

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

IN THE MATTER OF THE APPLICATION OF)	
CARRIZO OIL & GAS, INC. FOR AN ORDER)	CAUSE No. _____
ESTABLISHING DRILLING AND SPACING)	
UNITS FOR THE NIOBRARA FORMATION OF)	DOCKET No. _____
CERTAIN DESCRIBED LANDS IN WELD)	
COUNTY, COLORADO)	

APPLICATION OF CARRIZO OIL & GAS, INC.

Carrizo Oil & Gas, Inc. ("Applicant"), by and through its undersigned attorneys, submits this Application to the Colorado Oil and Gas Conservation Commission ("Commission") for an order establishing four (4) approximate 640-acre drilling and spacing units for development of and production from the Niobrara Formation in the following lands:

Township 8 North, Range 61 West, 6th P.M. – Weld County
Section 26: All

Township 8 North, Range 62 West, 6th P.M. – Weld County
Section 36: All

Township 9 North, Range 60 West, 6th P.M. – Weld County
Section 16: All

Township 9 North, Range 61 West, 6th P.M. – Weld County
Section 36: All

Applicant further requests that it be allowed to drill up to two (2) horizontal wells in each such drilling and spacing unit, with the second well in each unit at its option. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a company duly authorized to conduct business in Colorado, and has registered as an operator with the Commission.

2. Applicant owns 100% of the leasehold interest in the described lands, also shown on Exhibits A1 and A2 ("the application lands").

3. The application lands are unspaced with respect to the Niobrara Formation, which is a common source of supply underlying said lands. Since there are no Commission orders specifically applicable to the development of the Niobrara Formation on the application lands, wells drilled on said lands are subject to Rule 318 – Location of Wells. Under said rule, for wells greater than 2,500 feet in depth, such wells shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing.

4. Applicant requests the right to drill up to two horizontal wells in the Niobrara Formation in each drilling and spacing unit to be established pursuant to this Application, with the initial formation penetration, lateral leg, and terminus (bottom-hole location) to be no closer than 600 feet from the boundaries of the drilling and spacing unit (regardless of lease lines within the unit). With respect to the second (optional) horizontal well, its initial formation penetration, lateral leg and terminus shall be no closer than 1,200 feet to the first horizontal well.

5. 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 approximate 640 acre drilling and spacing units as requested herein and allow up to two (2) horizontal wells in each of said units, with the second well at the option of Applicant. Drilling and spacing units of the specified size and configuration are not smaller than the maximum area that can be economically and efficiently drained by the proposed well(s).

6. That according to the information and belief of the Applicant, the names and addresses of the interested parties hereto are set forth in Exhibit B; and the undersigned certifies that copies of this Application will be served on each interested party within seven (7) days of the filing hereof, as required by Rule 503.e.

7. That a draft hearing notice will be submitted by Applicant within seven (7) days of the filing hereof.

8. That Applicant agrees to be bound by the oral order of the Commission.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in August, 2010, that notice be given as required by law, and that upon such hearing this Commission enter its order consistent with Applicant's petition as set forth above.

Dated this 23rd day of June, 2010.

BEATTY & WOZNIAK, P.C.

By: _____
Kenneth A. Wonstolen
216 Sixteenth Street, Suite 1100
Denver, Colorado 80202-5155
303-407-4499

Applicant's Address:
1000 Louisiana Street, Suite 1500
Houston, TX 77002

VERIFICATION

STATE OF TEXAS)
)
HARRIS COUNTY) ss.

Renee Calhoun, of lawful age, being first duly sworn upon oath, deposes and says that she is Landman for Carrizo Oil & Gas Inc., that she has read the foregoing Application and that the matters therein contained are true to the best of her knowledge, information and belief.

Renee Calhoun, Landman

Subscribed and sworn to before me this 23rd day of June, 2010.

Witness my hand and official seal.

My commission expires:_____

Notary Public

EXHIBIT B
Interested Parties

Orlando L. Hill and Anna M. Hill
43815 WCR 95
Briggsdale, CO 80811

Colorado State Land Board
Attn: Mark Davis
1127 Sherman St., Suite 300
Denver, CO 80203

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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 the attorney for Carrizo Oil & Gas, Inc., that on or before June ____, 2010, 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 on June ____, 2010.

Witness my hand and official seal.

My commission expires: _____.

Notary Public