

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 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 authorizing up to thirteen 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 Exhibit A.
3. On May 6, 2013, the Commission issued Order No. 535-326 which, among other things, established an approximate 640-acre drilling and spacing unit for the Application Lands, and approve up to six horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
4. Applicant requests approval to drill, at its option, an additional seven horizontal wells, for a total of up to thirteen horizontal wells in the unit, with internal wellbores offset by 300 feet and unit boundary setbacks of 600 feet, except that 100 foot "heel-and-toe" completed interval setbacks from the unit boundaries perpendicular to the well laterals shall apply so long as Applicant obtains exception location approvals pursuant to Rule 318.c. This exception location requirement for reduced unit boundary setbacks shall not apply if superseded by a subsequent Commission rule or area-wide order.
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 allow the drilling of an additional seven, for a total of up to thirteen 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 which include, as appropriate, offset operators, lessees, or mineral owners, are set forth in Exhibit B, 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. Providing that Applicant may drill, at its option, an additional seven for a total of up to thirteen horizontal wells in the unit, with internal wellbores offset by 300 feet and unit boundary setbacks of 600 feet, except that 100 foot "heel-and-toe" completed interval setbacks from the unit boundaries perpendicular to the well laterals shall apply so long as Applicant obtains exception location approvals pursuant to Rule 318.c.

B. Providing that the exception location requirement for reduced unit boundary setbacks set forth in this Application shall not apply if superseded by a subsequent Commission rule or area-wide order.

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

Dated: May 30, 2013

By:   
Kenneth A. Wonstolen  
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

)

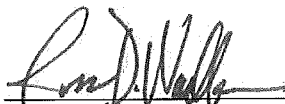
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ss.

COUNTY OF HARRIS

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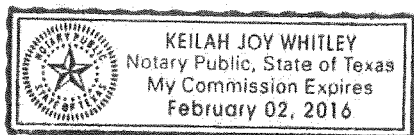
Ross D. Wardlaw, of lawful age, being first duly sworn upon oath, deposes and says that he is a Senior Landman for Carrizo Oil & Gas, Inc. and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
Ross D. Wardlaw

Subscribed and sworn to before me this 29<sup>th</sup> day of May, 2013.

Witness my hand and official seal.

