### 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 POOLING ALL NONCONSENTING INTERESTS IN THE NIOBRARA FORMATION IN A 640-ACRE DRILLING AND SPACING UNIT IN WELD COUNTY, COLORADO

### APPLICATION

COMES NOW Carrizo Oil & Gas, Inc. ("Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests for the development of the Niobrara Formation on the following described lands, comprising an approximate 640 acre drilling and spacing unit that is proposed to be established in a companion application:

Township 9 North, Range 58 West. 6th P.M. Section 20: All

Weld County, Colorado

(hereinafter "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 a registered operator in good standing with the Commission.

2. Applicant owns leasehold interests in a substantial portion of the Application Lands, which lands comprise a proposed drilling and spacing unit for development of the Niobrara Formation. The application establishing said proposed unit is being filed concurrently with this pooling application for the Commission's August, 2011 hearing, and consideration of this pooling application is contingent upon Commission approval of said companion application.

3. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, seeks an order pooling all interests in the Application Lands for the development of the Niobrara Formation, including any nonconsenting interests therein.

4. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of a horizontal well to the Niobrara Formation on the Application Lands.

5. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the well, and will be provided with the information required by Rule 530. The list of such interested parties is attached hereto as <u>Exhibit A.</u>

6. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands should be pooled for the orderly development of the Niobrara Formation, including any nonconsenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests in the Application Lands for the development of the Niobrara Formation.

B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of a horizontal well to the Niobrara Formation on the Application Lands.

C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the authorized well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(7), and made subject to the cost recovery provisions thereof.

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

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in August, 2011, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

Dated: June 9, 2011

By:\_\_

Kenneth A. Wonstolen Elizabeth Y. Gallaway Beatty & Wozniak, P.C. 216 Sixteenth Street-Suite 1100 Denver, CO 80202-5115

<u>Address of Applicant</u> 1000 Louisiana Street, Suite 1500 Houston, TX 77002

#### VERIFICATION

STATE OF TEXAS

SS.

COUNTY OF \_\_\_\_\_

Jason Causey, of lawful age, being first duly sworn upon oath, deposes and says that he is a 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.

Jason Causey

Subscribed and sworn to before me this \_\_\_\_\_ day of June, 2011.

)

Witness my hand and official seal.

My commission expires:\_\_\_\_\_

Notary Public

# <u>EXHIBIT A</u>

EOG Resources 600 17th St, Ste. 1000 Denver, CO 80202

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> ) )ss.

## AFFIDAVIT OF MAILING

STATE OF COLORADO

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., and that on or before June 16, 2011, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on <u>Exhibit A</u> to the Application.

Kenneth A. Wonstolen

Subscribed and sworn to before me June \_\_\_\_, 2011.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_\_.

Notary Public