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May 4, 2010

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Lower Cotton Valley Zone, Reservoir A, and
Haynesville Zone, Reservoir A, ELM GROVE
FIELD, Bossier Parish, Louisiana.

Dear Sir:

J-W OPERATING COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Lower Cotton Valley Zone, Reservoir A, and to the Haynesville Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To create three (3) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, such units being shown on an attached plat and being designated HA RA SU122 through HA RA SU124.
2. 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.
3. To designate a unit operator of, and a unit well for, each of the proposed units as may be appropriate.
4. To provide that with respect to any horizontal well drilled to the Haynesville Zone within the proposed units, 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.
5. To redefine the Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, insofar and only insofar as to the existing units LCV RA SUR, LCV RA SUS and LCV RA SU60, as shown on an attached plat, as being that gas and condensate bearing interval encountered between

the depths of 10,030 feet and 10,670 feet (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, Caddo Parish, Louisiana.

6. To expand the provisions of Office of Conservation Order No. 361-31, effective August 21, 2001, which approved downhole combination of production from the Hosston Zone, Reservoir A; the Cotton Valley Formation, Reservoir A; and the Lower Cotton Valley Zone, Reservoir A; underlying the identical units HOSS RA SU107, CV RA SU127 and LCV RA SU60, so as to include production from the Haynesville Zone, Reservoir A, underlying the proposed unit HA RA SU123, in any well in which the ownership interest in the units from which production is combined downhole are identical.

7. To expand the provisions of Office of Conservation Order No. 361-14, effective April 9, 1998, and of Office of Conservation Order No. 361-45, effective April 29, 2003, which approved downhole combination of production from the Hosston Zone, Reservoir A; the Cotton Valley Formation, Reservoir A; and the Lower Cotton Valley Zone, Reservoir A; underlying the identical units HOSS RA SU129; CV RA SU124; and LCV RA SUR; so as to include production from the Haynesville Zone, Reservoir A, underlying the proposed unit HA RA SU124, in any well in which the ownership interests in the units from which production is combined downhole are identical.

8. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-L, effective July 29, 2008, as amended and supplemented by the Order No. 361-L series of Orders, and of all applicable Statewide Orders, to the proposed additional units for the Haynesville Zone, Reservoir A.

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

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

Any pertinent data concerning this application will be available for inspection at the offices of Mr. Joe B. Adams, 21010 Vermont Street, Livingston, Louisiana 70754. Any person wishing to inspect any such data should call Mr. Adams at (225) 686-2355 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated April 16, 2010, and Notice to Commissioner of Conservation and Others dated April 22, 2010, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and a pre-application conference to discuss the proposals was tentatively scheduled. While one conference

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May 4, 2010
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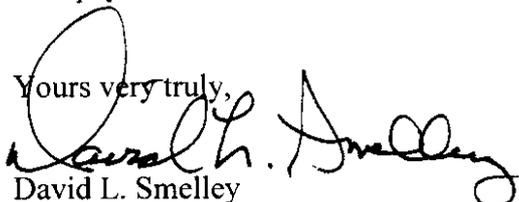
request was received, it was subsequently withdrawn; therefore the pre-application conference will not be held.

Pursuant to the Revised 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 each of the unit plats is enclosed herewith, and a copy of this letter and of the attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, 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 Elm Grove Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

