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OF COUNSEL
WILLIAM G. CONLY

December 3, 2007

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

D Sand of the Cotton Valley Zone and Lower Cotton Valley Formation, Reservoir A, GREENWOOD-WASKOM FIELD, Caddo Parish, Louisiana.

Dear Sir:

GREYSTONE OIL & GAS, L.L.P. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the D Sand of the Cotton Valley Zone and to the Lower Cotton Valley Formation, Reservoir A, in the Greenwood-Waskom Field, Caddo Parish, Louisiana:

1. To permit Applicant to drill, designate and utilize four (4) alternate unit wells for CV D RA SUNN and for LCV RA SUK, five (5) alternate unit wells for CV D RA SUPP and for LCV RA SUL, and four (4) alternate unit wells for CV D RA SUQQ and for LCV RA SUM, at the locations shown on the attached plats.
2. To approve an exception to the spacing provisions of Office of Conservation Order No. 193-B, effective January 5, 1954 (applicable to the D Sand of the Cotton Valley Zone), and Office of Conservation Order No. 270-V, effective July 31, 1981 (applicable to the Lower Cotton Valley Formation, Reservoir A), for the location of any of the proposed alternate unit wells, as shown on the attached plats, which does not comply with the spacing provisions of these Orders.
3. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.
4. To permit the unit allowables for the units on which these alternate unit wells are proposed to be drilled to be produced from either the unit or substitute unit well, from any alternate unit well, or from any combination of such wells at the option of the Operator.
5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Lower Cotton Valley Formation, Reservoir A, in the Greenwood-Waskom Field, Caddo Parish, Louisiana, was initially defined in Office of Conservation Order No. 270-V, effective July

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31, 1981, and was redefined as to the units designated LCV RA SUK, LCV RA SUL and LCV RA SUM by Office of Conservation Order No. 270-V-5, effective October 23, 2007.

The D Sand of the Cotton Valley Zone in the Greenwood-Waskom Field, Caddo Parish, Louisiana, was defined in Office of Conservation Order No. 193-B, effective January 5, 1954.

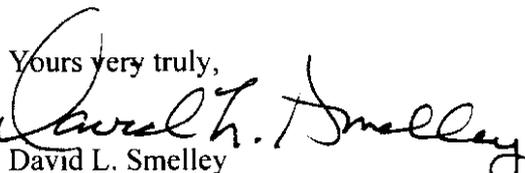
Any pertinent data concerning this application will be available for inspection at the offices of Mr. Joe B. Adams, 21010 Vermont Street, Livingston, Louisiana 70754. Any person desiring to inspect any such data should call Mr. Adams at (225) 686-2355 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

