### 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 ESTABLISHING A 640-ACRE	)	Cause No.
DRILLING AND SPACING UNIT FOR THE	)	
NIOBRARA FORMATION AND ALLOWING	)	Docket No.
UP TO THIRTEEN HORIZONTAL WELLS IN	)	
SECTION 20, TOWNSHIP 10 NORTH,	)	
RANGE 59 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 creating a 640-acre drilling and spacing unit and authorizing up to thirteen horizontal wells in the following-described lands:

Township 10 North, Range 59 West, 6<sup>th</sup> P.M. Section 20: All

Weld County, Colorado (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. A well location map of the Application Lands is attached as <u>Exhibit A</u>.
- 3. Applicant requests the right to drill up to thirteen horizontal wells in the Niobrara Formation in the proposed 640-acre drilling unit.
- 4. Applicant requests approval to drill, at its option, up to thirteen horizontal wells, in the proposed unit, with internal wellbores offset by 300 feet. Applicant also requests authorization to locate the "heel-and-toe" of the completed interval of the laterals no less than 100 feet from the unit boundaries perpendicular to the well laterals, while maintaining a 600 foot setback from the unit boundaries parallel to the well laterals.
- 5. Applicant asserts that the requested 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.
- 6. 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 drilling unit as requested herein and allow the drilling of up to thirteen horizontal wells

in said unit. The specified size and configuration of the requested drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the requested well(s).

- 7. The names and addresses of the interested parties to this Application which include, as appropriate, offset operators, lessees, or mineral owners, are set forth in <u>Exhibit B</u>, and the undersigned certifies that copies of this Application shall be served on each interested party as required by Rule 503.e.
  - 8. Applicant agrees to be bound by the oral order of the Commission.

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. Establishing the requested drilling and spacing unit for production of oil, gas, and associated hydrocarbons from the Niobrara Formation.
- B. Providing that Applicant may drill, at its option, up to thirteen horizontal wells, in the proposed unit, with internal wellbores offset by 300 feet.
- C. Providing that the "heel-and-toe" of the completed interval of the laterals may be located no less than 100 feet from the unit boundaries perpendicular to the well laterals, while maintaining no less than a 600 foot setback from the unit boundaries parallel to the well laterals.

D. For such other findings and orders as the Commission may deem proper or advisable

in the matter.

Dated: April , 2013

Kenneth A. Wonstolen Elizabeth Y. Gallaway Beatty & Wozniak, P.C.

216 Sixteenth Street-Suite 1100

Denver, CO 80202-5115

Address of Applicant Carrizo Oil & Gas, Inc.

Attn: Craig Wiest

500 Dallas Street, 2300

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 1711 day of April, 2013.

Witness my hand and official seal.

