

**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, 1<sup>st</sup> Floor, LaSalle Building, 617 North 3<sup>rd</sup> Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, JUNE 8, 2010**, upon the application of **J-W OPERATING COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Zone, Reservoir A, Cotton Valley Formation, Reservoir A, Lower Cotton Valley Zone, Reservoir A and Haynesville Zone, Reservoir A**, in the Elm Grove Field, Bossier Parish, Louisiana.

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Lower Cotton Valley Zone, Reservoir A.
2. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within these proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
4. To designate a unit operator of and a unit well for, each of the proposed units as may be appropriate.
5. To provide that with respect to any horizontal well drilled to the Haynesville Zone within the proposed units for that zone, 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 or 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 redefine the Lower Cotton Valley Zone, Reservoir A, insofar and only insofar as to the proposed additional unit LCV RA SU135, and the existing unit designated LCV RA SU64, as being that gas and condensate bearing interval encountered between the depths of 10,030' and 10,670' (electrical log measurements) in the J-W Operating Company-Cohort Energy et al 22 No. 1 Well, located in Section 22, Township 16 North, Range 13 West.
7. To expand the provisions of Office of Conservation Order No. 361-32, effective October 30, 2001, which approved down hole combination of production from the Hosston Zone, Reservoir A, underlying the existing unit HOSS RA SU5; the Cotton Valley Formation, Reservoir A, underlying the existing unit CV RA SU5; and the Lower Cotton Valley Zone, Reservoir A, underlying the existing unit LCV RA SU64; so as to include production from the Haynesville Zone, Reservoir A, underlying the proposed unit HA RA SU126, in any well in which the ownership interests in the units from which production is combined down hole are identical.
8. To authorize the down hole combination of production from the Hosston Zone, Reservoir A, underlying the existing unit HOSS RA SU6; the Cotton Valley Formation, Reservoir A, underlying the existing unit CV RA SU6; the Lower Cotton Valley Zone, Reservoir A, underlying the proposed unit LCV RA SU135; and the Haynesville Zone, Reservoir A, underlying the proposed unit HA RA SU125; or any combination thereof, in any well in which the ownership interests in the units from which production is combined down hole are identical.
9. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-E, effective July 16, 1996, as amended and supplemented by the 361-E Series of Orders, and of all applicable Statewide Orders, to the proposed additional unit for the Lower Cotton Valley Zone, Reservoir A.
10. To extend, except as in conflict herewith, the provisions of Order No. 361-L, effective July 29, 2008, as amended and supplemented by the 361-L Series of Orders, and of all applicable Statewide Orders, to the proposed additional units for the Haynesville Zone, Reservoir A.
11. To consider such other matters as may be pertinent.

The Hosston Zone, Reservoir A was defined in Order No. 361-A-1, effective October 1, 1972 and was further defined in subsequent Orders of the 361-A Series of Orders.

The Cotton Valley Formation, Reservoir A was defined in Order No. 361-B, effective October 1, 1973 and was further defined in subsequent Orders of the 361-B Series of Orders.

The Lower Cotton Valley Zone, Reservoir A was defined in Order No. 361-E, effective July 16, 1996.

The Haynesville Zone, Reservoir A was defined in Order No. 361-L, effective July 29, 2008.

Plats are available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, 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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**IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE 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.**