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GOVERNOR

State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF CONSERVATION

SCOTT A. ANGELLE
SECRETARY

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

MEMORANDUM

August 19, 2008

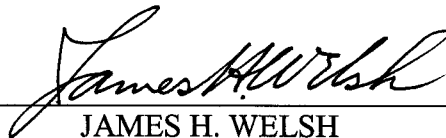
TO: All Concerned

FROM: James H. Welsh
Commissioner of Conservation

SUBJECT: Exemption of Haynesville Zone units from production test requirement

The policy of the Office of Conservation has been to require a production test in the field prior to creating an undrilled unit for a particular interval unless a waiver of that requirement is obtained from this Office pursuant to Memorandum dated March 16, 1998. Effective immediately, the "Production Test in the Field" policy shall not apply to filings for units relating to the Haynesville Zone, and undrilled units may be proposed and created without a production test in the field or a waiver of that requirement from this office. For purposes of this exemption, the Haynesville Zone refers to that interval consisting primarily of shale situated below the deepest Cotton Valley sands and above the top of the Smackover Formation. The Haynesville Zone has been shown to be both laterally continuous and productive over an extensive area making this exemption appropriate and justified. In addition, granting this exemption will facilitate orderly development of this important natural resource.

OFFICE OF CONSERVATION
OF THE STATE OF LOUISIANA



JAMES H. WELSH
COMMISSIONER OF CONSERVATION



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