

IRONCROSS, INC.

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24 August 2010

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

Re: APPLICATION FOR PUBLIC HEARING
MUNOCO COMPANY (OPR CODE 4347)
SUBSTITUTE UNIT WELL EXCEPTION
TO SPACING PROVISIONS
TL SUK; McGEE ET AL NO. 1 (PROPOSED)
SEC 20 T9N R7E BRYANT BRAKE FIELD
CATAHOULA PARISH, LOUISIANA

Application is hereby made on behalf of MUNOCO COMPANY (Applicant) to the Commissioner of Conservation for calling of public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters concerning drilling / production unit TL SUK of Bryant Brake Field, Catahoula Parish, Louisiana:

- 1) To grant an exception to the spacing provisions of Office of Conservation Order No. 608, Effective 01 February 1963, as amended by Order No. 608-A-5, Effective 15 October 1970, so as to permit the Applicant to drill, complete, and designate their proposed wellbore - Munoco Company - McGee et al No. 1 Well as a substitute unit well for production of oil and / or gas from the Tew Lake Sand, within the unit designated TL SUK, Bryant Brake Field, Catahoula Parish, Louisiana; such well location being shown on the attached unit plat and made a part hereof.
- 2) To grant status of the proposed wellbore - Munoco Company - McGee et al No. 1 Well as a Substitute Unit Well for TL SUK Tract.
- 3) To determine that the requested completion wellbore will enable a more effective and efficient drainage of a portion of the reservoir which can not otherwise be drained by any other well located therein, absent approval of the exception to spacing provision.
- 4) To designate Munoco Company as the Operator of such Substitute Unit Well.
- 5) To consider any and all other matters as the Commissioner of Conservation may deem pertinent and appropriate concerning this application and request.

Office of Conservation Order No. 608 was promulgated Effective 01 February 1963, and established rules, regulations and created drilling and oil and / or gas production units for the Tew Lake Sand of the Bryant Brake Field, Catahoula Parish, Louisiana. Supplemental Order No. 608-A, Effective 01 April 1963, provided that no well shall be drilled nearer than 400 feet from any unit boundary and no well shall be drilled nearer than 1000 feet from any other producer or drilling well in this field. Order No. 608-A-5, Effective 15 October 1970, created and designated the Tew Lake Sand Unit TL SUK.

The Tew Lake Sand of the Bryant Brake Field, Catahoula Parish, Louisiana is defined as being that hydrocarbon bearing sand occurring in the interval between 4300 feet and 4358 feet (induction electric log measurement) in the Charles M. Nolan - J. M. Meyers No. 1 Well, located in the Northwest Quarter of the Northwest Quarter of Section 29, Township 9 North, Range 7 East, Catahoula Parish, Louisiana.

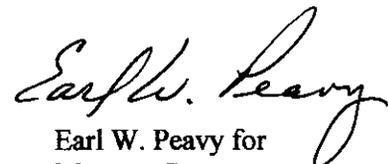
Pertinent data concerning this application is available for inspection at the offices of Earl W. Peavy, 1310 Pine Street Extension, Jena, Louisiana 71342. Any person wishing to inspect such data should call Earl W. Peavy at 318-992-4156 during normal business hours in order to arrange a date and time for such inspection. A copy of such pertinent data, that is otherwise not available from the Office of Conservation, can be obtained at the expense of the requesting party.

The subject matter of this application does not require a pre-application notice nor a pre-hearing conference. Accordingly, no notice has been issued, and it is requested that the hearing be held after the necessary ten (10) day delay following legal advertisement.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Monroe District Office of Conservation and to the Interested Owners, Interested Parties and Represented Parties as shown on the attached list.

We are enclosing our check in the amount of \$755.00, made payable to the Office of Conservation, to cover the applicable hearing fee.

