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April 29, 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, BETHANY-
LONGSTREET FIELD, DeSoto Parish, Louisiana.

Dear Sir:

NELSON ENERGY, 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, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana:

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir B, such unit being shown on the attached plat and being designated HA RB SUH.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit 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.
3. To designate an operator of, and unit well for, the proposed unit as may be appropriate.
4. To redefine the Haynesville Zone, Reservoir B, as to the proposed additional unit as that gas and condensate bearing interval encountered between the measured depths of 10,260 feet and 11,860 feet in the Bidas Energy USA, Inc.--David Mason 27 No. 1 Well, located in Section 27, Township 13 North, Range 15 West, DeSoto Parish, Louisiana.
5. To provide that for any horizontal well drilled within the proposed unit, where the horizontal 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 of the well in the Haynesville Zone.

6. To expand the provisions of Office of Conservation Order No. 289-20, effective May 16, 2006, authorizing downhole combination of production from the Hosston Formation, Reservoir A, underlying HOSS RA SU13 with production from the Cotton Valley Formation, Reservoir A, underlying CV RA SU77, so as to include production from the Haynesville Zone, Reservoir B, underlying the proposed unit HA RB SUH, in any well in which the interests in the units from which production is to be combined downhole are identical.

7. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 289-R-1, effective April 29, 2008, as amended and supplemented by the Order No. 289-R-1 series of Orders, and of all applicable Statewide Orders, to the proposed additional unit.

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

The Haynesville Zone, Reservoir B, in the Bethany-Longstreet Field, was initially defined in Office of Conservation Order No. 289-R-1, effective April 29, 2008.

Any pertinent data concerning this application will be available for inspection at the offices of 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.

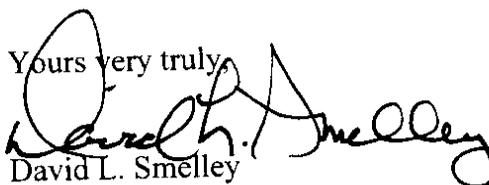
By letter dated April 16, 2009, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set May 7, 2009, as the tentative date for the pre-application conference. No conference request was received within the time period provided in the Rules of Procedure; accordingly, no pre-application conference will be held.

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 the unit plat (which is identical to the unit plat attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Honorable James H. Welsh
April 29, 2009
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Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plat, 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 Bethany-Longstreet 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.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,

David L. Smelley

-- Attorney for Nelson Energy, Inc.

DLS:dp
Enclosures

cc: Mr. James C. Broussard (w/encls.)
Mr. Danny Moreland (w/encls.)
Mr. Joe B. Adams (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plat only)

R 15 W
16

15

17

Burford, Etal

Mason Estate

Annette Greene

HA RB SU H
+/- 640 Acres

Martin Timber Company, Etal

Annette Greene

T
13 20
N

21

Black Stone Minerals, Etal

Walter Fair Johnson, III

22
Mason, Etal

Martin Timber Company, Etal



Waymon C. McClary, Etal

Linda M. Derrick, Etal

W.H. Mason & Irma J. Mason

Aline Mason Wilson

Nathan Derbonne, Etux

STATE HIGHWAY 3015

29

Kenneth Salley, Etux

Kenneth Salley, Etux

28

Ruth Lawrence

B. Woodall

27

Billingsley, Etal

Mary Belle Smith

S. Caston

EXHIBIT No.

DOCKET No.

NELSON ENERGY, INC.

BETHANY - LONGSTREET FIELD
DE SOTO PARISH, LOUISIANA

Proposed Unit
Haynesville Zone, Reservoir B

Date:

0' 1000' 2000' 3000'



Geology: JOE B. ADAMS

----- - PROPOSED UNIT
- EXISTING HA UNITS

NOTE: ALL UNIT BOUNDARIES
ARE GEOGRAPHIC.

NOTE: ONLY WELLS THAT
PENETRATED THE HAYNESVILLE
ZONE ARE POSTED.

NOTE: NO WELL WILL BE
PERFORATED LESS
THAN 330' FROM ANY UNIT LINES



Geo-Draft, Inc.

(504) 836-2882