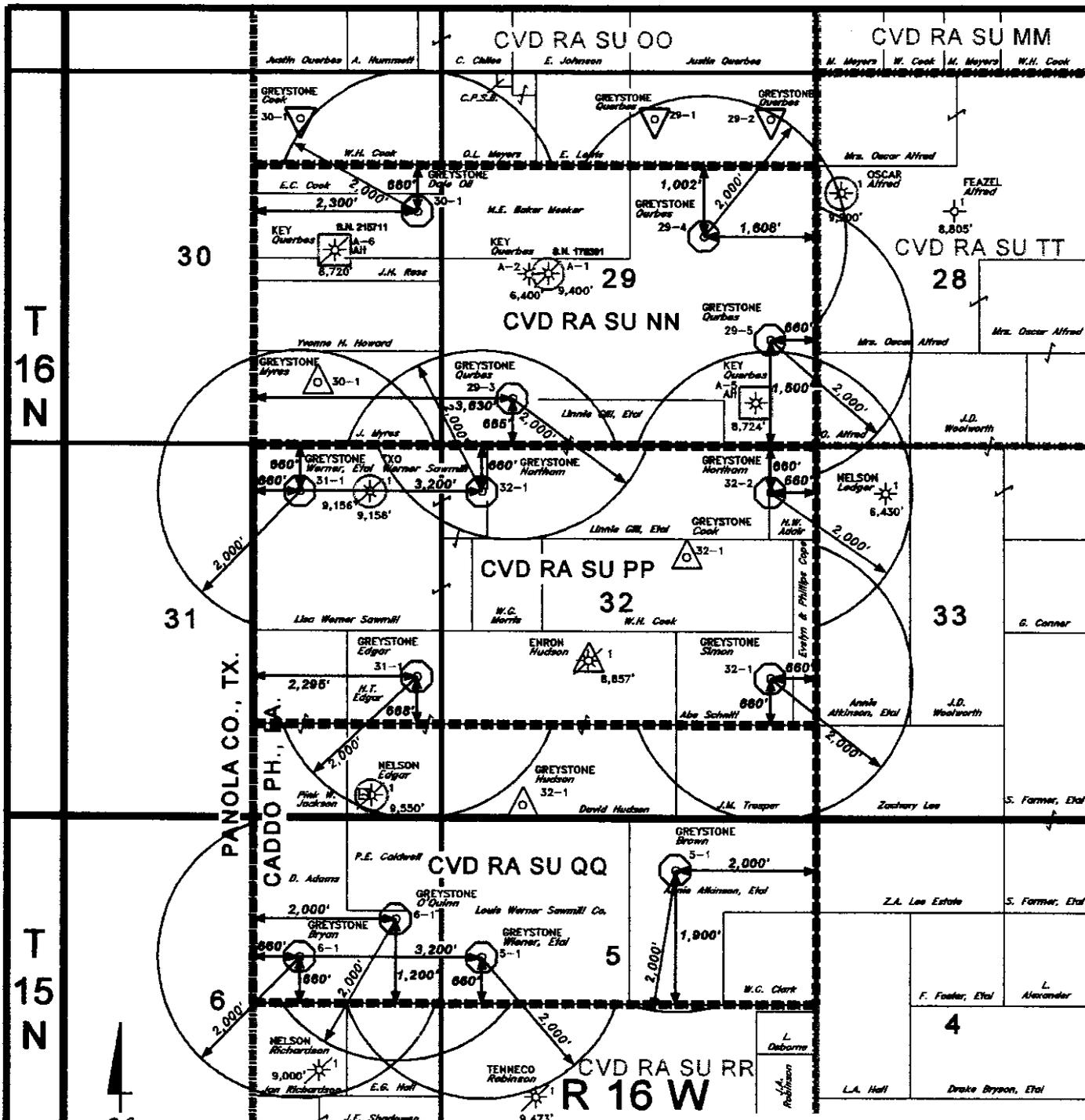
Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter and of each of the attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and of the enclosed plats at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Greenwood-Waskom Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

A check payable to the Office of Conservation and covering the application fee is enclosed.

Yours very truly,

David L. Smelley
-- Attorney for Greystone Oil & Gas, L.L.P.

DLS:dp
Enclosures
cc: Mr. Jim Broussard (w/encls.)
Mr. Carl Drews (w/encls.)
Mr. Joe Adams (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plats only)



- PROPOSED ALTERNATE UNIT WELLS
- PENDING ALTERNATE UNIT WELLS
- UNIT WELLS
- ALTERNATE UNIT WELLS
- SUBSTITUTE UNIT WELL
- EXISTING CV UNITS

NOTE: 2,000' RADIUS MEASURED INTO ADJACENT UNITS.
 NOTE: ALL UNIT BOUNDARIES ARE GEOGRAPHIC.
 NOTE: ONLY WELLS BELOW 5,000' ARE SHOWN

EXHIBIT No. DOCKET No. 07-

GREYSTONE OIL & GAS, L.L.P.

