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August 12, 2003

Ref: 3859-22090

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

Re: Hearing Application
Camerina Sand, Reservoir E, SUA
Camerina C Zone, Reservoir B, SUA
ABBEVILLE FIELD
Vermilion Parish, Louisiana
Applicant: Peoples Energy Production-Texas L.P.

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of Peoples Energy Production-Texas L.P. for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Camerina Sand, Reservoir E and the Camerina C Zone, Reservoir B in the Abbeville Field, Vermilion Parish, Louisiana.

In its application, Peoples Energy Production-Texas L.P. intends to request the following, to wit:

Camerina Sand, Reservoir E

1. To create a single drilling and production unit of approximately 132 acres for the Camerina Sand, Reservoir E, designated as the CAM RE SUA, Abbeville Field, Vermilion Parish, Louisiana, all as shown more particularly on the attached plat;

2. The Camerina Sand, in the Abbeville Field is hereby defined as being that gas and condensate bearing sand encountered between the measured depths of 15,440 feet and 15,775 feet (electrical log measurement) in the Cody Energy-Vidrine No. 1 Well, located in Section 13, Township 12 South, Range 2 East, Vermilion Parish, Louisiana.

Camerina C Zone, Reservoir B

1. To create a single drilling and production unit of approximately 192 acres for the Camerina C Zone, Reservoir B, designated as the CAM C RB SUA, Abbeville Field, Vermilion Parish, Louisiana, all as shown more particularly on the attached plat;

2. The Camerina C Zone, Reservoir B in the Abbeville Field is hereby defined as being that gas and condensate bearing sand encountered between the measured depths of 17,000 feet and 17,345 feet (electrical log measurement) in the Prairie Producing Company-S. J. Bellow No. 1 Well, located in Section 25, Township 12 South, Range 2 East, Vermilion Parish, Louisiana.

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1400 One American Place • Baton Rouge, Louisiana 70825-0004 • (225) 381-9643 • Fax (225) 336-9763

For the Above Zone and Sand

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the said units;

2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created, with each tract sharing in unit production on a surface acreage basis of participation;

3. To consider such other matters relating to the subject reservoir as may be appropriate and justified by the evidence presented at the public hearing.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a pre-application conference was held in Lafayette, Louisiana on August 11, 2003. Attached hereto and made a part hereof is a list of the names and addresses of the parties who were in attendance at that conference.

The conference was opened by Mr. William F. Bailey. Mr. Bill McAlister of Leon Comeaux & Associates presented the plan of applicant. Questions were asked and answered. Mr. Joe Battle stated that he was very recently retained to represent Jeffrey Faulk and Mrs. Rose Herpin and that he would shortly have a counterplan to the plan of applicant. Mr. Bailey stated to those in attendance, that if the plan of Mr. Battle warranted discussion of a compromise plan, that a conference to discuss same would be called in which all interested parties would be able to participate before any revised plan would be filed. It is anticipated at this time that there may be opposition at the public hearing on this matter unless a settlement of differences is made before the hearing.

Attached hereto and made a part hereof are plats outlining the Camerina Sand, RE SUA, and Camerina C Zone, RB SUA, Abbeville Field, Vermilion Parish, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

A copy of the list of the names and addresses of the interested owners, represented parties and interested parties is not being mailed to those parties along with this hearing application. Should any such party desire a copy of this list, however, we will be glad to provide one upon request.

Upon receipt of the legal notice in the captioned matter, the notice will be posted, published and mailed in accordance with Rule 7 of the Rules of Procedure.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. William S. McAlister of Leon E. Comeaux & Associates, P. O. Box 53922, Lafayette, La 70508 (337) 233-9839.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of $1,510.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

William F. Bailey

William F. Bailey

WFB:ht
Attachments
cc: Mr. Richard Hudson, District Manager
Office of Conservation

