

HARGROVE, SMELLEY, STRICKLAND & LANGLEY

(A PROFESSIONAL LAW CORPORATION)

AMERICAN TOWER, SUITE 600

401 MARKET STREET

SHREVEPORT, LOUISIANA 71101-3239

May 4, 2009

THOMAS J. WYATT (1942-1996)

MAILING ADDRESS

POST OFFICE BOX 59

SHREVEPORT, LOUISIANA 71161-0059

TELEPHONE (318) 429-7200

TELECOPIER (318) 429-7201

JOSEPH L. HARGROVE, JR.
DAVID L. SMELLEY
PAUL A. STRICKLAND
GLENN L. LANGLEY
LOUISE F. PEARCE
T. ISSAC HOWELL
MAGAN F. CAUSEY
JULIANNA PETCHAK PARKS
CHAD E. SEPULVADO
B. LEE CARR, JR.

OF COUNSEL

WILLIAM G. PENNY

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 A, CANADIAN
BAYOU FIELD, DeSoto Parish, Louisiana.

Dear Sir:

BEUSA 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 A, in the Canadian Bayou Field, DeSoto Parish, Louisiana:

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
2. To create a single drilling and production unit for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, such unit being designated HA RA SUA and being shown on the attached plat.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each separate tract sharing in unit production on a surface acreage basis of participation.
4. To designate an operator of, and unit well for, the proposed unit as may be appropriate.
5. To propose that future wells drilled to the Haynesville Zone, Reservoir A, within or outside of the unit proposed herein, be located no closer than 330 feet to any unit boundary and no closer than 660 feet to any well completed in, drilling to, or for which a permit has been granted to drill to the Haynesville Zone, Reservoir A, and to provide that with respect to any horizontal well drilled to the Haynesville Zone 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. 708-1, effective January 9, 2007, authorizing downhole combination of production from the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, with respect to previously created units for such formations which are identical to the unit proposed herein for the Haynesville Zone, Reservoir A, so as to include production from the Haynesville Zone, Reservoir A, in any well in which the interests in the units from which production is to be combined downhole are identical.

7. To define the Haynesville Zone, Reservoir A, as that gas and condensate bearing interval encountered between the depths of 10,248 feet and 11,867 feet, electric log measurements, in the Bidas Energy USA, Inc.--DeSoto Oil & Gas Trust 18 No. 1 Well, located in Section 18, Township 12 North, Range 14 West, DeSoto Parish, Louisiana.

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

Any pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect any such data should call Mr. Louis Gilbert at (504) 834-8112 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.

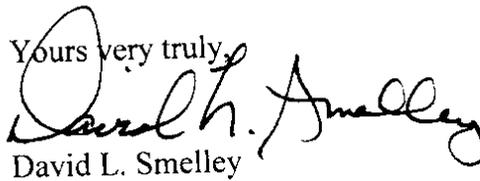
By letter dated April 21, 2009, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set May 14, 2009, as the tentative date for the pre-application conference. No conference request was received within the time provided for 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.

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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 Canadian Bayou 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 Beusa Energy, Inc.

DLS:dp
Enclosures

cc: Mr. James C. Broussard (w/encls.)
Ms. Linda McGowen (w/encls.)
Mr. Jeff Reagan (w/encls.)
Mr. Louis Gilbert (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plat only)

