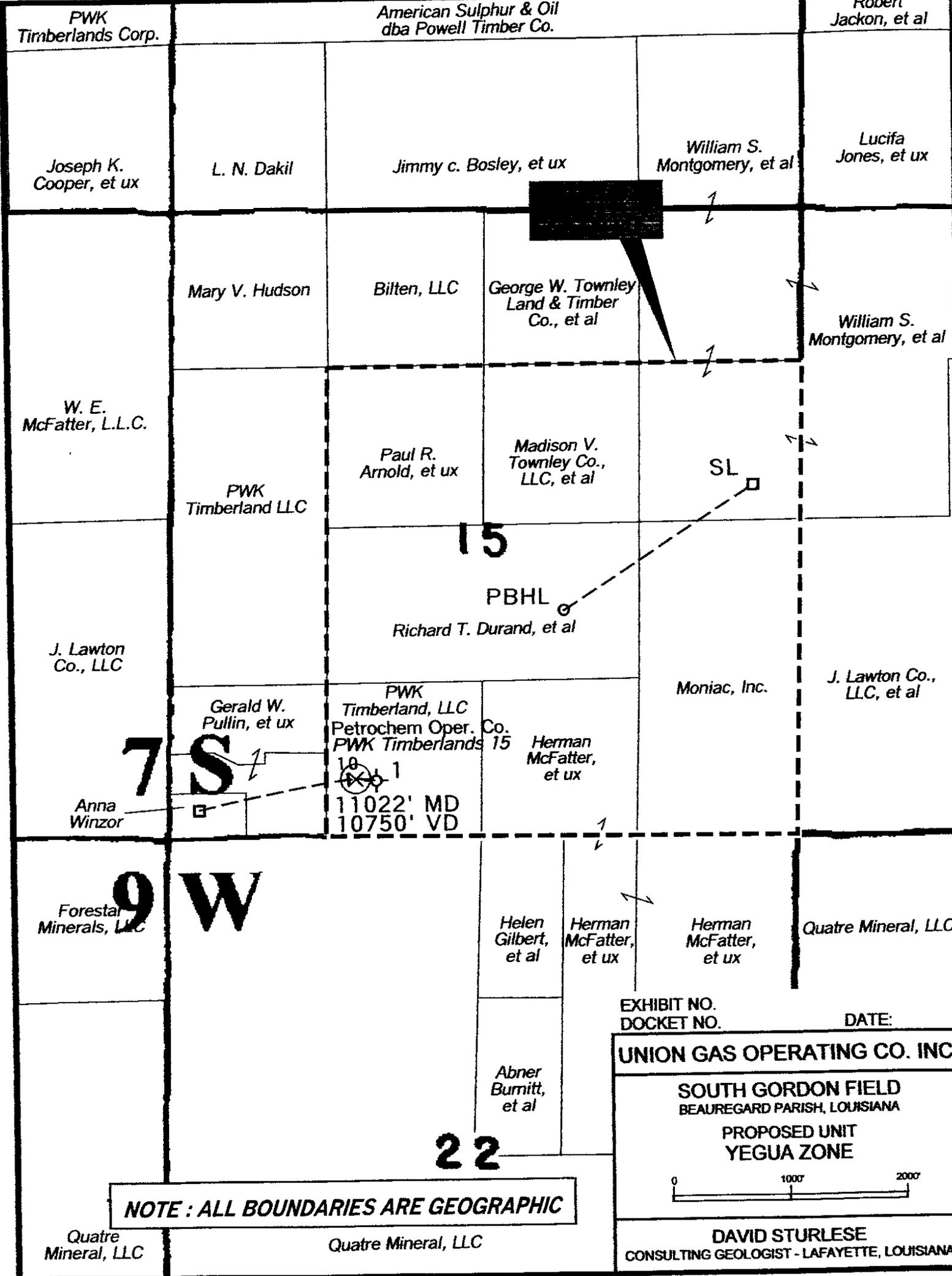


DAVID B. STURLESE

Enclosures

ss

cc: Mr. Richard Hudson, Department of Conservation
825 Kaliste Saloom Rd., Brandiwine III Suite 220, Lafayette, LA 70508
Interested Parties, Interested Owners, and Represented Parties



PWK
Timberlands Corp.

American Sulphur & Oil
dba Powell Timber Co.

Robert
Jackson, et al

Joseph K.
Cooper, et ux

L. N. Dakil

Jimmy c. Bosley, et ux

William S.
Montgomery, et al

Lucifa
Jones, et ux

Mary V. Hudson

Bilten, LLC

George W. Townley
Land & Timber
Co., et al

William S.
Montgomery, et al

W. E.
McFatter, L.L.C.

PWK
Timberland LLC

Paul R.
Arnold, et ux

Madison V.
Townley Co.,
LLC, et al

SL

15

PBHL

Richard T. Durand, et al

J. Lawton
Co., LLC

Moniac, Inc.

J. Lawton Co.,
LLC, et al

Gerald W.
Pullin, et ux

PWK
Timberland, LLC
Petrochem Oper. Co.
PWK Timberlands 15

Herman
McFatter,
et ux

7 S

Anna
Winzor

18
1
11022' MD
10750' VD

9 W

Forestal
Minerals, LLC

Helen
Gilbert,
et al

Herman
McFatter,
et ux

Herman
McFatter,
et ux

Quatre Mineral, LLC

Abner
Burnitt,
et al

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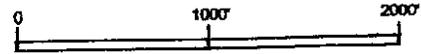
EXHIBIT NO.
DOCKET NO.

DATE:

UNION GAS OPERATING CO. INC.

SOUTH GORDON FIELD
BEAUREGARD PARISH, LOUISIANA

PROPOSED UNIT
YEGUA ZONE



NOTE: ALL BOUNDARIES ARE GEOGRAPHIC

Quatre
Mineral, LLC

Quatre Mineral, LLC

DAVID STURLESE
CONSULTING GEOLOGIST - LAFAYETTE, LOUISIANA