

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 )  
TO APPROVE UP TO THIRTEEN HORIZONTAL ) DOCKET NO. 1306-AW-34  
WELLS IN AN APPROXIMATE 960-ACRE )  
DRILLING AND SPACING UNIT AND APPROVE )  
UP TO SIX HORIZONTAL WELLS IN AN )  
APPROXIMATE 320-ACRE DRILLING AND )  
SPACING UNIT FOR SECTIONS 27 AND 28, )  
TOWNSHIP 10 NORTH, RANGE 59 WEST, 6<sup>TH</sup> )  
P.M., AND SECTION 33, TOWNSHIP 10 NORTH, )  
RANGE 59 WEST, 6<sup>TH</sup> P.M., UNNAMED FIELD, )  
WELD COUNTY, COLORADO )

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On December 12, 2011, the Commission entered Order No. 535-99 which, among other things, established one approximate 640-acre drilling and spacing unit and approved two horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Section 27, Township 10 North, Range 59 West, 6<sup>th</sup> P.M. is subject to this Order for the Niobrara Formation.

On May 29, 2012, the Commission entered Order No. 535-159 which pooled all interests in an approximate 640-acre drilling and spacing unit, to accommodate the Nelson Ranches 27-11-10-59 Well, for the development and operation of the Niobrara Formation. Section 27, Township 10 North, Range 59 West, 6<sup>th</sup> P.M. is subject to this Order for the Niobrara Formation.

On February 11, 2013, the Commission entered Order No. 535-272 which, among other things, established three approximate 640-acre exploratory drilling and spacing units, and approved one horizontal well within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Sections 28 and 33, Township 10 North, Range 59 West, 6<sup>th</sup> P.M. are subject to this Order for the Niobrara Formation.

On February 11, 2013, the Commission entered Order No. 535-264 which, among other things, approved up to six horizontal wells within each of three approximate 640-acre exploratory drilling and spacing units, for the production of oil, gas, and other hydrocarbons underlying the Niobrara Formation. Sections 28 and 33, Township 10 North, Range 59 West, 6<sup>th</sup> P.M. are subject to this Order for the Niobrara Formation.

On May 8, 2013, the Commission entered Order No. 535-329 which, among other things: 1) vacated Order No. 535-99 and Order No. 535-159 which spaced and pooled an approximate 640-acre drilling and spacing unit for Section 27, Township 10 North, Range 59 West, 6<sup>th</sup> P.M.; 2) vacated two approximate 640-acre exploratory drilling and spacing units established by Order Nos. 535-272 and 535-264 for Sections 28 and 33, Township 10 North, Range 59 West, 6<sup>th</sup> P.M.; and 3) established one approximate 960-acre exploratory drilling and spacing unit and one approximate 320-acre exploratory drilling and spacing unit and approved one horizontal well within each unit, for the production of oil, gas and associated hydrocarbons

from the Niobrara Formation. Sections 27, 28 and 33, Township 10 North, Range 59 West, 6<sup>th</sup> P.M. are subject to this Order for the Niobrara Formation.

On April 18, 2013, Carrizo Oil and Gas, Inc. ("Carrizo" or "Applicant"), by its attorneys, filed with the Commission a verified application ("Application") for an order to: 1) approve up to thirteen horizontal wells within one approximate 960-acre drilling and spacing unit ("DSU #1") for the below-described lands ("Application Lands"); 2) approve up to six horizontal wells within one approximate 320-acre drilling and spacing unit ("DSU #2") for the Application Lands; and 3) establish unit-boundary setbacks with internal wellbores offset by 300 feet and unit boundary setbacks of 600 feet. Applicant further requests that 100 foot "heel-and-toe" completed interval setbacks from the unit boundaries perpendicular to the well laterals 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 Order.

Township 10 North, Range 59 West, 6<sup>th</sup> P.M.

Section 27: All

Section 28: E½ ("DSU #1" - 960-acre)

Township 10 North, Range 59 West, 6<sup>th</sup> P.M.

Section 33: E½ ("DSU #2" - 320-acre)

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado under §34-60-105 C.R.S.; 2) specific powers granted pursuant to §34-60-106 C.R.S.; 3) the State Administrative Procedures Act at §24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2 CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, June 17, 2013  
Tuesday, June 18, 2013

Time: 9:00 a.m.

Place: Two Rivers Convention Center  
159 Main Street  
Grand Junction, Colorado 81501

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

**In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than June 3, 2013, briefly stating the basis of the protest or intervention. Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. One electronic, one original and two**

copies shall be filed with the Commission. **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of June 3, 2013.** Pursuant to Rule 503.g., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules. In accordance with the practices of the Commission, should no protests or interventions be filed in this matter by **June 3, 2013, the Applicant may request that an administrative hearing be scheduled beginning June 3, 2013.** In the alternative, pursuant to Rule 511., if the matter is uncontested, the applicant may request, and the Director may recommend approval on the basis of the merits of the verified application and the supporting exhibits.

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By   
FOR Robert J. Frick, Secretary

Dated: May 23, 2013

Colorado Oil and Gas Conservation Commission  
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