All Interested Owners, Represented Parties and
Interested Parties

GAMD-LAF:22196-1

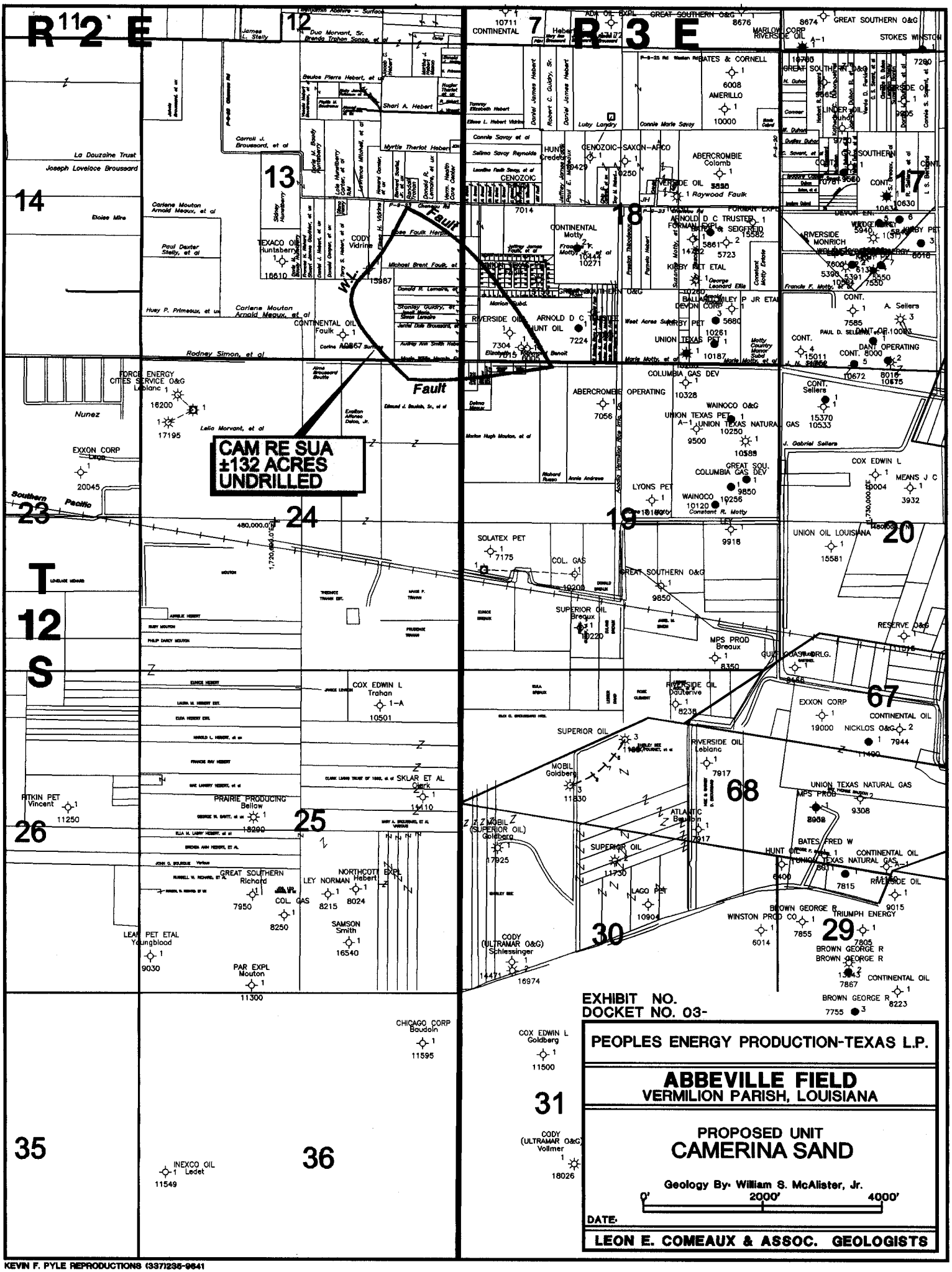


EXHIBIT NO.
DOCKET NO. 03-

PEOPLES ENERGY PRODUCTION-TEXAS L.P.

