BOB F. ANDERSON, PE, INC.
PETROLEUM ENGINEERS & CONSULTANTS
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STATE EXHIBIT NO. 3
DOCKET NO. 04-678

June 21, 2004

Honorable James H. Welsh,
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: **APPLICATION FOR PUBLIC HEARING**
Proposed Additional Units
James Formation, Reservoir A
Spider Field
DeSoto Parish, Louisiana

Dear Sir:

Application is made on behalf of **CAMTERRA RESOURCES, INC.,** (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the James Formation, Reservoir A, Spider Field, DeSoto Parish, Louisiana:

1. To create three (3) additonal 640 +/- acre drilling and production units for the exploration for and the production of gas and condensate for the James Formation, Reservoir A, in the Spider Field, DeSoto Parish, Louisiana, such units shown on the attached plat and being made a part hereof.

2. To force pool and integrate all separately owned tracts, mineral leases and other property within each of the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract to share in the unit production on a surface acreage bases of participation.

3. To designate Camterra Resources, Inc., as the unit operator for the proposed JAMES RA SUK, JAMES RA SUL and JAMES RA SUM.

4. Except to the extent inconsistent herewith, to extend the provisions of Office of Conservation Order No. 92-M, effective March 11, 2003, to the proposed units.

5. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

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The James Formation, Reservoir A, in the Spider Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 92-M, effective March 11, 2003.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained **at the expense of the requesting party**.

A pre-application notice was sent to all parties stating a time and date for a conference to discuss the proposed application and any objections thereto, however, no request for a conference was received, therefore no conference was held.

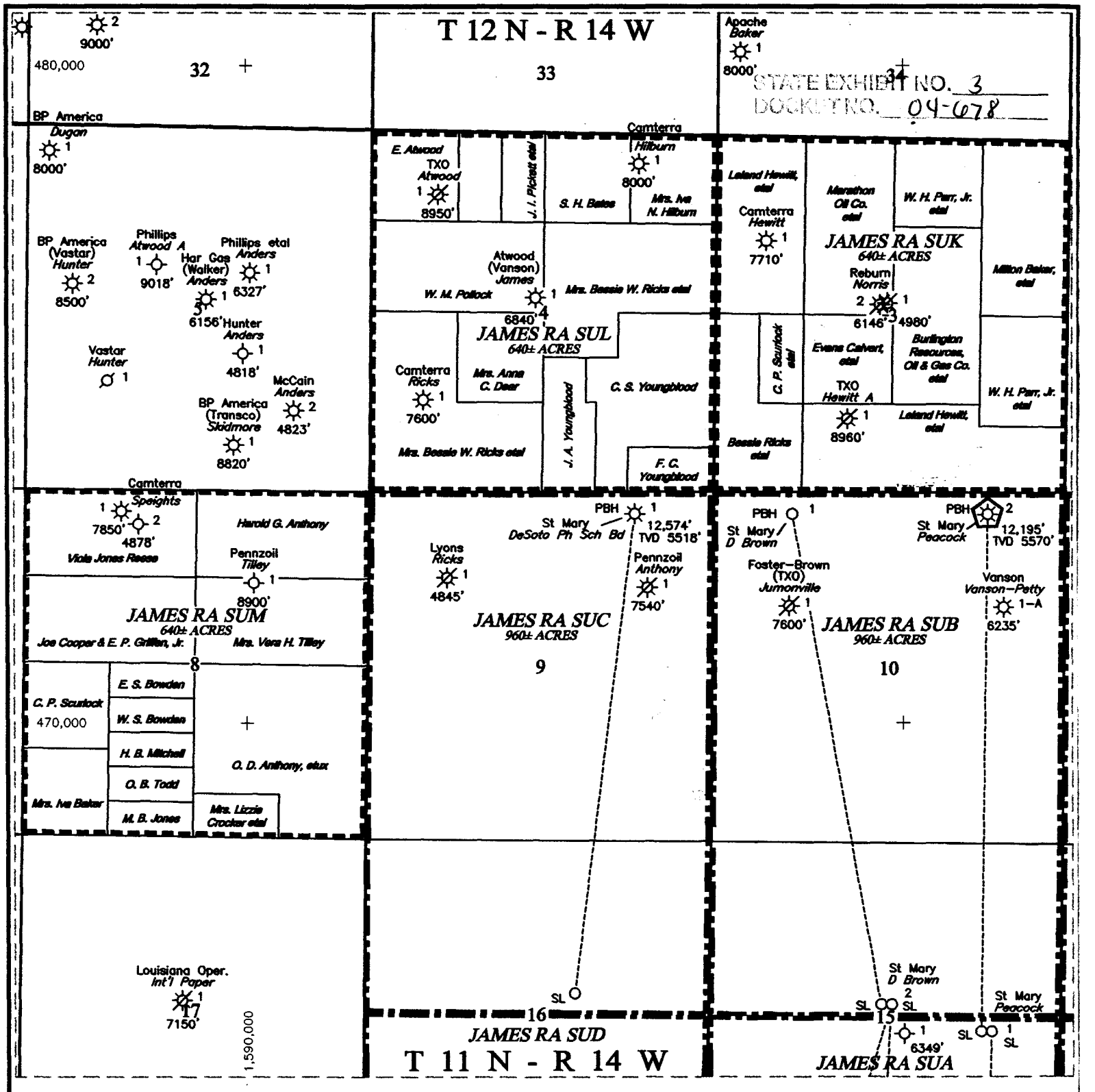
Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list. Upon receipt of the legal notice, it will be posted in a prominent place in the vicinity of the Spider Field, will be published in a newspaper with a general circulation in the Spider Field and will be sent to all Interested Owners, Represented Parties and Interested Parties.

Attached is our check, made payable to the Office of Conservation, to cover the applicable hearing fee.

Yours truly,

B. F. Anderson, PE for
CAMTERRA RESOURCES, INC.

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation
Interested Owners, Represented Parties and Interested Parties
Camterra Resources, Inc.



LEGEND

: PROPOSED 640 ACRE JAMES RESERVOIR A SAND UNITS

: EXISTING 960 ACRE JAMES RESERVOIR A SAND UNITS

: EXISTING JAMES RA UNIT WELLS

CAMTERRA RESOURCES

MARSHALL, TEXAS

SPIDER FIELD

DeSOTO PARISH, LOUISIANA

PROPOSED JAMES RESERVOIR A SAND UNITS K, L, & M

ONLY WELLS > 4500' TD SHOWN

0 2000' 4000' 1 MILE

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