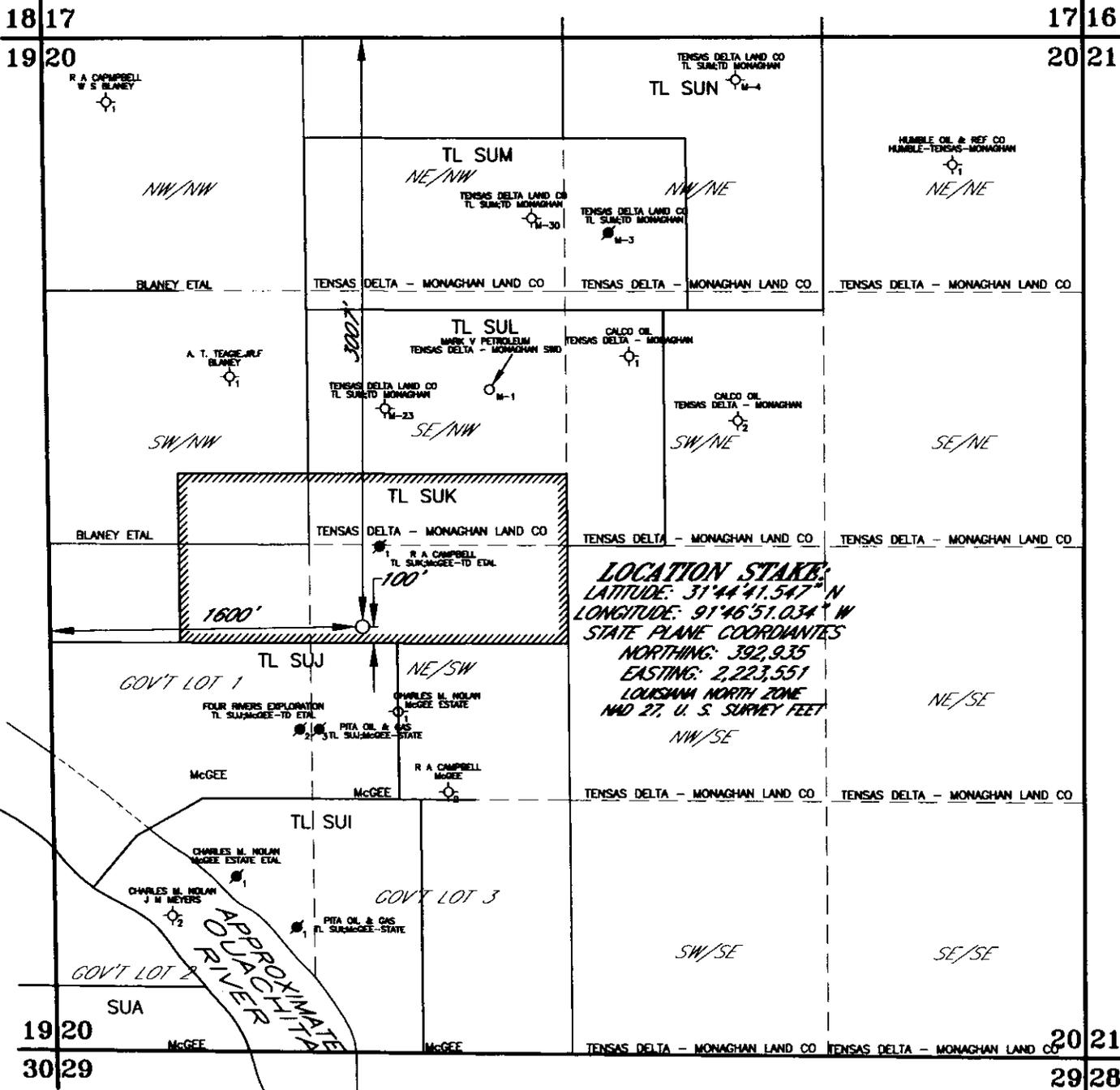
Sincerely,



Earl W. Peavy for
Munoco Company

cc: Joseph F. DeVall, Manager-Monroe District Office of Conservation
Interested Owners, Interested Parties and Represented Parties
Tom Watson - Munoco Company, El Dorado, Arkansas
Encl(3)

