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Richard W. Revels, Jr.
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March 30, 2007

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

Re: Alternate Unit Well Designations
Hosston Formation, Reservoir A, Sand Unit H
Cotton Valley Formation, Reservoir A, Sand Unit H
Caspiana Field, DeSoto Parish, Louisiana
Applicant: Grigsby Petroleum, Inc.

Dear Commissioner Welsh:

Application is hereby made on behalf of **GRIGSBY PETROLEUM, INC.** for the calling of public hearings after ten (10) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters:

1. To permit the applicant to drill, designate and utilize an additional alternate unit well for the HOSS RA SUH, at the location shown on the plat attached hereto and made a part hereof, which location is in exception to the spacing provisions of the 191-B Series of Office of Conservation orders.
2. To permit the applicant to drill, designate and utilize an additional alternate unit well for the CV RA SUH, at the location shown on the plat attached hereto and made a part hereof, which location is in exception to the spacing provisions of the 191-A Series of Office of Conservation orders.
3. To find that the proposed alternate unit wells are necessary to efficiently and economically drain that portion of the reservoirs covered by the units referenced above.
4. To continue in effect the existing designations and use of the current unit well and alternate unit wells for each of the units referenced above.
5. To permit the operator to produce the unit allowable for the HOSS SUH in accordance with the provisions of Office of Conservation Order No. 191-B-15, effective June 18, 1996, at a rate equal to the combined rate at which the unit well and the alternate unit well or wells located on each unit are capable of efficiently producing.
6. To permit the operator to produce the unit allowable for the CV RA SUH in accordance with the provisions of Office of Conservation Order No. 191-A-22, effective June 18, 1996, at a rate equal

March 30, 2007

to the combined rate at which the unit well and the alternate unit well or wells located on each unit are capable of efficiently producing.

7. Except to the extent herein set forth, to continue in full force and effect the provisions of the 191-B and 191-A Series of Office of Conservation Orders, respectively, the units created thereby, and applicable statewide orders.

8. To consider such other matters as may be pertinent.

The Hosston Formation, Reservoir A, in Caspiana Field, DeSoto Parish, Louisiana, was previously defined in Office of Conservation Order No. 191-B, effective April 15, 1975.

The Cotton Valley Formation, Reservoir A, in the Caspiana Field, DeSoto Parish, Louisiana, was previously defined in Office of Conservation Order No. 191-A, effective February 15, 1975.

The applicant is requesting permission to drill, designate and utilize an additional alternate unit well for each of the aforementioned units at the locations shown on the attached plats. These wells will permit efficient and economic recovery of hydrocarbons underlying their respective unit, will not adversely affect the adjacent offsetting units, and are needed to satisfy the market demand for gas and condensate from the field.

Attached hereto and made a part hereof are plats outlining the applicant's proposals along with a list of the names and addresses of the Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties.

