

# LISKOW & LEWIS

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March 27, 2009

Richard W. Revels, Jr.  
rwrevels@liskow.com

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

Re: Hosston Formation, Reservoir D  
Cotton Valley Formation, Reservoir D  
Haynesville Zone, Reservoir B  
Red River-Bull Bayou Field  
DeSoto and Red River Parishes, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **SWEPI LP** for the calling of public hearings, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters:

### Hosston Formation, Reservoir D

1. To create six (6) additional drilling and production units for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir D, in the Red River-Bull Bayou Field, DeSoto and Red River Parishes, Louisiana, said units to be designated HOSS RD SUG through HOSS RD SUL, 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 units with each tract sharing in unit production on a surface acreage basis of participation.
3. Except to the extent contrary herewith, to extend to the proposed additional units all pertinent provisions of Office of Conservation Order No. 109-N-11, effective January 9, 2007 as amended and supplemented by the 109-N Series of Orders, and applicable statewide orders.
4. To consider such others matters as may be pertinent.

The Hosston Formation, in Red River-Bull Bayou Field, Red River Parish, Louisiana, was previously defined in Office of Conservation Order No. 109-N-5, effective September 29, 2004.

### Cotton Valley Formation, Reservoir D

1. To create six (6) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir D, in the Red River-Bull Bayou Field, DeSoto and Red River Parishes, Louisiana, said units to be designated CV RD SUE through CV RD SUJ, as shown on the plat attached hereto and made a part hereof.

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2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed units with each tract sharing in unit production on a surface acreage basis of participation.

3. To provide that any future wells drilled to the Cotton Valley Formation, Reservoir D, in the Red River Bull Bayou Field, within or outside the units created herein, should be located in accordance with the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).

4. To consider such others matters as may be pertinent.

The Cotton Valley Formation, Reservoir D, in the Red River-Bull Bayou Field, is hereby defined as being the stratigraphic equivalent of that gas and condensate bearing formation encountered between the depths of 9,134 feet and 9,860 feet (electrical log measurements) in the Sklar Energy, LLC – Minor No. 1 Well, located in Section 7, Township 12 North, Range 11 West, DeSoto Parish, Louisiana.

#### Haynesville Zone, Reservoir B

1. To create six (6) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir B, in the Red River-Bull Bayou Field, DeSoto and Red River Parishes, Louisiana, said units to be designated HA RB SUII through HA RB SUNN, 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 units with each tract sharing in unit production on a surface acreage basis of participation.

3. Except to the extent contrary herewith, to extend to the proposed additional units all pertinent provisions of Office of Conservation Order No. 109-X-4, effective November 6, 2008, as amended and supplemented by the 109-X Series of Orders, and applicable Statewide Orders.

4. To consider such others matters as may be pertinent.

The Haynesville Zone, Reservoir B, in Red River-Bull Bayou Field, Red River Parish, Louisiana, was previously defined in Office of Conservation Order No. 109-X-4, effective November 6, 2008.

Any pertinent data, including well logs, not available at the Office of Conservation, may be obtained **AT THE COST OF THE REQUESTING PARTY** from Bill Dale with W. H. Robbins & Associates, L.L.C., 302 LaRue France, Lafayette, Louisiana 70508, Telephone Number (337) 232-5004.

Pursuant to the Rules of Procedure, a pre-application conference was held on March 26, 2009, in Natchitoches, Louisiana, at which the parties named on the attached list were in attendance. The conference was opened by representatives of the applicant who explained the bases for the units being requested. Questions were asked and answered. Representatives of Red River Mining Company, the operator of the Oxbow Lignite Mine, and SWEPCO, the utility company who purchases lignite from the mine, expressed concern that the applicant's future drilling operations within the permitted area of the mine could interfere with the smooth and efficient operation of the mine. They requested the applicant to negotiate an agreement providing for notice, consultation and cooperation in future development and permitting. The applicant's representatives agreed to relay these concerns to the applicant, and future discussions between these parties are contemplated. The conference was then adjourned.

Attached hereto and made a part hereof are plats outlining the applicant's proposals, the conference attendance list and a list of the names and addresses of the Interested Owners, Represented Parties, and

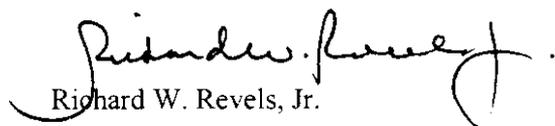
March 27, 2009

Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, the list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check in the amount of \$2,265.00 made payable to the Office of Conservation submitted on behalf of the applicant representing the hearing application fee.

Sincerely,

LISKOW & LEWIS

  
Richard W. Revels, Jr.

