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April 15, 2010

Hon. James H. Welsh
Commissioner of Conservation
617 N. Third Street, 9th Floor
Baton Rouge, Louisiana 70802

Re: Haynesville Zone, Reservoir A,
Greenwood-Waskom Field, Caddo
Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of Encore Operating Louisiana, L.L.C. ("Applicant"), 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 relative to the Haynesville Zone, Reservoir A, Greenwood-Waskom Field, Caddo Parish, Louisiana:

1. To authorize Applicant to drill, designate and utilize a horizontal well as an alternate unit well, for HA RA SUE at the location and in the general manner shown on the attached plat, provided that in no event may the well be perforated closer than 330 feet to any unit line.

2. To provide that where the horizontal portion of a well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary and any offset well(s) shall be calculated based on the distance to the nearest perforation in the well and not based on the penetration point or terminus.

3. To find that the proposed alternate unit well is necessary to efficiently and economically drain a portion of the Haynesville Zone, Reservoir A, underlying the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well within the unit.

4. To permit the operator of HA RA SUE to produce the allowables assigned to this unit from either the unit well, from any alternate unit well, or from any combination of such wells, at the option of the Operator.

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

The Haynesville Zone, Reservoir A, in the Greenwood-Waskom Field, was defined in Office of Conservation Order No. 270-MM, effective June 19, 2007, and was redefined in Office of Conservation Order No. 270-MM-2, effective September 16, 2008, INsofar AND ONLY INsofar as to the units designated HA RA SUE through HA RA SUH, and corrected in Correction to Office of Conservation Order No. 270-MM-2, effective September 16, 2008.

The subject matter of this application does not require the issuance of a pre-application notice.

The actual path of the proposed alternate unit well may differ from the direct path from the surface to the bottom hole location depicted on the attached plat. However, in no event will either well be perforated closer than 330 feet from any unit line.

All pertinent data relating to this proposed application may be obtained **AT THE COST OF THE REQUESTING PARTY** from Mr. Charles G. Smith, 5743 S. Pollard Parkway, Baton Rouge, LA 70808, (225) 767-2240.

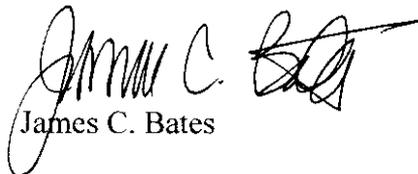
Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such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

Hon. James H. Welsh
Commissioner of Conservation
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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 Greenwood-Waskom Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner. Also enclosed is our check payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

DENNIS, BATES & BULLEN, L.L.P.



James C. Bates

JCB/cm
encls.

