

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 TWO DRILLING UNITS) | Cause No. |
| AND ESTABLISHING A 960-ACRE DRILLING) | |
| UNIT WITH UP TO SIXTEEN HORIZONTAL) | Docket No. |
| WELLS IN THE UNIT, LOCATED IN SECTION) | |
| 5, TOWNSHIP 10 NORTH, RANGE 57 WEST) | |
| AND SECTION 32, TOWNSHIP 11 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 No. 535-284 and a portion of Order No. 535-102; and 2) establishing a 960-acre drilling unit with up to sixteen horizontal wells authorized in the unit, in the following-described lands:

Township 10 North, Range 57 West, 6th P.M.
Section 5: All

Township 11 North, Range 57 West, 6th P.M.
Section 32: S½

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 Exhibit A.
3. On December 12, 2011, the Commission issued Order No. 535-102 which, among other things established three approximate 640-acre drilling and spacing units for certain sections, including Section 32, Township 11 North, Range 57 West, 6th P.M. and approved up to two horizontal wells within each unit, for development of and production from the Niobrara Formation.
4. On July 9, 2012, the Commission issued Order No. 535-179 which, among other things established six approximate 960-acre drilling and spacing units consisting of certain lands including Sections 5, Township 10 North, Range 57 West 6th P.M. and authorized up to four horizontal wells within the units, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

5. On March 25, 2013, the Commission issued Order No. 535 – 280 which, among other things approved up to six horizontal wells within certain lands, including a 960-acre unit that included Section 5, Township 10 North, Range 57 West 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

6. On March 25, 2013, the Commission issued Order No. 535 – 284 which, among other things, vacated one approximate 960-acre drilling and spacing unit that included Sections 5, Township 10 North, Range 57 West, 6th P.M. and established an approximate 640-acre drilling and spacing unit for Section 5, Township 10 North, Range 57 West, 6th P.M., and approved one horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

7. On March 25, 2013, the Commission issued Order No. 535 – 289 which, among other things pooled all interest in certain lands, including Section 5, Township 10 North, Range 57 West 6th P.M., for the development and operation of the Niobrara Formation.

8. On June 17, 2013, the Commission issued Order No 535-338 which, among other things approved up to thirteen horizontal wells within an approximate 640-acre drilling and spacing unit consisting of Section 5, Township 10 North, Range 57 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

9. Applicant requests that the Order No. 535-284 be vacated in its entirety.

10. Applicant requests that Order No. 535-102 be vacated as to Section 32, Township 11 North, Range 57 West, 6th P.M.

11. 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.

12. 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.

13. 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. 535-284 and a portion of Order No. 535-102 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).


14. 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.

15. 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. 535-284.
- B. Vacating Order No. 535-102 as to Section 32, Township 11 North, Range 57 West,
6th P.M.
- C. 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.
- D. For such other findings and orders as the Commission may deem proper or advisable
in the matter.

Dated: July 18, 2013

By: 
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

)

Craig E. Wiest, of lawful age, being first duly sworn upon oath, deposes and says that he is 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.

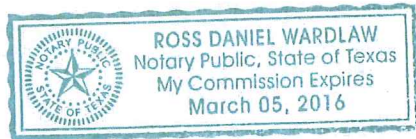

Craig E. Wiest

Craig E. Wiest

Subscribed and sworn to before me this 17th day of July, 2013.

Witness my hand and official seal.

My commission expires: 3/5/2016




Notary Public

Notary Public

Exhibit A

Weld County, Colorado
T10N-R57W Sec 5:All
T11N-R57W Sec 32:S2

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| 4 | 3 | 2 | 1 | 6 | 5 | 4 | 3 | 2 | 1 | 6 | 5 | 4 | 3 | 2 |
| 9 | 10 | 11 | 12 | 7 | 8 | 9 | 10 | 11 | 12 | 7 | 8 | 9 | 10 | 11 |
| 16 | 15 | 14 | 13 | 18 | 17 | 16 | 15 | 14 | 13 | 18 | 17 | 16 | 15 | 14 |
| 21 | 22 | 11N 58W 23 | 24 | 19 | 20 | 21 | 11N 57W 22 | 23 | 24 | 19 | 20 | 11N 56W 21 | 22 | 23 |
| 28 | 27 | 26 | 25 | 30 | 29 | 28 | 27 | 26 | 25 | 30 | 29 | 28 | 27 | 26 |
| 33 | 34 | 35 | 36 | 31 | 32 | 33 | 34 | 35 | 36 | 31 | 32 | 33 | 34 | 35 |
| 4 | 3 | 2 | 1 | 6 | 5 | 4 | 3 | 2 | 1 | 6 | 5 | 4 | 3 | 2 |
| 9 | 10 | 11 | 12 | 7 | 8 | 9 | 10 | 11 | 12 | 7 | 8 | 9 | 10 | 11 |
| 16 | 15 | 14 | 13 | 18 | 17 | 16 | 15 | 14 | 13 | 18 | 17 | 16 | 15 | 14 |
| 21 | 22 | 10N 58W 14 | 24 | 19 | 20 | 21 | 16 | 10N 57W 15 | 24 | 19 | 20 | 10N 56W 16 | 22 | 23 |
| 28 | 27 | 26 | 25 | 30 | 29 | 28 | 27 | 26 | 25 | 30 | 29 | 28 | 27 | 26 |
| 33 | 34 | 35 | 36 | 31 | 32 | 33 | 34 | 35 | 36 | 31 | 32 | 33 | 34 | 35 |

Exhibit B

Interested Parties

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

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

Haimo Oil & Gas, LLC
Attn: Mr. Jianwen Dou
593, Zhangsutun Lanzhou
Gansu Province, 730010, PRC

Marathon Oil Company
5555 San Felipe
Houston, TX 77056

Whiting Oil and Gas Corporation
1700 Broadway Ste. 2300
Denver, CO 80290

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

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

Tom Schreiner, Energy Liaison
Colorado Parks and Wildlife
Northeast Region Office
6060 Broadway
Denver, CO 80216

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

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OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF)
CARRIZO OIL AND GAS, INC., FOR AN)
ORDER VACATING TWO DRILLING UNITS)
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UNIT WITH UP TO SIXTEEN HORIZONTAL)
WELLS IN THE UNIT, LOCATED IN SECTION)
5, TOWNSHIP 10 NORTH, RANGE 57 WEST)
AND SECTION 32, TOWNSHIP 11 NORTH,)
RANGE 57 WEST, IN WELD COUNTY,)
COLORADO)

Cause No.

Docket No.

AFFIDAVIT OF MAILING

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 July 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 18, 2013.

Witness my hand and official seal.

My commission expires: 3/31/15.

Notary Public

MARY GRACE T. GO-HOVEL
Notary Public
State of Colorado

**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 TWO DRILLING UNITS AND |) | DOCKET NO. 1309-SP-1176 |
| ESTABLISHING A 960-ACRE DRILLING UNIT |) | |
| WITH UP TO SIXTEEN HORIZONTAL WELLS IN |) | |
| THE UNIT, LOCATED IN SECTION 5, TOWNSHIP |) | |
| 10 NORTH, RANGE 57 WEST AND SECTION 32, |) | |
| TOWNSHIP 11 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.

By: _____

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

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
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| THE UNIT, LOCATED IN SECTION 5, TOWNSHIP |) | |
| 10 NORTH, RANGE 57 WEST AND SECTION 32, |) | |
| TOWNSHIP 11 NORTH, RANGE 57 WEST, IN |) | |
| WELD COUNTY, COLORADO |) | |

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Dated this 9th day of August, 2013.

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