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August 4, 2003

Ref: 3905-22194

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

Re: Authority to Downhole Commingle
12,200' RA SUA
12,300' RA SUA
Live Oak Field, Vermilion Parish, LA
Order Nos. 300-AA and 300-K

Dear Mr. Commissioner:

Application is hereby made on behalf of Dunhill Resources, Inc. for the calling of a public hearing after ten (10) days legal notice to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the 12,200' RA SUA and 12,300' RA SUA, in the Live Oak Field, Vermilion Parish, Louisiana:

1. To grant permission to applicant to commingle downhole and to produce gas and condensate from the 12,200' RA SUA and 12,300' RA SUA, in the Dunhill Resources, Inc.-L.O.P.T. No. 9 Well, Live Oak Field, Vermilion Parish, Louisiana.

2. To continue in full force and effect the provisions of Office of Conservation Order Nos. 300-AA effective November 18, 1997 and 300-K effective February 1, 1972.

3. To consider such other matters as may be pertinent and appropriate as shown by the evidence presented.

The 12,200' Sand, Reservoir A, was fully defined in Office of Conservation Order No. 300-AA, effective November 18, 1997.

The 12,300' Sand, Reservoir A was fully defined in Office of Conservation Order No. 300-K, effective February 1, 1972.

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The Dunhill Resources, Inc.-L.O.P.T. No. 9 Well will be produced from the 12,200' RA SUA and the 12,300' RA SUA. The working interest ownership in all of these units f]or both unitized intervals is the same. Royalty will be paid on total production from the well on the basis of the higher of each royalty owners' unit percentage in either the 12,200' or 12,300' Sand.

Pertinent information concerning this proposal can be obtained by contacting Mr. Louis Gilbert of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Ste 204, Metairie, LA 70002, Telephone No. (504) 834-8112.

There is attached hereto 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 Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and the District Manager of the Lafayette District of the Office of Conservation. However, said list of parties will be provided to any party upon request. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

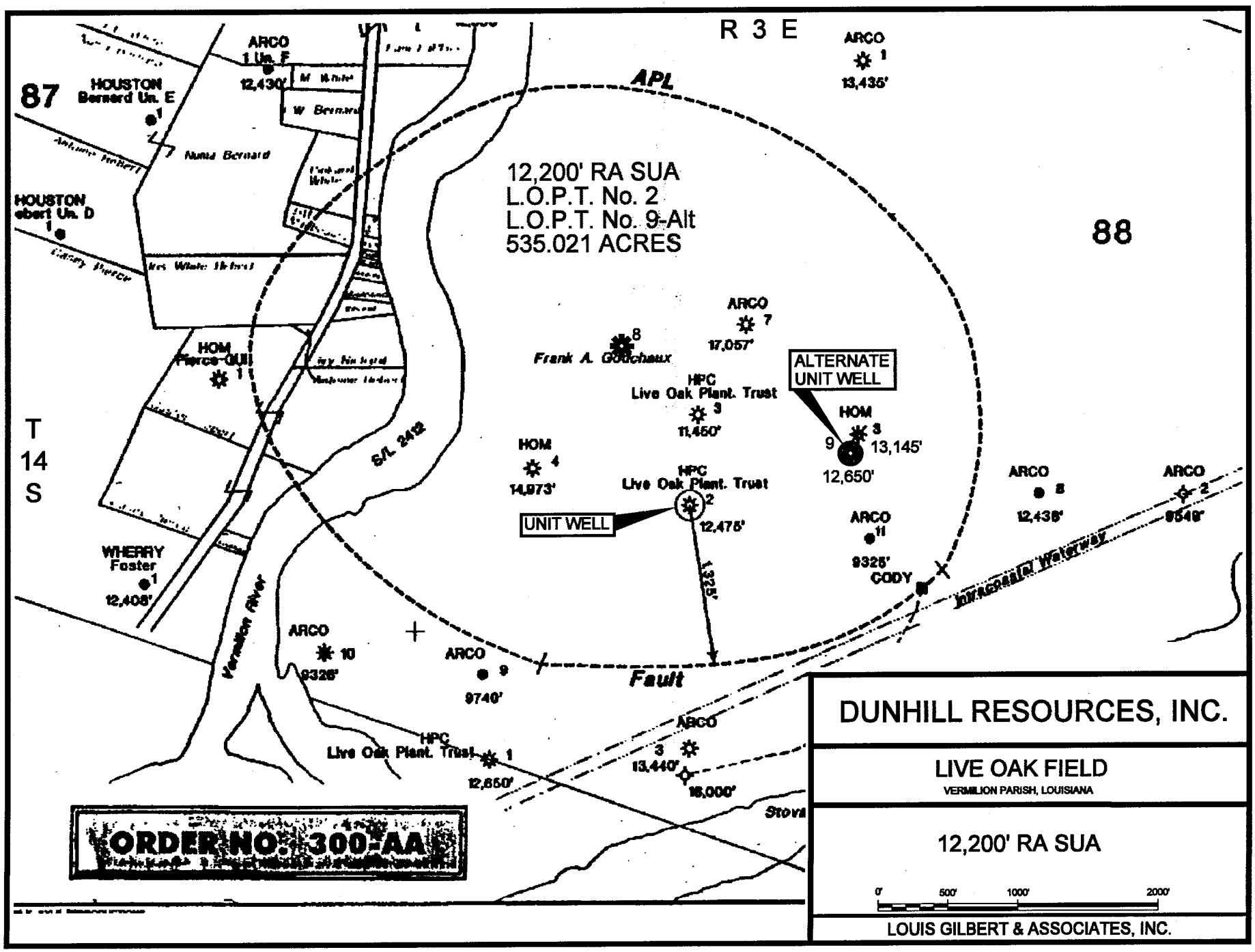
Finally, there is enclosed our check on behalf of the applicant in the amount of $1,510.00, made payable to the Office of Conservation, which represents the required hearing application fee.