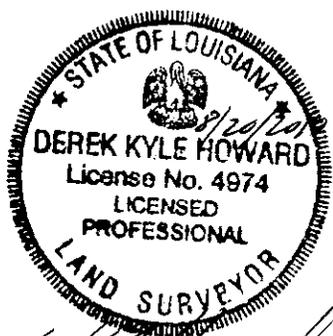
T 9 N - R 7 E



LOCATION STAKE:
 LATITUDE: 31°44'41.547" N
 LONGITUDE: 91°46'51.034" W
 STATE PLANE COORDINATES
 NORTHING: 392,935
 EASTING: 2,223,551
 LOUISIANA NORTH ZONE
 NAD 27, U. S. SURVEY FEET

CERTIFICATION:
 I HEREBY CERTIFY THAT THIS PLAT
 CORRECTLY REPRESENTS MY SURVEY.

////// TL SUK 40± ACRE UNIT



THIS SURVEY DOES NOT CONSTITUTE:

1. ENVIRONMENTAL SITE ASSESSMENT
2. WETLANDS DETERMINATION
3. SUB-SURFACE INVESTIGATION
4. CERTIFICATION OF UN-ENCUMBERED OWNERSHIP
5. A PROPERTY BOUNDARY SURVEY NOR DOES IT MEET MINIMUM STANDARDS FOR A PROPERTY BOUNDARY SURVEY.

NOTES:

- (1) LATITUDE AND LONGITUDE FROM GEODETIC SURVEY.
- (2) LOCATION STAKE LOCATED ON 1983 PROVISIONAL EDITION OF UNITED STATES GEOLOGICAL SURVEY, JONESVILLE NORTH, LOUISIANA 7.5' QUADRANGLE MAP.
- (3) VERTICAL DATUM - NATIONAL GEODETIC VERTICAL DATUM OF 1929.
- (4) HORIZONTAL DATUM - 1927 NORTH AMERICAN DATUM.
- (5) SURFACE AND MINERAL OWNERSHIP PROVIDED BY CLIENT.
- (6) EXISTING WELLS AND THEIR STATUS SPOTTED ON PLAT FROM RECORD CALLS.
- (7) NO INVESTIGATION MADE BY THIS SURVEYOR FOR FRESH WATER WELLS.
- (8) NO DWELLING OR STRUCTURE LOCATED WITHIN 200' OF LOCATION STAKE.
- (9) CALL LOUISIANA ONE CALL (811) BEFORE DRILLING OR EXCAVATING.

SURVEY PLAT SHOWING
MUNOCO COMPANY
TL SUK; McGEE ETAL NO. 1

DESCRIPTION
 3007' FNL & 1600' FWL OF SECTION 20, T9N-R7E, LOUISIANA PRINCIPAL MERIDIAN, NORTH OF
 RED RIVER LAND DISTRICT, CATAHOULA PARISH, LOUISIANA.

LEGEND

- ⊙ - D&A
- - OIL
- - P&A
- ☼ - GAS
- ⊙ - SWD
- ☼ - GAS P&A
- () - SURFACE OWNERSHIP
- - STAKED

SURVEY DATE 05/19/2010	REVISED DATE 08/20/2010	PRE-CONST. ELEV. GROUND = 52.5'	AREA MAP 237.390
SCALE 1" = 800'	DESC. SU 1	POST-CONST. ELEV.	PROJECT NO. 237.390
FB/PS LOC BK 17/48-51, 56-57	CLASS D SURVEY	D:\VACAD\237\300\237390 PERMIT REVISED.DWG	DWG. BY DKH APP. BY CNB

N & A, INC.
NONLIN & ASSOCIATES, INC.
 CONSULTING ENGINEERS - LAND SURVEYORS
 NATCHITOCHE, LOUISIANA JENA, LOUISIANA
 PH NO. (318) 992 - 0389 OR 992 - 5282