

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, OCTOBER 26, 2010**, upon the application of **SQUARE MILE ENERGY, LLC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **UL 1-4 Zone, Reservoir A**, in the Larose Field, Lafourche Parish, Louisiana.

1. To establish rules and regulations governing the exploration for and production of oil and gas from the UL 1-4 Zone, Reservoir A.
2. To create a single drilling and production unit for the UL 1-4 Zone, Reservoir A.
3. 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 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 provide that future wells drilled to the UL 1-4 Zone, Reservoir A, within the unit proposed herein be exempt from the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).
6. To provide that future wells drilled to the UL 1-4 Zone, Reservoir A, outside of the unit proposed herein be located in accordance with the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).
7. To provide that the Commissioner of Conservation may reclassify the UL 1-4 Zone, Reservoir A, by Supplemental Order and without the necessity of a public hearing should such a reclassification be warranted based on evidence furnished to the Commissioner of Conservation.
8. To consider such other matters as may be pertinent.

The UL 1-4 Zone, Reservoir A is defined as that oil and gas bearing zone encountered between the depths of 10,703' and 11,460' (electrical log measurements) in the Pennzoil Producing Company-M.R. Fee 852 No. 11 Well, located in Section 38, Township 16 South, Range 21 East.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Lafayette**, Louisiana.

<http://dnr.louisiana.gov/conshearings>

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

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IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED ASSISTANCE AT THE HEARING, PLEASE CONTACT THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.