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 VACATING A 640-ACRE DRILLING)	Cause No.
UNIT AND ESTABLISHING A 960-ACRE)	
DRILLING UNIT WITH UP TO SIXTEEN)	Docket No.
HORIZONTAL WELLS IN THE UNIT,)	
LOCATED IN SECTIONS 4 AND 9,)	
TOWNSHIP 10 NORTH, RANGE 57 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 1) vacating Order 535-355 and 2) establishing a 960-acre drilling unit with up to sixteen horizontal wells authorized in the unit, in the following-described lands:

Township 10North, Range 57 West, 6th P.M.

Section 4: S½
Section 9: 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. On June 17, 2013, the Commission issued Order No. 535-355 which, among other things established an approximate 640-acre drilling and spacing unit consisting of Section 9, Township 10 North, Range 57 West, 6th P.M., and approve up to thirteen horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 4. Commission Rule 318.a. for unspaced lands provides that a well to be drilled in excess of two thousand five hundred (2,500) feet in depth shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing. Section 9, Township 10 North, Range 57 West is subject to Rule 318.a. for the Niobrara Formation.
 - 5. Applicant requests that Order No. and 535-355 be vacated in its entirety.

- 6. Applicant requests that the Commission establish a 960-acre drilling unit upon the Application Lands, and establish that up to sixteen horizontal wells may be drilled in the unit, with internal wellbores offset by 300 feet and unit boundary setbacks of 300 feet.
- 7. Applicant asserts that the requested drilling unit and number of 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. 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 1) vacate Order No. 535-355 and 2) establish a 960-acre drilling unit with up to sixteen horizontal wells in the unit upon the Application Lands. 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).
- 9. According to Rule 507.b.(1), the names and addresses of the interested parties to this Application are set forth in Exhibit B, and the undersigned certifies that copies of this Application shall be served on each interested party as required by Rule 503.e.
 - 10. 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. Vacating Order No. 535-355 in its entirety.
- B. Establishing a 960-acre drilling unit with up to sixteen horizontal wells in the unit upon the Application Lands with internal wellbores offset by 300 feet and unit boundary setbacks of 300 feet.
- C. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: July 18, 2013

Kenneth A. Wonstolen

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)	55.				
that he is Land Manager for Carrizo Oil &	g first duly sworn upon oath, deposes and says Gas, Inc. and that he has read the foregoing ontained are true to the best of his knowledge, Craig E. Wiest				
Witness my hand and official seal.					
My commission expires: 3(5(wt6					
ROSS DANIEL WARDLAW Notary Public, State of Texas My Commission Expires March 05, 2016	Notary Public				

Exhibit A

Weld County, Colorado T10N-R57W Sec 9:All & 4:S2

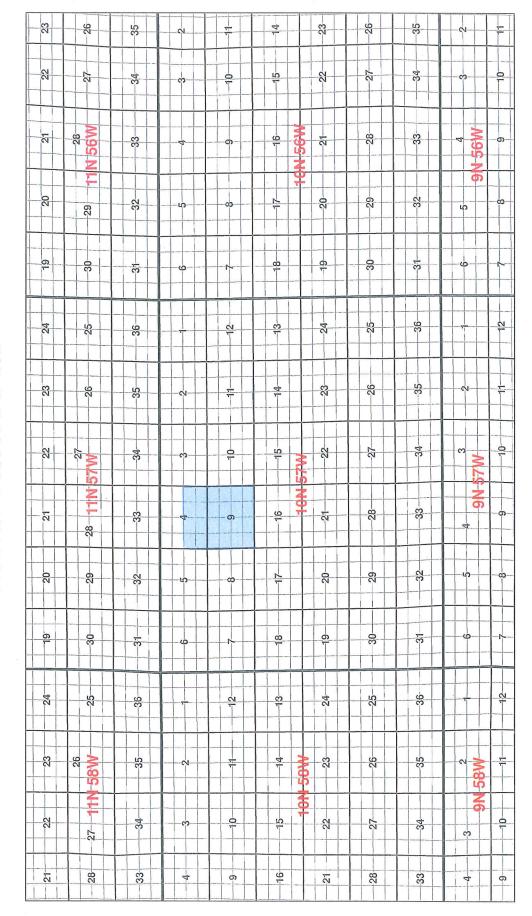


Exhibit B

Interested Parties

Whiting Oil and Gas Corporation 1700 Broadway Suite 2300 Denver, CO 80293-2300

Oil India (USA), Inc. c/o Thompson Knight, LLP Attn: Arthur J. Wright 333 Clay St, Suite 3300 Houston, TX 77002

United States of America BLM Colorado State Office 2850 Youngfield St Lakewood, CO 80215

Marubeni Denver Julesburg LLC 2800 Post Oak Blvd., Ste. 6000 Houston, TX 77056

David Bauer Weld County 1111 H Street Greeley, CO 80632

Tom Schreiner, Energy Liaison Colorado Parks and Wildlife Northeast Region Office 6060 Broadway Denver, CO 80216 Haimo Oil & Gas, LLC Attn: Mr. Jianwen Dou 593, Zhangsutan Lanzhou Gansu Province, 730010, PRC

IOCL (USA), Inc. c/o Thompson Knight, LLP Attn: Arthur J. Wright 333 Clay St, Suite 3300 Houston, TX 77002

Marathon Oil Company 5555 San Felipe Houston, TX 77056

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

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IN THE MATTER OF THE APPLICATION OF)
CARRIZO OIL AND GAS, INC., FOR AN	
ORDER VACATING A 640-ACRE DRILLING) Cause No.
UNIT AND ESTABLISHING A 960-ACRE)
DRILLING UNIT WITH UP TO SIXTEEN) Docket No.
HORIZONTAL WELLS IN THE UNIT,)
LOCATED IN SECTIONS 4 AND 9,)
TOWNSHIP 10 NORTH, RANGE 57 WEST IN	
WELD COUNTY, COLORADO	

<u>AFFIDAVIT OF MAILING</u>

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

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

That he is an attorney for Carrizo Oil and Gas, Inc., that on or before June 25, 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 B to the Application.

Kenneth A. Wonstolen

Subscribed and sworn to before me July 24th, 2013.

Witness my hand and official seal.

My commission Hiexpires: April 14, 2016.

PUBLIC OF COLORAGIA

Notary

Notary Public

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

IN THE MATTER OF THE APPLICATION OF)	CAUSE NO. 535
CARRIZO OIL AND GAS, INC., FOR AN ORDER)	
VACATING 640-ACRE DRILLING UNIT AND)	DOCKET NO. 1309-SP-1163
ESTABLISHING A 960-ACRE DRILLING UNIT)	
WITH UP TO SIXTEEN HORIZONTAL WELLS IN)	
THE UNIT, LOCATED IN SECTIONS 4 AND 9,)	
TOWNSHIP 10 NORTH, RANGE 57 WEST IN)	
WELD COUNTY COLORADO		

ENTRY OF APPEARANCE

The undersigned, a member of the firm of Beatty & Wozniak, P.C., attorneys for Carrizo Oil and Gas, Inc., applicant in the above-referenced application, enters her appearance therein.

Dated this 9th day of August, 2013.

BEATTY & WOZNIAK, P.C.

BA:-

Elizabeth Y. Gallaway 216 Sixteenth Street, Suite 1100 Denver, Colorado 80202-5155 303-407-4499