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

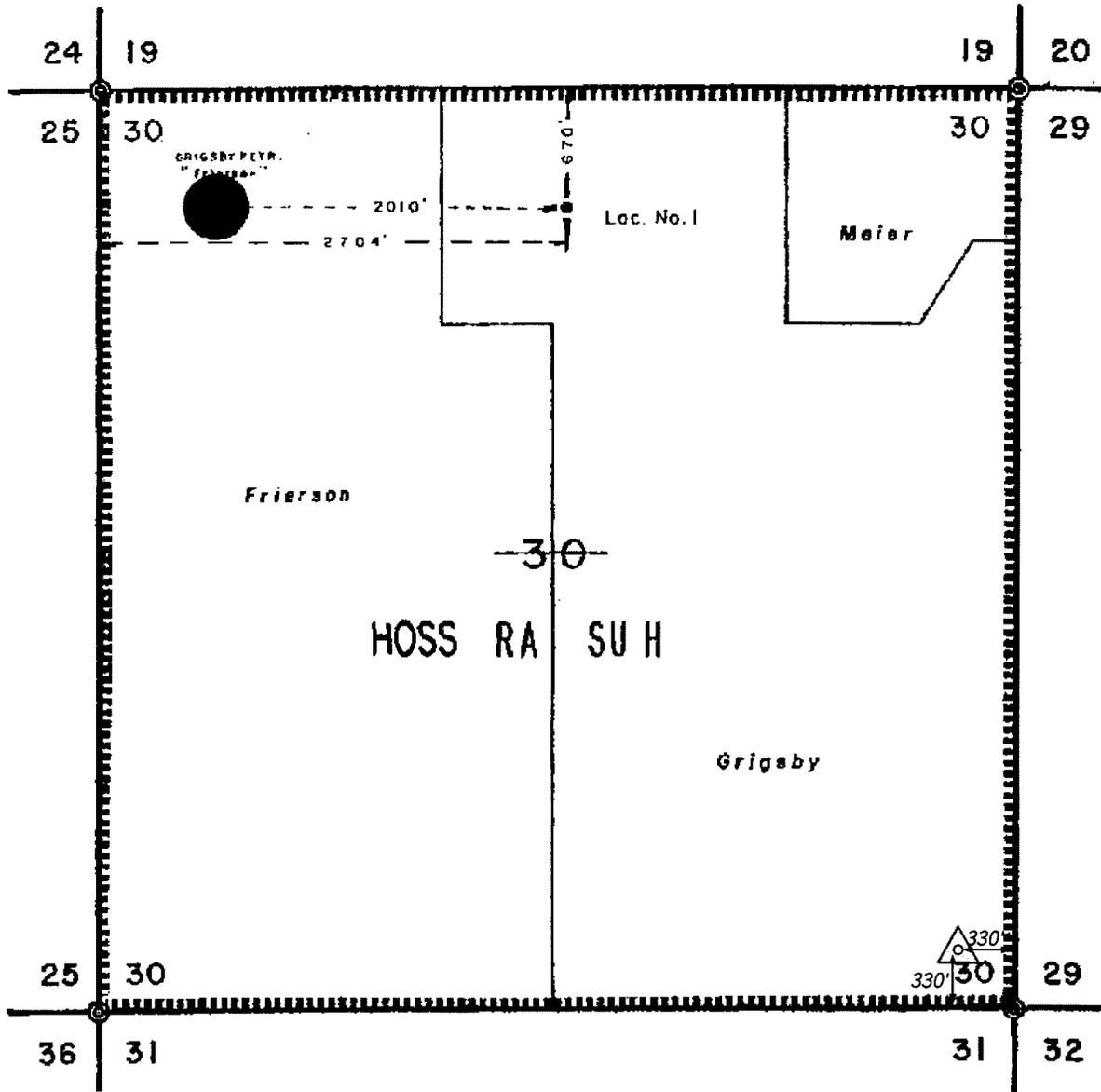
Very truly yours,


Richard W. Revels, Jr.

RWRjr/dbf
Enclosures

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

SECTION 30, TOWNSHIP 15 NORTH, RANGE 12 WEST
 DESOTO PARISHES, LOUISIANA



UNIT PER ORDER 191-B SERIES

- △ PROPOSED ALTERNATE UNIT WELL
- EXISTING UNIT WELL

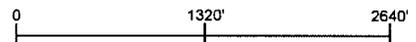
EXHIBIT NO.
 DOCKET NO.

DATE:

GRIGSBY PETROLEUM, INC.