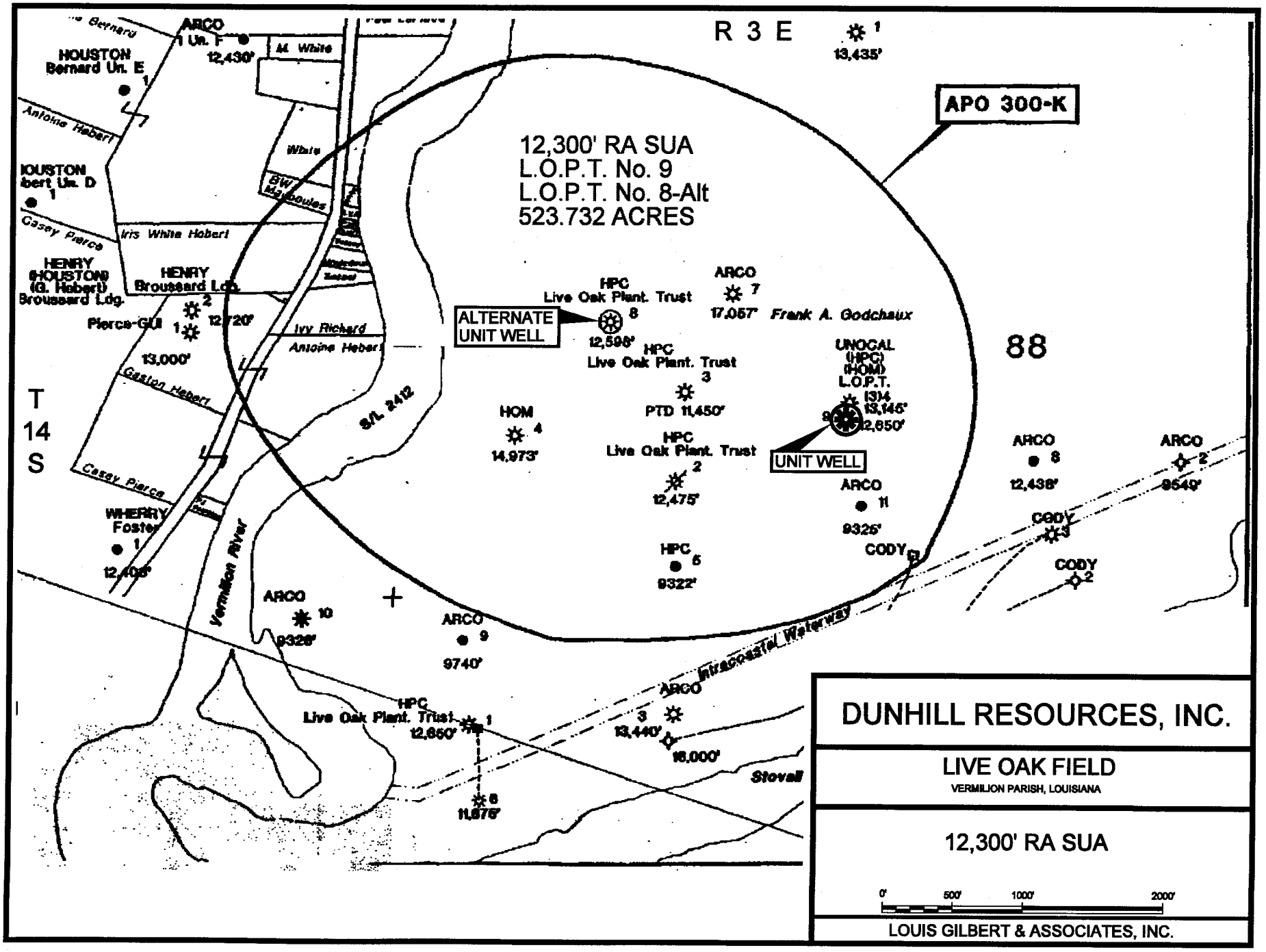
Yours very truly,

B. J. Duplantis

Enclosures
cc: Mr. Richard D. Hudson
District Manager, Office of Conservation

Interested Owners, Represented Parties
and Interested Parties


R 3 E
T 14 S
87
88
12,200' RA SUA
L.O.P.T. No. 2
L.O.P.T. No. 9-Alt
535.021 ACRES
APL
ARCO 1 Un. F 12,430'
HOUSTON Bernard Un. E
HOUSTON ebert Un. D
HOM Pierce-Gill
WHERRY Foster 12,408'
ARCO 1 13,435'
ARCO 7 17,057'
Frank A. Goudchaux
HPC Live Oak Plant. Trust 3 11,450'
ALTERNATE UNIT WELL
HOM 3 13,145'
12,650'
HOM 4 14,973'
HPC Live Oak Plant. Trust 2 12,476'
UNIT WELL
1325'
ARCO 11 9325'
CODY
ARCO 8 12,438'
ARCO 2 9548'
Intracoastal Waterway
S/L 2412
Vermilion River
ARCO 10 9326'
ARCO 9 9740'
Fault
HPC Live Oak Plant. Trust 1 12,650'
ARCO 3 13,440' 16,000'
Stova
ORDER NO. 300-AA
DUNHILL RESOURCES, INC.
LIVE OAK FIELD
VERMILION PARISH, LOUISIANA
12,200' RA SUA
0' 500' 1000' 2000'
LOUIS GILBERT & ASSOCIATES, INC.



DUNHILL RESOURCES, INC.

LIVE OAK FIELD

VERMILION PARISH, LOUISIANA

12,300' RA SUA

LOUIS GILBERT & ASSOCIATES, INC.