## 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 26, TOWNSHIP 8 NORTH, RANGE	)	
60 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 8 North, Range 60 West, 6<sup>th</sup> P.M. Section 26: 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 Exhibit A.
- 3. On October 31, 2011, the Commission entered Order No. 535-91, which, among other things, established two approximate 640-acre drilling and spacing units for certain lands, including the Application Lands, and authorizing up to two horizontal wells within each unit for the production of oil, gas, and other hydrocarbons from the Niobrara Formation. Section 26, Township 8 North, Range 60 West, 6<sup>th</sup> P.M. is subject to this Order.
- 4. On July 9, 2012, the Commission entered Order No. 535-189, which, among other things, pooled all interests in the established 640-acre drilling and spacing unit located upon the Application Lands, for the development and operation of the Niobrara Formation. Section 26, Township 8 North, Range 60 West, 6<sup>th</sup> P.M. is subject to this Order.

- 5. On November 15, 2012, the Commission entered Order No. 535-219, which, among other things, authorized up to four horizontal wells within certain lands, including the Application Lands, for the production of oil, gas, and other hydrocarbons from the Niobrara Formation, with the treated interval of the horizontal wellbores to be no closer than 600 feet from the unit boundaries, and no closer than 600 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director. Section 26, Township 8 North, Range 60 West, 6<sup>th</sup> P.M. is subject to this Order.
- 6. On March 25, 2013, the Commission entered Order No. 535-294, 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, with the treated interval of the horizontal wellbores to be no closer than 600 feet from the unit boundaries, and no closer than 600 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director. Section 26, Township 8 North, Range 60 West, 6<sup>th</sup> P.M. is subject to this Order.
- 7. 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.
- 8. 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.
- 9. 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).
- 10. 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.
  - 11. 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 <u>/</u>8, 2013.

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	)	
	)	SS.
COUNTY OF HARRIS	)	

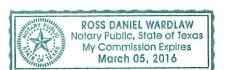
Craig Wiest, of lawful age, being first duly sworn upon oath, deposes and says that he is a Land Manager for Carrizo Oil & Gas, Inc. and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Craig Wiest

Subscribed and sworn to before me this 17th day of April, 2013.

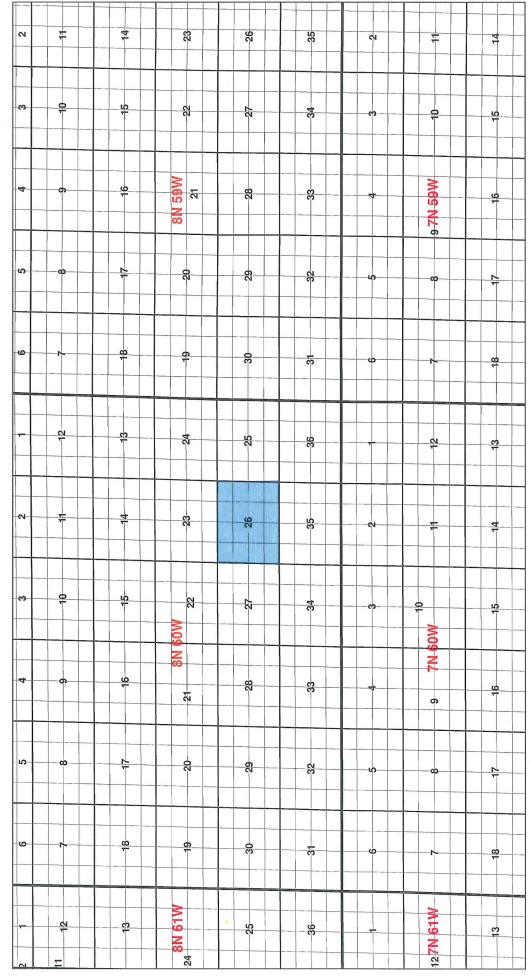
Witness my hand and official seal.

