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

CARRIZO OIL AND GAS, INC., FOR AN )	
ORDER ESTABLISHING A 640-ACRE ) Cause	No.
DRILLING AND SPACING UNIT FOR THE )	
NIOBRARA FORMATION AND ALLOWING ) Docket	No.
UP TO SIX HORIZONTAL WELLS IN )	
SECTION 31, TOWNSHIP 11 NORTH, )	
RANGE 57 WEST IN WELD COUNTY, )	
COLORADO )	

#### **APPLICATION**

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 creating a 640-acre drilling and spacing unit and authorizing up to six horizontal wells in the following-described lands:

Township 11 North, Range 57 West, 6<sup>th</sup> P.M. Section 31: All

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

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. A well location map of the Application Lands is attached as <u>Exhibit A</u>.
- 3. Applicant requests the right to drill up to six horizontal wells in the Niobrara Formation in the proposed 640-acre drilling unit.
- 4. In accordance with Rule 318 a., 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 a. be relaxed so that the treated interval of the horizontal wells may be internally separated by a minimum of 600 feet.
- 5. Applicant asserts that the requested 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.

- 6. That in order to promote efficient drainage of the Niobrara Formation underlying the application lands, to prevent waste, and to protect correlative rights, the Commission should establish the drilling unit as requested herein and allow the drilling of up to six horizontal wells in said unit. The specified size and configuration of the requested drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the requested well(s).
- 7. The names and addresses of the interested parties to this Application are set forth in <u>Exhibit A</u>, and the undersigned certifies that copies of this Application shall be served on each interested party as required by Rule 503.e.
  - 8. Applicant agrees to be bound by the oral order of the Commission.

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. Establishing the requested drilling and spacing unit and authorizing up to six horizontal wells in the unit 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 internally 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: March 7, 2013.

Kenneth A. Wonstolen

Elizabeth Y. Gallaway

Kenneth E. Warner

Beatty & Wozniak, P.C.

216 Sixteenth Street-Suite 1100

Denver, CO 80202-5115

Address of Applicant Carrizo Oil & Gas. Inc.

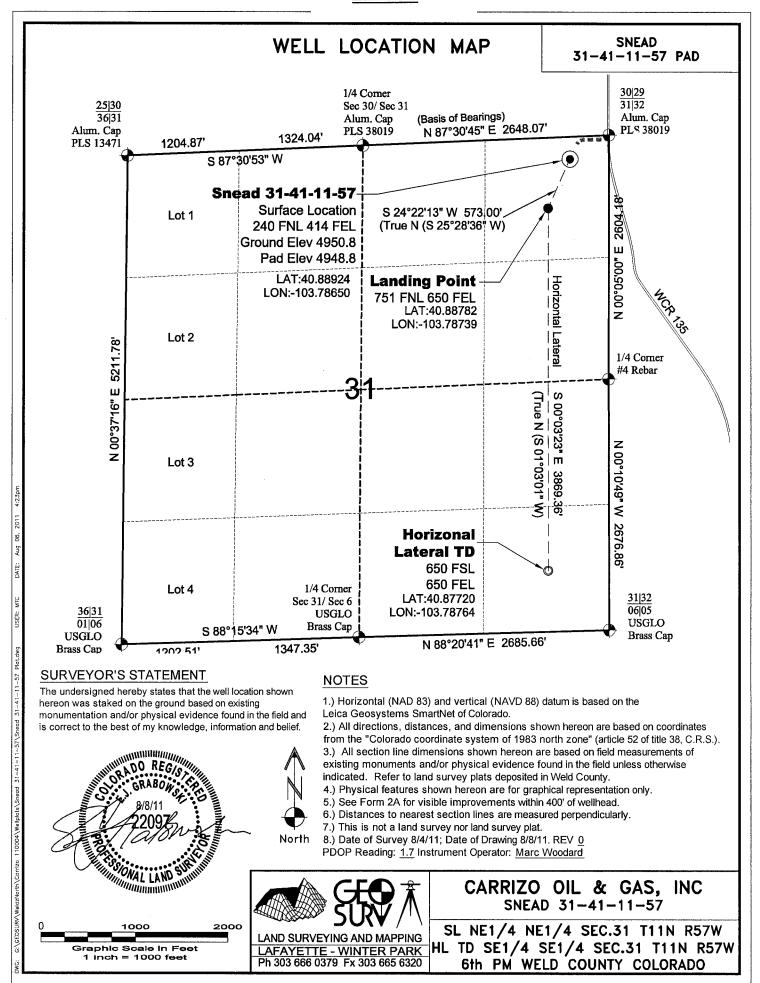
ATTN: Craig Wiest

1000 Louisiana Street, Suite 1500

Houston, TX 77002

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STATE OF GOLORADO  COUNTY OF HUNG	) ) )	SS.
that he is a Land Manager for Carrizo	Oil & Gas ein contain	uly sworn upon oath, deposes and says s, Inc. and that he has read the foregoing and are true to the best of his knowledge, Craig Wiest
Subscribed and sworn to before	e me this	wth day of March, 2013.
Witness my hand and official se	eal.	
My commission expires: 2/2/2014	)	-
KEILAH JOY WHITLEY Notary Public, State of Texas My Commission Expires February 02, 2016		Halsh Joy West



## Exhibit B

### **Interested Parties**

Whiting Oil and Gas Corp. 1700 Broadway Suite 2300 Denver, CO 80290

MYCO Ind. Inc. 105 S. 4th St. Artesia, NM 88210

BPSRR Enterprises, Ltd. PO Box 27296 Denver, CO 80227-0296

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

Yates Petroleum Corp. 105 S. 4th St. Artesia, NM 88210

ABO Petroleum Corp. 105 S. 4th St. Artesia, NM 88210

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

David Bauer Weld County 1111 H Street Greeley, CO 80632

# 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 ESTABLISHING A 640-ACRE DRILLING AND SPACING UNIT FOR THE NIOBRARA FORMATION AND ALLOWING UP TO SIX HORIZONTAL WELLS IN SECTION 31, TOWNSHIP 11 NORTH, RANGE 57 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, and being first duly sworn upon her oath, states and declares:							
That she is an attorney for Carrizo Oil and Gas, Inc., that on or before March 15, 2013, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.							
Elizabeth Y. Gallaway							
Subscribed and sworn to before me March //, 2013.							
Witness my hand and official seal.							
My commission expires: 10-04-13  PETERSOL  PUBLIC 8  No	tary Public						