

BOB F. ANDERSON, PE, INC.
PETROLEUM ENGINEERS & CONSULTANTS
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May 8, 2008

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 Alternate Unit Well
Hosston Formation, Reservoir A
HOSS RA SUI
Grand Cane Field, DeSoto Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **CYPRESS OPERATING, 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 Hosston Formation, Reservoir A, Grand Cane Field, DeSoto Parish, Louisiana.

1. To permit the applicant to drill, designate and utilize an additional alternate unit well for the production of gas and condensate from the Hosston Formation, Reservoir A, for the unit designated HOSS RA SUI, in exception to the spacing provisions of Office of Conservation Order No. 342-B, effective May 24, 1978, such unit and well shown on the attached plat and made a part hereof.
2. To find that an alternate unit well is necessary to drain a portion of the Hosston Formation, Reservoir A, in the HOSS RA SUI that cannot be drained by any other well located therein.
3. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit well or from a combination thereof at the discretion of the unit operator.
4. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

Honorable James H. Welsh,
Commissioner of Conservation
Grand Cane Field

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The Hosston Formation, Reservoir A, in the Grand Cane Field, DeSoto Parish, Louisiana was defined in Office of Conservation Order No. 342-B, effective May 24, 1978 and the Glen Rose Formation, Reservoir A, was effective October 15, 1982. The Glen Rose Formation, Reservoir A, was defined in Office of Conservation Order No. 342-C, effective October 15, 1978.

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.**

The subject matter of this hearing does not require a pre-application notice.

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. A copy of this letter and plat is being sent to the Interested Owners, Represented Parties and the Interested Parties.

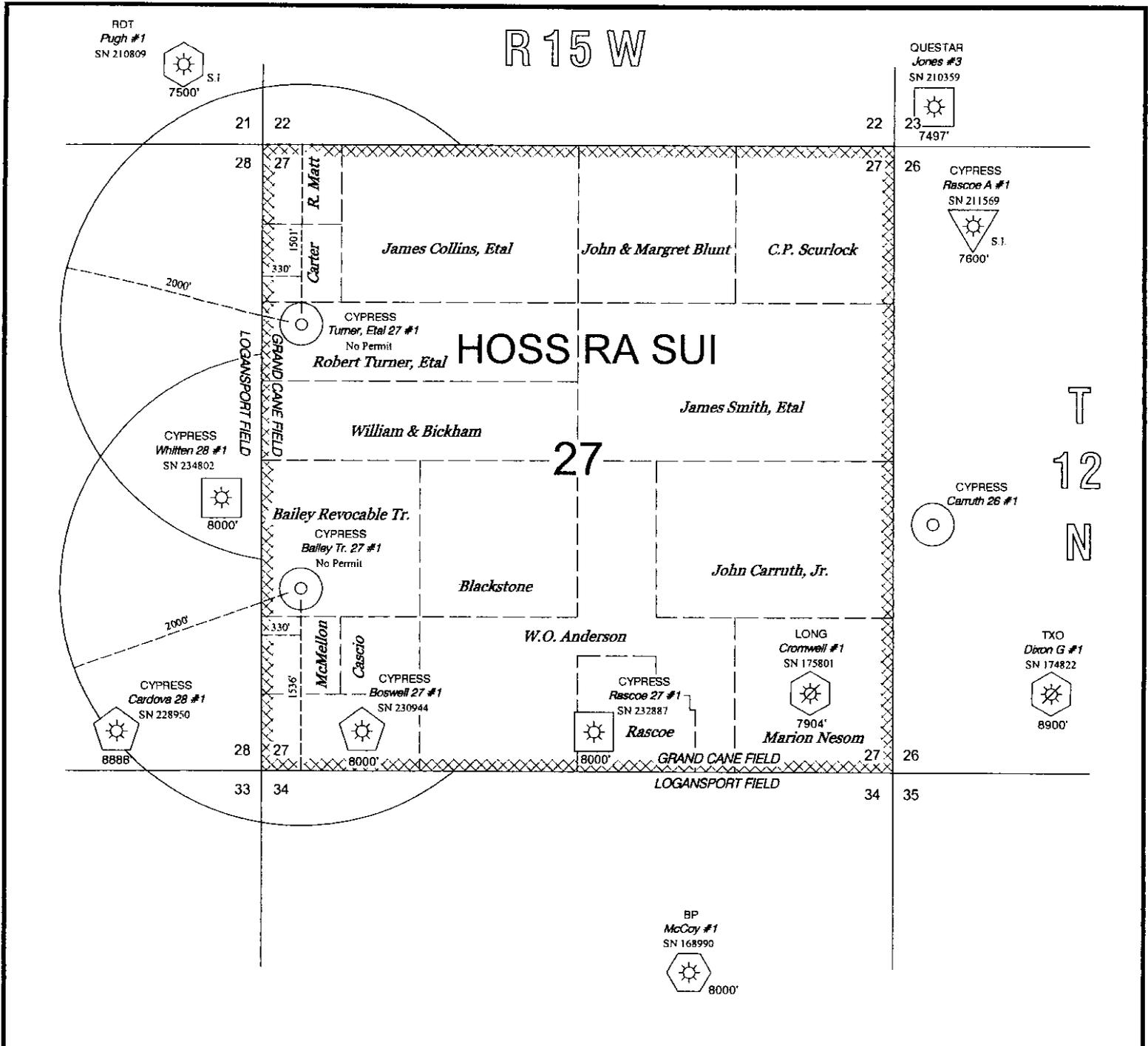
Attached hereto is our check, **MADE PAYABLE TO THE OFFICE OF CONSERVATION**, to cover the applicable hearing fee.

Yours truly,



B. F. Anderson, PE for
CYPRESS OPERATING, INC.

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation (w/encl.)
Interested Owners, Represented Parties and Interested Parties (w/plat)
Cypress Operating, Inc. (w/encl.)



-  Approved Unit Well (Hosston)
-  Former Unit Well (Hosston)
-  Approved Substitute Unit Well (Hosston)
-  Former Alternate Unit Well (Hosston)
-  Approved Alternate Unit Well (Hosston)
-  Proposed Alternate Unit Well (Hosston) At An Exceptional Location



CYPRESS OPERATING, INC.

GRAND CANE FIELD
DESOTO PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELLS
AT EXCEPTIONAL LOCATIONS
HOSS RA SUI

DOCKET NO. 08- EXHIBIT NO.1