## 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 THIRTEEN	)	Cause No.
HORIZONTAL WELLS IN AN ESTABLISHED	)	
640-ACRE DRILLING UNIT LOCATED IN	)	Docket No.
SECTION 36, TOWNSHIP 9 NORTH, RANGE	)	
61 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 authorizing up to thirteen horizontal wells in the established 640-acre drilling and spacing unit located upon the following-described lands:

Township 9 North, Range 61 West, 6<sup>th</sup> P.M. Section 36: 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. On August 12, 2010, the Commission entered Order No. 535-1, which, among other things, established four approximate 640-acre drilling and spacing units for certain lands, including the Application Lands, for the production of oil, gas, and other hydrocarbons from the Niobrara Formation. Section 36, Township 9 North, Range 61 West, 6<sup>th</sup> P.M. is subject to this Order.
- 4. On January 7, 2013, the Commission entered Order No. 535-238, which, among other things, authorized up to six horizontal wells within certain lands, including the Application Lands, for the production of oil, gas, and other hydrocarbons from the Niobrara Formation. Section 36, Township 9 North, Range 61 West, 6<sup>th</sup> P.M. is subject to this Order.
- 5. Applicant requests approval to drill, at its option, up to thirteen horizontal wells in the established unit, with internal wellbores offset by 300 feet. Applicant

requests 100 foot "heel-and-toe" completed interval setbacks from the unit boundaries perpendicular to the well laterals while maintaining a 600-foot setback from the unit boundaries parallel to the well laterals in the Niobrara Formation in the established 640-acre drilling unit.

- 6. 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.
- 7. 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 allow the drilling of up to thirteen horizontal wells in the 640-acre drilling and spacing unit located on the Application Lands. 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).
- 8. The undersigned certifies that copies of this Application shall be served on each interested party which include, as appropriate, offset operators, lessees, or mineral owners, as required by Rule 503.e.
  - 9. 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. Providing that the treated interval of the horizontal wellbores are offset by 300 feet.
- B. Providing for 100 foot "heel-and-toe" completed interval setbacks from the unit boundaries perpendicular to the well laterals.
- C. Authorizing up to thirteen horizontal wells in an established 640-acre drilling and spacing unit for production of oil, gas, and associated hydrocarbons from the Niobrara Formation.
- D. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: April 18, 2013.

Ву:

Kenneth A. Wonstolen Elizabeth Y. Gallaway

Beatty & Wozniak, P.C.

216 Sixteenth Street-Suite 1100 Denver, CO 80202-5115

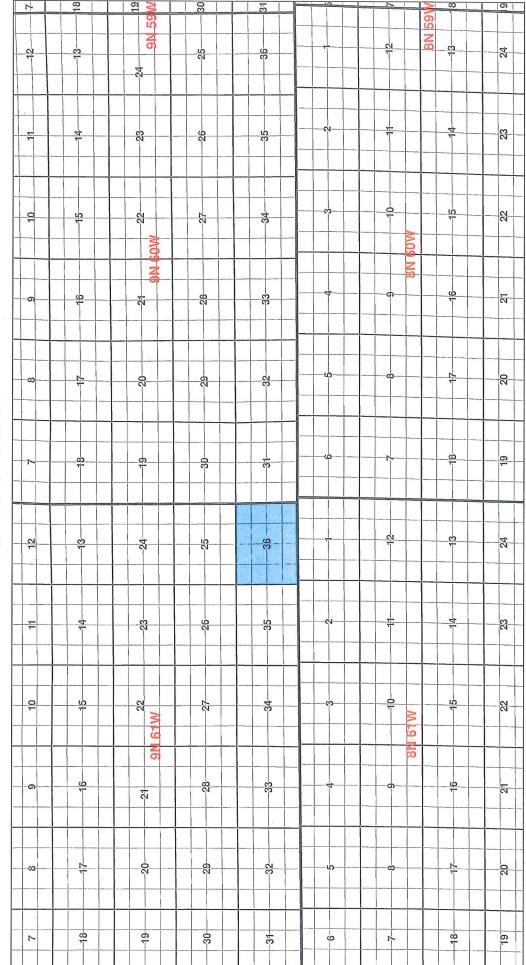
Address of Applicant Carrizo Oil & Gas, Inc. Attn: Craig Wiest 500 Dallas Street, 2300 Houston, TX 77002

### **VERIFICATION**

STATE OF TEXAS	)
COUNTY OF HARRIS	) SS.
that he is a Land Manager for Carrizo O	g first duly sworn upon oath, deposes and says Dil & Gas, Inc. and that he has read the foregoing n contained are true to the best of his knowledge  Craig Wiest
Subscribed and sworn to before n	me this <u>ITM</u> day of April, 2013.
Witness my hand and official seal	al.
My commission expires: Maru 5, 20 (6	6
ROSS DANIEL WARDLAW Notary Public, State of Texas My Commission Expires March 05, 2016	Notary Public

EXHIBIT A

Weld County, Colorado T9N-R61W Sec: 36



# 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 THIRTEEN HORIZONTAL WELLS IN AN ESTABLISHED 640-ACRE DRILLING UNIT LOCATED IN SECTION 36, TOWNSHIP 9 NORTH, RANGE 61 WEST IN WELD COUNTY, COLORADO	) Cause 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 an attorney for Carrizo Oil a 2013, she caused a copy of the above-captic United States Mail, postage prepaid, addres attached hereto.	oned Application to be deposited in the		
	Elizabeth Y. Gallaway		
Subscribed and sworn to before me April	' <i>G</i>		
Witness my hand and official seal.	<u>/~</u>		
My commission expires: 10-04-13			
PETERS	—· J D = -		
W POTARY	Notery Public		

### Exhibit A

### **Interested Parties**

Antelope Energy Company, LLC P.O. Box 577 Kimball, NE 69145 Haimo Oil & Gas, Inc. Address Unknown

Noble Energy, Inc. 1625 Broadway, Suite 2200 Denver, CO 80202 OIL India (USA) Inc. Address Unknown

David Bauer Weld County 1111 H Street Greeley, CO 80632 IOCL (USA) Inc. Address Unknown

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

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