

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

IN THE MATTER OF THE APPLICATION OF	)	Cause No.
CARRIZO OIL AND GAS, INC., FOR AN	)	
ORDER ALLOWING AN ADDITIONAL TWO	)	Docket No.
HORIZONTAL WELLS, FOR A TOTAL OF SIX	)	
HORIZONTAL WELLS IN A 640-ACRE	)	
DRILLING AND SPACING UNIT LOCATED IN	)	
SECTION 3, TOWNSHIP 7 NORTH, RANGE	)	
62 WEST, 6 <sup>TH</sup> P.M., AN UNNAMED FIELD,	)	
WELD COUNTY, COLORADO	)	

APPLICATION

Carrizo Oil and Gas, Inc. ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order authorizing an additional two horizontal wells, for a total of six horizontal wells, in the following-described, 640-acre drilling and spacing unit:

Township 7 North, Range 62 West, 6<sup>th</sup> P.M.  
Section 3: All

Weld County, Colorado

(the "Application Lands"),

and further providing that the treated interval of each horizontal wellbore shall be no closer than 460 feet from the boundaries of the unit, and may be separated by a minimum of 600 feet 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 is an operator in good standing with the Commission.
2. Applicant owns substantial leasehold interests in the Application Lands.
3. On April 27, 1988, the Commission adopted Rule 318A, which among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended, among other things, to address drilling of horizontal wells. Section 3, Township 7 North, Range 62 West, 6<sup>th</sup> P.M. is subject to this Rule for the Niobrara Formation.
4. On May 29, 2012, the Commission issued Order Nos. 407-642 & 535-163 which, among other things, authorized up to four horizontal wells within each of four approximate 640-acre

drilling and spacing units, with the treated interval of any horizontal well to be no closer than 460 feet from the boundaries of the unit. Section 3, Township 7 North, Range 62 West, 6<sup>th</sup> P.M. is subject to this Order for the Niobrara Formation.

5. Applicant requests that two additional horizontal wells, for a total of six horizontal wells be authorized for production of oil, gas and associated hydrocarbons from the Niobrara Formation in the Application Lands.

6. Applicant maintains that the proposed horizontal well shall be located on the surface anywhere within the drilling and spacing unit.

7. In accordance with Rule 318A, Applicant will locate and drill the wells so that the treated interval of the horizontal wells is no closer than 460 feet from the boundaries of the units.

8. Applicant requests that the 1,200 foot internal wellbore setback of Rule 318 be relaxed so that the treated interval of the horizontal wells may be separated by a minimum of 600 feet.

9. Applicant asserts that additional wells are necessary to prevent waste, protect correlative rights, and to assure the maximum efficient recovery of oil, gas and associated hydrocarbons from the Niobrara Formation on the Application Lands.

10. The names and addresses of the interested parties to this Application are set forth in Exhibit A, and the undersigned certifies that copies of this Application shall be served on each interested party as required by Rule 503.e.

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

A. Authorizing two additional horizontal wells, for a total of six horizontal wells in the Application Lands for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

B. Providing that said wells shall be located and drilled so that the treated interval of the wellbores are no closer than 460 feet from the boundaries of the unit and are separated by a minimum of 600 feet.

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

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in February 2013, 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 this 13<sup>th</sup> day of December, 2012.

Respectfully submitted:

**CARRIZO OIL AND GAS, INC.**

By: 

Kenneth A. Wonstolen  
Elizabeth Y. Gallaway  
Kenneth E. Warner  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
216 16th Street, Suite 1100  
Denver, Colorado 80202  
(303) 407-4499

Applicant's Address:

Carrizo Oil & Gas, Inc.  
ATTN: Craig Wiest  
1000 Louisiana Street, Suite 1500  
Houston, TX 77002

VERIFICATION

STATE OF TEXAS                    )  
  )  
COUNTY OF Harris            )     ss.

Craig Wiest, of lawful age, being first duly sworn upon oath, deposes and says that he is a Land Manager 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.

  
\_\_\_\_\_  
Craig Wiest

Subscribed and sworn to before me this 12<sup>th</sup> day of December, 2012.

Witness my hand and official seal.