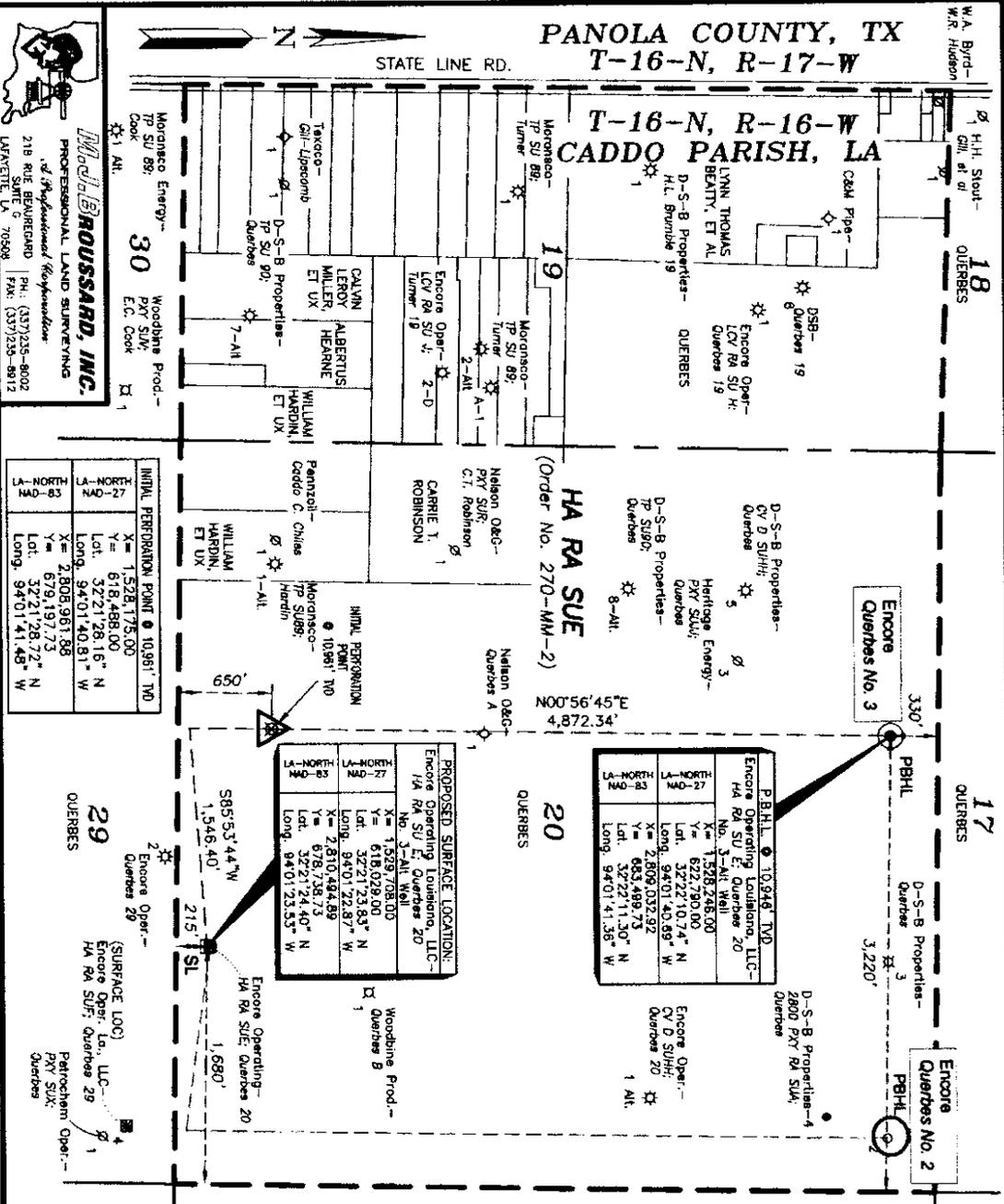
cc: Mr. Jim Broussard
District Manager

Interested Parties
Interested Owners
Represented Parties

W.A. Byrd -
W.R. Hudson

PANOLA COUNTY, TX
T-16-N, R-17-W

T-16-N, R-16-W
CADDO PARISH, LA



Marcus J. BROUSSARD, INC.
PROFESSIONAL LAND SURVEYING
218 AIR BRUNNARD
SUITE C
LAVENDEX, LA 70508
PH: (337)235-8002
FAX: (337)235-8912

INITIAL PERFORATION POINT @ 10,961' TD

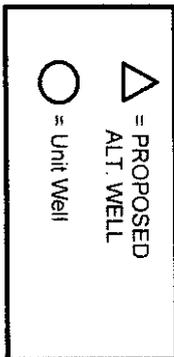
Section	X	Y	Lat.	Long.
19	15528175.00	618,488.00	32°21'28.16" N	94°01'40.81" W
20	2,808,961.88	678,197.75	32°21'28.72" N	94°01'41.48" W

PROPOSED SURFACE LOCATION:
Encore Operating Louisiana, LLC -
HA RA SU E; Querves 20
No. 3-ALT Well

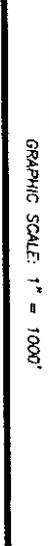
Section	X	Y	Lat.	Long.
19	15,528,708.00	618,028.00	32°21'23.83" N	94°01'22.97" W
20	2,810,484.89	678,738.73	32°21'24.40" N	94°01'23.53" W

P.B.H.L. @ 10,946' T.V.D.
Encore Operating Louisiana, LLC -
HA RA SU E; Querves 20
No. 3-ALT Well

Section	X	Y	Lat.	Long.
19	15,282,248.00	622,790.00	32°22'10.74" N	94°01'40.89" W
20	2,808,032.92	683,489.73	32°22'11.20" N	94°01'41.38" W



ENCORE OPERATING LOUISIANA, LLC
HA RA SU E; QUERVES 20 NO. 3-ALT WELL
SECTION 20, T-16-N, R-16-W
CADDO PARISH, LOUISIANA
MARCH 30, 2010



PRELIMINARY

MARCUS J. BROUSSARD
Professional Land Surveyor
Louisiana Registration No. 4739

- Geographic coordinates shown are accurate to within a sub-meter.
- This well is not subject to the provisions of Order U-HS.
- No Residential or Commercial Structures are located within a 500' radius of the proposed well location on November 17, 2009.
- Perforation Points to be no closer than 330' to any Unit Line.
- Ground Elevation @ Location = ±310' NGVD

PROPOSED SURFACE LOCATION:
Encore Operating Louisiana, LLC -
HA RA SU E; Querves 20 No. 3-ALT Well
To be located as follows:
215' from the South line & 1880' from the East line of Section 20, located in Section 20, T-16-N, R-16-W, Caddo Parish, Louisiana.
P.B.H.L. @ 10,946' T.V.D.
Being 330' from the North line & 3,220' from the East line of Section 20, located in Section T-16-N, R-16-W, Caddo Parish, Louisiana.

Exhibit No. 1 Docket No. 10-

ENCORE OPERATING LOUISIANA, LLC
GREENWOOD-WASKOM FIELD
CADDO PARISH, LOUISIANA
PROPOSED ALTERNATE UNIT WELL
HA RA SU E
2010
Charles G. Smith Consulting Geologist