

September 16, 2010

Honorable James H. Welsh
Commissioner of Conservation
Department of Natural Resources
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

RE: Proposed Substitute Unit Well at Exceptional Location
Proposed Alternate Unit Well
Bol Mex 3 Sand, Reservoir B
SCOTT FIELD
Lafayette Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of Hilcorp Energy Company for the calling of a public hearing, after ten (10) days legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Bol Mex 3 Sand, Reservoir B, located in the Scott Field, Lafayette Parish, Louisiana, for which a unit was established and rules and regulations adopted by Office of Conservation Order No. 335-F-4, effective May 21, 1991.

1. To designate the Hilcorp Energy Company - Martin Heirs No. 1 ST Well as the substitute unit well for the BOL M 3 RB SUA, as shown on the plat which is attached hereto and made a part hereof in exception to the spacing provisions of Office of Conservation Order No. 335-F-4, effective May 21, 1991.
2. To designate the Hilcorp Energy Company (formerly Quinoco) - Boudreaux No. 1 Well as the alternate unit well for the BOL M 3 RB SUA as shown the plat which is attached hereto and made a part hereof. The Boudreaux No. 1 Well was designated as the unit well for the BOL M 3 RB SUA by Order No. 335-F-3, effective April 18, 1990.
3. To permit the operator to produce the unit allowable from the proposed substitute unit well, the proposed alternate unit well, or from both wells, at its option.
4. To find that a tolerance of fifty (50) feet for the location of the proposed substitute unit well is necessary to account for the possible variance between the proposed location and the "as drilled" location.

5. Except to the extent contrary herewith, to continue in full force and effect the provisions of Office of Conservation Order No. 335-F-4, the unit created thereby, and applicable Statewide Orders.

6. To consider such other matters as may be pertinent to this application.

The present unit well, to be designated as the alternate unit well, the Hilcorp Energy Company (formerly Quinoco) - Boudreaux No. 1 Well, is currently completed and producing from the BOL M 3 RB SUA at low rates. The Hilcorp Energy Company - Martin Heirs No. 1 Well will recover hydrocarbons within the existing unit that could otherwise be lost. The designation of a substitute unit well is therefore necessary and in the interest of conservation to efficiently and economically drain a portion of the BOL M 3 RB SUA which cannot be efficiently and economically drained by any existing well within such unit.

The Bol Mex 3 Sand, Reservoir B, in the Scott Field, Lafayette Parish, Louisiana, was fully defined in Office of Conservation Order No. 335-F-3, effective April 18, 1990.

There is attached hereto and made a part hereof a plat identifying the subject unit along with the location of the proposed substitute unit well and the location of the proposed alternate unit well. Pursuant to the Revised Rules of Procedure, a list of names and addresses of the Interested Owners, Interested Parties and Represented Parties to whom this application is being sent is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list will be provided to any party requesting a copy. A diligent effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties as required by the Revised Rules of Procedure.

Finally, there is enclosed our check on behalf of the applicant, Hilcorp Energy Company in the sum of \$755.00 payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,

LEON E. COMEAUX & ASSOCIATES



Randy McAlister

RM/cu
Enclosures

cc: Mr. Richard Hudson
Office of Conservation
825 Kaliste Saloom Road
Brandywine III, Suite 220
Lafayette, Louisiana 70508-4284

Interested Parties, Interested
Owners and Represented Parties