ABBEVILLE FIELD
VERMILION PARISH, LOUISIANA

PROPOSED UNIT
CAMERINA SAND

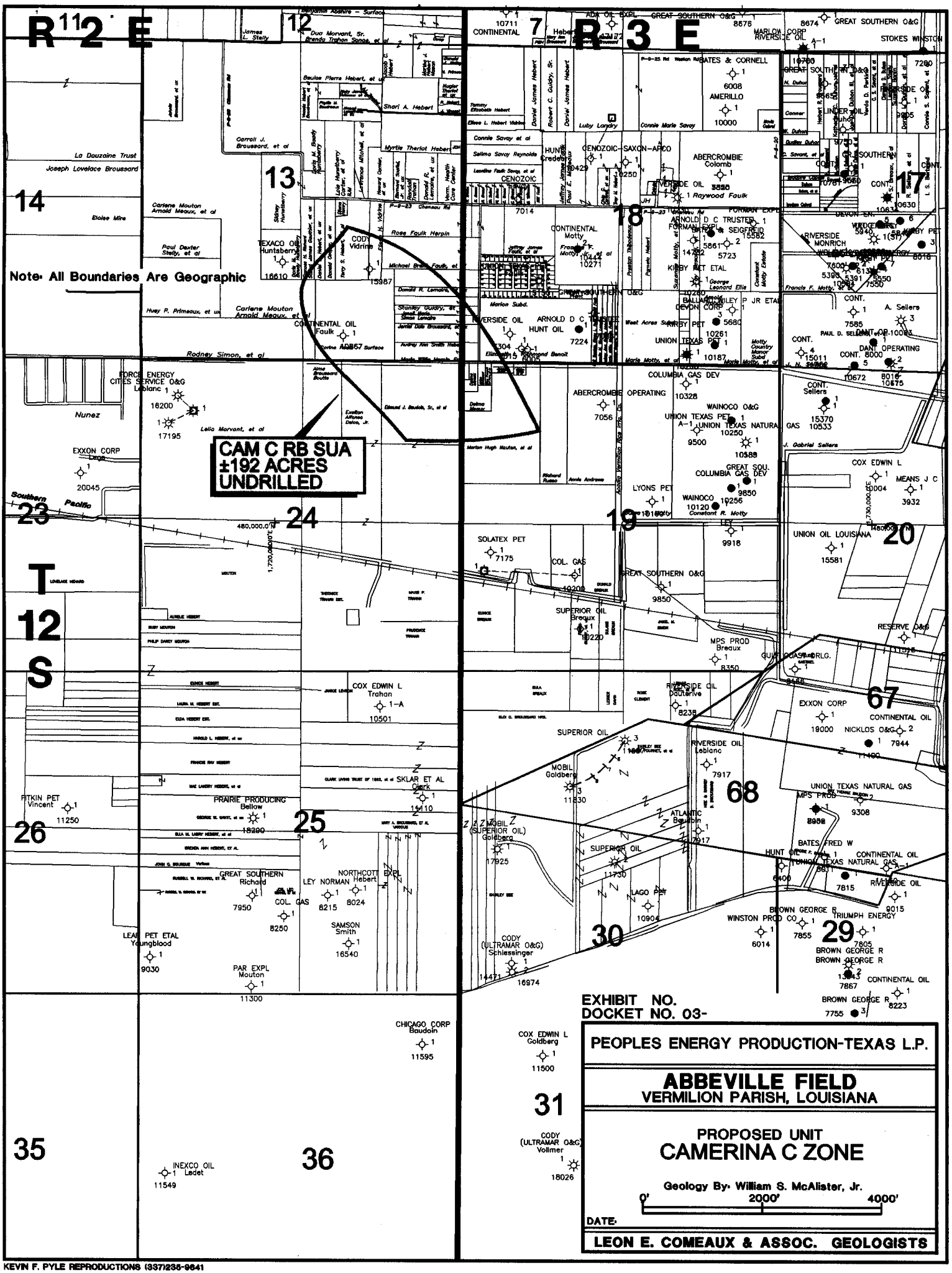
Geology By: William S. McAlister, Jr.

0' 2000' 4000'

DATE:

LEON E. COMEAUX & ASSOC. GEOLOGISTS

KEVIN F. PYLE REPRODUCTIONS (337)235-9641



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