RWRjr:dbf  
Attachments

cc: Mr. James Broussard, Shreveport District Office of Conservation  
cc: Interested Owners, Represented Parties and Interested Parties

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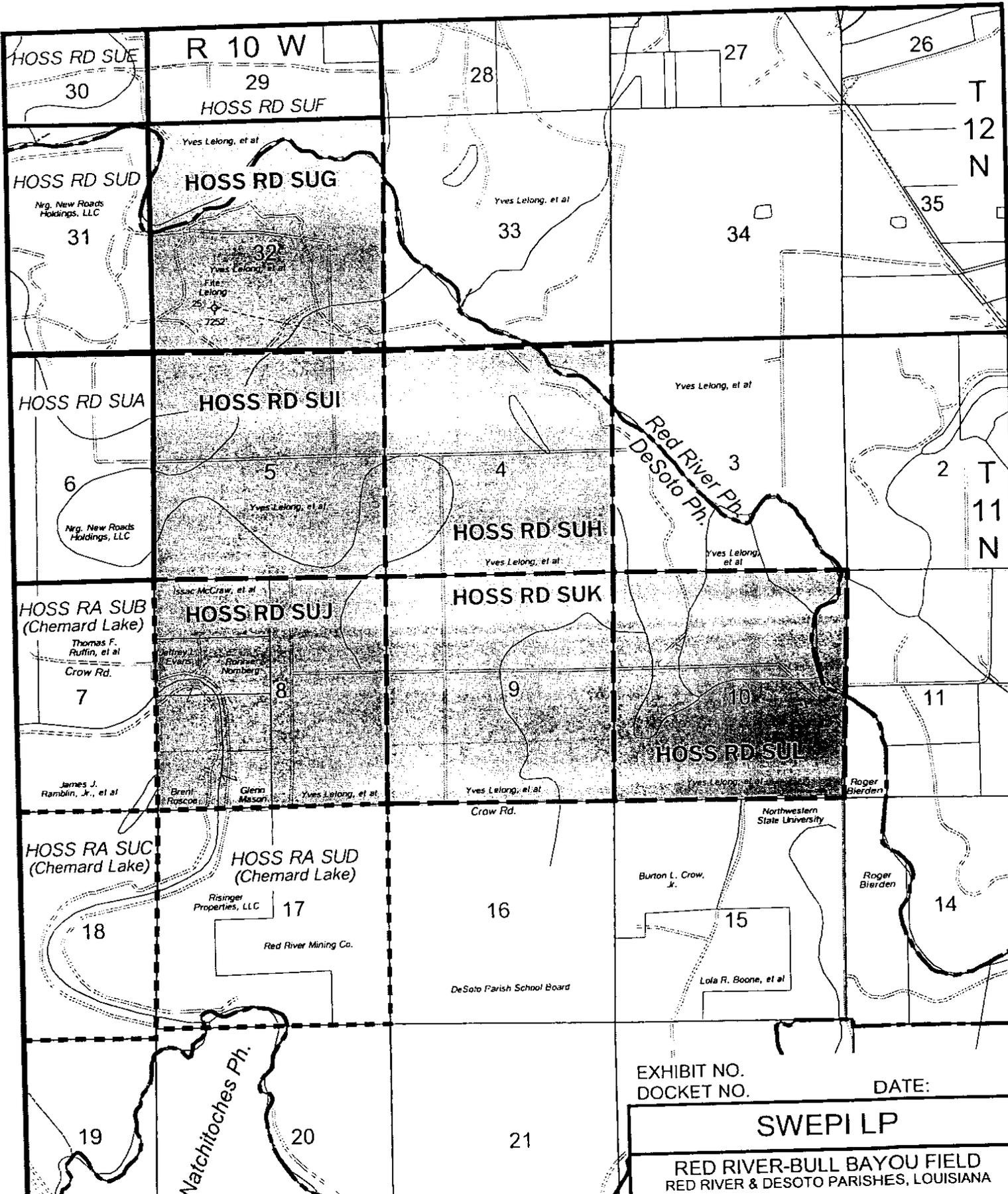
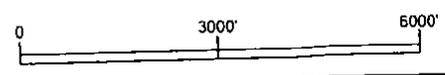