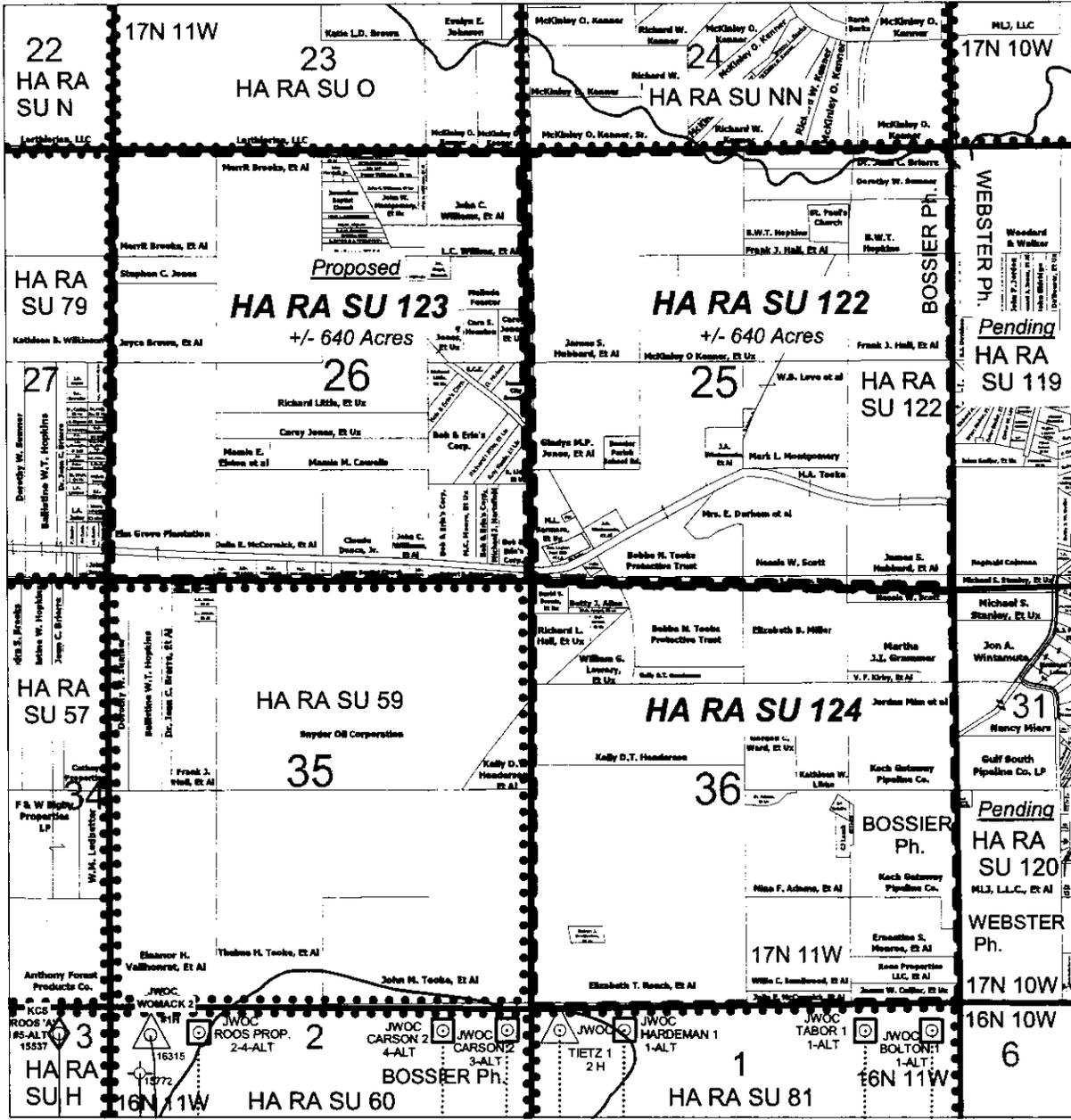
Yours very truly,


David L. Smelley

--- Attorney for J-W Operating Company

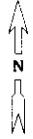
DLS:dp
Enclosures

cc: Mr. James C. Broussard (w/encls.)
Mr. Michael Baca (w/encls.)
Ms. Patty DuBois (w/encls.)
Ms. Tanya Allen (w/encls.)
Mr. Joe B. Adams (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plats only)



