

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

IN THE MATTER OF THE PROMULGATION)	CAUSE NO. 535
AND ESTABLISHMENT OF FIELD RULES TO)	
GOVERN OPERATIONS IN AN UNNAMED)	DOCKET NO. <i>To be assigned</i>
FIELD, ADAMS COUNTY, COLORADO)	

APPLICATION

Carrizo Oil & Gas, Inc. ("Carrizo" or "Applicant"), by and through its attorneys, Burleson LLP, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to establish an approximate 640-acre drilling and spacing unit for Section 24, Township 3 South, Range 64 West, 6th P.M., and authorize the drilling of up to two (2) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. 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 has registered as an operator with the Commission.
2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 3 South, Range 64 West, 6th P.M.
Section 24: All

These lands are hereinafter referred to as 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 and, as such, Rule 318.a. applies to said lands and under said rule, wells greater than 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall not be located less than 1,200 feet from any other producible or drilling well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.

4. Applicant requests an order establishing an approximate 640-acre drilling and spacing unit for the Application Lands, and the authority to drill up to two (2) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be no closer than 600 feet from the proposed unit boundaries and no closer than 1,200 feet from the treated interval of any other wellbore located in the proposed unit and completed in the Niobrara Formation, without exception being granted by the Director.

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 the approximate 640-acre drilling and spacing unit requested herein for the drilling and completion of up to two (2) horizontal wells within the unit. The requested drilling and spacing unit for the Application Lands is not smaller than the maximum area that can be economically and efficiently drained by one well.

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6. The granting of this application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, *et seq.*, C.R.S., and the Commission rules.

7. That the names and addresses of the interested parties (owners within the proposed drilling and spacing unit) are attached hereto and marked Exhibit A. The Applicant shall submit a certificate of service for the Application within the seven days as required by Rule 503.e.

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

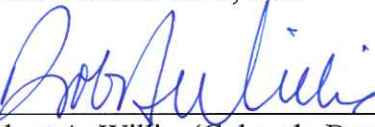
A. Establishing an approximate 640-acre drilling and spacing unit for the Application Lands, and approve of up to two (2) horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be no closer than 600 feet from the proposed unit boundaries and no closer than 1,200 feet from the treated interval of any other wellbore located in the proposed unit and completed in the Niobrara Formation, without exception being granted by the Director.

B. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 10th day of May, 2012.

Respectfully submitted,

CARRIZO OIL & GAS, INC.

By: 
Robert A. Willis (Colorado Bar No. 26308)
Katharine E. Fisher (Colorado Bar No. 39230)
Burleson LLP
Wells Fargo Center
1700 Lincoln Street, Suite 1300
Denver, CO 80203
(303) 801-3200

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

VERIFICATION

STATE OF TEXAS

)

) SS.

COUNTY OF HARRIS

)

Craig E. Wiest, Land Manager-Western U.S. for Carrizo Oil & Gas, Inc., upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

CARRIZO OIL & GAS, INC.

Craig E. Wiest

Subscribed and sworn to before me this 10th day of May, 2012, by Craig E. Wiest,
Land Manager-Western U.S. for Carrizo Oil & Gas, Inc.

Witness my hand and official seal.

My commission expires: 2/2/2014



Karlah Joy White
Notary Public

EXHIBIT A

INTERESTED PARTIES

The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in this Exhibit A.

Carrizo Oil & Gas, Inc.
1000 Louisiana St., Suite 1500
Houston, TX 77002

Robert A. Willis
Burleson LLP
1700 Lincoln St., Suite 1300
Denver, CO 80290

Danford-Champlin Farm, Ltd.
P.O. Box 98
5097 Imboden Mile Road
Watkins, CO 80137

Lifestyle Energy Corporation
100 N. Central Expressway, Suite 809
Richardson, TX 75080

Carrizo Oil & Gas, Inc.
500 Dallas St., Suite 2300
Houston, TX 77002

Gordon Stevens
Adams County Public Works, Construction
Manager
4430 South Adams County Parkway
Brighton, CO 80601-8218

Kim Kaal
Energy Liaison
Colorado Division of Wildlife
711 Independent Avenue
Grand Junction, CO 81505

Kent Kuster
Colorado Department of Public Health and
Environment
4300 Cherry Creek Drive South
Denver, CO 80246

Section 24, Township 3 South, Range 64 West, 6th P.M.

10	11	12	7	8
15	14	13	18	17
22	23	24	19	20
27	26	25	30	29
34	35	36	31	32
3	2	1	6	5

 Application Lands