# BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

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)	Cause No.
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)	Docket No.
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#### <u>APPLICATION</u>

Carrizo Oil and Gas, Inc. ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order authorizing up to four horizontal wells in each of the following-described 640-acre drilling and spacing units:

Township 9 North, Range 58 West, 6<sup>th</sup> P.M. Section 33: All ("DSU #1")

Township 9 North, Range 58 West, 6<sup>th</sup> P.M. Section 34: All ("DSU #2")

Weld County, Colorado (together the "Application Lands"),

and further providing that the treated interval of each horizontal wellbore may be separated by a minimum of 600 feet for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a corporation duly authorized to conduct business in the State of Colorado and is an operator in good standing with the Commission.
  - 2. Applicant owns substantial leasehold interests in the Application Lands.
- 3. On September 19, 2011, the Commission entered Order No. 535-70, which among other things, established two approximate 640-acre drilling and spacing units for certain lands and allowed up to two horizontal wells in each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. This Order applies to DSU#2.
- 3. On October 31, 2011, the Commission entered Order No. 535-3, which among other things, established 160 approximate 640-acre drilling and spacing units for certain lands, and allowed one horizontal well in each unit, for the production of oil, gas

and associated hydrocarbons from the Niobrara Formation. This Order applies to DSU#1.

- 4. On January 23, 2012, the Commission entered Order No. 535-128, which among other things, pooled all interests in the applicable 640-acre drilling and spacing unit pursuant C.R.S. 34-60-116 for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. This Order applies to DSU#1.
- 8. Applicant requests that up to four horizontal wells be authorized for production of oil, gas and associated hydrocarbons from the Niobrara Formation in DSU #1 and DSU #2.
- 9. In accordance with Rule 318, Applicant will locate and drill the wells so that the treated interval of the horizontal wells is no closer than 600 feet from the boundaries of the units. Applicant requests that the 1,200 foot internal wellbore setback of Rule 318 be relaxed so that the treated interval of the horizontal wells may be separated by a minimum of 600 feet.
- 10. Applicant asserts that additional wells are necessary to prevent waste, protect correlative rights, and to assure the maximum efficient recovery of oil, gas and associated hydrocarbons from the Niobrara Formation on the Application Lands.
- 11. The names and addresses of the interested parties to this Application are set forth in Exhibit A, and the undersigned certifies that copies of this Application shall be served on each interested party as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, notice be given as required by law and that upon such hearing this Commission enter its order:

- A. Authorizing up to four horizontal wells in DSU #1 and DSU #2 for production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- B. Providing that said wells shall be located and drilled so that the treated interval of the wellbores are no closer than 600 feet from the boundaries of the unit and are separated by a minimum of 600 feet.

C. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: September 2012

Rv

Kenneth A. Wonstolen Elizabeth Y. Gallaway

Beatty & Wozniak, P.C.

216 Sixteenth Street-Suite 1100

Denver, CO 80202-5115

Address of Applicant
Carrizo Oil & Gas, Inc.
ATTN: Craig Wiest
1000 Louisiana Street, Suite 1500
Houston, TX 77002

## **VERIFICATION**

STATE OF TEXAS			
COUNTY OF HOUNS ) ss.			
Craig Wiest, of lawful age, being first duly sworn upon oath, deposes and says that he is a Land Manager for Carrizo Oil & Gas, Inc. and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.  Craig Wiest			
Subscribed and sworn to before me thisday of September, 2012.			
Witness my hand and official seal.			
My commission expires: 2/2/2010			
KEILAH JOY WHITLEY Notary Public, State of Texas My Commission Expires Notary Public Notary Public			

### Exhibit A

#### **Interested Parties**

Noble Energy, Inc. 1625 Broadway, Suite 2200 Denver, CO 80202

Noble Energy WYCO, LLC 1625 Broadway, Suite 2200 Denver, CO 80202

Michael Warren, Energy Liaison Colorado Parks and Wildlife Northwest Regional Office 711 Independent Avenue Grand Junction, CO 81505

Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

David Bauer Weld County 1111 H Street Greeley, CO 80632

8N58W 9N58W 29-9N-58W

Township 9 North, Range 58 West Sec 33

V85N9

Township 9 North, Range 58 West Sec 34

# BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF CARRIZO OIL AND GAS, INC., FOR AN ORDER ALLOWING UP TO FOUR HORIZONTAL WELLS IN TWO 640-ACRE DRILLING AND SPACING UNITS FOR THE NIOBRARA FORMATION IN SECTIONS 33 AND 34, TOWNSHIP 9 NORTH, RANGE 58 WEST IN WELD COUNTY, COLORADO	) Cause No. ) Docket No. )		
AFFIDAVIT OF MAILING			
STATE OF COLORADO )			
)ss. CITY AND COUNTY OF DENVER )			
Elizabeth Y. Gallaway, of lawful age, ar states and declares:	nd being first duly sworn upon her oath,		
That she is the attorney for Carrizo September ﴿كِلَّ , 2012, she caused a copy of the the United States Mail, postage prepaid, address the Application.	e attached Application to be deposited in ssed to the parties listed on Exhibit A to		
I	Elizabeth Y. Gallaway		
Subscribed and sworn to before me Sept	ember 17, 2012.		
Witness my hand and official seal.  PETER  My complission express  LO-D4-L  PUBLIC  PU	3. Seuse Al Reus Notary Public		