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)	Cause No.
HORIZONTAL WELLS IN EACH OF TWO)	
640-ACRE DRILLING AND SPACING UNITS)	Docket No
FOR THE NIOBRARA FORMATION IN)	
SECTIONS 2 AND 11, TOWNSHIP 8 NORTH,)	
RANGE 61 WEST IN 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 a total of up to six horizontal wells in each of the following-described 640-acre drilling and spacing units:

Township 8 North, Range 61 West, 6th P.M. Section 2: All ("DSU #1")

Township 8 North, Range 61 West, 6th P.M. Section 11: All ("DSU #2")

Weld County, Colorado (together the "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 an operator in good standing with the Commission.
 - 2. Applicant owns substantial leasehold interests in the Application Lands.
- 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, including the Application Lands, and allowed up to one horizontal well in each of the units. This Order applies to DSU #1 and DSU #2.
- 4. On December 12, 2011, the Commission entered Order 535-106, which, among other things, pooled all interests in an approximate 640-acre drilling and spacing unit for the development and operation of the Niobrara Formation. This Order applies to DSU #2.

- 5. On November 15, 2012, the Commission issued Order No. 535-215 which, among other things, authorized up to two horizontal wells in each of two approximate 640-acre drilling and spacing units, with the treated interval of each horizontal wellbore to be no closer than 600 feet from the unit boundaries, and separated by a minimum of 600 feet from the treated interval of any other wellbore located in the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. This Order applies to DSU #1 and DSU #2.
- 6. Applicant requests that a total of up to six horizontal wells be authorized for production of oil, gas and associated hydrocarbons from the Niobrara Formation in each DSU #1 and DSU #2.
- 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 a total of up to six horizontal wells in each DSU #1 and DSU #2 for production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- B. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: January <u>1,3</u>, 2013

Kenneth A. Wonstoler

Elizabeth Y. Gallaway

Kenneth E. Warner

Beatty & Wozniak, P.C.

216 Sixteenth Street-Suite 1100

Denver, CO 80202-5115

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

VERIFICATION

STATE OF COLORADO)	
COUNTY OF Denue) ss	3.

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 23^{3} day of January, 2013.

Witness my hand and official seal.

My commission expires:___

10-04-13

Notary Public

Exhibit A

Interested Parties

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

Marubeni Denver Julesburg LLC 5555 San Felipe Houston, TX 77056

SKV, LLC P.O. Box 300687 Denver, CO 80218

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

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

Prima Exploration, Inc., as Nominee for Marchall Resources, LLC 4295 South Fox Street Englewood, CO 80110

Geraldine Nelson 130 W. Market Wichita, KS

Estate of Jerry McDannald, deceased P.O. Box 795 Collinsville, TX 76233

Alan B. Hall AKA Alan Bradley Hall P.O. Box 10761 Houston, TX 77206-0761

Kathryn B. Stahlman and Robbin L. Peppler as Trustees of the Grandchildren's Trust I 316 Pearson Road Dayton, OH 45433

Robert Driscoll LaRue 1984 Pikes Peak St. Erie, CO 80516

First Interstate Bank of Denver, N.A. as trustee under a certain Agreement for the Moran Family Minerals Trust dated as of August 1, 1988 P.O. Box 5825 Denver, CO 80217

Larry D. Kort 1305 N. Williams Hastings, NE 68901

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

Continental Resources, Inc. P.O. Box 1032 Enid, OK 73702

Tracker Resource Development III, LLC 1050 Seventeenth St. Suite 2200 Denver, CO 80265

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

Blackland Petroleum, LLC 17190 East Dorado Pl. Centennial. CO

Mary Sue McDannald Carlson 5025 Riverway #12 Houston, TX 77056

Barry Cleaves McDannald 3810 West Main (FM518) P.O. Box 863 League City, TX 77574

Elizabeth Hall Walker P.O. Box 1737 Conroe, TX 77301

Richard J. Bartels and Robbin L. Peppler as Trustees of the Grandchildren's Trust II 2131 62nd Court Greeley, CO 80634

William Blake LaRue Address Unknown

Mary Little McDannald Address Unknown

Harold F. Cramer 485 Race St. Denver, CO 80202 Eugene H. Johnson and Damaris M. Johnson 6416 North Highway 1 Wellington, CO 80549

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

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

David Bauer Weld County 1111 H Street Greeley, CO 80632

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

IN THE MATTER OF THE APPLICA CARRIZO OIL AND GAS, INC., ORDER ALLOWING UP TO HORIZONTAL WELLS IN EACH (640-ACRE DRILLING AND SPACING FOR THE NIOBRARA FORMAT SECTIONS 2 AND 11, TOWNSHIP 8 RANGE 61 WEST IN WELD (COLORADO)	FOR AN) O SIX) OF TWO) G UNITS) TION IN) NORTH,)	Cause No. Docket No.	
AFFIDAVIT OF MAILING			
STATE OF COLORADO CITY AND COUNTY OF DENVER))ss.)		

Kenneth E. Warner, of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Carrizo Oil and Gas, Inc., that on or before January 30, 2013, he 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.

Kenneth E. Warner

Subscribed and sworn to before me January 23, 2013.

Witness my hand and official seal.

My commission expires: 10-04-13

Notary Public