

# BLANCHARD WALKER

A TRADITION OF EXCELLENCE SINCE 1917

BLANCHARD, WALKER, O'QUIN & ROBERTS  
A PROFESSIONAL LAW CORPORATION

400 Texas Street, Suite 1400  
Shreveport, LA 71101  
Firm: 318.221.6858  
Fax: 318.227.2967  
Web: www.bwor.com

May 27, 2010

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

**Mailing Address:**  
P.O. Drawer 1126  
Shreveport, LA 71163-1126

**WM. TIMOTHY ALLEN, III**  
Direct: 318.934.0217  
Email: tallen@bwor.com

RE: HEARING APPLICATION  
CV RA SUV  
Cotton Valley Formation, Reservoir A  
McKenzie Field  
Claiborne Parish, Louisiana  
Our File No. 410688.43

Dear Sir:

On behalf of STROUD PETROLEUM, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A, in the McKenzie Field, Claiborne Parish, Louisiana:

1. To create one (1) additional drilling and production unit (to be designated CV RA SUV) for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, in the McKenzie Field, Claiborne Parish, Louisiana, as shown on the plat attached hereto;
2. To force pool and integrate all separately owned tracts, mineral leases, and other property interests within the proposed unit, with allocation of production to each of the tracts within such unit to be on the basis of surface acreage;
3. To designate Stroud Petroleum, Inc. as unit operator of the proposed unit and to permit the Applicant to drill, designate and utilize its Stroud Petroleum, Inc. - Chatman No. 1 Well as the unit well for said unit, at the location shown on the plat attached hereto, in exception to the well spacing provisions of Order No. 1074, effective September 19, 1979;
4. Except to the extent contrary herewith, to extend the provisions of Office of Conservation Order No. 1074, effective September 19, 1979, as amended and supplemented by the 1074-B Series of Orders, to the proposed unit;
5. To consider such other matters and issue such orders as may be appropriate and justified by the evidence presented at the hearing.

The Cotton Valley Formation, Reservoir A, in the McKenzie Field, Claiborne Parish, Louisiana, was fully defined in the Office of Conservation Order No. 1074, effective September 19, 1979.

Commissioner of Conservation  
May 27, 2010  
Page 2

Pertinent data regarding this application will be available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, 15<sup>th</sup> Floor, Chase Tower, 400 Texas Street, Suite 1400, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Mr. Wm. Timothy Allen III at (318) 221-6858, during normal business hours, or write Mr. Allen at the above address in order to arrange a time and date for such inspection. Copies of such pertinent data can be obtained AT THE EXPENSE OF THE REQUESTING PARTY.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Revised Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Revised Rules of Procedure. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation. However, such list will be provided to any party requesting a copy of it.

By Pre-Application Notice dated May 17, 2010, applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no timely request for a Pre-Application Conference, and accordingly, no conference will be held.

A check in the amount of \$755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

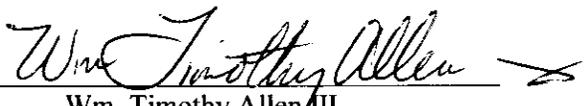
This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

***You may have received this Hearing Application even though your property may or may not be included in the proposed unit, because the Revised Rules of Procedure require us to attempt to also notify everyone owning an interest in the area "proximate to" the proposed unit.***

***Your receipt of this Hearing Application does not require you to take any action. It is meant to notify you of these proceedings so that you have the opportunity to participate if you so desire.***

