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 UP TO SIX)	Docket No.
HORIZONTAL WELLS IN FIVE ESTABLISHED)	
640-ACRE DRILLING AND SPACING UNITS)	
LOCATED IN VARIOUS SECTIONS)	
LOCATED IN TOWNSHIPS 8 AND 9 NORTH,)	
RANGES 59, 60, AND 61 WEST, 6TH P.M., IN)	
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 up to six horizontal wells in each of the following-described 640-acre drilling and spacing units:

Township 8 North, Range 60 West, 6th P.M. Section 9: All ("DSU #1"):

Township 8 North, Range 61 West, 6th P.M. Section 20: All ("DSU #2"):

Township 9 North, Range 59 West, 6th P.M. Section 15: All ("DSU #3"):

Township 9 North, Range 60 West, 6th P.M. Section 25: All ("DSU #4");

Township 9 North, Range 60 West, 6th P.M. Section 35: ("DSU #5");

Weld County, Colorado (together, the "Application Lands"),

and further providing that the treated interval of each horizontal wellbore 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. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. The Application Lands are subject to this Rule for the Niobrara Formation.
- 3. On February 22, 2011, the Commission issued Order No. 535-3, which among other things, established 160 approximate 640-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying certain lands and allowed up to one horizontal well in each of the units. Order No. 535-3 applies to DSU #2, DSU #3, DSU #4, and DSU #5.
- 4. On September 19, 2011, the Commission entered Order No. 535-69 which, among other things, established 40 approximate 640-acre drilling and spacing units for certain lands and approved two horizontal wells within each unit for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Order No. 535-69 applies to DSU #1.
- 5. In accordance with Rule 318, Application will locate and drill the wells so that the treated interval of the horizontal wells is no closer than 600 feet from the boundaries of the units. 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.
- 6. Applicant requests that up to six horizontal wells be authorized for production of oil, gas and associated hydrocarbons from the Niobrara Formation in the Application Lands.
- 7. 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.
- 8. 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 up to six horizontal wells in each drilling and spacing unit, DSU#1 through DSU#5, 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 600 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 day of December, 2012.

Respectfully submitted:

CARRIZO OIL AND GAS, INC.

By: 4

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)
, /) ss.
COUNTY OF Harris)

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+4 day of December, 2012.

Witness my hand and official seal.

My commission expires: June 26, 2013

Notary Public

Exhibit A

Interested Parties

James E. Sievers 43605 County Rd. 92 Briggsdale, CO 80611

Delbert C. Parsons, deceased and Beulah B. Parsons, deceased Route 1, Box 4 Briggsdale, CO

Bertha M. Corell, deceased Address Unknown Cambridge, NE

Noble Energy, Inc. 1625 Broadway, Suite 2200 Denver, CO 80202

OOGC America, Inc. c/o CNOOC International, Itd. P.O. Box 4705, No. 25 Chaoyangmenbei Dajie Dongcheng District Beijing, 100010, PR China

McElvain Energy Fund 2010, LLC 1050 17th St. Suite 2500 Denver, CO 80265

IOCL (USA) Inc. 333 Clay St. Ste. 3300 Houston, TX 77002

Energy West Corporation P.O. Box 1441 Denver, CO 80201

IOCL (USA) Inc. Address Unknown

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

Board of County Commissioners of Weld County, Colorado Weld County Centennial Center 915 10th Street Greeley, CO 80631

A.W. Pepper Address Unknown Denver, CO

Oil Lease Purchase Association, Inc. Address Unknown

Chesapeake Exploration, LLC P.O. Box 18496 Oklahoma City, OK 73154

Sundance Energy, Inc. 390 Interlocken Crescent Suite 640 Broomfield, CO 80021

OIL India (USA) Inc. c/o IOCL (USA) Inc. 333 Clay St. Ste. 3300 Houston, TX 77002

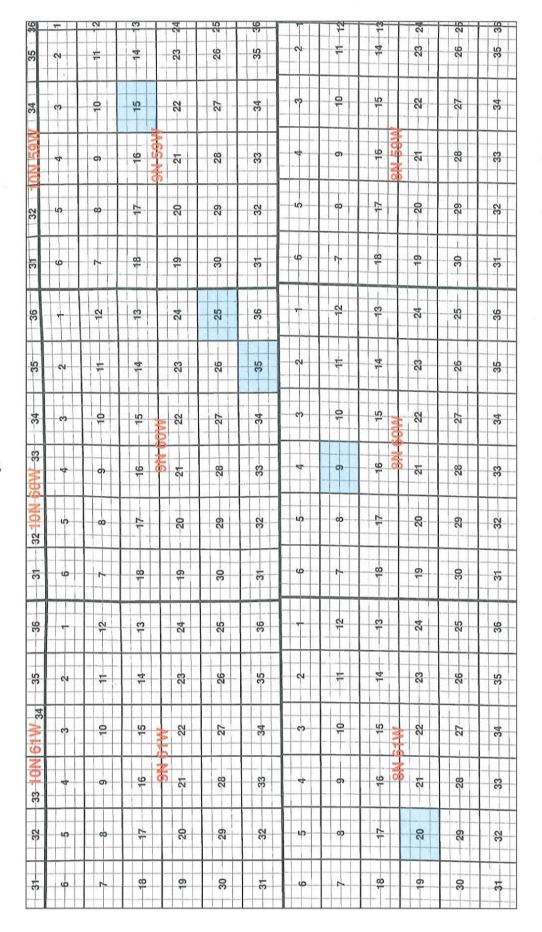
Noble Energy WYCO, LLC 1625 Broadway, Suite 2200 Denver, CO 80202-4720

OIL India (USA) Inc. Address Unknown

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



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 UP TO SIX HORIZONTAL WELLS IN FIVE ESTABLISHED 640-ACRE DRILLING AND SPACING UNITS LOCATED IN VARIOUS SECTIONS LOCATED IN TOWNSHIPS 8 AND 9 NORTH, RANGES 59, 60, AND 61 WEST, 6TH P.M., IN AN UNNAMED FIELD, WELD COUNTY, COLORADO)) Cause No.) Docket No.))		
AFFIDAVIT OF MAILING			
STATE OF COLORADO)			
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 30, 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.			
Subscribed and sworn to before me December Witness my hand and official seal. My commission expires:	er <u>13</u> , 2012.		
Notary Public			