EXHIBIT NO. \_\_\_\_\_ DATE: \_\_\_\_\_  
 DOCKET NO. \_\_\_\_\_

**SWEPI LP**

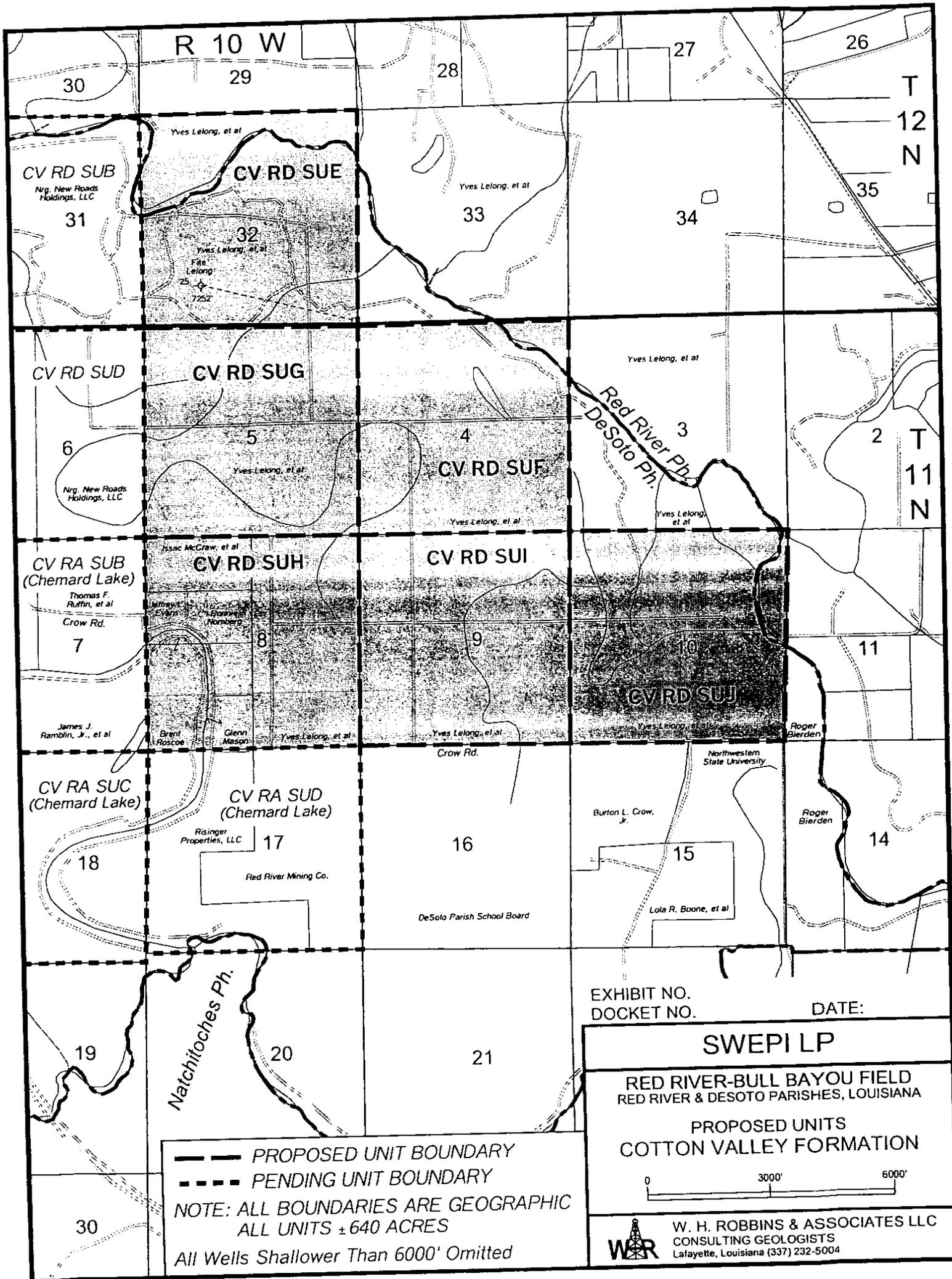
**RED RIVER-BULL BAYOU FIELD**  
 RED RIVER & DESOTO PARISHES, LOUISIANA

**PROPOSED UNITS**  
**HOSSTON FORMATION**



- - - - - PROPOSED UNIT BOUNDARY  
 - - - - - PENDING UNIT BOUNDARY  
 - - - - - EXISTING UNIT BOUNDARY (APO 109-N-11)  
 NOTE: ALL BOUNDARIES ARE GEOGRAPHIC  
 ALL UNITS ±640 ACRES  
 All Wells Shallower Than 6000' Omitted


