

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

RE: Marg Tex 2-3 Zone, Reservoir A
Bol Mex Zone, Reservoir B
LELEUX FIELD
Vermilion Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of Kaiser-Francis Oil Company to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the Marg Tex 2-3 Zone, Reservoir A and the Bol Mex Zone, Reservoir B, in the Leleux Field, Vermilion Parish, Louisiana.

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Marg Tex 2-3 Zone, Reservoir A and the Bol Mex Zone, Reservoir B, in the Leleux Field, Vermilion Parish, Louisiana.

2. To create a single drilling and production unit for each of these zones and to force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created.

3. To designate a unit operator and a unit well for the units so created as may be appropriate.

4. To provide that any future wells drilled to the Marg Tex 2-3 Zone, Reservoir A and the Bol Mex Zone, Reservoir B, within or outside of the units created herein, should be located in accordance with the provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).

5. To provide that the Commissioner may reclassify the Reservoirs by supplemental orders and without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished the Commissioner.

6. To discuss any other matters that may be pertinent to this application.

The Marg Tex 2-3 Zone, Reservoir A, in the Leleux Field, Vermilion Parish, Louisiana, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 15,780' and 16,450' (electrical log measurements) in the Eason Oil Company - Villejoins No. 1 (ST) Well, located in Section 9, Township 11 South, Range 2 East, Vermilion Parish, Louisiana.

The Bol Mex Zone, in the Leleux Field, Vermilion Parish, Louisiana, was fully defined in Office of Conservation Order No. 341-AA, effective June 20, 2000.

In addition to furnishing the legal notice to all Interested Parties, the applicant will provide for POSTING of the legal notice of the hearing and unit plat in a prominent place in the area of the Leleux Field, Vermilion Parish, Louisiana, and will cause the legal notice of the hearing to be PUBLISHED in a newspaper of general circulation published in the vicinity of the Leleux Field, Vermilion Parish, Louisiana, at least fifteen (15) days before the hearing date.

Any pertinent data relating to the subject application can be obtained, **AT THE COST OF THE REQUESTING PARTY**, from Cambe Geological Services, 6300 Westpark, Suite 400, Houston, Texas 77057 (713-659-8363).

In compliance with the Rules of Procedure, a preapplication conference was held in Lafayette, Louisiana, on May 5, 2010, at which the parties named on the attached list were in attendance.

The conference was opened with a discussion by Mr. Bill McAlister, representing Kaiser-Francis Oil Company, concerning the nature and purpose of the conference and the bases for the applicant's proposed units.

Mr. Travis Helms, representing J. D. Villejoin, presented a counterplan on the Marg Tex 2-3 Zone, Reservoir A, which added a small amount of acreage to the south.

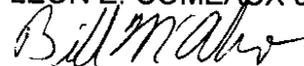
Questions regarding both plans were asked and answered. Differences between the applicant and Villejoin have been resolved. You will find the compromise plat for the Marg Tex 2-3 Zone, Reservoir A, attached to the application.

There are attached hereto and made a part hereof a revised plat outlining the proposed unit for the Marg Tex 2-3 Zone, Reservoir A, the conference attendance list, and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties and proposed unit plat for the Bol Mex Zone, Reservoir B (being the same plat attached to the April 13, 2010 Notice) are being being furnished **ONLY** to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, said list of parties and plat will be provided to any party requesting a copy. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, there is enclosed our check on behalf of the applicant, Kaiser-Francis Oil Company, in the sum of \$1510.00 payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,

LEON E. COMEAUX & ASSOCIATES



Bill McAlister

BM/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