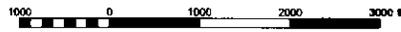
LEGEND

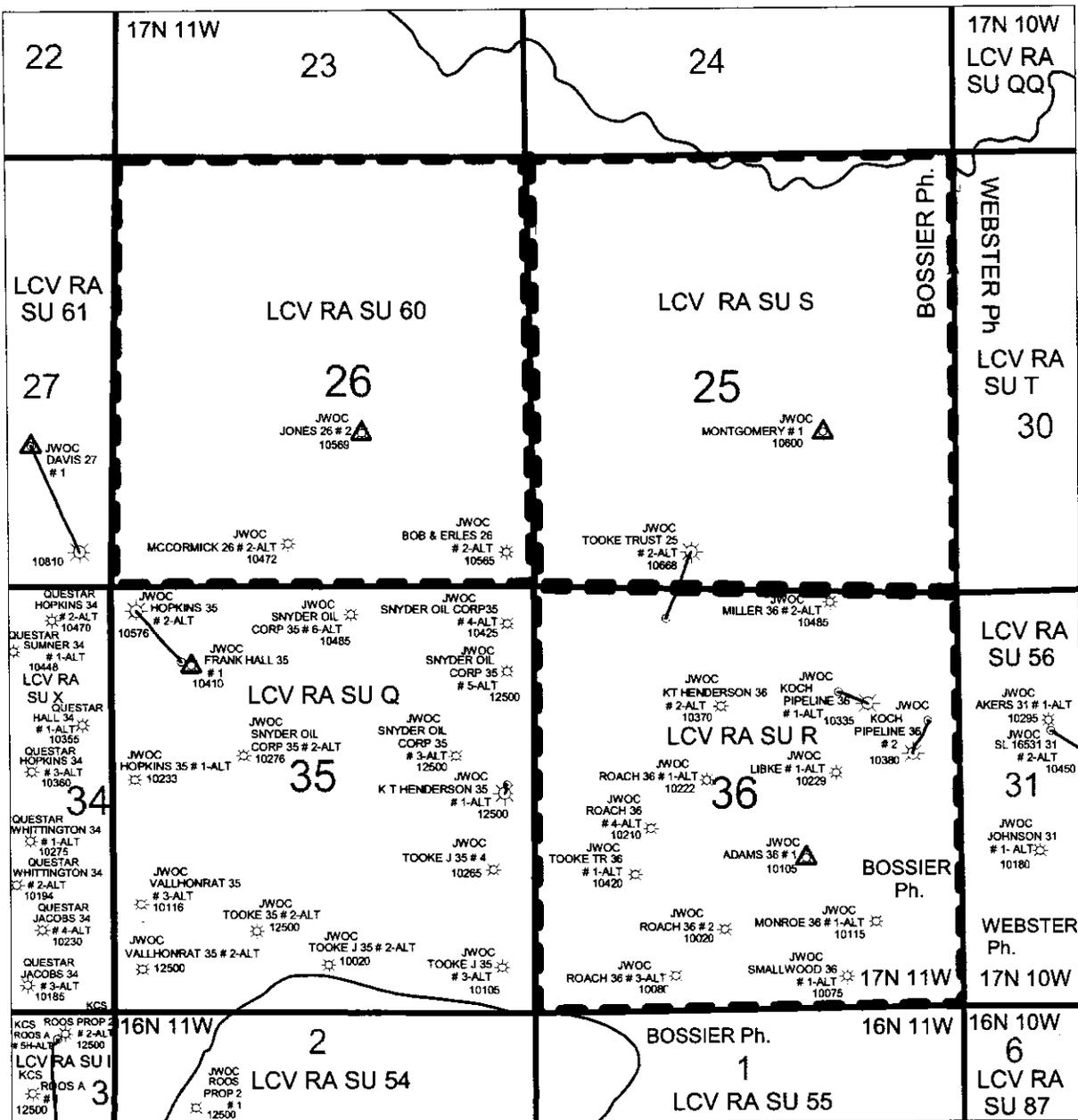
- Proposed Haynesville Unit
- Existing Haynesville Unit
- Pending Haynesville Unit
- Pending Alternate Unit Well
- Unit Well
- Approved Alternate Unit Well
- No Wells Posted < 12,000'



<small>J-W OPERATING COMPANY P.O. BOX 216499 DALLAS, TEXAS 75221-6499 OFFICE: (972) 211-9191 FAX: (972) 991-0704</small>		
ELM GROVE FIELD BOSSIER PARISH, LA. PROPOSED HAYNESVILLE UNIT		
DATE:	Witness: Joe Adams	Docket No.
Exhibit 1	Scale: 1" = 2000'	10-??

Note: No well will be perforated less than 330' from any unit boundary.





LEGEND

 Existing Units 361-E Series
 Proposed Unit Redefinition
 Lwr. Cotton Valley Unit Well
 Posted Wells > 10,000'



		J-W OPERATING COMPANY P.O. BOX 224486 DALLAS, TEXAS 75222-4486 OFFICE (972) 231-2151 FAX (972) 991-0704
ELM GROVE FIELD BOSSIER PARISH, LA. REDEFINITION UNIT PLAT LWR. COTTON VALLEY ZONE		
DATE:	Witness: Joe Adams	Docket No.
Exhibit 1	Scale: 1" = 2000'	10-??