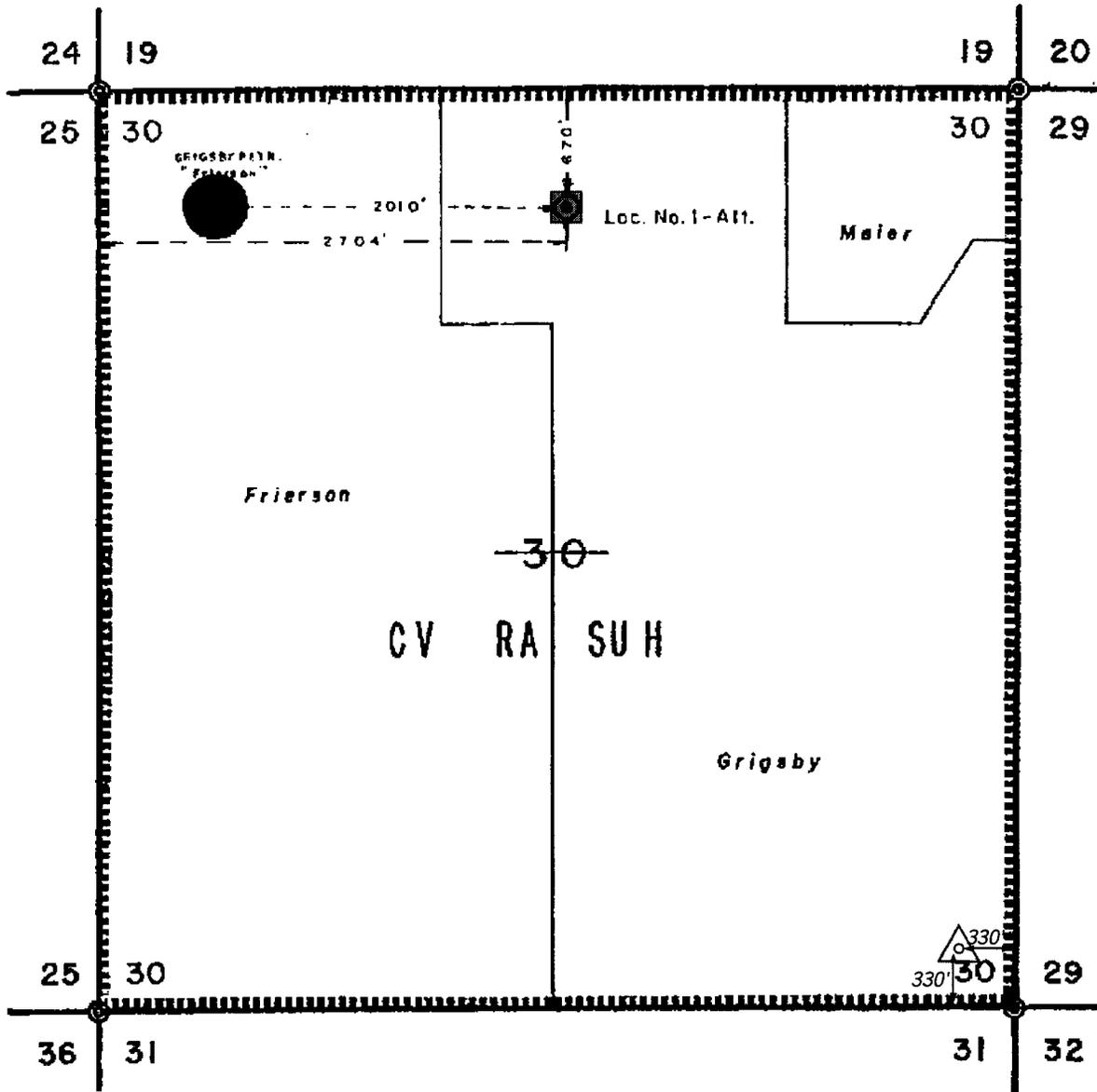
CASPIANA FIELD
 CADDO & DESOTO PARISHES, LOUISIANA

PROPOSED ALTERNATE UNIT WELL
 HOSS RA SUH



W. H. ROBBINS & ASSOCIATES LLC
 CONSULTING GEOLOGISTS
 Lafayette, Louisiana (337) 232-5004

SECTION 30, TOWNSHIP 15 NORTH, RANGE 12 WEST
 DESOTO PARISHES, LOUISIANA



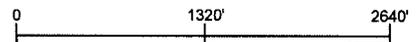
UNIT PER ORDER 191-A SERIES

-  PROPOSED ALTERNATE UNIT WELL
-  EXISTING UNIT WELL
-  EXISTING ALTERNATE UNIT WELL

EXHIBIT NO. _____
 DOCKET NO. _____ DATE: _____

GRIGSBY PETROLEUM, INC.

CASPIANA FIELD
 CADDO & DESOTO PARISHES, LOUISIANA
 PROPOSED ALTERNATE UNIT WELL
 CV RA SUH



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