### 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 SIXTEEN	)	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 sixteen horizontal wells in 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 <u>Exhibit A</u>.
- 3. On October 31, 2011, the Commission issued Order No. 535-91 which, among other things established three approximate 640-acre drilling and spacing units for certain lands, including the Application Lands, and authorized up to two horizontal wells within each unit, with the second well in each unit optional, for development and production of oil, gas and related hydrocarbons from the Niobrara Formation.
- 4. On July 9, 2012, the Commission issued Order No. 535-189 which, among other things, pooled all interests in an approximate 640-acre drilling and spacing unit comprising the Application Lands for the development and operation of the Niobrara Formation.
- 5. On November 15, 2012, the Commission issued Order No. 535-219 which, among other things, approved up to four horizontal wells within certain lands, including the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 6. On March 25, 2013, the Commission issued Order No. 535-294 which, among other things, approved up to a total of six horizontal wells within certain lands, including the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

- 7. Applicant requests approval to drill, at its option, an additional ten horizontal wells, for a total of up to sixteen horizontal wells in the unit, with internal wellbores offset by 300 feet and unit boundary setbacks of 300 feet.
- 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.
- 8. 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 ten, for a total of up to sixteen 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).
- 9. According to Rule 507.b.(1), the names and addresses of the interested parties to this Application are set forth in <a href="Exhibit B">Exhibit B</a>, and the undersigned certifies that copies of this Application shall be served on each interested party as required by Rule 503.e.
  - 10. 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 ten for a total of up to sixteen horizontal wells in the unit, with internal wellbores offset by 300 feet and unit boundary setbacks of 300 feet.
- B. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: July 18, 2013

Kenneth A. Wonstolen

Beatty & Wozniak, P.C.

216 Sixteenth Street-Suite 1100

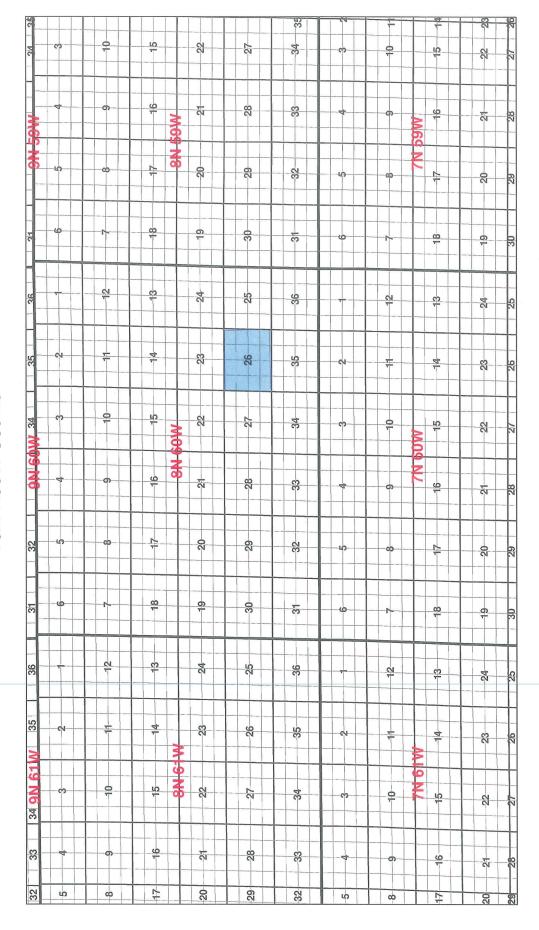
Denver, CO 80202-5115

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

#### **VERIFICATION**

STATE OF TEXAS )	
COUNTY OF HARRIS )	SS.
Craig E. Wiest, of lawful age, being fit that he is Land Manager for Carrizo Oil & G Application and that the matters therein confinformation and belief.	
Subscribed and sworn to before me the	his 11 <sup>ttl</sup> day of July, 2013.
Witness my hand and official seal.	
My commission expires: 3/5/w/6	
ROSS DANIEL WARDLAW Notary Public, State of Texas My Commission Expires March 05, 2016	Notary Public

Weld County, Colorado T8N-R60W Sec 26



## Exhibit B Interested Parties

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

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

Haimo Oil & Gas, LLC Attn: Mr. Jianwen Dou 593, Zhangsutan Lanzhou Gansu Province, 730010, PRC

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

The Estate of Orlene Stockstill a/k/a Orlene Pearson, deceased 3520 98th St. NE Seattle. WA 98115

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

Leah S. Hergenreder 3007 High Drive Evans, CO 80620

Jerald Dean Hergenreder 3007 High Drive Evans, CO 80620

The Estate of Wesley A. Taylor, deceased Address Unknown

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

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

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 ALLOWING UP TO SIXTEEN ) 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 )					
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 July 25, 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 <a href="Exhibit B">Exhibit B</a> to the Application.					
Kenneth A. Wonstolen Subscribed and sworn to before me July 18, 2013.					
Witness my hand and official seal.					
My commission expires: 10-04-13.  PUBLIC Notary Public					

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

IN THE MATTER OF THE APPLICATION OF	)	CAUSE NO. 535
CARRIZO OIL AND GAS, INC., FOR AN ORDER	)	
ALLOWING UP TO SIXTEEN HORIZONTAL	)	DOCKET NO.
WELLS IN AN ESTABLISHED 640-ACRE	)	
DRILLING UNIT LOCATED IN SECTION 26,	)	
TOWNSHIP 8 NORTH, RANGE 60 WEST IN	)	Intake No. 71
WELD COUNTY, COLORADO	)	

#### **ENTRY OF APPEARANCE**

The undersigned, a member of the firm of Beatty & Wozniak, P.C., attorneys for Carrizo Oil and Gas, Inc., applicant in the above-referenced application, enters her appearance therein.

Dated this 7<sup>th</sup> day of August, 2013.

BEATTY & WOZNIAK, P.C.

By:

Elizabeth Y. Gallaway 216 Sixteenth Street, Suite 1100 Denver, Colorado 80202-5155 303-407-4499