**W. H. ROBBINS & ASSOCIATES LLC**  
 CONSULTING GEOLOGISTS  
 Lafayette, Louisiana (337) 232-5004

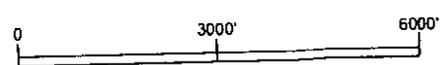


- - - - PROPOSED UNIT BOUNDARY  
 - - - - PENDING UNIT BOUNDARY

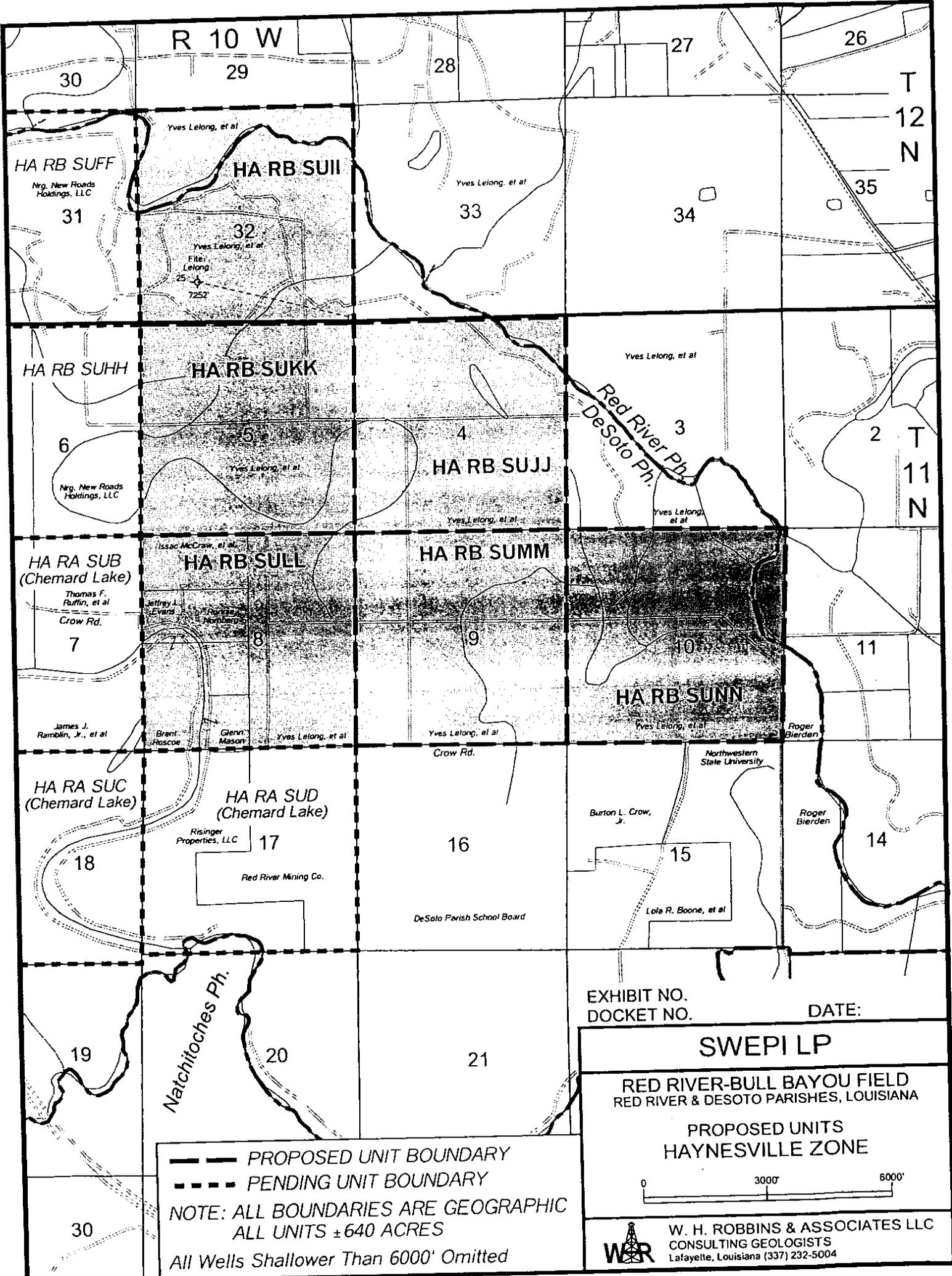
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EXHIBIT NO. \_\_\_\_\_  
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 DATE: \_\_\_\_\_  
**SWEPI LP**

**RED RIVER-BULL BAYOU FIELD**  
 RED RIVER & DESOTO PARISHES, LOUISIANA  
**PROPOSED UNITS**  
**COTTON VALLEY FORMATION**




**W. H. ROBBINS & ASSOCIATES LLC**  
 CONSULTING GEOLOGISTS  
 Lafayette, Louisiana (337) 232-5004



——— PROPOSED UNIT BOUNDARY  
 - - - - PENDING UNIT BOUNDARY  
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 ALL UNITS ± 640 ACRES  
 All Wells Shallower Than 6000' Omitted

EXHIBIT NO. \_\_\_\_\_  
 DOCKET NO. \_\_\_\_\_  
 DATE: \_\_\_\_\_

**SWEPI LP**  
**RED RIVER-BULL BAYOU FIELD**  
**RED RIVER & DESOTO PARISHES, LOUISIANA**  
**PROPOSED UNITS**  
**HAYNESVILLE ZONE**

0                      3000'                      6000'

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