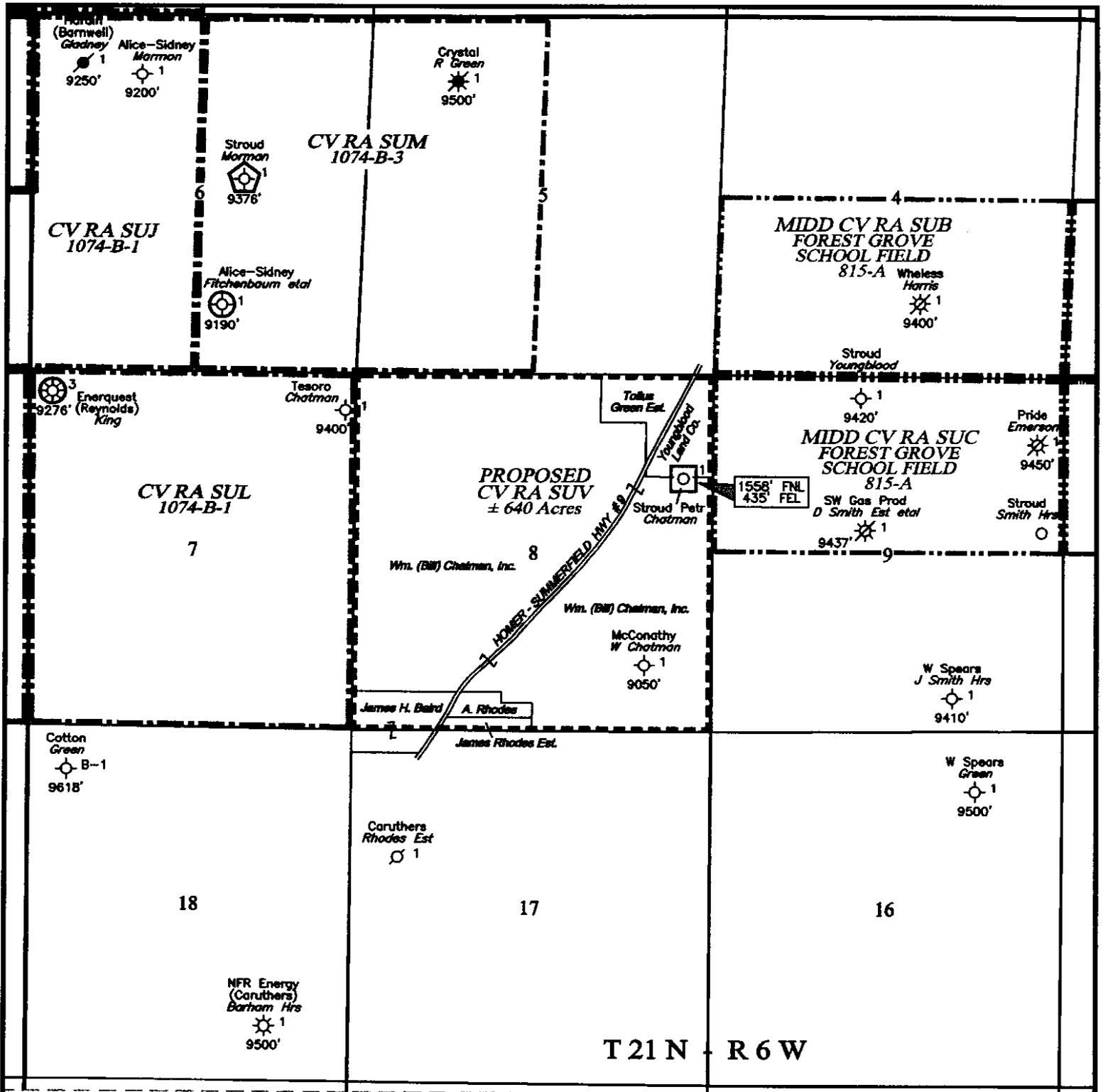
Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

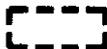
By:   
Wm. Timothy Allen III  
Attorneys for Stroud Petroleum, Inc.

WTAll:twd  
Enclosures

cc: Mr. James C. Broussard, Shreveport  
District Manager (w/enclosures)  
cc: Interested Owners, Represented Parties  
and Interested Parties (w/copy of plat only)



**LEGEND**

-  : PROPOSED CV RA SUV
  -  : CV RA UNITS
  -  : CV RA UNIT WELL
  -  : CV RA ALTERNATE UNIT WELL
  -  : CV RA SUBSTITUTE UNIT WELL
  -  : PROPOSED CV RA UNIT WELL AT EXCEPTIONAL LOCATION
- ONLY WELLS WITH TD's >6000' SHOWN

**STROUD PETROLEUM, INC.**  
SHREVEPORT, LOUISIANA

**McKENZIE FIELD**  
CLAIBORNE PARISH, LOUISIANA

**PROPOSED  
CV RA SUV**



C:\F\_2010\STROUD\8\_21\_6.dwg