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 MORGAN COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

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 ("COGCC" or "Commission") for an order pooling all interests for the drilling and producing of wells from the Niobrara Formation on the following described lands, comprising an approximate 640 acre drilling and spacing unit in Morgan County, Colorado:

Township 6 North, Range 60 West, 6th P.M. Section 31

(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. See Exhibit A attached hereto.
- 3. The Application Lands are unspaced and are subject to Rule 318.a, which provides that a well to be drilled two thousand five hundred (2,500) feet or greater shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.
- 4. Applicant has filed, concurrently with this Application, an application seeking an order establishing a drilling and spacing unit comprising the Application Lands for development of and production the Niobrara Formation. This application is contingent upon Commission approval of its companion application.
- 5. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) and (7), and Commission Rule 530, seeks an order to involuntarily pool all interests not voluntarily pooled for the development of the Niobrara Formation on the Application Lands.
- 6. Applicant requests that the Commission's pooling order be made retroactive to the earliest date costs are incurred for the initial well on the Application Lands as allowed by C.R.S. § 34-60-116(7), or the date of this Application, whichever is earlier.

- 7. The names of the interest owners on the Application Lands are shown on Exhibit B, attached hereto. Applicant certifies that, at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or pooled shall be offered the opportunity to lease, or to participate in the drilling of a well, as the case may be, and shall be provided with the information required by Rule 530.
- 8. That the names and last-known addresses of the interested parties with respect to this Application are set forth in <u>Exhibit B</u>, and the undersigned certifies that copies of this Application will be served on each interested party within seven (7) days of the date hereof, as required by COGCC Rule 503.e.
- 9. That in order to prevent waste and to protect correlative rights, all non-consenting interests on the Application Lands should be pooled for the development of the Niobrara Formation in accordance with C.R.S § 34-60-116 and COGCC Rule 530.

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

- A. Finding that all interest owners with whom the Applicant has been unable to secure a lease or an agreement to participate in the drilling of the initial well on Application Lands be pooled involuntarily with respect to development of the Niobrara Formation.
- B. Establishing that the Commission's involuntary pooling order issued with respect to this Application be made retroactive to the earliest date costs are incurred for the initial well on Application Lands as allowed by C.R.S. § 34-60-116(7), or the date of this Application, whichever is earlier.
- C. That the Commission's order be applicable to subsequent wells drilled on the Application Lands.
- 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 May, 2011, that notice be given as required by law and that upon such hearing this Commission enter its order consistent with Applicant's request as set forth above.

Dated: March ___, 2011.

By:
Kenneth A. Wonstolen
Elizabeth Y. Gallaway
Beatty & Wozniak, P.C.
216 Sixteenth Street-Suite 1100
Denver, CO 80202-5115
303-407-4499

VERIFICATION

[insert Calhoun signed verification page]

EXHIBIT A [INSERT PLAT WITH SECTION 31 SHADED]

EXHIBIT B

Estate of Asher B. Wilson No Known Address

Abra Summers 1 Polaris Way, Suite 140 Alisa Viejo, CA 82656

The Baca County Finance Company Box 16 Springfield, CO 81073

Sally June Baker 1540 Billings, Space D-32 Aurora, CO 80031

Ethol Meloche 607 Columbine St. Denver, CO 80206

F.M. Shumaker No Known Address

W.S. Barcus No Known Address

E.J. McCluskey No Known Address

E.E. Bruck Sterling, CO

C.H. Murrin Sterling, CO

Estate of W.J. Bona No Known Address

Norma Ellen Nutting Reed 5218 S. Theresa Drive Denison, TX 75020

Anna Kern

No Known Address

Black River Royalties, LLC 621 17th Street, Suite 945 Denver, CO 80293

A. Lena Pedroni P.O. Box 3 Sterling, CO 80751 Merle W. Christ No Known Address

Sarah B. Jones No Known Address

Deborah Lewis No Known Address

F.N. Shumaker No Known Address

Ida A. Cudd No Known Address

Estate of Fred Hargis Denver, CO

H.G. Eubanks No Known Address

Mamie Rogers No Known Address

Stolton Stephenson No Known Address

Laura L. Martin No Known Address

W.A. Lewis 765 Jackson St. Denver, CO 80206

A. Geiss No Known Address

Justina L. Ford No Known Address

Harry F. James No Known Address

Mary E. Welborn No Known Address

J. Bussell No Known Address

Lilly and George Burkle No Known Address Ray E. Doyle No Known Address Lyle O. Work No Known Address

Caroline Weigel
No Known Address

Byron Neibert No Known Address

Leo and Martha Schlinger No Known Address

Mrs. Clara Finstrom No Known Address

Frank Holmes No Known Address

William Hann No Known Address

Ida Duggers No Known Address

Estate of Anna McKnight No Known Address

George J. Michaelis No Known Address

Oliver E. Harvey No Known Address

Ezekiel W. Campbell No Known Address

Carl Stender
No Known Address

George Edwin Goodale No Known Address

Vina G. Newman No Known Address

Mary C. LaVelle No Known Address

Mary A. Langton No Known Address

Abner F. Woodward No Known Address Baseline Minerals, Inc. 518 17th Street, Suite 1050 Denver, CO 80202

Joe I. Perry 550 Custer Avenue Akron, CO 80720

The Crusader Corporation No Known Address

Plains Exploration 700 Milan Street, #3100 Houston, TX 77002

Gustav H. Johnson No Known Address

Prima Exploration 1000 Fillmore Street, Suite 450 Denver, CO 80206

J.E. Munson No Known Address

May Belle Neely No Known Address

C.S. Ford Glenwood, IA

Margaret Jane Moss 1011 Galdney St. Gainsville, TX 67240

Ralph R. Garneth No Known Address

Evah McCracken No Known Address

White River Royalties, LLC 4194 S. Valentia Street Denver, CO 80237

Anna Sandberg 1557 Ogden St. Denver, CO 80218

A.E. Sheogren
No Known Address

Mary E. Shultz No Known Address

L.A. Duffield

No Known Address

Royalty Distribution Corp. No Known Address

Theo Johnson 3410 Beverly Glen Sherman Oaks, CA 91423

Allen Newton No Known Address

John M. Kefour No Known Address

Thomas Van Bradt No Known Address

Mary Hannigan No Known Address

Leola B. Livingston No Known Addres

Abbie L. Meacham No Known Address

Marie J. Murphy No Known Address

Leroy C. Miles No Known Address

Anna M. Gisler No Known Address

George W. Wade No Known Address

J.H. and J.A. Lair No Known Address

Alice Biggs No Known Addres

Margaret Slater No Known Address J.S. Work

No Known Address

Lydia Weinard No Known Address

Minnie Sursker No Known Address

Leo Schlinger No Known Address

Florence Fuller No Known Address

Walter Schmitz No Known Address

Suzie E. Flint No Known Address

Eliza H. Moore Denver, CO

Henry J. Baudhare No Known Address

Edelbert Tindall No Known Address

Nathaniel and Nellie Collins No Known Address

Marie J. Murphy No Known Address

Agnes Werley No Known Address

Mary H. and Martha H. Rutherford No Known Address

Zella Shanahan No Known Address

Belle Stewart No Known Address

Stephen William Runge and Jo Ann Runge 811 North Elm

Yuma, CO 80759

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| 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 MORGAN COUNTY, COLORADO | |
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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., and that on or before March, 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 B</u> to the Application. | |
| Kenneth A | A. Wonstolen |
| Subscribed and sworn to before me March, 2011. | |
| Witness my hand and official seal. | |
| My commission expires: | |
| | |
| Notary Public | |