

DAVID B. STURLESE

Petroleum & Consulting Geologist

P. O. Box 51405

Lafayette, LA 70505

(337) 232-1700

June 3, 2010

COMMISSIONER OF CONSERVATION
HONORABLE JAMES H. WELCH
P. O. BOX 94275
BATON ROUGE LA 70804

**RE: FRIO ZONE, RESERVIOR A, SUA
RICHIE FIELD
ACADIA PARISH, LA**

Dear Commissioner Welch,

Application is hereby made on behalf of ZACHRY EXPLORATION, LLC 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 Frio Zone, Reservoir A, in the Richie Field, Acadia Parish, Louisiana.

1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Frio Zone, Reservoir A, in the Richie Field, Acadia Parish, Louisiana, said unit to be designated F RA SUA, as shown on the plat attached hereto and made a part hereof.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate a unit operator and a unit well for the unit so created.
4. To provide that any wells drilled to the Frio Zone, Reservoir A shall be located in accordance with the spacing provisions of Statewide Order No. 29-E.
5. To provide that the Commissioner may reclassify the reservoirs by Supplemental Orders without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished by the Commissioner.

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

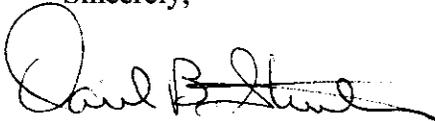
The Frio Zone in the Richie Field is hereby defined as that gas and condensate bearing sand encountered between the depths of 8170' - 9011' electric log measured depths in the Vincent & Welch Nicols; L. Ruppert No. 1 well, located in Section 21, Township 7 South, Range 1 West, Acadia Parish, Louisiana.

In compliance with the Rules of Procedure, a pre-application conference was held in Lafayette on June 2, 2010. The applicant explained the basis of the proposal unit. Mr. Bryan Groves, representing Riceland Petroleum, presented a counterplan which divided the reservoir into five sand units of approximately 120 acres each. Mr. Jim Hardwick, representing Castex, presented a counterplan which eliminated approximately 100 acres from the northern portion of the applicant's proposed unit and then divided the reservoir into two sand units of approximately 300 acres each. Opposition is expected at the hearing.

All pertinent data relating to the subject application can be obtained **AT THE COST OF THE REQUESTING PARTY**, from David Sturlese, P. O. Box 51405, Lafayette, LA 70505, (337) 232-1700.

There are attached hereto and made a part hereof, plats outlining the proposed unit. Pursuant to the Revised Rules of Procedure, a list of the names and addresses of the Interested Owners, Interested Parties and Represented Parties to whom this application is being sent is being furnished **ONLY** to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy. A diligent effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties as required by the Revised Rules of Procedure. Also enclosed is our check made payable to the Office of Conservation, representing the required hearing application fee.

Sincerely,



DAVID B. STURLESE

enclosures

ss

cc: Mr. Richard Hudson, Department of Conservation
825 Kaliste Saloom Rd., Brandiwine III Suite 220, Lafayette, LA 70508
Interested Parties, Interested Owners and Represented Parties

