## 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 3, TOWNSHIP 9 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 9 North, Range 59 West, 6<sup>th</sup> P.M. Section 3: 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 <a href="Exhibit B">Exhibit B</a>, 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 1, 2013.

Kenneth A. Wonstolen

Élizabeth Ý. 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

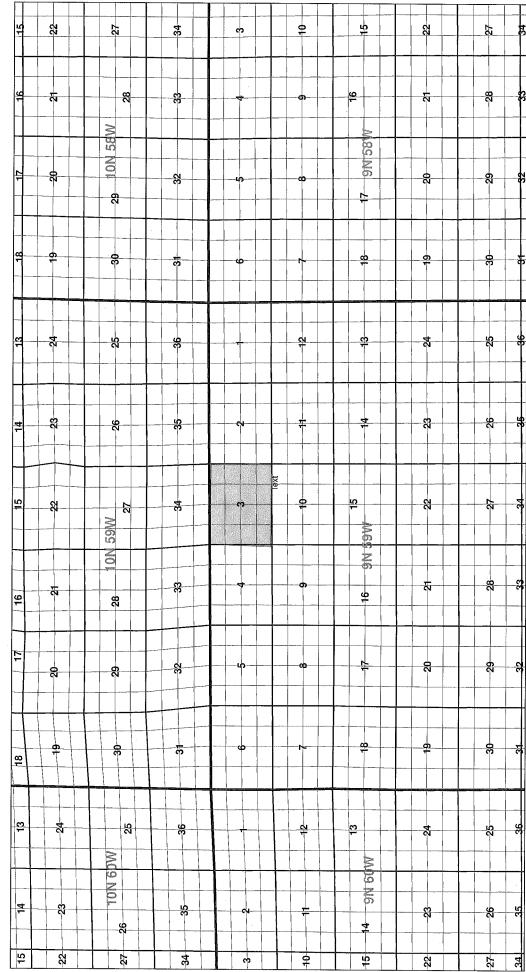
Houston, TX 77002

### **VERIFICATION**

STATE OF TEXAS )	
COUNTY OF HARRIS	<b>SS.</b>
Craig Wiest, of lawful age, being first of that he is a Land Manager for Carrizo Oil & Ga Application and that the matters therein contain information and belief.	duly sworn upon oath, deposes and says as, Inc. and that he has read the foregoing ined are true to the best of his knowledge,
Subscribed and sworn to before me this	s <u> 1াশ</u> day of April, 2013.
Witness my hand and official seal.	
My commission expires: MAPUL 5, 70 (6	
ROSS DANIEL WARDLAW Notary Public, State of Texas My Commission Expires March 05, 2016	Notary Public

EXHIBIT A

Weld County, Colorado T9N-R59W Sec: 3



### Exhibit B

#### Interested Parties

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

IOCL (USA) Inc. Address Unknown

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

OIL India (USA) Inc. Address Unknown

Haimo Oil & Gas LLC Address Unknown

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 3, TOWNSHIP 9 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 $2\%$ , 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 Y. Gallaway				
Subscribed and sworn to before me April 1/8, 2013.				
Witness my hand and official seal.				
My commission expires:    10 - 04 - 13				

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

IN THE MATTER OF THE APPLICAT CARRIZO OIL AND GAS, INC., FORDER ESTABLISHING A 64 DRILLING AND SPACING UNIT FOR NIOBRARA FORMATION AND ALL UP TO THIRTEEN HORIZONTAL WISECTION 3, TOWNSHIP 9 NORTH, 59 WEST IN WELD COUNTY, COLOR	FOR AN ) O-ACRE ) OR THE ) LOWING ) ELLS IN ) RANGE )	Cause No. 535  Docket No. 1306-SP-99			
SUPPLEMENTAL AFFIDAVIT OF MAILING					
STATE OF COLORADO CITY AND COUNTY OF DENVER	) )ss. )				
Elizabeth Y. Gallaway, of lawful declares:	age, and being	g first duly sworn upon her oath, states and			
That she is an attorney for Carrizo Oil and Gas, Inc. and that on May 23, 2013, she caused a copy of the above-captioned Application to be deposited in the United States Mail, postage prepaid, addressed to the additional interested parties listed on the attached list.					
Elizabeth Y. Gallaway					
Subscribed and sworn to before me May <u>Q</u> 3, 2013.					
Witness my hand and official sea					
My commission expires: 10-		Lusa L Lesony Public			

### Additional Interested Parties

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

David J. Uhl 5543 Jose Leon North Las Vegas, NV 89031 Nelson Ranches, Inc. 58900 County Road 382 Grover, CO 80729

David E. Uhl 2249 Lauren Dr. Las Vegas, NV 89134

Merrily L. Setlak 2735 South 49th Avenue Omaha, NE 68106

John Hynes, Jr. 3627 Crown Point Ave Omaha, NE 68111

Jennifer Hynes 5816 William Street Omaha, NE 68106 AED Group LLC 6301 Gaston Ave. Suite 240 Dallas, TX 75214

Paul P. Heng 5816 William Street Omaha, NE 68106

Justin Hynes 5816 William Street Omaha, NE 68106

Antelope Energy Company, LLC P.O. Box 577 Kimball, NE 69145