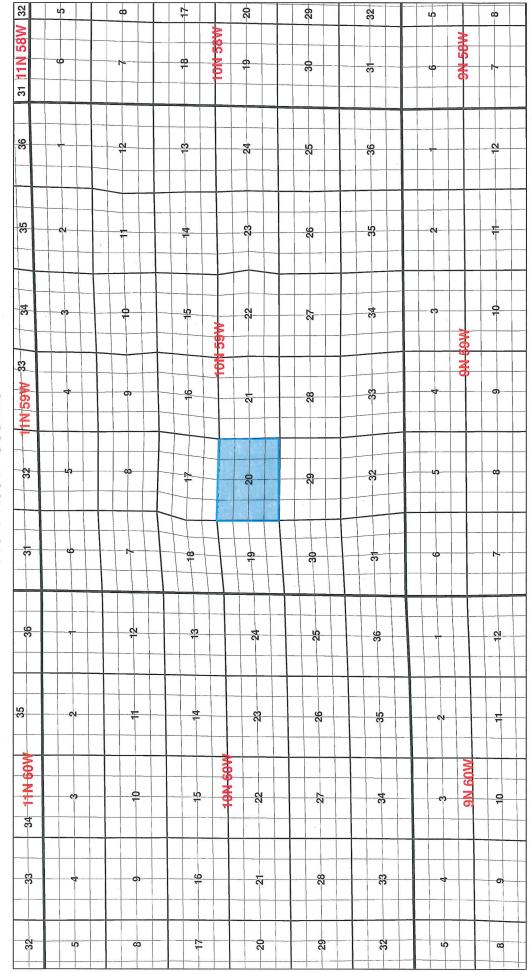
My commission expires: MARCH 5,706



Notary Public

**EXHIBIT A** 

Weld County, Colorado T10N-R59W Sec: 20



#### Exhibit B

#### Interested Parties

OIL India (USA) Inc. Address Unknown

Haimo Oil & Gas LLC Address Unknown

United States of America 1849 C Street NW Room 5665 Washington D.C. 20240

David Bauer Weld County 1111 H Street Greeley, CO 80632

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

IOCL (USA) Inc. Address Unknown

Whiting Oil and Gas Corp. 1700 Broadway, Suite 2300 Denver, CO 80290-2300

Betty A. Shearston 4120 So. Fox Englewood, CO 80110

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

# 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 ESTABLISHING A 640-ACRE ) Cause No. DRILLING AND SPACING UNIT FOR THE ) NIOBRARA FORMATION AND ALLOWING ) Docket No. UP TO THIRTEEN HORIZONTAL WELLS IN ) SECTION 20, TOWNSHIP 10 NORTH, ) RANGE 59 WEST IN WELD COUNTY, ) COLORADO )
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 an attorney for Carrizo Oil and Gas, Inc., that on or before April 2013, 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 B to the Application.  Elizabeth X. Gallaway
Subscribed and sworn to before me April 18, 2013.
Witness my hand and official seal  My commission expres:  OF COORD  Notary Public

## 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 ESTABLISHING A 640-ACRE ) DRILLING AND SPACING UNIT FOR THE ) NIOBRARA FORMATION AND ALLOWING ) UP TO THIRTEEN HORIZONTAL WELLS IN ) SECTION 20, TOWNSHIP 10 NORTH, ) RANGE 59 WEST IN WELD COUNTY, ) COLORADO )	Cause No. 535  Docket No. 1306-SP-106  Intake No. 82
SUPPLEMENTAL AFF	IDAVIT OF MAILING
STATE OF COLORADO )	
)ss. CITY AND COUNTY OF DENVER )	
Elizabeth Y. Gallaway, of lawful age, and be declares:	eing first duly sworn upon her oath, states and
caused a copy of the above-captioned Application postage prepaid, addressed to the additional interest.	
Subscribed and sworn to before me May <u>3</u>	<u>2</u> , 2013.
Witness my hand and official seal.	
My commission expires: 10-04-13  PETERS  NOTARY  PUBLIC 8	Lewa L. Herstary Public

#### Additional Interested Parties

BLM Colorado State Office 2850 Youngfield St. Lakewood, CO 80215 Nelson Ranches, Inc. 58900 County Road 382 Grover, Colorado 80729

Harold L. Klaus Trust dated August 15, 1994 c/o Lee W. Klaus, Trustee 12064 S. Bear Drive Draper, Utah 840220

Dorothy A. Harpole 721 Duke Square Fort Collins, Colorado 80525

Carol S. Golden 1069 W. Pine, Unit D Upland, CA 91786 Estate of Martha Golden, Deceased P.O. Box 336 Bridgeport, Nebraska 69336

Estate of Emma Mae Thompson, Deceased 4601 Dasa Drive Cherry Hills Village, Colorado 80111

Dixie Lee Sanders P.O. Box 6935 Jackson, WY 83002

G.A. Keiser Family Trust 24360 WCR 41 LaSalle, Colorado 80645 Tyrone A. Thompson Drawer 5150 Avon, Colorado 81620

PL Investment, LLC 19751 E. Mainstreet, Suite 339 Parker, Colorado 80138 Gladys M. Buhler, Trustee of the Gladys M. Buhler Trust 474 Centennial Circle Sterling, Colorado 80751

Edna Davison 4403 S. Lowell Boulevard Denver, Colorado 80236