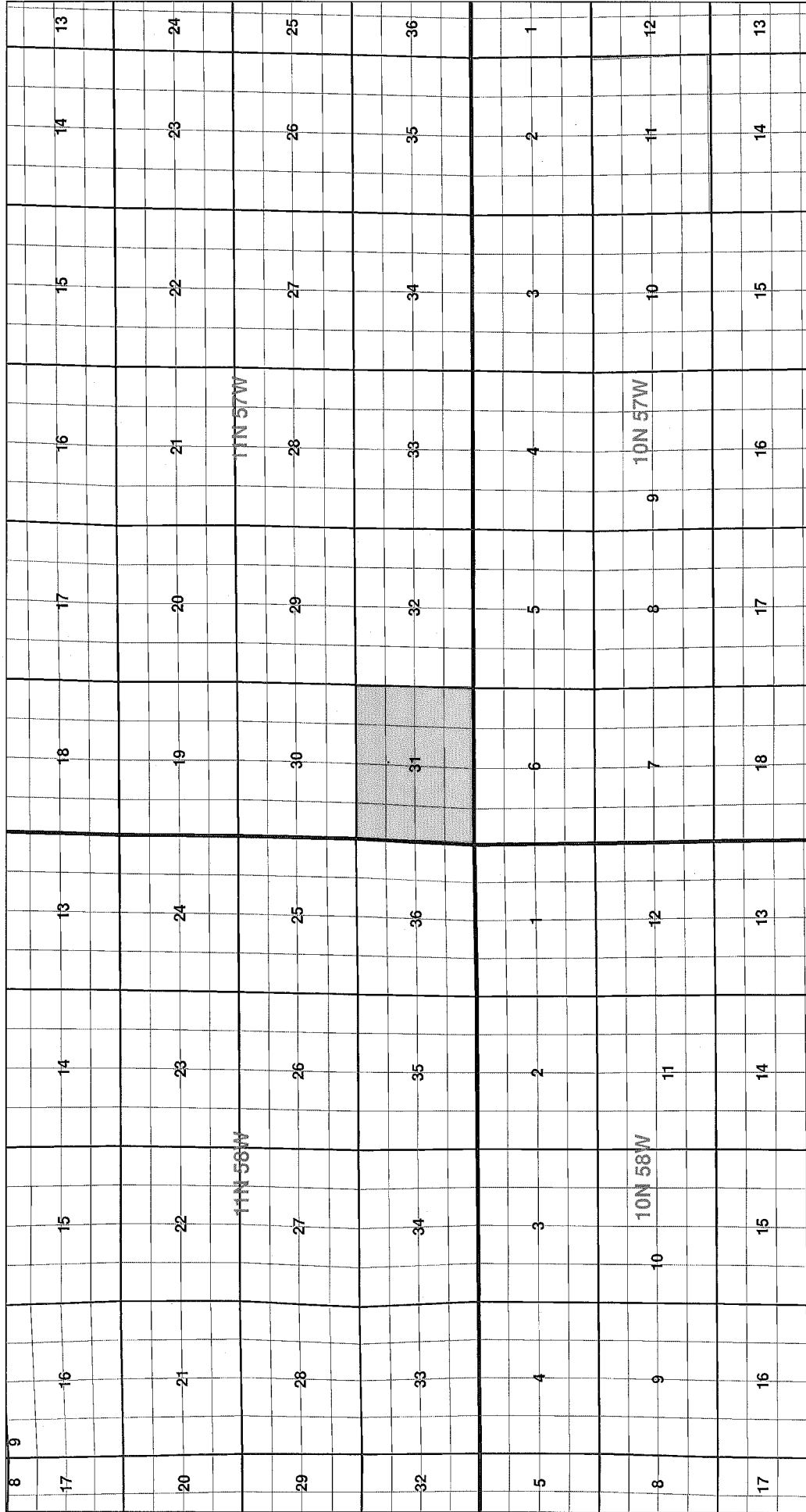
My commission expires: FEBRUARY 2, 2016



  
\_\_\_\_\_  
Notary Public

EXHIBIT A

Weld County, Colorado  
T11N-R57W Sec: 31



## Exhibit B

### Interested Parties

Whiting Oil and Gas Corporation  
1700 Broadway  
Suite 2300  
Denver, CO 80293-2300

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

Oil India (USA) Inc.  
c/o Thompson Knight, LLP  
333 Clay St. Suite 3300  
Houston, TX 77002

Haimo Oil & Gas LLC  
593, Zhangsutun Lanzhou  
Gansu Province, 730010, PRC

David Bauer  
Weld County  
1111 H Street  
Greeley, CO 80632

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

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

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

IOCL (USA) Inc.  
c/o Thompson Knight, LLP  
333 Clay St. Suite 3300  
Houston, TX 77002

Tom Schreiner, Energy Liaison  
Colorado Parks and Wildlife  
Northeast Region Office  
6060 Broadway  
Denver, CO 80216

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COLORADO )

AFFIDAVIT OF MAILING

STATE OF COLORADO )  
 )ss.  
CITY AND COUNTY OF DENVER )

Kenneth A. Wonstolen, of lawful age, and being first duly sworn upon his oath,  
states and declares:

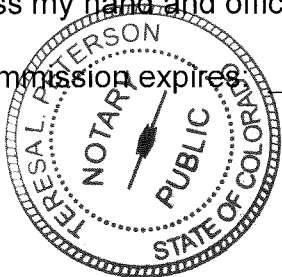
That he is an attorney for Carrizo Oil and Gas, Inc., that on or before June 10,  
2013, he caused a copy of the attached Application to be deposited in the United States  
Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.


  
\_\_\_\_\_  
Kenneth A. Wonstolen

Subscribed and sworn to before me May 30, 2013.

Witness my hand and official seal.

My commission expires 10-04-13.



  
\_\_\_\_\_  
Notary Public