My commission expires: June 26, 2013



  
\_\_\_\_\_  
Notary Public

## Exhibit A

### Interested Parties

Richard E. Cass  
41455 Weld County Road 86  
Briggsdale, CO 80611

Lillian C. Cass, Life Estate  
41455 Weld County Road 86  
Briggsdale, CO 80611

Marathon Oil Company  
5555 San Felipe  
Houston, TX 77056

Bill Barrett Corporation  
1099 18th Street, Suite 2300  
Denver, CO 80202

Great Western Oil and Gas Company, LLC  
1700 Broadway, Suite 1170  
Denver, CO 80290-1170

Continental Resources, Inc.  
302 N. Independence  
Enid, OK 73701

Marubeni Denver Julesberg, LLC  
2800 Post Oak Blvd., Suite 6000  
Houston, TX 77056

Prima Exploration, Inc.  
100 Fillmore St., Suite 450  
Denver, CO 80206

Gene F. Lang & Co.  
19751 East Main Street  
Suite 334  
Parker, CO 80138

Apple Creek, LLC  
335 South York St.  
Denver, CO 80209

Black Land Petroleum, LLC  
17190 East Dorado Pl.  
Centennial, CO 80015

Marshall Resources, LLC  
4295 South Fox Street  
Englewood, CO 80110

Kent Kuster  
Oil & Gas Consultant Coordinator  
Colorado Department of  
Public Health & Environment  
4300 Cherry Creek Drive South  
Denver, CO 80246-1530

Michael Warren, Energy Liaison  
Colorado Parks and Wildlife  
Northwest Regional Office  
711 Independent Avenue  
Grand Junction, CO 81505

David Bauer  
Weld County  
1111 H Street  
Greeley, CO 80632

# Weld County, Colorado

16	15	14	13	18	17	16	15	14	13	18	17	16	15	14	13	14	13
21	22	23	24	19	20	21	22	23	24	19	20	21	22	23	24	23	24
28	27	26	25	30	29	28	27	26	25	30	29	28	27	26	25	26	25
33	34	35	36	31	32	33	34	35	36	31	32	33	34	35	36	35	36
4	3	2	1	6	5	4	3	2	1	6	5	4	3	2	1	2	1
9	10	11	12	7	8	9	10	11	12	7	8	9	10	11	12	11	12
16	15	14	13	18	17	16	15	14	13	18	17	16	15	14	13	14	13
21	22	23	24	19	20	21	22	23	24	19	20	21	22	23	24	23	24
27	26	25	24	30	29	28	27	26	25	30	29	28	27	26	25	26	25
34	35	36	36	31	32	33	34	35	36	31	32	33	34	35	36	35	36
3	2	1	1	6	5	4	3	2	1	6	5	4	3	2	1	2	1

Legend

6 Wells 600' Spacing



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

IN THE MATTER OF THE APPLICATION OF )  
CARRIZO OIL AND GAS, INC., FOR AN )  
ORDER ALLOWING AN ADDITIONAL TWO )  
HORIZONTAL WELLS, FOR A TOTAL OF SIX )  
HORIZONTAL WELLS IN A PENDING 640- )  
ACRE DRILLING AND SPACING UNIT )  
LOCATED IN SECTION 3, TOWNSHIP 7 )  
NORTH, RANGE 62 WEST, 6<sup>TH</sup> P.M., AN )  
UNNAMED FIELD, WELD COUNTY, )  
COLORADO )

Cause No.

Docket No.

AFFIDAVIT OF MAILING

STATE OF COLORADO )  
 )ss.  
CITY AND COUNTY OF DENVER )

Elizabeth Y. Gallaway, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for Carrizo Oil and Gas, Inc., that on or before December 20, 2012, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

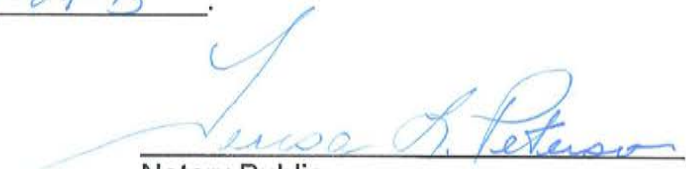
  
Elizabeth Y. Gallaway

Subscribed and sworn to before me December 13, 2012.

Witness my hand and official seal.

My commission expires: 10-04-13.



  
Notary Public