My commission expires: MARCH 5, 70 (6



Notary Public

Weld County, Colorado T8N-R60W Sec: 26



# 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 26, TOWNSHIP 8 NORTH, RANGE 60 WEST IN WELD COUNTY, COLORADO	) ) Cause No. ) Docket No. ) Intake No. 79		
AFFIDAVIT OF MAILING			
STATE OF COLORADO )			
)ss. CITY AND COUNTY OF DENVER )			
Elizabeth Y. Gallaway, of lawful age, and be states and declares:	eing first duly sworn upon her oath,		
That she is an attorney for Carrizo Oil and Gas, Inc., that on or before April 29, 2013, she caused a copy of the above-captioned Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on the attached list.			
Elizabeth Y Gallaway			
Subscribed and sworn to before me April 2, 2013.			
Witness my hand and official seal.			
My commission expires 16-04-13  Nota	ry Public		

#### Interested Parties

Bayshore Minerals, LLC 2305 W. Berry Ave. Littleton, CO 80120

Carol Fowler 1019 County Road #330 Ignacio, CO 81137

Chesapeake Exploration, LLC P.O. Box 18496 Oklahoma City, OK 73154

Cozzens Living Trust dated August 25, 2010 3170 Soaring Bird Circle Colorado Springs, CO 80920

Foundation Energy Fund IV-B Holding, LLC 16000 North Dallas Parkway Dallas, TX 75248

Grayrock Minerals, LLC 5950 Cedar Springs Rd. Suite 200 Dallas, TX 75235

Greg R. Thome 17737 E. Belleview Place Centennial, CO 80015

Helen Crews 6600 W. 20th St. #35 Greeley, CO 80634

IOCL (USA) Inc. Address Unknown

Judy Brannberg P.O. Box 211 Louviers, CO 80131

Leah S. Hergenreder 3007 High Drive Evans, CO 80620

LHB Niobrara, LLC P.O. Box 46063 Denver, CO 80201

Martha H. Salser P.O. Box 571 Kersey, CO 80644

Noble Energy, Inc. 1625 Broadway, Suite 2200 Denver, CO 80202 Rodella Minerals, LLC 10320 N. Chatfield Dr. Littleton, CO 80125

Cynthia Schouten AKA Cynthia M. Spurlock 1019 County Road #330 Ignacio, CO 81137

Oil India (USA), Inc. Address Unknown

Herbert H. Duell 1019 County Road #330 Ignacio, CO 81137

Mile High Oil & Gas, Inc. P.O. Box 27296 Denver, CO 80202

John R. Duell and Lucille C. Duell, Trustees under the John R. Duell and Lucille C. Duell Living Trust dated April 10, 2000 26542 WCR 51 Greeley, CO 80631

Ardis Kerns 1811 Montview Blvd. Greeley, CO 80634

BLG Resources, LLC 2218 Worthington St. Dallas, TX 75204

Haimo Oil & Gas, LLC Address Unknown

Clyde Nelson 7455 Centennial Glen Dr. Colorado Springs, CO 80919

Carver E&P, LLC P.O. Box 46063 Denver, CO 80201

MK/Colorado, LLC 2311 Cedar Springs, Suite 405 Dallas, TX 75201

Noble Energy WYCO, LLC 1625 Broadway, Suite 2200 Denver, CO 80202-4720

Rincones Two, LLC 2000 Yaupon Valley Rd Austin, TX 78746 Pidgeon Clay 4, LLC 460 S. Marion Pkwy. #1856B Denver, CO 80209

STA, LLC 3833 W. Dallas St. Broken Arrow, OK 74012

TAK Mountain, LLC 1600 Broadway, Suite 1525 Denver, CO 80202

The Board of County Commissioners of Weld County 1150 O St. P.O. Box 758 Weld County, CO 80632

The Estate of Orlene Stockstill a/k/a Orlene Pearson, deceased Address Unknown

Verity Land Company #3, LLC P.O. Box 82219 Oklahoma City, OK 73148

David Bauer Weld County 1111 H Street Greeley, CO 80632 Centennial Mineral Holdings, Inc. 5950 Cedar Springs, Suite 200 Dallas, TX 75235

J and M Redman Trust dated March 5, 1996 13677 Omega Circle Littleton, CO 80124

The Estate of J. Muller Stockstill, deceased Address Unknown

NipNTuck, LLC 1346 Candleridge Dr. Boise, ID 80201

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