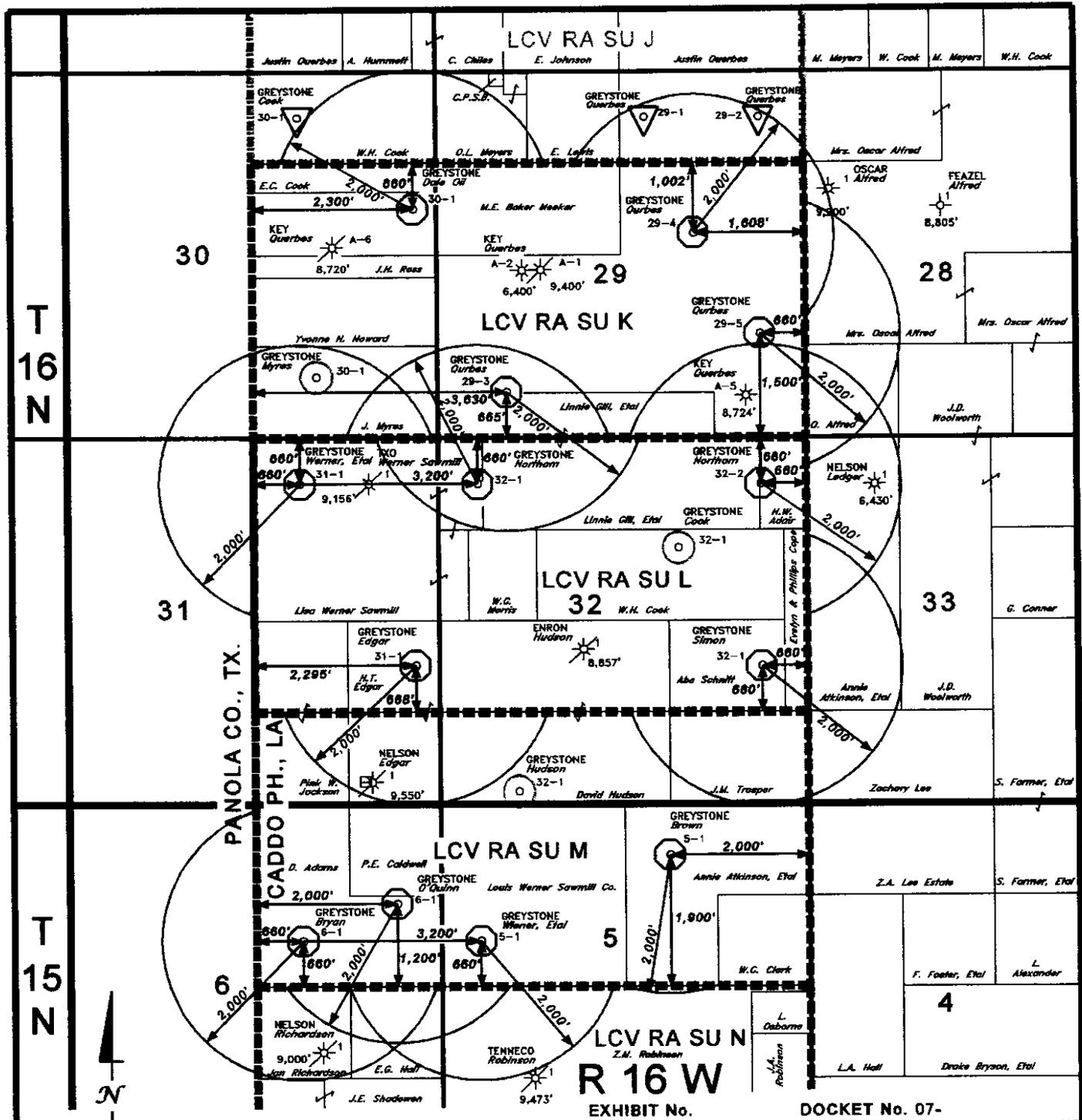
**GREENWOOD - WASKOM FIELD
 CADDO PARISH, LOUISIANA**

**Proposed Alternate Unit Wells
 Cotton Valley D**

Date:



Geology: JOE B. ADAMS



- - PROPOSED ALTERNATE UNIT WELLS
- ▽ - PENDING ALTERNATE UNIT WELLS
- - UNIT WELLS
- ▬▬▬▬ - PROPOSED LCV UNITS
- ▬▬▬▬ - EXISTING LCV UNITS

NOTE: 2,000' RADIUS MEASURED INTO ADJACENT UNITS.
 NOTE: ALL UNIT BOUNDARIES ARE GEOGRAPHIC.
 NOTE: ONLY WELLS BELOW 5,000' ARE SHOWN

Geo-Draft, Inc.
 (504) 836-2882

EXHIBIT No. DOCKET No. 07-

GREYSTONE OIL & GAS, L.L.P.

GREENWOOD - WASKOM FIELD
 CADDO PARISH, LOUISIANA

Proposed Alternate Unit Wells
Lower Cotton Valley

Date: _____

0' 2000' 4000' 6000'

Geology: JOE B. ADAMS