

## 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 VACATING TWO 640-ACRE ) DRILLING UNITS, ESTABLISHING A 960- ) ACRE DRILLING UNIT, AND ALLOWING UP ) TO SIXTEEN HORIZONTAL WELLS IN THE ) UNIT LOCATED IN SECTIONS 30 AND 31, ) TOWNSHIP 10 NORTH, RANGE 59 WEST IN ) WELD COUNTY, COLORADO

JUL 1 9 2013

COGCC

Docket No.

Cause No.

#### **APPLICATION**

ORIGINAL

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 1) vacating Order No. 535-352 and a portion of Order No. 535-272; 2) establishing a 960 acre drilling unit with up to sixteen horizontal wells in the following-described lands:

Township 10 North, Range 59 West, 6th P.M.

Section 30: S½
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. On February 11, 2013, the Commission issued Order No. 535-264 which, among other things approved up to six horizontal wells within each of four approximate 640-acre exploratory drilling and spacing units established for certain lands for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Section 31, Township 10 North, Range 59 West, 6<sup>th</sup> P.M. is subject to Order No. 535-264.
- 4. On February 11, 2013, the Commission issued Order No. 535-272 which, among other things approved four approximate 640-acre exploratory drilling and spacing units for certain lands and approved one horizontal well within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Section 31, Township 10 North, Range 59 West, 6<sup>th</sup> P.M. is subject to Order No. 535-264.

- 5. On May 6, 2013, the Commission issued Order No. 535-312 which, among other things, pooled all interests in certain lands for the development and operation of the Niobrara Formation. Section 31, Township 10 North, Range 59 West, 6<sup>th</sup> P.M. is subject to Order No. 535-312.
- 6. On June 17, 2013, the Commission issued Order No. 535-352 which, among other things, established an approximate 640-acre drilling and spacing unit for certain lands and approved up to thirteen horizontal wells in the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Section 30, Township 10 North, Range 59 West, 6<sup>th</sup> P.M. is subject to Order No. 535-264.
- 7. Applicant requests that Order No. 535-272 be vacated as to Section 31, Township 10 North, Range 59 West, 6<sup>th</sup> P.M.
  - 8. Applicant requests that Order No. 535-352 be vacated in its entirety.
- 9. Applicant also requests that the Commission establish a 960-acre drilling unit comprised of the Application Lands with approval to drill, at Applicant's option, sixteen horizontal wells in the unit, with internal wellbores offset by 300 feet and unit boundary setbacks of 300 feet.
- 10. Applicant asserts that the requested drilling unit and 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.
- 11. 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 a 960-acre drilling unit comprised of the Application Lands with approval to drill, at Applicant's option, sixteen horizontal wells in the unit, with internal wellbores offset by 300 feet and unit boundary setbacks of 300 feet. 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).
- 12. According to Rule 507.b.(1), the names and addresses of the interested parties to this Application are set forth in <u>Exhibit B</u>, and the undersigned certifies that copies of this Application shall be served on each interested party as required by Rule 503.e.
  - 13. 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. Vacating Order No. 535-272 as to Section 31, Township 10 North, Range 59 West, 6<sup>th</sup> P.M.
  - B. Vacating Order No. 535-352 in its entirety.
- C. Establishing a 960-acre drilling unit comprised of the Application Lands with approval to drill, at Applicant's option, sixteen horizontal wells in the unit, with internal wellbores offset by 300 feet and unit boundary setbacks of 300 feet.

D. 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.					
that he is Land Manager for Carrizo C	Oil & Ga	st duly sworn upon oath, deposes and says as, Inc. and that he has read the foregoing ained are true to the best of his knowledge Craig E. Wiest					
Subscribed and sworn to before me this <u>l1<sup>nt</sup></u> day of July, 2013.							
Witness my hand and official se	al.						
My commission expires: 3/5/w/6		_					
ROSS DANIEL WARDLAW Notary Public, State of Texas My Commission Expires March 05, 2016		Notary Public					

Exhibit A

Weld County, Colorado T10N-R59W Sec 31:All & 30:S2

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#### 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

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

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

The Estate of Walter Weiss c/o Alfred G. Weiss, Personal Representative P.O. Box 416 Moffat, CO 81143

Kathleen Ann Zion 22362 Morgan County Road P Fort Morgan, Colorado 80701

Doris M. Scofield 3202 17th Avenue Evans, CO 80620

Janet S. Ferguson P.O. Box 780 Dewey, AZ 86327

Sharon K. Weiss 616 Ray Street P.O. Box 308 Brush, CO 80723

Central Stop, Corp. 104 Yale Avenue Ft. Collins, CO 80525

Edwin James Ferguson 207 N. 49th Ave., Ct. Greeley, CO 80634 IOCL (USA), Inc. c/o Thompson Knight, LLP Attn: Arthur J. Wright 333 Clay St, Suite 3300 Houston, TX 77002

EOG Resources, Inc. 600 17th Street, Suite 1100 Denver, CO 80202

The Estate of John Weiss, deceased Address Unknown

Carl Weiss Star Route Brush, CO 80723

Harry Weiss 324 Cambridge Street Brush, CO 80723

Marlene L. Chenoweth 356 U.S. Highway 212 Belle Fourche, SD 57717

Leonard D. Weiss 34091 County Road K Brush, CO 80723

Eldon Weiss 104 Yale Avenue Ft. Collins, CO 80525

David Benjamin Ferguson 194 Hickory St. Gloster, LA 71030

Cherie Ann Ferguson Otis 1502 Muskhogean Dr. Lake Charles, LA 70611 Lori Sue Ferguson Vincent 140 E. Lee St. Sulphur, LA 70663

Alex Weiss 1329 Xavier St Unit 1331 Denver, CO 80204

David Bauer Weld County 1111 H Street Greeley, CO 80632

Tom Schreiner, Energy Liaison Colorado Parks and Wildlife Northeast Region Office 6060 Broadway Denver, CO 80216 Noble Energy WYCO, LLC 1625 Broadway, Ste. 2200 Denver, CO 80202

United States of America BLM Colorado State Office 2850 Youngfield St Lakewood, CO 80215

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

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IN THE MATTER OF THE APPLICATION OF CARRIZO OIL AND GAS, INC., FOR AN ORDER VACATING TWO 640-ACRE DRILLING UNITS, ESTABLISHING A 960-ACRE DRILLING UNIT, AND ALLOWING UP TO SIXTEEN HORIZONTAL WELLS IN THE UNIT LOCATED IN SECTIONS 30 AND 31, TOWNSHIP 10 NORTH, RANGE 59 WEST IN WELD COUNTY, COLORADO	) ) Cause No. ) Docket No. ) )									
AFFIDAVIT OF MAILING										
STATE OF COLORADO )										
CITY AND COUNTY OF DENVER )										
Kenneth A. Wonstolen, of lawful age, and states and declares:	being first duly sworn upon his oath,									
That he is an attorney for Carrizo Oil and 2013, he caused a copy of the attached Applicat Mail, postage prepaid, addressed to the parties I	ion to be deposited in the United States									
<del>-</del>	Kenneth A. Wonstolen									
Subscribed and sworn to before me July	, 2013.									
Witness my hand and official seal.										
My commission expires:	<del>.</del>									
, , , , , , , , , , , , , , , , , , ,	MARY GRACE T. GO-HOVELAND Notary Public State of Colorado									